



TRACY CITY COUNCIL

REGULAR MEETING AGENDA

Tuesday, September 16, 2025, 7:00 P.M.

Tracy City Hall, Council Chambers, 333 Civic Center Plaza, Tracy CA, 95376

Web Site: www.cityoftracy.org

THIS MEETING WILL BE OPEN TO THE PUBLIC FOR IN-PERSON AND REMOTE PARTICIPATION PURSUANT TO GOVERNMENT CODE SECTION 54953(e).

MEMBERS OF THE PUBLIC MAY PARTICIPATE REMOTELY IN THE MEETING VIA THE FOLLOWING METHOD:

As always, the public may view the City Council meetings live on the City of Tracy's website at CityofTracy.org or on Comcast Channel 26/AT&T U-verse Channel 99. To view from the City's website, open the "Government" menu at the top of the City's homepage and select "[City Council Meeting Videos](#)" under the "City Council" section.

If you only wish to watch the meeting and do not wish to address the Council, the City requests that you stream the meeting through the City's website or watch on Channel 26.

Remote Public Comment:

During the upcoming City Council meeting, public comment will be accepted via the options listed below. If you would like to comment remotely, please follow the protocols below:

- *Comments via:*
 - **Online by visiting** <https://cityoftracyevents.webex.com> and using the following **Event Number 2555 001 6106** and **Event Password: TracyCC**
 - ***If you would like to participate in the public comment anonymously***, you may submit your comment in WebEx by typing "Anonymous" when prompted to provide a First and Last Name and inserting Anonymous@example.com when prompted to provide an email address.
 - Join by phone by dialing +1-408-418-9388, enter 25550016106#8722922# Press *3 to raise the Hand icon to speak on an item.
- *Protocols for commenting via WebEx:*
 - *If you wish to comment on the "Consent Calendar," "Items from the Audience/Public Comment," or "Regular Agenda" portions of the agenda:*
 - 1) *Listen for the Mayor to open that portion of the agenda for discussion, then raise your hand to speak by clicking on the Hand icon on the Participants panel to the right of your screen.*
 - 2) *If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.*
 - *Comments for the "Consent Calendar," "Items from the Agenda/Public Comment," or "Regular Agenda" portions of the agenda will be accepted until the public comment for that item is closed.*
 - *Comments received on Webex outside of the comment periods outlined above will not be included in the record.*

Date Posted: September 11, 2025

Americans With Disabilities Act - The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in Council meetings. Persons requiring assistance or auxiliary aids should call City Hall (209-831-6105) 24 hours prior to the meeting.

Addressing the Council on Items on the Agenda - The Brown Act provides that every regular Council meeting shall provide an opportunity for the public to address the Council on any item within its jurisdiction before or during the Council's consideration of the item, provided no action shall be taken on any item not on the agenda. To facilitate the orderly process of public comment and to assist the Council to conduct its business as efficiently as possible, members of the public wishing to address the Council are requested to, but not required to, hand a speaker card, which includes the speaker's name or other identifying designation and address to the City Clerk prior to the agenda item being called. Generally, once the City Council begins its consideration of an item, no more speaker cards will be accepted. An individual's failure to present a speaker card or state their name shall not preclude the individual from addressing the Council. Each citizen will be allowed a maximum of five minutes for input or testimony. In the event there are 15 or more individuals wishing to speak regarding any agenda item including the "Items from the Audience/Public Comment" portion of the agenda and regular items, the maximum amount of time allowed per speaker will be three minutes. When speaking under a specific agenda item, each speaker should avoid repetition of the remarks of the prior speakers. To promote time efficiency and an orderly meeting, the Presiding Officer may request that a spokesperson be designated to represent similar views. A designated spokesperson shall have 10 minutes to speak. At the Presiding Officer's discretion, additional time may be granted. The City Clerk shall be the timekeeper.

Consent Calendar - All items listed on the Consent Calendar are considered routine and/or consistent with previous City Council direction. One motion, a second, and a roll call vote may enact the items listed on the Consent Calendar. No separate discussion of Consent Calendar items shall take place unless a member of the City Council, City staff or the public request discussion on a specific item.

Addressing the Council on Items not on the Agenda – The Brown Act prohibits discussion or action on items not on the posted agenda. The City Council's Meeting Protocols and Rules of Procedure provide that in the interest of allowing Council to have adequate time to address the agenda items of business, "Items from the Audience/Public Comment" following the Consent Calendar will be limited to 15-minutes maximum period. "Items from the Audience/Public Comment" listed near the end of the agenda will not have a maximum time limit. A five-minute maximum time limit per speaker will apply to all individuals speaking during "Items from the Audience/Public Comment". For non-agendized items, Council Members may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to Council. When members of the public address the Council, they should be as specific as possible about their concerns. If several members of the public comment on the same issue an effort should be made to avoid repetition of views already expressed.

Notice - A 90 day limit is set by law for filing challenges in the Superior Court to certain City administrative decisions and orders when those decisions or orders require: (1) a hearing by law, (2) the receipt of evidence, and (3) the exercise of discretion. The 90 day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge a City Council action in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised during the public hearing, or raised in written correspondence delivered to the City Council prior to or at the public hearing.

Full copies of the agenda are available on the City's website: www.cityoftracy.org

Date Posted: September 11, 2025

CALL TO ORDER

ACTIONS, BY MOTION, OF CITY COUNCIL PURSUANT TO AB 2449, IF ANY

ROLL CALL AND DECLARATION OF CONFLICTS

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENTATIONS

1. Employee of the Month
2. Proclamation: National Hispanic Heritage Month
3. Certificates of Appointment for Environmental Sustainability Commission Members (Adult)

ORDER OF BUSINESS

1. CONSENT CALENDAR

- 1.A. Adoption of September 2, 2025 Special Meeting and Regular Meeting Minutes.

[1.A - Special Meeting Minutes - 09-02-2025.pdf](#)

[1.A - Regular Meeting Minutes - 09-02-2025.pdf](#)

- 1.B. Staff recommends that the City Council adopt a resolution: 1) approving the award of the Mayor's Community Youth Support Network Reconnecting Our Youth grants for fiscal year 2025-2026 in the total amount of \$175,000 to seven non-profit organizations; and 2) authorizing the execution of the funding agreements for each grant.

[1.B - Staff Report - MCYSN.pdf](#)

[1.B - Resolution - MCYSN.pdf](#)

- 1.C. Staff recommends that the City Council adopt resolutions 1) approving the declaration of various vehicles and equipment as surplus and approving their disposition pursuant to Tracy Municipal Code Section 2.20.310 and 2) approving the purchase of multiple replacement vehicles and equipment, in the amount of \$1,462,594, including the execution of two (2) separate Purchase Agreements utilizing the Sourcewell Cooperative Program, as follows:

1. Rush Truck Centers, to provide two (2) Ford F-250, one (1) Ford F-350 and related accessories and supplies, for a not to exceed amount of \$215,411

2. Pape Machinery, to provide one (1) John Deere 334P-Tier Skid Steer and related accessories and supplies, for a not to exceed amount of \$97,753

3. Fremont Ford, to provide ten (10) Ford Explorer Hybrid vehicles, including upfitting, for a not to exceed amount of \$1,149,430.

[1.C - Staff Report - Vehicle Replacement Purchases.pdf](#)
[1.C - Resolution 1 - Vehicle Replacement Purchases.pdf](#)
[1.C - Resolution 2 - Vehicle Replacement Purchases.pdf](#)
[1.C - Resolution 3 - Vehicle Replacement Purchases.pdf](#)
[1.C - Resolution 4 - Vehicle Replacement Purchases.pdf](#)

- 1.D. Staff recommends that the City Council adopt a resolution, 1) approving the execution of Amendment No. 3 to the Cooperative Agreement for Construction with the California Department of Transportation for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Project, Capital Improvement Project 73147, and, 2) granting authority to the City Manager to Execute Future Amendments to the Cooperative Agreement.

[1.D - Staff Report - Amendment 3 CalTrans Coop Agreement for CIP 73147.pdf](#)
[1.D - Resolution - Amendment 3 CalTrans Coop Agreement for CIP 73147.pdf](#)

- 1.E. Staff recommends that the City Council adopt a resolution to approve Amendment No.1 to Professional Service Agreement with Dewberry Engineers, Inc. of Manteca, California, to provide additional construction management services for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvements, Capital Improvement Project 73147, by increasing the compensation by \$81,634 for a total revised contract not-to-exceed amount of \$4,380,592.

[1.E - Staff Report - Amendment 1 to PSA with Dewberry for CIP 73147.pdf](#)
[1.E - Resolution - Amendment 1 to PSA with Dewberry for CIP 73147.pdf](#)

- 1.F. By resolution, the Mayor appoint, and the City Council approve, two youth Commissioners to the Environmental Sustainability Commission (ESC), for the remainder of a one-year term beginning on September 16, 2025, and ending on July 31, 2026, as recommended by the interview and selection panel, pursuant to the ESC Bylaws.

[1.F - Staff Report - Appoint ESC Commissioners.pdf](#)
[1.F - Resolution - Appoint ESC Commissioners.pdf](#)

- 1.G. Staff recommends that the City Council adopt a resolution authorizing and approving (1) an amendment to the Member Agency Admission Agreement, executed on November 19, 2019, with Mark 43, Inc. and City of West Covina to extend the agreement expiration date to April 17, 2027; (2) approving the increase of the original not to exceed amount from \$1,047,536 to \$1,557,531; and (3) authorizing the amendment retroactively to November 18, 2024.

[1.G - Staff Report - Mark 43 Amendment.pdf](#)
[1.G - Resolution - Mark 43 Amendment.pdf](#)

- 1.H. Staff recommends that the City Council adopt a resolution:

(1) awarding a construction contract for \$1,795,342 to United Pavement Maintenance, Inc. of Hughson, California, for the Annual Pavement Rehabilitation Project – Fiscal Year 2023/2024, Tracy Boulevard Pavement Rehabilitation, Capital Improvement Project 73193,

(2) accepting and appropriating the Surface Transportation Block Group / Regional Surface Transportation Program funds in the amount of \$1,883,894 to the Project,

(3) authorizing the City Manager to approve change orders up to the contingency amount of \$179,534, if needed, pursuant to Tracy Municipal Code section 2.20.090(b), and authorizing an overall not-to-exceed project budget of \$2,244,178,

(4) granting authority to the City Manager to execute permits, agreements, or documents necessary to facilitate the construction of the Project, and

5) acknowledging the remaining funds to be used for the next phases of the Pavement Management Program.

[1.H - Staff Report - Approve Construction Contract CIP 73193.pdf](#)

[1.H - Resolution - Approve Construction Contract CIP 73193.pdf](#)

1.I. Staff recommends that the City Council adopt a resolution:

1) approving a revised construction contingency amount not to exceed \$6,388,106 for the construction contract awarded to O.C. Jones & Sons, Inc. of Berkeley, California, pursuant to Resolution No. 2024-085, and

2) authorizing the City Manager to approve change orders up to the revised contingency amount, if needed.

[1.I - Staff Report - Approving Revised Contingency Amount for CIP 73147.pdf](#)

[1.I - Resolution - Approving Revised Contingency Amount for CIP 73147.pdf](#)

1.J. Staff recommends that the City Council adopt a resolution:

(1) Approving the execution of a General Services Agreement with United Rentals (North America), Inc. for heavy-duty equipment rental services, with a term ending on June 30, 2028, and a not-to-exceed amount of \$500,000 per fiscal year; and (2) Authorizing the City Manager to administratively extend the agreement for up to an additional three (3) years, in any combination in length, based on satisfactory performance and the City's Council approved annual budget.

[1.J - Staff Report - GSA United Rentals.pdf](#)

[1.J - Resolution - GSA United Rentals.pdf](#)

1.K. Staff recommends that the City Council (1) rescind City Council Resolution 2025-183 accepting and appropriating the \$267,000 State of California Office, California Highway Patrol, Cannabis grant award; (2) adopt a revised and amended resolution authorizing the acceptance of the State of California Office, California Highway Patrol, Cannabis grant award in the amount of \$269,609.11 to conduct extra patrols and traffic enforcement, and to purchase one prisoner transportation van, two electronic message boards, and two scene light kits; and (3) Appropriating the full grant funds to the Police Department Operational Budget for fiscal year 2025/2026.

[1.K - Staff Report - Revised Cannabis Grant.pdf](#)

[1.K - Resolution - Revised Cannabis Grant.pdf](#)

- 1.L. Staff recommends that the City Council adopt a resolution: (1) determining that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180(b)(4) and dispensing such requirement for the actions herein, and; (2) approving a General Services Agreement with SWARCO McCain, Inc., a California Corporation for the Upgrade and Maintenance of Traffic Management Center software, Capital Improvement Project 72118, for an initial term of three years and a total not-to-exceed amount of \$214,187, and; (3) authorizing an administrative extension of an additional term of two (2) years, contingent upon satisfactory performance and budget availability.

[1.L - Staff Report - Approve GSA with McCain CIP 72118.pdf](#)

[1.L - Resolution - Approve GSA with McCain CIP 72118.pdf](#)

- 1.M. Staff recommends that the City Council adopt a Resolution: 1) approving the Compensation and Benefits plan for the Limited-Service Employees (LSE), and 2) authorizing an amendment to the City's Master Salary Schedule to reflect the terms of the Compensation and Benefits Plan.

[1.M - Staff Report - LSE Compensation and Benefit Plan MOU.pdf](#)

[1.M - Resolution - LSE Compensation and Benefit Plan MOU.pdf](#)

- 1.N. Staff recommends that the City Council, by resolution, (1) accept public improvements for Ellis Phase 3 Town and Country, Tract 4007, constructed by LS - Tracy, LLC, a Delaware Limited Liability Company, and assume responsibility for the future maintenance and repair, subject to the completion of outstanding deficiency list work, (2) authorize the office of the City Engineer to release the Developer furnished bonds in accordance with the Subdivision Improvement Agreement, and (3) authorize the City Clerk to file Notice of Completion with the San Joaquin County Recorder's Office.

[1.N - Staff Report - Acceptance Ellis T C Tract 4007.pdf](#)

[1.N - Resolution - Acceptance Ellis T C Tract 4007.pdf](#)

- 1.O. Staff recommends that the City Council adopt a Resolution approving a Purchase Agreement for goods, commodities and ancillary services with Terrapin Technology Group, Inc., utilizing OMNIA Partners cooperative purchase agreement for Purchase and installation of Verkada Cameras, Access Control and related Equipment, incorporating by reference contract Region 4 Educational Service Center contract R250206 with a not to exceed amount of \$1,500,000 per calendar year and the term ending on April 1, 2032.

[1.O - Staff Report - Terrapin.pdf](#)

[1.O - Resolution - Terrapin.pdf](#)

- 1.P. Staff recommends that the City Council adopt a Resolution approving a Purchase Agreement for goods, commodities and ancillary services with Point One Electrical Systems, Inc., utilizing OMNIA Partners cooperative purchase agreement for Purchase and installation of Verkada Cameras, Access Control and related Equipment, incorporating by reference contract Region 4 Educational Service Center contract R250206 with a not to exceed amount of \$1,500,000 per calendar year and the term ending on April 1, 2032.

[1.P - Staff Report - PointOne.pdf](#)

[1.P - Resolution - PointOne.pdf](#)

- 1.Q. Staff recommends that City Council adopt a Resolution (1) approving a Master Professional Services Agreement with Harris & Associates for program management services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$800,000, and (2) approving a Master Professional Services Agreement with Harris & Associates for reimbursement and audit services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$200,000, and (3) authorizing two administrative options to extend for one-year term each.

[1.Q - Staff Report - Approve MPSAs with Harris Associates.pdf](#)

[1.Q - Resolution - Approve MPSAs with Harris Associates.pdf](#)

- 1.R. Staff recommends that the City Council adopt a resolution:

(1) Waiving the review of the Tracy Homelessness Advisory Committee per Sections 4.3.1 and 4.3.2 in the Council Meeting Protocols and Rules of Procedure adopted by revised Resolution number 2023-102 for the purchase of a pre-manufactured administrative modular building for administrative and case management functions at the Temporary Emergency Housing Facility (TEHF), from Mobile Modular Management Corporation, a division of McGrath RentCorp;

(2) Determining that compliance with the standard procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180(b)(4) for this purchase; and

(3) Approving a Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp, of Livermore, California, a California Corporation, for the pre-manufactured administrative modular building to be installed as part of Phase II-Site Improvements at the Temporary Emergency Housing Facility on Arbor Avenue, CIP 71112, at 370 W. Arbor Avenue, for a not-to-exceed amount of \$131,120.

[1.R - Staff Report - PA Mobile Modular for Admin Modular.pdf](#)

[1.R - Resolution - PA Mobile Modular for Admin Modular.pdf](#)

2. ITEMS FROM THE AUDIENCE

3. REGULAR AGENDA

- 3.A. As required by the California Health and Safety Code section 116470(b) on drinking water, The City Council:

1. Conduct a public hearing; and upon conclusion of the report,
2. Adopt a resolution accepting the City of Tracy's 2025 Public Health Goals Triennial Report on drinking water.

[3.A - Staff Report - Public Health Goals Report.pdf](#)

[3.A - Resolution - Public Health Goals Report.pdf](#)

[3.A - Presentation - Public Health Goals Report.pdf](#)

- 3.B. Conduct a public hearing to receive public comment on the proposed extension of Vehicle Code enforcement authority within the private roadways of the Redbridge subdivision and accept the formal resolution from the Redbridge Owners' Association requesting such enforcement.

[3.B - Staff Report - Redbridge Traffic Enforcement.pdf](#)

- 3.C. Staff recommends that the City Council select, by consensus, the preferred Schematic Design option for the Aquatic Center, completed by Group 4 Architecture, Research + Planning, Inc., Capital Improvement Project 7805 and provide staff direction on next steps.

[3.C - Staff Report - Aquatic Center Schematic Design.pdf](#)

[3.C - Presentation - Aquatic Center Schematic Design.pdf](#)

- 3.D. Staff recommends that the City Council act as follows:

(1) By motion, designate a voting delegate and up to two alternate voting delegates for the League of California Cities (Cal Cities) 2025 Annual Conference and Expo General Assembly meeting; and

(2) Adopt the attached Resolution designating the voting delegate and up to two alternate voting delegates selected in the prior action for the Cal Cities 2025 Annual Conference and Expo General Assembly meeting.

[3.D - Staff Report - 2025 Cal Cities Appointing a Voting Delegate.pdf](#)

[3.D - Resolution - 2025 Cal Cities Appointing a Voting Delegate.pdf](#)

4. ITEMS FROM THE AUDIENCE

5. STAFF ITEMS

6. COUNCIL ITEMS

7. ADJOURNMENT

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

September 2, 2025, 5:30 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA

1. Mayor Arriola called the Meeting to order at 5:35 p.m.
2. There were no actions taken pursuant to AB 2449.
3. Roll Call and Declaration of Conflicts – Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola were present. City Council had no declarations of conflict.
4. Items from the Audience – There were no Items from the Audience.
5. By motion, (1) Establish interview protocols to fill two vacancies on the City of Tracy Environmental Sustainability Commission; (2) Conduct interviews of five (5) applicants for two vacancies; and (3) Upon conclusion of the interviews, appoint applicants to fill two (2) vacancies and establish an eligibility list, if appropriate.

Necy Lopez, Deputy City Clerk provided the staff report.

The City Council selected questions.

ACTION: Motion was made by Mayor Arriola and seconded by Mayor Pro Tem Abercrombie to select questions 1, 2, 5 and 9 of the suggested questions. Mayor Arriola called for those in favor of the motion and Council Members Bedolla, Evans, Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola voted verbally in favor of the motion. Mayor Arriola called for those in opposition to the motion and there was no opposition expressed. Motion passed by unanimous consensus; passed and so ordered.

The City Council conducted interviews and discussed appointment of applicants to the commission.

ACTION: Motion was made by Mayor Arriola and seconded by Mayor Pro Tem Abercrombie (1) to appoint Rubi Martinez to fulfill the remainder of a vacated 2-year term plus a full term that will begin upon appointment and end on December 31, 2029 and (2) to appoint Orlando Davis to serve the remainder of a vacated 4-year term that will begin upon appointment and end on December 31, 2027, and (3) add the remaining three applicants: Brennan Edwards, Joseph Orcutt, and Ronnie Johal, to the eligibility list. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; passed and so ordered.

6. Council Items and Comments – There were no Council Items or Comments.
7. Adjournment: The Meeting adjourned at 6:41 p.m.

The above agenda was posted at the Tracy City Hall on August 28, 2025. The above are action minutes. A recording is available at the office of the City Clerk.

ATTEST:

Mayor

City Clerk

September 2, 2025, 7:00 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA

Web Site: www.cityoftracy.org

Mayor Arriola called the Meeting to order at 7:01 p.m.

There were no actions taken pursuant to AB 2449.

Roll Call and Declaration of Conflicts – Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola were present. City Council had no declarations of conflict.

5 North Track and Field Youth Athletes Team led the Pledge of Allegiance.

Rabbi Levi Meijers with Chabad of Tracy Jewish Center offered the invocation.

Mayor Arriola presented the Tracy Connects Day Proclamation to former Mayor Dr. Nancy Young.

Mayor Arriola presented 5 North Youth Athletes with Certificates of Recognition for qualifying for the Junior Olympics in Texas: Adeline Yang, Alexandra Inda, Arhaan Bade, Aria Demontigny, Arleigh Mallory, Ava Petty, Cameron Knott, Camille Mallory, Casidy Chavez, Cassadee Yount, Cora Yount, Dominique Armstrong, Eisley Price, Eva Grant, Giselle Jimenez, Henry Williams, Isabel Inda, Isabella Morelos, Jack Basco, JaeLynn Kirton, Jaelynn Sheard, Julian Perez, Kennedy Goree-Johnson, Kodhai Mohanram, Kwame Boateng, Levi Nelson, Londyn Ignont, Malik Straiten, Mariah Finnie, Mohan Raghavan, Niara Brown, Nickolas Albiani, Oliver Garcia, Prathyaksh Ashokkumar, Rithaman Kumar, Sabrina Rodriguez, Samone Lozano, Sarah Bolin, Savannah Barbosa, Surah Sarwari, Tisha Srivastava, Valdehi Raghavan, Zain Husain, and Zoe Moore

Mayor Arriola presented 5 North Youth Athletes with Certificates of Recognition for attending for the Junior Olympics in Texas: Alexandra Inda, Arhaan Bade, Arleigh Mallory, Cameron Knott, Camille Mallory, Casidy Chavez, Dominique Armstrong, Eisley Price, Giselle Jimenez, Henry Williams, Jack Basco, JaeLynn Kirton, Julian Perez, Kodhai Mohanram, Kwame Boateng, Mohan Raghavan, Niara Brown, Prathyaksh Ashokkumar, Rithaman Kumar, Samone Lozano, Surah Sarwari, Tisha Srivastava, Valdehi Raghavan, Zain Husain, and Zoe Moore

Mayor Arriola presented Certificates of Recognition for Military Enlistments to Christopher Wilson (Army), Ladee Rivera (Army), Daimion Guillermo (Air Force), Nathan Raymundo (Marines), and Matthew Elizondo (Marines).

Mayor Arriola presented a Certificate of Recognition to Command Sergeant Major Lorenzo P. Souza, Jr. in honor of his dedicated service to his Country and the U.S. Army.

1. CONSENT CALENDAR - Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt the Consent Calendar. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; passed and so ordered.

- 1.A. Adoption of Minutes of the August 19, 2025, Special and Regular Meetings - **Minutes were adopted.**

- 1.B. Authorize the retroactive submission of an application for the Land and Water Conservation Fund (LWCF) grant for the city of Tracy's Nature Park Phase 1 Project and authorize the city manager, or designee, to accept the grant, if awarded. – **Resolution 2025-209**
- 1.C. Staff recommends that the City Council adopt a Resolution:
1. Determining that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180 (b) (4) and dispensing such requirement for the actions herein, and;
 2. Approving a General Services Agreement with Yosso Group, Inc. (dba SPEC Play), for the replacement of playground netting/equipment at Lincoln Park for a total not-to-exceed amount of \$74,045.70. – **Resolution 2025-210**
- 1.D. Staff recommends that the City Council adopt a Resolution approving a General Services Agreement with Central Control Systems, Ltd., for on -call irrigation controller troubleshooting, repair, and replacement services as well as master valve troubleshooting and the provision and sale of master valves to the City for a not -to-exceed amount of \$350,000 per fiscal year and authorizing the City Manager to grant up to four, one-year extensions. – **Resolution 2025-211**
- 1.E. Staff recommends that the City Council adopt a resolution (1) accepting the construction improvements for Tracy Boulevard Sidewalk Gap Closure Improvements Project, Capital Improvement Project 73175, constructed by Franco Engineering, Inc., as complete, and (2) authorizing the City Clerk to file the Notice of Completion with the San Joaquin County Recorder's Office, and (3) authorizing the City Engineer to release the Improvement Security and Retention payment in accordance with the Project Contract and Tracy Municipal Code Section 12.36.080, and (4) authorizing the Finance Department to close the Project. – **Resolution 2025-212**
- 1.F. Staff recommends that the City Council, by resolution, (1) accept public improvements for Tract 3957, Tracy Hills Village 8A as complete, and assume responsibility for the future maintenance and repairs, (2) accept public improvements for Tract 3958, Tracy Hills Village 8B as complete, and assume responsibility for the future maintenance and repairs, (3) authorize the City Engineer to release the Developer furnished bonds in accordance with the Subdivision Improvement Agreements, and (4) authorize the City Clerk to file Notices of Completions with the San Joaquin County Recorder's Office. – **Resolution 2025-213**
- 1.G. Staff recommends that the City Council adopt a Resolution (1) accepting the Federal Aviation Administration's (FAA) Airport Improvement Project Grant, in the amount of \$307,148; (2) appropriating the full grant amount to Capital Improvement Project 77603 – Upgrade Airfield Guidance Signs and Taxiway Designations; and (3) appropriating an additional \$16,165 to CIP 77603 to meet the grant's requisite 5% match requirement. – **Resolution 2025-214**

- 1.H. Staff recommends that the City Council adopt a resolution (1) awarding a construction contract to One Diversified, LLC, of Plano, Texas, in the amount of \$627,958 for the Grand Theatre Audio Visual Upgrades, Phase 1, Capital Improvement Project 71119, and (2) authorizing the City Manager to approve change orders up to the contingency amount of \$31,400; with an overall project not-to-exceed budget of \$681,258. – **Resolution 2025-215**
- 1.I. Staff recommends that the City Council adopt a resolution (1) accepting the construction improvements for the 370 and 384 W. Arbor Road Power Supply Project, included as part of Capital Improvement Project 71112, constructed by Bockmon and Woody Electric Company, Inc. as complete, and (2) authorizing the City Clerk to file the Notice of Completion with the San Joaquin County Recorder's Office, and (3) authorizing the City Engineer to release the Improvement Security and Retention payment in accordance with the Project Contract and Tracy Municipal Code Section 12.36.080. – **Resolution 2025-216**
- 1.J. Staff recommends that the City Council adopt a resolution (1) accepting public improvements for Tract 4157 Tracy Village Neighborhood 2A, Tract 4158 Tracy Village Neighborhood 2B, Tract 4159 Tracy Village Neighborhood 2C, Tract 4160 Tracy Village Neighborhood 3, and Tract 4161 Tracy Village Neighborhood 4 as complete and assuming all future operations and maintenance, (2) authorizing the City Engineer to release improvement security in accordance with the Subdivision Improvement Agreements, and (3) authorizing the City Clerk to file Notices of Completion for Tracts 4157, 4158, 4159, 4160, and 4161 with the San Joaquin County Recorder's Office. – **Resolution 2025-217**
- 1.K. Staff recommends that the City Council adopt a resolution (1) approving a Professional Services Agreement with Mark Thomas & Company, Inc., a California Corporation, for the Interstate 580 and Corral Hollow Road Interchange, Capital Improvement Project 73198, for an initial term of three years and a total not-to-exceed amount of \$418,305, and (2) authorizing the City Manager to execute an administrative extension of the agreement limited to two (2) one-year terms upon demonstrated need. – **Resolution 2025-218**
- 1.L. Staff recommends that the City Council adopt an Ordinance:
- 1) Approving the pre-zoning of that certain 20.92-acre property located at 16286 West Schulte Road bearing Assessor's Parcel Number 209-230-25 and that certain 1.0-acre property located at 16310 West Schulte Road bearing Assessor's Parcel Number 209-230-26 to Light Industrial (M-1); and
- 2) Determining that the actions authorized by this Ordinance were adequately evaluated by that certain Environmental Impact Report and Statement of Overriding Considerations certified and adopted by the City Council on September 2, 2025, in full compliance with the California Environmental Quality Act. – **Ordinance 1360**

- 1.M. Staff recommends that the City Council adopt two (2) Ordinances:

Ordinance 1: Adding Article 9.5, Small Lot Residential Zone, to Chapter 10.08 of Title 10 of the Tracy Municipal Code, Sections 10.08.1471 through 10.08.1479. – **Ordinance 1361**

Ordinance 2: Rezoning the Triway Project site from Light Industrial to Small Lot Residential for four parcels totaling Approximately 22.6 Acres in size. – **Ordinance 1362**

- 1.N. Staff recommends that the City Council adopt a Resolution approving a Purchase Agreement for Goods, Commodities and Ancillary Services with NWN Corporation, utilizing State of California Department of General Services (DGS), California Department of Technology (CDT) and the National Association of State Procurement Officials (NASPO) Cooperative Purchasing Agreements in a not to exceed amount of \$680,000 per calendar year and the term ending on September 30, 2029. – **Resolution 2025-219**

- 1.O. Staff recommends that the City Council adopt a resolution (1) appropriating up to \$343,000 from the South San Joaquin County Fire Authority into the Project budget for the Fire Training Facility at the NEI Reservoir, Capital Improvement Project 71109, and (2) authorizing the City Manager to execute a Funding Agreement with South San Joaquin County Fire Authority for supplemental funding for the project, and (3) amending the construction contingency amount from the existing not-to-exceed amount of \$172,083 to a revised not-to-exceed amount of \$515,083, and (4) authorizing the City Manager to approve change orders up to the revised contingency amount, if needed, and (5) approving a total not-to-exceed Project budget of \$4,486,170. – **Resolution 2025-220**

2. ITEMS FROM THE AUDIENCE: Anthony Mitchell, trade professional with Pacific Gas and Electric (PG&E), shared incentives that PG&E offers through Eco Green Solutions to access funds that assist cities with energy reduction, Electronic Vehicle infrastructure, lighting upgrades, and heating and air conditioner upgrades.

Alice English expressed the opinion that during the July 1, 2025 Council meeting, that regarding the warehouse item, the City Council acted against the will of the people.

Robert Tanner shared that there were fireworks on September 1, 2025 and requested that the City Council make all fireworks within the City illegal and increase fines.

3. REGULAR AGENDA

- 3.A. The City of Tracy Planning Commission recommends that the City Council conduct a public hearing, and upon its conclusion, consider the following actions:

1. Adopt a Resolution approving a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the approval of the I-205 Corridor Specific Plan Amendment and Development Review Permit for the construction of an approximately 52,000 square foot, 4-story, 107 room hotel, and an approximately 47,000 square foot, 4-story, 70 room hotel, and site improvements, located at

3055, 3095, 3125 N. Corral Hollow Road, Assessor's Parcel Numbers 212-260-07, -08, and -09 (Project) in accordance with the California Environmental Quality Act, based on the findings, pursuant to Public Resources Code sections § 21064.5 and 21080(c);

2. Introduce an Ordinance approving an amendment to the I-205 Corridor Specific Plan that (A) amends the Specific Plan boundary to include a 0.46-acre parcel located at 3055 N. Corral Hollow Road, Assessor's Parcel Number 212-260-09, (B) designates 3055 N. Corral Hollow Road, Assessor's Parcel Number 212-260-09 as General Commercial, and (C) increases the maximum floor area ratio requirement for hotels and motels from 0.6 to 1.0; and

3. Adopt a Resolution (A) approving a Development Review Permit for the construction of the project; and (B) approving a determination for a parking reduction of 20 percent pursuant to Tracy Municipal Code section 10.08.3470(e).

Kenny Lipich, Associate Planner, provided the staff report.

There were no public comments.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution 2025-221** approving a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the approval of the I-205 Corridor Specific Plan Amendment and Development Review Permit for the construction of an approximately 52,000 square foot, 4-story, 107 room hotel, and an approximately 47,000 square foot, 4-story, 70 room hotel, and site improvements, located at 3055, 3095, 3125 N. Corral Hollow Road, Assessor's Parcel Numbers 212-260-07, -08, and -09 (Project) in accordance with the California Environmental Quality Act, based on the findings, pursuant to Public Resources Code sections § 21064.5 and 21080(c). Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

Mayor Arriola requested that the Deputy Clerk read the title of the proposed ordinance aloud.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to waive the full reading of text and introduce the proposed ordinance. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution 2025-222** (A) approving a Development Review Permit for the construction of the project; and (B) approving a determination for a parking reduction of 20 percent pursuant to Tracy Municipal Code section 10.08.3470(e). Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

3.B. The City of Tracy Planning Commission recommends that the Tracy City Council conduct a public hearing, and upon its conclusion, take the following actions:

1. Introduce an Ordinance (a) approving an amendment to the Tracy Hills Specific Plan related to the Tracy Hills Phase 1C project, including the addition of Appendix F – design guidelines for Tracy Hills Phase 1C project, modifications to Section 2 residential zoning standards, and an addition to Appendix D for public art and project branding, Application Number SPA22-0001; and (b) determining that the Tracy Hills Phase 1C project is consistent with the environmental impact report (EIR) that was certified by the City Council on April 5, 2016, for the Tracy Hills Specific Plan and therefore, pursuant to California Environmental Quality Act (CEQA) Guidelines Sections 15162 and 15168, no further environmental review is necessary; and

2. Adopt a resolution (a) approving a vesting tentative subdivision map for Tracy Hills Phase 1C to create 289 single-family residential lots and various other parcels on approximately 121.5 acres located north of I-580, south of the California Aqueduct, Assessor's Parcel Numbers 251-040-08 and 251-040-19, Application Number TSM22-0001; and (b) determining that the Tracy Hills Phase 1C project is consistent with the EIR that was certified by the City Council on April 5, 2016, for the Tracy Hills Specific Plan and therefore, pursuant to CEQA Guidelines Sections 15162 and 15168, no further environmental review is necessary.

Craig Hoffman, Senior Planner, provided the staff report.

John Palmer and Mike Souza with Tracy Hills provided a presentation.

Council Members offered comments and questions.

There were no public comments.

Mayor Arriola requested that the Deputy Clerk read the title of the proposed ordinance aloud.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Bedolla to waive full reading of text and introduce proposed ordinance. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Bedolla to adopt **Resolution 2025-223** (a) approving a vesting tentative subdivision map for Tracy Hills Phase 1C to create 289 single-family residential lots and various other parcels on approximately 121.5 acres located north of I-580, south of the California Aqueduct, Assessor's Parcel Numbers 251-040-08 and 251-040-19, Application Number TSM22-0001; and (b) determining that the Tracy Hills Phase 1C project is consistent with the EIR that was certified by the City Council on April 5, 2016, for the Tracy Hills Specific Plan and therefore, pursuant to CEQA Guidelines Sections 15162 and 15168, no further environmental review is necessary. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

- 3.C. Staff recommends that the City Council receive the annual report by the Measure V Residents' Oversight Committee presenting its findings regarding the use of Measure V funds.

Felicia Galindo, Budget Officer, and Gerald Jeffs, Measure V Committee Member, provided the staff report.

Council Members offered comments and questions.

Mary Mitracos asked about the interest that Measure V generates; expressed frustration about how that interest has been allocated; and requested that the City Council direct the interest funds back to Measure V.

Alice English shared some historical information about Measure V came into existence and requested that the City Council be mindful and be good stewards of these funds.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard to receive the annual report as presented by the Measure V Residents' Oversight Committee presenting its findings regarding the use of Measure V funds. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

- 3.D. Staff recommends that City Council receive a presentation on the Tracy General Plan and provide direction to proceed with a comprehensive update of the General Plan.

Forrest Ebbs, Director of Community and Economic Development provided the staff report.

Council Members offered comments and questions.

Mary Mitracos expressed agreement with the presentation; noted that the sphere of influence needs to be revisited; stressed the importance of having community input in these revisions; and requested that Council include a section for the downtown area as well.

Alice English echoed the sentiments of the prior speaker.

Council Member Evans requested more information about the sphere of influence and the inclusion of elements for downtown. The City Council unanimously expressed support.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Bedolla directing staff to initiate a comprehensive update to the Tracy General Plan and include the direction provided by the City Council. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

- 3.E. Discuss and consider whether the City Council would like to form an Ad-Hoc Sustainability Committee and consider the appointment of two (2) City Council members to form the committee.

Arturo Sanchez, Assistant City Manager, and Council Member Nygard provided the staff report.

Council Members offered comments and questions.

Alice English expressed concerns about the transparency of Ad-Hoc committees and the opportunity that would be taken away from the Council appointed commissions to provide input.

Council discussion continued.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard for the item to be continued and reconsidered at a later time in order to provide the Environmental Sustainability Commission an opportunity to prioritize and make a determination regarding a process to transition the City's fleet of vehicles to clean energy vehicles. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; motion passed and so ordered.

- 3.F. Adopt a resolution authorizing an appropriation of \$780,134 from the General Fund to fund the City of Tracy's remaining 62.5% share of the revised \$1,998,214 project cost for the South San Joaquin County Fire Authority's (SSJCFA) regional radio system upgrade.

Arturo Sanchez, Assistant City Manager, and Chief Brian Bagley from the South San Joaquin County Fire Authority provided the staff report.

Council Members offered comments and questions.

There were no public comments.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution** 2025-224 authorizing an appropriation of \$780,134 from the General Fund to fund the City of Tracy's remaining 62.5% share of the revised \$1,998,214 project cost for the South San Joaquin County Fire Authority's (SSJCFA) regional radio system upgrade. Roll call found Council Members Bedolla, Evans, and Nygard, Mayor Pro Tem Abercrombie; and Mayor Arriola, all in favor; Council Member Evans opposed; passed and so ordered.

4. **ITEMS FROM THE AUDIENCE** – Alice English thanked staff for all their hard work; expressed hope that staff brings jobs to the City and consider the types of jobs that are brought to Tracy so that residents do not need to commute; and asked for the City Council to be consistent with its decisions.

5. **STAFF ITEMS** – Arturo M. Sanchez, Assistant City Manager shared:

Corral Hollow Road Sewer Upgrades Update: What to expect in the coming weeks:

- Work hours: Monday–Friday, 9:00 a.m.–6:00 p.m. (no work on holidays). Expect delays and follow posted detours. Start and end times may vary.
- Northbound closure (Tennis Lane to Cypress Drive): Weekdays, 9:00 a.m.–6:00 p.m., through Friday, September 12th. One northbound lane reopens after hours.

- Railroad crossing work: Starting 8:30 a.m., Thursday, September 4, northbound Corral Hollow Road will close 24/7 at the railroad crossing (Golden Leaf Lane to Parkside Drive) until work is complete.
- Construction near Western Pacific Way (Union Pacific tracks): Weekdays, 9:00 a.m.–6:00 p.m., through Friday, September 12th. Location: South of Golden Leaf Lane to Parkside Drive. One northbound lane open after hours.
- The project is expected to be complete by October 2025.

Citywide East Side Garage Sale on Saturday, September 27, 2025

Sell your unwanted items, support reuse, and keep usable goods out of the landfill. For households east of Tracy Boulevard. Register by Friday, September 12th.

More info and forms: cityoftracy.org/garage-sale

Small Business Survey has been extended

There are two surveys: one for Downtown businesses and one for businesses citywide. Use the map on our site to see which one applies to you. Take the survey and view the map at: ThinkInsideTheTriangle.com/small-business-survey

Girls Night Out: Witches & Broomsticks

Friday, October 24, 6–10 PM Front Street Plaza (6th & Central). Get your tickets at atthegrand.vbotickets.com/events

Downtown Block Party Series

Friday, September 5 from 6 to 9 pm at Front Street Plaza with a reggae-themed celebration. Live music, food, and family fun. Admission is free—last block party of the summer.

6. COUNCIL ITEMS – Council Member Bedolla clarified that during agenda item 3.C slide seven (7) he inquired about the figures, specifically whether the operating budgets listed for the Multi-Generational Recreation Center (MGRC) and the Aquatics Center at \$22 million and \$21 million respectively were included in the original plan for Measure V that allocated \$40 million to operations and maintenance. After speaking with staff, it was confirmed that those figures were included in the original plan, but due to inflation, time elapsing, and years of planning, the costs have increased.

Mayor Pro Tem Abercrombie thanked staff for the work done for three Council Meetings in three weeks and expressed not to take a long break for upcoming calendar.

Council Member Evans and Council Member Nygard echoed Mayor Pro Tem Abercrombie's sentiments.

Mayor Arriola reported that he had attended the Bloomberg/Harvard Mayor's Leadership Initiative in New York along with the City Manager and Assistant City Manager; shared that one of the City Council priorities is Youth Economic Development and, along with Bloomberg Philanthropy and Harvard Business School, he would like the "Cradle to career" initiative policy to ensure that the youth are getting jobs in the City of Tracy and requested to have further discussion with Council on this initiative, Mayor Pro Tem Abercrombie expressed support for the request. Mayor Arriola announced that he would be hosting his first Mayor's Ball on Saturday, September 13, 2025, that will be raising funds for local non-profits, specifically The Boys and Girls Club, Sow A Seed Community Foundation, and the Leadership groups for West, Tracy, and Kimball High Schools. Mayor Arriola advised those who are interested to please contact him.

7. ADJOURNMENT – Time: 10:07 p.m.

ACTION: Motion was made by Council Member Bedolla and seconded by Mayor Pro Tem Abercrombie to adjourn. Roll call found Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on August 28, 2025. The above are action minutes. A recording is available at the office of the City Clerk

Mayor

ATTEST:

City Clerk

Agenda Item 1.B

RECOMMENDATION

Staff recommends that the City Council adopt a resolution: 1) approving the award of the Mayor's Community Youth Support Network Reconnecting Our Youth grants for fiscal year 2025-2026 in the total amount of \$175,000 to seven non-profit organizations; and 2) authorizing the execution of the funding agreements for each grant.

EXECUTIVE SUMMARY

The City of Tracy's Mayor's Community Youth Support Network (MCYSN) Reconnecting our Youth (ROY) grant program is entering its seventeenth year of programming, referred to as Cycle 17. This program has served thousands of local youths, as a grant-matching program, through prevention, intervention, and crisis suppression services offered in partnership with non-profits.

Staff is requesting that the City Council review and approve the recommendations from the MCYSN ROY Grant Scoring Committee, and award grant funding in the total amount of \$175,000 to seven non-profits to support youth programs in the City of Tracy (City).

BACKGROUND AND LEGISLATIVE HISTORY

During the Fall of 2006, Tracy community members voiced concerns about increases in school fights, vandalism in City parks, graffiti on property, and growing gang activity in the City. Following these growing concerns, community stakeholders, City officials, and City staff partnered to form the Mayor's Community Youth Support Network. The objectives of the program are to reconnect youth to their families, schools, and community, and to develop a gang prevention strategy that targets at-risk youth.

Shortly following formation, MCYSN began meeting regularly to organize communication and formulate a strategic plan to guide the program. The MCYSN Strategic Plan was drafted in 2007 and focused on the following four priority areas: 1) assessing current youth service gaps, 2) funding strategies, 3) creating a crisis response protocol, and 4) developing a service delivery system. The MCYSN program was intended to partner with non-profits to provide services such as counseling, mentoring, case management, after-school tutoring, career preparation, technology training, life skills training, parent workshops, and gang intervention and prevention workshops.

On February 19, 2008, the City Council approved the MCYSN Strategic Plan and allocated \$1 million to kick-start the program. The allocation funded personnel to carry out the goals and objectives of the MCYSN program, which included: one Management Analyst in the City Manager's Office to oversee the MCYSN program, one Administrative Assistant, one

part-time Recreation Coordinator, six part-time Recreation Leaders, and two sworn School Resource Officers. The funding was also utilized for contracted services via the MCYSN - ROY

Grant Program, recreation programs (after-school programs and "Rolling Rec" Truck), educational workshops, marketing and promotions, and operational supplies.

Following the economic downturn in 2009, the City initiated a pivot in resources, which eliminated several positions and programs under MCYSN. The MCYSN program budget changed to \$200,000 annually. Historically, approximately \$25,000 of the program budget is allocated to provide administrative support to the program, and the remaining \$175,000 funds community youth programs in alignment with the strategic priorities and objectives of MCYSN.

In 2018, the MCYSN program transitioned from the City Manager's Office to the Parks and Recreation Department in order to align the program with appropriate staff. During the 2020-2021 grant period, MCYSN was temporarily suspended in response to the COVID-19 pandemic. In 2021, the City Council approved the return of the MCYSN grant program for Cycle 13.

ANALYSIS

This year, the MCYSN is entering its 17th year of programming. The MCYSN ROY Grant Program aims to support local programs that develop skills and competencies resulting in healthy and thriving youth and families. MCYSN's approach is to prevent and intervene on issues of youth violence via a network of community service providers.

The MCYSN ROY Grant application for FY 2025-26 was made available on May 1, 2025. A mandatory public outreach meeting was held on May 28, 2025, and the grant application deadline was June 11, 2025. Eligible service areas for the ROY grant include youth outreach and education; substance abuse prevention and intervention; bullying prevention (physical, verbal, cyber); alternative after-school and evening activities; gang prevention and intervention services; family or individual youth case management; behavioral health services (prevention and intervention). MCYSN ROY Grant contracts may not exceed \$75,000. The term of the FY 2025-26 contracts is from October 1, 2025, through June 30, 2026. Upon approval, the City Council will authorize the execution of the funding agreements for each grant, in the City's standard form and approved by the City Attorney.

Funding recommendations for the MCYSN ROY Grant are made by an external review committee. Staff held the MCYSN ROY Grant Scoring Committee meeting on July 29, 2025. The scoring committee consisted of one Parks Commissioner, one Adult Youth Advisory Commissioner, and three Youth Advisory Commissioners.

The City received ten applications for the MCYSN ROY Grant, which are summarized in Attachment A. Each Committee member scored each application using the MCYSN Scoring Sheet, example template provided in Attachment B.

Each applicant received a score based on specific criteria such as organizational experience and reliability, program design, staffing plan and qualifications, program evaluation, and cost proposal.

After careful review and discussion, the MCYSN Grant Scoring Committee made the following funding recommendations:

Organization	Amount Requested by Applicant	Amount Recommended by MCYSN Scoring Committee	Total Score
Boys and Girls Club of Tracy – Enrichment Program	\$75,000	\$75,000	495
Tracy Earth Project, Inc.- Tracy Bike Life Youth Program	\$10,700	\$10,700	493
ITIFAQ Afghan Soccer Club – Youth Soccer Outreach Program	\$7,500	\$7,500	490
West Side Pioneer Association of Tracy– Tracy Schoolhouse and Museum Field Trip Program	\$21,800	\$16,800	480
UNeed2, Inc. – Youth Technology and Internship Programs	\$35,000	\$15,000	470
A to Z Psychotherapy – “Lifting Ourselves Up” – Targeted Depression, Trauma & Anxiety Reduction in Our Community (TDTRAC)	\$50,000	\$35,000	455
Sow a Seed – Family Health and Wellbeing Program	\$44,850	\$15,000	430
Prashanthi Nilayam – Education in Human Values	\$9,241	\$0	0

Game On, The Lakey's Youth Foundation	\$75,000	\$0	0
Tracy Rampage Football and Cheer – Rampage Youth Development Program	\$25,000	\$0	0
TOTAL	\$354,091	\$175,000	

Feedback from the Grant Scoring Committee is included in Attachment A. Each organization received funding based off their initial budget request, which was less than the amount being requested.

FISCAL IMPACT

The MCYSN program budget of \$200,000 has been allocated and approved as part of the Fiscal Year 2025-26 budget.

PUBLIC OUTREACH/ INTEREST

A public outreach meeting for MCYSN was held on May 28, 2025, to inform service providers about the background of MCYSN. Before this meeting, three (3) email notifications were sent to all non-profits in Tracy (data pulled from the IRS website, as all non-profits registered in Tracy were emailed), advertising MCYSN and informing the community about the outreach meeting. Multiple social media posts to advertise MCYSN were also posted on the City's Instagram and Facebook and two (2) Notices, and one (1) flyer was published in the Tracy Press prior to the outreach meeting. City staff also participated in the Tracy's Farmers Market on several occasions and advertised MCYSN by passing out flyers to families and businesses. The Request for Proposal was also posted on the City of Tracy website in two locations, on the RFP Notices page and the MCYSN page. Many non-profits that saw the emails, social media posts, city website, and flyers responded positively, acquiring more information about MCYSN and how to apply.

STRATEGIC PLAN

This agenda item supports the City's Quality of Life Strategic Plan and specifically implements the following goal:

Quality of Life Strategy

Goal 2: Promote public health, safety, and community welfare throughout the community.

CEQA DETERMINATION

Each of the MCYSN grant applicants is a community service organization seeking funding to help pay for a portion of an existing service program provided by the organization. No new structures, facilities, or other improvements are proposed to be funded through this program by any of the grant recipients. The services of each of the six grant recipients proposed to be funded through the grant program are ongoing academic, educational, and recreational activities for youth in Tracy. This project to award the MCYSN grants is exempt from CEQA based on CEQA Guidelines Section 15061(b)(3), the commonsense exemption, which states that a project is not subject to CEQA “where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” Clearly, these ongoing youth academic, educational, and recreational activities do not have the potential for causing a significant effect on the environment, and therefore, the project is exempt from CEQA pursuant to Guidelines Section 15061(b)(3).

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution: 1) approving the award of the Mayor’s Community Youth Support Network Reconnecting Our Youth grants for fiscal year 2025-2026 in the total amount of \$175,000 to seven non-profit organizations; and 2) authorizing the execution of the funding agreements for each grant.

Prepared by: Katie Akre, Recreation Program Coordinator

Reviewed by: Justin Geibig, Recreation Service Supervisor
Jolene Jauregui-Correll, Recreation Services Manager
Brian MacDonald, Director of Parks, Recreation and Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A - Summary of MCYSN ROY Grant Scoring Committee funding recommendations and comments

Attachment B - MCYSN ROY Grant, Scoring Sheet Template

MCYSN ROY Grant Scoring Committee Funding Recommendations – Cycle 17

Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Boys and Girls Club of Tracy	495	Enrichment Program	600+	\$75,000	\$75,000	<ul style="list-style-type: none"> • Reliable, known organization, long standing program with success rate • Outcomes of programs are strong • Culturally diverse staff and serves diverse population of students (79% coming from low economic households) • Budget is organized and easy to understand • Financial Report Detailed
Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Tracy Earth Project Inc.	493	Tracy Bike Life Youth Program	60	\$10,700	\$10,700	<ul style="list-style-type: none"> • Serving Low-income underserved youth ages 7–17 • Program utilized curriculum that introduces students to S.T.E.M • Youth learn bicycle safety, repair, and maintenance • Reasonable requested amount • Long standing program with success rate

ATTACHMENT "A"

Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
ITIFAQ Afghan Soccer Club	490	Youth Soccer Outreach Program	250	\$7,500	\$7,500	<ul style="list-style-type: none"> Proposed to serve 5–18-year old's Organization wants to build youth confidence in a healthy competitive environment Staff is experienced and all volunteers Services offered at local sport complexes Program/uniform fee for youth is very minimal (\$16/month), to best serve low-income families Serving youth for over 25 years Reasonable requested amount
Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
West Side Pioneer Association of Tracy	480	Tracy Schoolhouse and Museum Field Trip Program	200+	\$21,800	\$16,800	<ul style="list-style-type: none"> Organization was founded in 1921 A great source to educate the community on Tracy history Proposed to serve 10–18-year old's Program mission and vision is positive Budget is organized and easy to understand

ATTACHMENT "A"

Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Uneed2, Inc.	470	Youth and Family Technology Center	80	\$35,000	\$15,000	<ul style="list-style-type: none"> • Program mission and vision is unique/ positive • Provide technical training and internships to students • Serving community since 2001 • Offering training in STEM education, for low-income youth • Certify kids and adults on computer safety, along with how to build, rebuild, and repair computers • The organization supplies a refurbished computer to low-income households that do not have an existing working computer
Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
A to Z Psychotherapy	455	"Lifting Ourselves Up" – Targeted Depression, Trauma & Anxiety Reduction in Our Community (TDTRAC)	60	\$50,000	\$35,000	<ul style="list-style-type: none"> • Servicing youth ages 8-18 with focus on intervention and family systems support • Provides monthly workshops, educational events, and weekly sessions focused on coping strategies, understanding depression, trauma, anxiety and mental wellness • Budget is organized and thorough

ATTACHMENT "A"

Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Sow a Seed	430	Family Health and Wellbeing Program	125	\$44,850	\$15,000	<ul style="list-style-type: none"> Serving disenfranchised youth ages 8-18 currently left out from services and support, particularly from low-income families Offering comprehensive mental health support through mentoring sessions Budget is organized and thorough Serving youth for nearly 20 years
Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Prashanthi Nilayam	0	Education in Human Values	Did not specify	\$9,241	\$0	<ul style="list-style-type: none"> The program(s) lacked clarity regarding the origin and content of the curriculum to be delivered to participants, as the core mission appeared centered on the teachings of Sathya Sai Baba. The Request for Proposal specifically specifies that funds may not be used to support, promote, or benefit religious activities or religious organizations. Target Population was unclear as several of the volunteer opportunities and services provided were servicing other communities. Lacked details for how the organization plans to collaborate and communicate with other partners, as well as how it will conduct outreach and recruitment for the programs.

ATTACHMENT "A"

Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Game On, The Lakey's Youth Foundation	0	Game On, The Lakey's Youth Foundation	500+	\$75,000	\$0	<p>The following required items were missing:</p> <ul style="list-style-type: none"> Proposed timeline for program How client record keeping, and confidential data management would be handled. Attachment A - Reference Sheet Staffing Plan, including job positions, job descriptions, an organizational chart, staff resumes, and a list of staff who have completed DOJ background Attachment C Budget Narrative, and the submitted line-item budget did not reflect the organization's required matching contribution. Attachment D Statement of Fiscal Agent Attachment E Authorization Signature P Most recent Financial Audit
Organization Name	Total Score	Program Name	# of youth proposing to serve	Funding Request	Recommended Award Amount	Scoring Committee Comments
Tracy Rampage Football and Cheer	0	Rampage Youth Development Program	140	\$25,000	\$0	<p>The following required items were missing:</p> <ul style="list-style-type: none"> Most recent Financial Audit Attachment D Statement of Fiscal Agent Organizational Experience and Reliability, specifically regarding financial capacity and record keeping, were insufficiently explained Based on the proposed timeline for the program, funding from the MCYSN grant would support less than two (2) months of the program's duration.

MCYSN Cycle 17 -Evaluation Criteria Score Sheet

Service Provider Name:

Name of Reviewer:

Criteria	Notes	Score (20 pt. max)
Organizational Experience & Reliability: <ul style="list-style-type: none"> • <i>Experience providing services to high-risk youth</i> • <i>List of current and recent contracts</i> • <i>Description of outcomes</i> • <i>Financial capacity</i> • <i>Client recordkeeping system</i> • <i>Current year organization budget/audited financial statements</i> • <i>Reference sheet</i> 		
Program Design: <ul style="list-style-type: none"> • <i>Describe community's need for services, including local data</i> • <i>Describe target population & geography; numbers to be served</i> • <i>Describe ending based program model</i> • <i>Describe activities & dosage</i> • <i>Describe how program will be cultural competent</i> • <i>Describe how program will collaborate and communicate with City of Tracy</i> • <i>Provide detailed timeline</i> 		

MCYSN Cycle 17 -Evaluation Criteria Score Sheet

Staffing Plan & Qualifications: <ul style="list-style-type: none"> • <i>Provide staffing plan, Include titles, number of full time employees, qualifications</i> • <i>Justify number, full time employees and types of positions, including job expectations</i> • <i>Describe how project will include staff/volunteers with experiences similar to target populations</i> • <i>Attached: Organization chart</i> • <i>Attached: Resumes</i> • <i>Attached: Job descriptions</i> 		
Program Evaluation: <ul style="list-style-type: none"> • <i>List expected outcomes</i> • <i>Describe how program will measure outcomes, including validated measurement tools</i> • <i>Describe how program will track activities, participants, units of service</i> • <i>Describe data system</i> 		
Cost Proposal: <ul style="list-style-type: none"> • <i>Attached: Line item budget</i> • <i>Includes all costs to be reimbursed</i> • <i>Indirect costs, overhead</i> 		
Overall comments about program:		

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

1) APPROVING THE AWARD OF THE MAYOR'S COMMUNITY YOUTH SUPPORT NETWORK RECONNECTING OUR YOUTH (ROY) GRANTS FOR FISCAL YEAR 2025-2026 IN THE TOTAL AMOUNT OF \$175,000 TO SEVEN NON-PROFIT ORGANIZATIONS; AND 2) AUTHORIZING THE EXECUTION OF THE FUNDING AGREEMENTS FOR EACH GRANT

WHEREAS, the Mayor's Community Youth Support Network (MCYSN) Reconnecting Our Youth (ROY) Grant Program is a City matching grant program that helps fund youth services, and is budgeted pending appropriation and approval by the City Council; and

WHEREAS, the MCYSN ROY Grant application for FY 2025-26 was made available on May 1, 2025, with an application deadline of June 11, 2025; and

WHEREAS, MCYSN ROY Grant contracts may not exceed \$75,000 with a term for the FY 2025-26 contracts being from October 1, 2025, through June 30, 2026; and

WHEREAS, the City of Tracy received ten grant applications, and a grant scoring committee consisting of external leaders reviewed the applications and recommended that seven be funded based on the MCYSN ROY Grant scoring criteria, for a total award amount of \$175,000; and

WHEREAS, In accordance with CEQA Guidelines Section 15061(b)(3), an activity is not subject to CEQA "...where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment..."; and the ongoing academic, educational, and recreational youth activities of the grant recipients do not have the potential for causing a significant effect on the environment; and

RESOLVED: That the City Council of the City of Tracy hereby awards MCYSN ROY Grants for fiscal year 2025-2026 to the following awardees, in the amounts noted:

ORGANIZATION	AWARD AMOUNT
Boys and Girls Club of Tracy	\$75,000
Tracy Earth Project, Inc.	\$10,700
ITIFAQ Afghan Soccer Club	\$7,500
West Side Pioneers of Tracy	\$16,800
UNeed2, Inc.	\$15,000
A to Z Psychotherapy	\$35,000
Sow a Seed	\$15,000
Total Funding Award	\$175,000

FURTHER RESOLVED: That the City Council hereby authorizes the execution of funding agreements for each grant, in the City's standard form and approved by the City Attorney; and

FURTHER RESOLVED: That the City Council hereby finds that this action is exempt under the California Environmental Quality Act pursuant to Section 15061(b)(3) of the Guidelines.

The foregoing Resolution 2025- _____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.C

RECOMMENDATION

Staff recommends that the City Council adopt resolutions 1) approving the declaration of various vehicles and equipment as surplus and approving their disposition pursuant to Tracy Municipal Code Section 2.20.310 and 2) approving the purchase of multiple replacement vehicles and equipment, in the amount of \$1,462,594, including the execution of two (2) separate Purchase Agreements utilizing the Sourcewell Cooperative Program, as follows:

- 1. Rush Truck Centers, to provide two (2) Ford F-250, one (1) Ford F-350 and related accessories and supplies, for a not to exceed amount of \$215,411**
- 2. Pape Machinery, to provide one (1) John Deere 334P-Tier Skid Steer and related accessories and supplies, for a not to exceed amount of \$97,753**
- 3. Fremont Ford, to provide ten (10) Ford Explorer Hybrid vehicles, including upfitting, for a not to exceed amount of \$1,149,430**

EXECUTIVE SUMMARY

City Council's approval of this request will authorize the declaration of surplus for outdated vehicles and equipment and the purchase of new vehicles and equipment to replace those items. These replacements are essential to support the continued operation and maintenance of City infrastructure.

BACKGROUND AND LEGISLATIVE HISTORY

Public Works is responsible for managing the City's vehicle and equipment fleet. Several vehicles and pieces of equipment within the Operations and Utilities divisions, and Police Department have been identified for replacement because they have exceeded their useful service life and are no longer cost-effective to maintain. As part of the Fiscal Year 2025-2026 budget process, the Operations Fleet Division received approval to proceed with the replacement and procurement of these vehicles and equipment.

ANALYSIS

Staff requested quotes from multiple dealerships for the replacement of various fleet vehicles and equipment. Vendors were permitted to submit pricing only for the vehicles and equipment they wished to provide, rather than the full list. To ensure the most cost-effective outcome, staff recommends awarding purchase to multiple vendors based on the lowest informal quotes received for each unit, inclusive of any adjustments authorized under the City's Local Preference Ordinance. A total of three vendors submitted quotes to the City. Sourcewell (formerly NJPA) is a national municipal contracting agency that provides competitively bid and awarded cooperative purchasing agreements for government and educational institutions. The City of Tracy is an established Sourcewell member (Customer No. 18531) and is authorized under Tracy Municipal Code Section 2.20.220 to utilize Sourcewell contracts for procurement.

In alignment with the City's environmental and sustainability commitments, the proposed

purchases include a combination of hybrid, gasoline and diesel-powered units. This diversified mix reflects current industry limitations in the manufacturing availability of electric and alternative-fuel heavy-duty equipment, as well as the City's present fueling and charging infrastructure capacity. Despite these challenges, the City remains dedicated to a phased transition toward low-carbon and alternative-fuel vehicles, consistent with Council's long-term sustainability objectives. Staff continues to monitor advancements in vehicle technology and is actively evaluating opportunities to expand electric vehicle charging infrastructure to support future fleet transitions.

To guide this transition, the Public Works Fleet division is preparing a comprehensive Green Fleet Plan, scheduled for presentation to the Environmental Sustainability Commission in November 2025 and to the City Council in early 2026, which will include the necessary clean zero emission alternative analysis, infrastructure requirements and potential changes to state and federal regulations. The plan is being developed in collaboration with PG&E and builds upon prior Transit Low Emissions and Fleet Electrification planning efforts completed with East Bay Community Energy. This framework will ensure service continuity while advancing the City's long-term environmental sustainability objectives.

Below are a list of vehicles and equipment that will be purchased and declared surplus.

New Purchase	Vendor	Cost	Public Bidding Procedure
2025 F250 Super Duty Replacing asset 2335	Rush Truck Centers	\$71,164	Sourcewell (NJPA) 060920-NVS
2025 F250 Super Duty Replacing asset 2345	Rush Truck Centers	\$71,164	Sourcewell (NJPA) 060920-NVS
2025 F350 Super Duty Replacing asset 2336	Rush Truck Centers	\$73,083	Sourcewell (NJPA) 060920-NVS
2025 John Deere 334P-Tier Skid Steer	Pape Machinery	\$97,753	Sourcewell (NJPA) 060920-NVS
2025 Ford Explorer Hybrid (10) Replacing assets 5413, 5414, 5417, 5419, 5421, 5423, 5432, 5442, 5443, 5444	Fremont Ford	\$1,149,430	Lowest Quote Vendor

Retiring Equipment	Equipment Age	Repair Cost	Equipment Condition
Multiple 2018 Police Interceptors. Ten (10) in Total. 5413, 5414, 5417, 5419, 5421, 5423, 5432, 5442, 5443, 5444	Age- 7yrs Avg. Mileage 100,000 plus	Avg. \$23,000	Poor Condition Beyond Serviceable Life
2019 BMW R1200RTP Asset 5441	Mileage- 60,500 Age- 6yrs	Repairs done by outside vendor	Poor Condition Beyond Serviceable Life
2011 Ford F-250 Old Asset 2335	Mileage- 110526 Age- 14 yrs	\$51,619	Poor Condition Beyond Serviceable Life
2011 Ford F-450 Old Asset 2345	Mileage- 81129 Age-14 Yrs	\$66,335	Poor Condition Beyond Serviceable Life
2011 Ford F350 Old Asset 2336	Mileage- 90923 Age- 14 yrs	\$66,900	Poor Condition Beyond Serviceable Life
2008 Ford F150 Old Asset 2275	Mileage-71548 Age- 17	\$25,553	Poor Condition Beyond Serviceable Life

2012 Toyota Prius Old Asset 2355	Mileage- 175112 Age- 13 yrs	\$31,690	Poor Condition Beyond Serviceable Life
2007 DTC Big Shot Old Asset 2244	Age- 18 yrs	\$25,000	Poor Condition Beyond Serviceable Life
2006 Graco Line Striper and Driver Old Asset 2169	Age- 19 yrs	\$2,900	Poor Condition Model and parts are obsolete
2008 Brush Bandit Chipper Old Asset 2304	Hours- 2143 Age- 17 yrs	\$113,206	Poor Condition Beyond Serviceable Life
2010 Jacobsen (Asset 2323) and 2014 Toro riding mowers Old Asset 2396	Hours- 748 (J) 2833(Toro) Age- 25yrs and 11 yrs.	\$74,944	Poor Condition Beyond Serviceable Life
2007 Kawasaki Mule Old Asset 2240	Hours- 1863 Age- 18 yrs	\$12,000	Poor Condition Beyond Serviceable Life
2007 Bobcat Skid Steer Old Asset 2220	Hours- 782 Age- 18 yrs	\$31,574	Poor Condition Beyond Serviceable Life

FISCAL IMPACT

Funding is budgeted in the Fiscal Year 2025-2026 vehicle and equipment replacement fund budgets for the acquisition of this equipment.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the City Council's Strategic Plans.

CEQA REVIEW

The item is categorically exempt from the California Environmental Quality Act pursuant to CEQA Guidelines section 15311 that pertains to construction, or replacement of minor structures accessory to existing commercial, industrial, or institutional facilities, including on-premises signs.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt resolutions 1) approving the declaration of various vehicles and equipment as surplus and approving their disposition pursuant to Tracy Municipal Code Section 2.20.310 and 2) approving the purchase of multiple replacement vehicles and equipment, in the amount of \$1,462,594, including the execution of two (2) separate Purchase Agreements utilizing the Sourcewell Cooperative Program, as follows:

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3. Fremont Ford, to provide ten (10) Ford Explorer Hybrid vehicles, including upfitting, for a not to exceed amount of \$1,149,430

Prepared by: Adrian Taylor, Fleet Supervisor

Reviewed by: Jim Thompson, Operations Superintendent
David Murphy, Assistant Director of Operations
Anush Nejad, P.E., Director of Public Works
Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

- Attachment A – Purchase Agreement (Rush Truck Centers)
- Attachment B – Sourcewell Contract (Rush Truck Centers)
- Attachment C – Purchase Agreement (Pape Machinery)
- Attachment D – Sourcewell Contract (Pape Machinery)
- Attachment E – Freemont Ford Quote

**CITY OF TRACY
PURCHASE AGREEMENT FOR EQUIPMENT WITH RUSH MEDIUM DUTY
TRUCK CENTERS OF CALIFORNIA, INC., DBA RUSH TRUCK CENTER**

This Purchase Agreement for Equipment, ("**Agreement**") is entered into between the City of Tracy, a municipal corporation ("**City**"), and Rush Medium-Duty Truck Centers of California, Inc. dba Rush Truck Center, Ceres, California ("**Supplier**"). City and Supplier are sometimes referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

- A. City desires to retain Supplier to provide Two (2) Ford F-250, One (1) F-350 and related accessories and supplies.
- B. Pursuant to Tracy Municipal Code 2.20.220, the City is utilizing a Sourcewell cooperative purchasing agreement to purchase the equipment.
- C. Sourcewell and the Supplier entered into an agreement for the purchase of equipment referred to as contract with Solicitation #032824 ("**Contract**").
- D. After negotiations between the City and the Supplier, the parties have reached an agreement for purchase of such equipment in accordance with the terms set for in this agreement.
- E. This Agreement is being executed pursuant to Resolution No. _____, which was adopted by the City Council for the City of Tracy on _____

Now therefore, the parties mutually agree as follows:

1. **CONTRACT APPLICABILITY.** The Contract is fully incorporated herein by reference, except as expressly modified herein, and the Parties agree to abide by the terms set forth therein. All capitalized terms used herein but not defined shall have the meaning attributed to them in the Contract.
 - 1.1. **EQUIPMENT.** The City agrees to purchase, and the Supplier agrees to sell, the Equipment as more specifically outlined and described in Exhibit A attached hereto and incorporated by reference. The Equipment shall comply with all of the standards and specifications outlined in Contract.
 - 1.2 **NO SUBSTITUTIONS; AUTHORIZED REPRESENTATIVE.** There shall be no substitution for the Equipment, without the prior written authorization of the City. All Services shall be performed by or under the direct supervision of, the Supplier's Authorized Representative: Chris Faircloth, General Manager. Supplier shall not replace its Authorized Representative without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel may result in the termination of this Agreement.

2. **DELIVERY DATES.** The Equipment must be shipped and must arrive at the destination of 520 Tracy Blvd. Tracy, Ca. 95376.

2.1 Supplier will provide an estimated delivery date at time of order. All delivery information provided by Supplier is approximate based on the manufacturer's lead time estimates and Supplier cannot guarantee a delivery date. The Supplier must notify the City immediately if the Supplier reasonably believes the Supplier will not be able to meet the delivery timeline for any reason and will work in good faith with the City and the manufacturer(s) to mitigate such delays.

3. **PURCHASE PRICE.** City shall pay Supplier on a fixed fee basis, at the fee amounts outlined in Exhibit A ("Purchase Price").

3.1 **NOT TO EXCEED AMOUNT.** Supplier's total contract amount, under this Agreement shall not exceed \$215,409.

3.2 The Purchase Price is due and payable net thirty (30) days from delivery of the Equipment to the City.

4. **Reserved.**

5. **BREACH.** In the event of a material breach of the Agreement by a party, the other party may, by written notice given to the breaching party, declare the breaching party in default of the Agreement, specifying with particularity the basis for such breach in the written notice. The breaching party must deliver a response thereto in writing to the other party within ten (10) business days of receipt of the notice, setting forth a reasonable proposal to cure the default. If the breaching party fails to deliver the foregoing response on time or fails to cure the default within thirty (30) days after receipt of the notice (or within such additional time the parties may agree upon in writing), the non-breaching party may elect to terminate this Agreement for cause by serving written notice thereof to the breaching party. Supplier and the City may not terminate this Agreement except for cause in accordance with the foregoing.

6. **DELIVERY RISK OF LOSS.** All orders will be Free on Board (**FOB**) destination. Risk of loss or damage to the Equipment must remain with the Supplier until the equipment has been delivered to the City. All equipment will be received by the City subject to its right of inspection, rejection, and revocation of acceptance under the Uniform Commercial Code. The City will be allowed five (5) business days after delivery of the Equipment ("Inspection Period") to inspect the Equipment and to notify Supplier of any nonconformance with the terms and conditions of the specifications as set forth in this Agreement ("Specifications"). The City may reject any Equipment that does not conform to the Specifications by written notice to the Supplier within the Inspection Period. If the City rejects the Equipment, Supplier has sixty (60) days to promptly repair or place the nonconforming Equipment and pay for all related expenses, including, but not limited to, transportation charges, for the repair/return of the defective Equipment and/or the delivery of replacement Equipment. If City fails to notify Supplier in writing that it is rejecting the Equipment within the Inspection Period, City will be deemed to have accepted the Equipment. City's acceptance or deemed acceptance of the Equipment under this section shall not be deemed a waiver of any of warranties on the Equipment as set forth in the Agreement. Supplier will transfer title in the Equipment to City on delivery and acceptance of the Equipment. Prior to acceptance of the Equipment, City assumes risk of loss for the Equipment on delivery of the

Equipment to City while the Equipment is under the City's care, custody and control. On acceptance of the Equipment, as between Supplier and City, City assumes all risk of loss relating to the Equipment. Any Equipment rejected may be returned to the Supplier at the Supplier's risk and expense.

7. **INDEMNIFICATION; LIMITATION OF LIABILITY.** Supplier shall, to the fullest extent permitted by law, indemnify, defend (with counsel approved by the City in its reasonable discretion, such approval not to be unreasonably withheld, conditioned or delayed), and hold harmless the City from and against any Claims brought or alleged against the City by a third party to the extent arising out of: (a) Supplier's breach of this Agreement; and (b) the negligence or intentional misconduct of Supplier, except, in each case, to the extent caused by the negligence or willful misconduct of the City.
- 7.1 **DEFINITION.** For the purposes of this section, "City" means the City, its officials, officers, agents, employees, and volunteers; "Supplier " means the Supplier , its employees, and agents; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".
- 7.2 **PROVISION SURVIVAL.** The provisions of this Section 7 survive the completion of the services or the termination of this Agreement and are not limited by the provisions of Section 7 relating to insurance.
- 7.3 **PROCEDURE.** Supplier's obligations under this Section 7 are expressly conditioned on the following: City (a) will promptly notify Supplier in writing of any such Claim of which City has actual knowledge (provided that failure to do so will only release Supplier from the foregoing indemnification and defense obligations to the extent that such failure led to material prejudice), (b) grants Supplier sole control of the defense of any such Claim and of all negotiations for its settlement or compromise (provided that no such settlement or compromise may impose any liability or other obligations on City), and (c) will reasonably cooperate with Supplier to facilitate the settlement or defense of the Claim. Subject to the foregoing, City may participate, at City's own expense, in the defense of a Claim.

The parties agree that in the event of any claim, litigation, civil action or any other legal or administrative proceeding brought by one party against the other, except with respect to Supplier's indemnification obligations for third party claims, neither party shall be entitled to recover any incidental or consequential damages as defined in the Uniform Commercial Code, including but not limited to indirect or special damages, loss of income or anticipated profits, or down-time, or any punitive damages.

8. **INSURANCE.** Supplier shall, throughout the duration of this Agreement, maintain insurance to cover, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein, which may be achieved with an equivalent umbrella policy.

8.1 COMMERCIAL GENERAL LIABILITY. Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

8.2 AUTOMOBILE LIABILITY. (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

8.3 WORKERS' COMPENSATION. coverage shall be maintained as required by the State of California.

8.4 ENDORSEMENTS. Supplier shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

8.4.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

8.4.2 For any claims related to this Agreement, Supplier's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Supplier's insurance and shall not contribute with it.

8.5 NOTICE OF CANCELLATION. Supplier shall notify the City if the policy is canceled before the expiration date. For this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Supplier shall immediately obtain a replacement policy.

8.6 INSURANCE CERTIFICATE. Supplier shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

8.7 SUBSTITUTE CERTIFICATES. Supplier shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

8.8 SUPPLIER'S OBLIGATION. Maintenance of insurance by the Supplier as specified in this Agreement shall in no way be interpreted as relieving the Supplier of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Supplier may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

9. PACKING AND SHIPPING. Deliveries must be made as specified, without charge, for boxing, crating, or storage unless otherwise specified. Equipment must be suitably packed to secure the lowest transportation costs and, in accordance with the requirements of common carriers, in a manner to assure against damage from weather or transportation.

10. **TAXES.** The Supplier must separately state on all invoices any taxes imposed by the local, state, or federal state government applicable to furnishing the Equipment; however, where a tax exemption is available, the tax must be subtracted from the total price and identified. Unless otherwise outlined in the Agreement, the Purchase Price will be considered to include state and city sales or use tax.
11. **WARRANTY.** The Supplier warrants that on delivery all Equipment will conform to the applicable specifications set forth in Exhibit A ("Specifications"). Any warranties on the Equipment are limited only to any printed warranty provided by the applicable manufacturer of the Equipment. Supplier agrees to assist the City in reaching a resolution in any dispute over warranty terms with the manufacturer. Supplier warrants that all services performed by Supplier for City, including repair, maintenance, and installation services ("Services"), will be performed in a good and workmanlike manner in accordance with industry standards ("Services Warranty"). The Services Warranty is valid for a period of ninety (90) days from the date the Service is completed.
12. **Reserved.**
13. **REBATES, KICKBACKS, OR OTHER UNLAWFUL CONSIDERATIONS.** Supplier warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work performed, or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.
14. **NOTICES.** All notices, demands, or other communications that this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party at the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

Assistant Director – Operations
520 N. Tracy Blvd.
Tracy, CA 95376

To Supplier:

Rush Medium-Duty Truck Centers Inc.
1720 Herndon Rd.
Ceres, Calif. 95307
Attn: General Manager

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Rush Enterprises Legal Department
555 IH35 South
New Braunfels, TX 78130

15. **MISCELLANEOUS**

15.1 **Reserved.**

15.2 **AMENDMENTS.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

15.3 **WAIVER.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

15.4 **ASSIGNMENT AND DELEGATION.** Supplier may not assign, transfer, or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be consent to any subsequent assignment. Notwithstanding the foregoing, Supplier may engage subcontractors to provide or assist in providing services to City, in which case Supplier remains responsible for the fulfillment of its obligations under this Agreement and for the performance of the services. Supplier will be further responsible for the acts and omissions of its subcontractors to the same extent as if done by Supplier directly.

15.5 **JURISDICTION AND VENUE.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

15.6 **COMPLIANCE WITH THE LAW.** Supplier shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

15.6.1 **HAZARDOUS MATERIAL.** Supplier is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled to the extent caused by Supplier in the course of performing their services.

15.6.2 **NON-DISCRIMINATION.** Supplier represents and warrants that it is an equal opportunity employer, and it shall not discriminate against any third-party Supplier, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Supplier shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

15.7 **BUSINESS ENTITY STATUS.** Supplier is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Supplier. By entering into this Agreement, Supplier represents that it is not a suspended corporation. If Supplier is a suspended corporation at the time, it enters this Agreement, City may take steps to have this Agreement declared voidable.

15.8 **SUCCESSORS AND ASSIGNS.** This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

15.9 **CONSTRUCTION OF AGREEMENT.** Each Party hereto has had an equivalent

opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

- 15.10 **SEVERABILITY.** If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.
- 15.11 **CONTROLLING PROVISIONS.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, Contract and Supplier's proposal (if any), the Agreement shall control.
- 15.12 **ENTIRE AGREEMENT.** This Agreement, the Contract and attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.
16. **SIGNATURES.** The individuals executing this Agreement on behalf of Supplier represent and warrant that they have the right, power, legal capacity, and authority to enter and execute this Agreement on behalf of Supplier.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola

Title: Mayor

Date: _____

Attest:

April B. A. Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

Supplier

Rush Medium-Duty Truck Centers, Inc.
Ceres, California

X


By: Chris Faircloth

Title: General Manager

Date: 7/21/25

Federal Employer Tax ID No. 83-2426170

By: _____

Title: _____

Date: _____

Exhibit A
Equipment



Rush Medium-Duty Truck Centers of California, Inc. dba Rush Truck Center, Ceres

1720 Herndon Rd
Ceres, CA 95307-4421
(209) 857-7400

Customer Proposal Letter

CITY OF TRACY
520 N Tracy Blvd
Tracy, CA 95376-4917

Thank you for trusting us with your business. Please review the proposal below, and if you approve, sign and return to us at your convenience. We look forward to working with you and will continue to do our best to earn your trust now and in the future.

VEHICLE INFORMATION

Year 2025 Make Ford Model F-250 Stock # 1889758 Serial # 1FD7X2AA7SEC64721

Additional Vehicle Details: SOURCEWELL CONTRACT #032824-RTG
VEHICLE MSRP \$50,965 - 1.5% SOURCEWELL DISCOUNT (\$764.48)
UPFIT \$13,919.6 // ONE ADDTL KEY \$250 // DELIVERY \$1,000

Quantity		Total
Truck Price per Unit	\$ 65,370.12	\$ 65,370.12
F.E.T. (Factory & Dealer Paid)	\$ 0.00	
Net Sales Price	\$ 65,370.12	\$ 65,370.12
Optional Extended Warranty(ies)		
State Sales Tax	\$ 5,420.67	\$ 5,420.67
Documentary Fee	\$ 80.00	\$ 80.00
Administration Fee	\$ 250.00	\$ 250.00
Electronic Filing	\$ 34.00	\$ 34.00
Tire Recycling Program	\$ 8.75	\$ 8.75
Total Sales Price	\$ 71,163.54	\$ 71,163.54
Trade Allowance (see DISCLAIMER Below)		
Deposit / Down Payment		
Unpaid Balance Due on Delivery	\$ 71,163.54	\$ 71,163.54

Sales Representative

Signature

Carlos Perez

Printed Name

Date

Purchaser

Signature

Printed Name / Title

Date

Accepted by Sales Manager
or General Manager

Signature

Printed Name

Date

Quote good until 8/31/2025

Note: The above Customer Proposal is a quotation only. Sale terms subject to approval of Sales Manager of Dealer.

DISCLAIMER: Any order based on this Proposal is subject to Customer executing Dealer's standard form Retail Sales Order and other required documents incorporating the above terms. Any documentary fees, FET, state tax, title, registration and license fees subject to adjustment and change. This Proposal is based upon Dealer's current and expected inventory, which is subject to change. Dealer is not obligated to retain any specific vehicles in stock, nor maintain any specific inventory levels. Dealer shall not be obligated to fulfill Proposal in event quoted vehicle(s) is not in stock or available within requested delivery schedule. **Manufacturer has reserved the right to change the price to Dealer of any vehicle not currently in Dealer's stock, without notice to Dealer. If a vehicle identified in this Proposal is not currently in Rush's stock at the time an order is placed by the Customer, Dealer reserves the right to change the vehicle price at any time to reflect any price increases imposed by the Manufacturer.** Dealer shall not be liable for any delay in providing or inability to provide Quoted Vehicle(s). Above listed Trade Value based upon current appraisal of Trade Vehicle(s). Dealer may adjust Trade Value of Trade Vehicle(s) to reflect changes in condition and/or mileage of Trade Vehicle(s) between date of current appraisal and acceptance of the Trade Vehicle by Customer.

⁽¹⁾ Includes subscription period for # of specified months. ⁽²⁾ Customer's use of RushCare Service is governed by the RushCare User Agreement located at <https://www.rushtruckcenters.com/rushcare-user-agreement>. ⁽³⁾ Customer's use of Telematics Services is governed by separate 3rd party license terms and Rush is not liable for the Telematic Service. ⁽⁴⁾ Gap Coverage is provided and administered by an independent 3rd party provider under a separate contract directly between Customer and the 3rd party provider.



Rush Medium-Duty Truck Centers of California, Inc. dba Rush Truck Center, Ceres

1720 Herndon Rd
Ceres, CA 95307-4421
(209) 857-7400

Customer Proposal Letter

CITY OF TRACY
520 N Tracy Blvd
Tracy, CA 95376-4917

Thank you for trusting us with your business. Please review the proposal below, and if you approve, sign and return to us at your convenience. We look forward to working with you and will continue to do our best to earn your trust now and in the future.

VEHICLE INFORMATION

Year 2025 Make Ford Model F-250 Stock # 1889929 Serial # 1FD7X2AAXSEC69878

Additional Vehicle Details: SOURCEWELL CONTRACT #032824-RTG
VEHICLE MSRP \$50,965 - 1.5% SOURCEWELL DISCOUNT (\$764.48)
UPFIT \$13,919.6 // ONE ADDTL KEY \$250 // DELIVERY \$1,000

Quantity		Total
Truck Price per Unit	\$ 65,370.12	\$ 65,370.12
F.E.T. (Factory & Dealer Paid)	\$ 0.00	
Net Sales Price	\$ 65,370.12	\$ 65,370.12
Optional Extended Warranty(ies)		
State Sales Tax	\$ 5,420.26	\$ 5,420.26
Documentary Fee	\$ 80.00	\$ 80.00
Administration Fee	\$ 250.00	\$ 250.00
Electronic Filing	\$ 34.00	\$ 34.00
Tire Recycling Program	\$ 8.75	\$ 8.75
Total Sales Price	\$ 71,163.13	\$ 71,163.13
Trade Allowance (see DISCLAIMER Below)		
Deposit / Down Payment		
Unpaid Balance Due on Delivery	\$ 71,163.13	\$ 71,163.13

Sales Representative

Signature

Carlos Perez

Printed Name

Date

Purchaser

Signature

Printed Name / Title

Date

Accepted by Sales Manager
or General Manager

Signature

Printed Name

Date

Quote good until 8/31/2025

Note: The above Customer Proposal is a quotation only. Sale terms subject to approval of Sales Manager of Dealer.

DISCLAIMER: Any order based on this Proposal is subject to Customer executing Dealer's standard form Retail Sales Order and other required documents incorporating the above terms. Any documentary fees, FET, state tax, title, registration and license fees subject to adjustment and change. This Proposal is based upon Dealer's current and expected inventory, which is subject to change. Dealer is not obligated to retain any specific vehicles in stock, nor maintain any specific inventory levels. Dealer shall not be obligated to fulfill Proposal in event quoted vehicle(s) is not in stock or available within requested delivery schedule. **Manufacturer has reserved the right to change the price to Dealer of any vehicle not currently in Dealer's stock, without notice to Dealer. If a vehicle identified in this Proposal is not currently in Rush's stock at the time an order is placed by the Customer, Dealer reserves the right to change the vehicle price at any time to reflect any price increases imposed by the Manufacturer.** Dealer shall not be liable for any delay in providing or inability to provide Quoted Vehicle(s). Above listed Trade Value based upon current appraisal of Trade Vehicle(s). Dealer may adjust Trade Value of Trade Vehicle(s) to reflect changes in condition and/or mileage of Trade Vehicle(s) between date of current appraisal and acceptance of the Trade Vehicle by Customer.

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Thank you for trusting us with your business. Please review the proposal below, and if you approve, sign and return to us at your convenience. We look forward to working with you and will continue to do our best to earn your trust now and in the future.

VEHICLE INFORMATION

Year 2026 Make Ford Model F-350 Stock # TBD Serial # TBD

Additional Vehicle Details: SOURCEWELL CONTRACT #032824-RTG
VEHICLE MSRP \$53,780 - 1.5% SOURCEWELL DISCOUNT (\$806.70)
UPFIT \$13,919.60 // ONE ADDTL KEY \$250

Quantity		Total
Truck Price per Unit	\$ 67,142.90	\$ 67,142.90
F.E.T. (Factory & Dealer Paid)	\$ 0.00	
Net Sales Price	\$ 67,142.90	\$ 67,142.90
Optional Extended Warranty(ies)		
State Sales Tax	\$ 5,566.52	\$ 5,566.52
Documentary Fee	\$ 80.00	\$ 80.00
Administration Fee	\$ 250.00	\$ 250.00
Electronic Filing	\$ 34.00	\$ 34.00
Tire Recycling Program	\$ 8.75	\$ 8.75
Total Sales Price	\$ 73,082.17	\$ 73,082.17
Trade Allowance (see DISCLAIMER Below)		
Deposit / Down Payment		
Unpaid Balance Due on Delivery	\$ 73,082.17	\$ 73,082.17

Sales Representative

Signature

Carlos Perez

Printed Name

Date

Purchaser

Signature

Printed Name / Title

Date

Accepted by Sales Manager
or General Manager

Signature

Printed Name

Date

Quote good until 8/31/2025

Note: The above Customer Proposal is a quotation only. Sale terms subject to approval of Sales Manager of Dealer.

DISCLAIMER: Any order based on this Proposal is subject to Customer executing Dealer's standard form Retail Sales Order and other required documents incorporating the above terms. Any documentary fees, FET, state tax, title, registration and license fees subject to adjustment and change. This Proposal is based upon Dealer's current and expected inventory, which is subject to change. Dealer is not obligated to retain any specific vehicles in stock, nor maintain any specific inventory levels. Dealer shall not be obligated to fulfill Proposal in event quoted vehicle(s) is not in stock or available within requested delivery schedule. **Manufacturer has reserved the right to change the price to Dealer of any vehicle not currently in Dealer's stock, without notice to Dealer. If a vehicle identified in this Proposal is not currently in Rush's stock at the time an order is placed by the Customer, Dealer reserves the right to change the vehicle price at any time to reflect any price increases imposed by the Manufacturer.** Dealer shall not be liable for any delay in providing or inability to provide Quoted Vehicle(s). Above listed Trade Value based upon current appraisal of Trade Vehicle(s). Dealer may adjust Trade Value of Trade Vehicle(s) to reflect changes in condition and/or mileage of Trade Vehicle(s) between date of current appraisal and acceptance of the Trade Vehicle by Customer.

⁽¹⁾ Includes subscription period for # of specified months. ⁽²⁾ Customer's use of RushCare Service is governed by the RushCare User Agreement located at <https://www.rushtruckcenters.com/rushcare-user-agreement>. ⁽³⁾ Customer's use of Telematics Services is governed by separate 3rd party license terms and Rush is not liable for the Telematic Service. ⁽⁴⁾ Gap Coverage is provided and administered by an independent 3rd party provider under a separate contract directly between Customer and the 3rd party provider.

032824-RTG

**Solicitation Number: RFP #032824****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Rush Truck Centers of Texas, L.P., 555 IH-35 South Ste. 500, New Braunfels, TX 78130 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities located in the United States that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires July 9, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, subject to the Notice of Security Interest attached hereto as Exhibit A for Participating Entities with deferred payment terms. Any warranties on any Equipment and Products sold by Rush are limited only to any printed warranty provided by the applicable manufacturer of the Equipment or Product. Supplier agrees to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Supplier warrants that all services performed by Supplier for a Participating Entity, including repair, maintenance, and installation services ("Services"), will be performed in a good and workmanlike manner in accordance with industry standards ("Services Warranty"). The Services Warranty is valid for a period of ninety (90) days from the date the Service is completed.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Equipment, Products and Services will be offered for sale to Participating Entities through Supplier and its affiliates as stated in Supplier's Proposal. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered

Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. **SALES TAX.** Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. **HOT LIST PRICING.** At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities located in the United States that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;

- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the

end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, brought or alleged by unaffiliated third parties arising out of any negligent act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by the negligent act or omission of Supplier relating to the Equipment, Products, or Services provided by Supplier under this Contract. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell

under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

- a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
- b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

- a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed

work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

- \$500,000 each accident for bodily injury by accident
- \$500,000 policy limit for bodily injury by disease
- \$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage
\$1,000,000 Personal and Advertising Injury
\$2,000,000 aggregate for products liability-completed operations
\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the

procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5).

Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring

solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

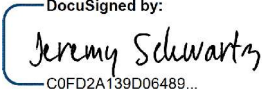
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days’ written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier’s Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Rush Truck Centers of Texas, L.P.

DocuSigned by:

C0FD2A139D06489...
By: _____
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 7/16/2024 | 5:23 PM CDT

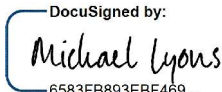
DocuSigned by:

6583FB893EBF469...
By: _____
Michael Lyons
Title: Associate General Counsel
Date: 7/16/2024 | 4:41 PM CDT

Exhibit A

Notice of Security Interest

Notice Regarding Security Interest and Payment of Purchase Price

1. BMO Harris Bank N.A. or Navistar Capital (collectively, "Bank") financed or will finance the acquisition of each vehicle that Rush Enterprises, Inc. and its subsidiaries ("Rush") will in turn sell to you on deferred payment terms ("Vehicle"). Bank's agreement with Rush requires that Bank's security interest in each Vehicle continue until Bank receives the full amount that Bank financed for such Vehicle. Based on that agreement, your purchase of a Vehicle will be subject to Bank's prior, unrelinquished security interest, which will continue until Bank receives the total amount that Bank financed for such Vehicle.
2. By written notice to you, Bank may require you to pay the purchase price for Vehicles directly to Bank. If you pay any portion of the purchase price for a Vehicle directly to Bank, Rush will credit such payment(s) against the amount you owe to Rush.

RFP 032824 - Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services

Vendor Details

Company Name: Rush Enterprises

Does your company conduct business under any other name? If yes, please state: Rush Truck Centers of Texas, LP

Address: 555 IH 35 S.
New Braunfels, Texas 78130

Contact: Colton Kruse

Email: krusec@rushenterprises.com

Phone: 830-302-5200 5219

HST#: 74-2786264

Submission Details

Created On: Saturday March 23, 2024 12:59:22

Submitted On: Thursday March 28, 2024 14:25:34

Submitted By: Colton Kruse

Email: krusec@rushenterprises.com

Transaction #: 2a729aea-e652-4465-b1a3-ec0fab14dedf

Submitter's IP Address: 155.190.8.4

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Rush Truck Centers of Texas, L.P.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	<p>Rush Truck Centers of Texas, L.P. (RTC Texas) is a limited partnership formed in the state of Texas. Rush Truck Centers of Texas, L.P. has two partners: Rushtex, Inc. (a Delaware corporation) is the General Partner and Rushco, Inc. (a Delaware corporation) is the Limited Partner. Rushtex, Inc. and Rushco, Inc. are wholly owned subsidiaries of Rush Enterprises, Inc. Rush Enterprises, a public company traded on NASDAQ under the symbols RUSHA and RUSHB, began operations in Texas in 1965. Rush Enterprises operates its dealer network through state-based legal entities. A separate legal entity has been established for each state in which Rush operates, each of which is a wholly-owned subsidiary of Rush Enterprises.</p> <p>The following is a list of affiliates of RTC Texas that will be utilized to serve Participating Dealers outside of Texas under a resulting contract:</p> <p>Rush Truck Centers of Alabama, Inc., Rush Truck Centers of Arizona, Inc., Rush Truck Centers of Arkansas, Inc., Rush MD Truck Centers of California, Inc., Rush Truck Centers of California, Inc., Rush Truck Centers of Colorado, Inc., Rush Truck Centers of Florida, Inc., Rush Truck Centers of Georgia, Inc., Rush Truck Centers of Idaho, Inc., Rush Truck Centers of Illinois, Inc., Rush Truck Centers of Indiana, Inc., Rush Truck Centers of Kansas, Inc., Rush Truck Centers of Kentucky, Inc., Rush Truck Centers of Missouri, Inc., Rush Truck Centers of Nevada, Inc., Rush Truck Centers of New Mexico, Inc., Rush Truck Centers of North Carolina, Inc., Rush Truck Centers of Ohio, Inc., Rush Truck Centers of Oklahoma, Inc., Rush Truck Centers of Tennessee, Inc., Rush Truck Centers of Utah, Inc., Rush Truck Centers of Virginia, Inc.</p>	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	<p>Rush Truck Center Phoenix, Rush Truck Center, Tucson, Rush Truck Center, Lowell, Rush Truck Center, Ceres, Rush Truck Center, Fontana Medium Duty, Rush Truck Center, Los Angeles, Rush Truck Center, San Diego, Rush Truck Center, Whittier, Rush Truck Center, Denver Medium Duty, Rush Truck Center, Denver, Rush Truck Center, Jacksonville, Rush Truck Center, Orlando, Rush Truck Center, Orlando Light & Medium Duty, Rush Truck Center, Orlando North, Rush Truck Center, Orlando South, Rush Truck Center, Atlanta, Rush Truck Center, Columbus, Rush Truck Center, Doraville, Rush Truck Center, Smyrna, Rush Truck Center, Tifton, Rush Int'l Truck Center, Boise, Rush Int'l Truck Center, Twin Falls, Rush Truck Center Bloomington, Rush Truck Center, Chicago Light & Medium Duty, Rush Truck Center, Elk Grove, Rush Truck Center, Olathe, Rush Truck Center, Springfield, Rush Truck Center, Las Vegas, Rush Int'l Truck Center, Charlotte, Rush Truck Center, Cincinnati, Rush Truck Center, Columbus, Rush Truck Center, Dayton, Rush truck Center, Oklahoma City, Rush Truck Center, Tulsa, Rush Truck Center, Memphis, Rush Truck Center, Amarillo, Rush Truck Center, Austin, Rush Truck Center, College Station, Rush Truck Center, Corpus Christi, Rush Truck Center, Dallas Light & Medium Duty, Rush Truck Center, Dallas Medium Duty, Rush Truck Center, El Paso, Rush Truck Center, Houston, Rush Truck Center, Houston Medium Duty, Rush Truck Center, Houston Northwest, Rush Truck Center, Laredo, Rush truck Center, Lubbock, Rush Truck Center, Pharr, Rush Truck Center, San Antonio, Rush Truck Center, Sealy, Rush Truck Center, Texarkana, Rush Truck Center, Waco, Rush Truck Center, Chester</p> <p>Other Rush locations that can support ancillary parts and service needs are:</p> <p>Rush Truck Center, Chicago, Rush Truck Center, Cleveland, Rush Truck Center, Colorado Springs, Rush Truck Center, Cotulla, Rush Truck Center, Dalhart, Rush Truck Center, Dallas, Rush Truck Center, Dallas South, Rush Truck Center, Effingham, Rush Truck Center, Farmington, Rush Truck Center, Flagstaff, Rush Truck Center, Fontana, Rush Truck Center, Fontana MD, Rush Truck Center, Fontana Vocational, Rush Truck Center, Ft. Worth, Rush Truck Center, Gainesville , Rush Truck Center, Gary, Rush Truck Center, Greeley, Rush Truck Center, Haines City , Rush Truck Center, Hickory, Rush Truck Center, Houston, Rush Truck Center, Houston MD, Rush Truck Center, Houston NW, Rush Truck Center, Huntley, Rush Truck Center, Idaho Falls , Rush Truck Center, Indianapolis, Rush Truck Center, Jacksonville East, Rush Truck Center, Jefferson City, Rush Truck Center, Joliet, Rush Truck Center, Jonesboro, Rush Truck Center, Joplin, Rush Truck Center, Kansas City , Rush Truck Center, Lake City, Rush Truck Center, Las Cruces, Rush Truck Center, Leviston, Rush Truck Center, Lima, Rush Truck Center, Long Beach, Rush Truck Center, Lufkin, Rush Truck Center, Macon, Rush Truck Center, Memphis West, Rush Truck Center, Mobile, Rush Truck Center, Nashville, Rush Truck Center, North Little Rock, Rush Truck Center, Odessa, Rush Truck Center, Ogden, Rush Truck Center, Olathe, Rush Truck Center, Otay Mesa, Rush Truck Center, Phoenix East, Rush Truck Center, Pontoon Beach, Rush Truck Center, Pueblo, Rush Truck Center, Quincy, Rush Truck Center, Richmond, Rush Truck Center, Russellville, Rush Truck Center, Saint Joseph, Rush Truck Center, Salina, Rush Truck Center, Salt Lake City, Rush Truck Center, Sedalia, Truck Center, Springfield IL, Rush Truck Center, Springville, Rush Truck Center, St. George ,Rush Truck Center, St. Peters, Rush Truck Center, Sylmar, Rush Truck Center, Tampa, Rush Truck Center, Topeka, Rush Truck Center, Tyler, Rush Truck Center, Valdosta, Rush Truck Center, Ventura, Rush Truck Center, Victoria, Rush Truck Center, Victorville, Rush Truck Center, West Plains, Rush Truck Center, Wichita, Rush Truck Center, Wichita Falls, Rush Truck Center, Yuma</p>	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	<p>RTC Dallas Light & Medium Duty - 9L0Y5/DBT5CJKUV7S3 RTC San Antonio - 8LKV5/N19JWEGVFM79</p> <p>List of CAGE Codes/UEIs for all other Rush locations with a SAM account is available on request.</p>	*
5	Proposer Physical Address:	555 IH 35 South Ste. 500 New Braunfels, Texas 78130	*
6	Proposer website address (or addresses):	www.rushtruckcenters.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	<p>Whitt Michael Senior Director of Medium Duty Sales 555 IH-35 South Ste. 500 New Braunfels, Texas 78130 michaelw@rushenterprises.com (830) 302-5242</p>	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	<p>Colton Kruse National Account Sales Manager 555 IH-35 South Ste. 200 New Braunfels, Texas 78130 krusec@rushenterprises.com (830) 302-5219</p>	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	N/A	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>Rush Truck Centers of Texas, L.P. (RTC Texas) is a limited partnership formed in the state of Texas. Rush Truck Centers of Texas, L.P. has two partners: Rushtex, Inc. (a Delaware corporation) is the General Partner and Rushco, Inc. (a Delaware corporation) is the Limited Partner. Rushtex, Inc. and Rushco, Inc. are wholly owned subsidiaries of Rush Enterprises, Inc.</p> <p>Rush Enterprises, Inc. was founded in 1965 with (1) GMC dealership in Houston, Texas. Today we are publicly traded with over (140) locations representing (8) OEMs nationwide. Across those locations Rush Truck Centers employs over 8,000 people helping us to achieve an annual revenue of \$7.2B at the close of 2023. Rush Enterprises, is traded on NASDAQ under the symbols RUSHA and RUSHB.</p> <p>Productivity, fairness, positive attitude, excellence, and integrity are the core values that Rush Truck Centers pushes each employee to embody every day. We work to continually make sure that our sales, parts, service & admin teams have any and all tools necessary to accomplish this mission ultimately resulting in the best customer experience possible.</p> <p>At Rush Truck Centers, our business philosophy is to truly create a welcome atmosphere where our industry experts and can help customers purchase equipment and keep their equipment on the road. We aim to do that through top notch customer service, as well as expanding our national dealer network to add more locations to better service our customer base. We are always looking for opportunities to grow and expand.</p>	+
11	What are your company's expectations in the event of an award?	If awarded, Rush Truck Centers intends to showcase the award to all of our municipal, education and not for profit customers. As our sales, parts & service teams go out and call on this business sector we will use our industry knowledge and experience to provide a single source solution option to the customer base. The capability of bringing the ease of purchase through the Sourcewell contract with the customer base while offering Rush's top tier industry experience will make this a win win for any of our clients.	+
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Rush Truck Centers is publicly traded on the Nasdaq, in 2023 Rush Enterprises reported \$7.92B in revenue. We have attached our most recent SEC filing in the document upload section.	+
13	What is your US market share for the solutions that you are proposing?	The overall market share in 2023 for Rush Truck Centers was 6.2% of the Class 8 US Truck Market and 5.7% of the Class 4-7 US Truck Market.	+
14	What is your Canadian market share for the solutions that you are proposing?	Rush Truck Centers is not currently proposing a solution for the Canadian market.	+
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No	+
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Rush Truck Centers is best described as a distributor/dealer/reseller for this proposal. Rush is a contracted franchisee of the specific manufacturers represented on this proposal.	+
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	The Rush entities listed in item 2 are licensed in each applicable state as a representative of the manufacturers presented in this proposal. In addition, we have franchise contracts in place with each of the manufacturers on this proposal.	+
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	Does not apply.	+

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	Rush Truck Centers has been recognized by each of the manufacturers represented for performance and customer service levels.	+
20	What percentage of your sales are to the governmental sector in the past three years	Approximately 15%, market dependent.	+
21	What percentage of your sales are to the education sector in the past three years	Approximately 5%, market dependent.	+
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Buyboard both State & National & H-GAC comprise between 250-350 units per year for an annual revenue in 2023 of \$39.5MM.	+
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Rush does not have any formal contracts in place with the GSA.	+

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Austin, Texas	Janet Opheim	(512) 978-2634	*
City of Euless, Texas	Kyle McAdams	(817) 685-1598	*
City of DeSoto, Texas	Wade Williams	(972) 230-5714	*
City of Cedar Hill, Texas	Kenneth Atkins	(972) 291-5126 ext. 2840	
City of Houston, Texas	Daniel Davis	(281) 740-8030	

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
City of Austin	Government	Texas - TX	Provided chassis and bodied up equipment to the City of Austin.	108	\$21,700,396.98	*
City of Phoenix	Government	Arizona - AZ	Provided chassis and bodied up equipment to the City of Phoenix.	86	\$28,355,662.56	*
Virginia Department of Transportation	Government	Virginia - VA	Provided chassis and bodied up equipment to the Virginia Department of Transportation.	110	\$18,650,715.50	*
Illinois Department of Transportation	Government	Illinois - IL	Provided chassis and bodied up equipment to the the Illinois Department of Transportation.	104	\$14,934,920.93	*
Ohio Department of Transportation	Government	Ohio - OH	Provided chassis and bodied up equipment to the Ohio Department of Transportation.	78	\$8,835,185.02	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable.

Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	<p>Rush Truck Centers has a nationwide truck sales staff of approximately 275 people who maintain direct contact with our customers. The sales team is supported by a team within each dealership that handles finance, title work, as well as other administrative duties so that the sales team can stay customer focused.</p> <p>Rush Truck Centers also maintains very close relationships with our vendors to provide new and used vehicles, as well as parts & service solutions to our customer base. This includes organizations like Knapheide Manufacturing, Federal Signal, Wabash, Morgan Corporation, and Reading Truck Body to name a few.</p>	*
27	Dealer network or other distribution methods.	With over 140 locations across the nation, Rush's capability to service customers in the U.S. is unparalleled in the industry. Rush Truck Centers maintains \$350MM in on hand parts inventory nationwide. This provides the ability to move parts across the nation between our locations as needed. Beyond that, being a Hino, Dennis Eagle, Ford & Isuzu franchised dealer we also have the ability to utilize the overall OEM dealer network for warranty repairs & service should occasion call for it.	*
28	Service force.	Rush Truck Centers alone currently has over 1,400 technicians nationwide and over 350 outside parts and service personnel that actively work to keep our customer's equipment on the road. At Rush we work tirelessly to make sure that our technicians/service teams have the most up to date training, equipment, and tooling in an effort to minimize customer down time. Outside of the Rush dealer network, we also maintain very close relationships with our OEMs to make sure that our customers can be serviced anywhere in the nation.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Rush Truck Centers believes in a boots on the ground approach. We task our sales, parts & service teams to actively call on customers to understand their business and to provide solutions for the issues that they have. When a member of the sales team gains an opportunity to quote a Sourcewell member, the local salesperson will gather all of the details, and build a spec that will best work for the customer based on the customer's needs. If there is a need for a body or upfit, Rush will engage our partners to facilitate the request or work with the customer's requested upfitter. From there the local representative will work with our corporate team to build a Sourcewell compliant quote for the customer. Once approved for purchase and a P.O. is received, Rush will process the P.O. immediately and will work to get the unit/part or service requested delivered as quickly as possible.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Rush Truck Centers prides itself in being timely. Our sales, parts and service teams will work to get quotes back from vendors and make sure that the customer has the final numbers as quickly as possible. We utilize our preferred vendor partnerships to maintain the shortest lead times possible for both quotes and deliveries. During the purchasing process our sales, parts and service teams will work to keep the customer informed of unit's status as it moves through the various stages of completion prior to delivery. Using our customer first philosophy we strive to provide the best customer service in the industry.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Rush Truck Centers is prepared to offer products and services nationwide. We have a national account presence with several large fleets that operate equipment across the United States. Rush Truck Centers intends to use that same business model to service Sourcewell clients regardless of their geographical location in the United States. Primarily utilizing the more than 2,000 sales, parts and service personnel that are employed by Rush Truck Centers nationwide.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	At this time, we are not prepared to expand these proposed solutions into Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Rush is uniquely positioned to service all government, education, and not for profit customers in the United States. Each customer will be taken care of by one of our industry experts depending on their geographic location and need.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	<p>Except for the Federal government, as discussed below, Rush Truck Centers is willing to serve all participating entity sectors. As we currently hold Buyboard & H-GAC contracts, we do not have any type of exclusivity agreement in place. Rush's presence is national, and our goal is to serve every customer possible in the United States. Being awarded the Sourcewell contract would open another avenue for Rush Truck Centers to do just that.</p> <p>Regarding the Federal government, our ability to serve Federal agencies will be determined by Rush on a case-by-case as there may be certain Federal requirements that Rush or its suppliers cannot meet.</p>	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Logistical/Transportation cost will be a limiting factor. As equipment is moved to ports, there are loading fees, freight costs, and other logistical expenses that would be incurred to deliver units to Alaska, Hawaii and other U.S. Territories. These costs would of course need to be factored into sales price of the vehicle during the quote process.	*

Table 7: Marketing Plan

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Our marketing strategy is multifaceted. We rely heavily on digital marketing through our website, e-blast, social media platforms to reach our customer base. While also using more traditional forms of marketing such as mailers, print adds in magazines, NASCAR sponsorships, even wrapping our mobile trucks as well as many other media to ensure we are reaching as many prospects as possible. This broad-spectrum approach is ultimately anchored by our most important asset, our people, that ensure that the personal touch and support remain in the sales process with our customers while delivering the message of the capabilities that Rush Truck Centers has to offer. We have found that through this process we reach a relatively broad demographic of clientele creating a well-diversified portfolio of customers.
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Rush Truck Centers uses a host of social media platforms to reach new/prospective clients. Platforms such as LinkedIn, Facebook, and others allow us to both reach out to customers directly via direct message as well as through broader marketing strategies such as government/educational/not for profit specific posts. We also monitor comments and messages on these platforms to either facilitate requests or respond to questions that clients may have. The goal of our marketing campaigns is to maximize click through. Rush has found that offering a more targeted marketing approach offers the best results where even our e-blasts are tailored to the business segment we serve. This approach ensures that our message is relevant to the specific clients that we are targeting.
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Sourcewell is a very well known purchasing cooperative entity and is trusted by many of the municipal and not for profit organizations in the U.S.. If awarded, Rush intends to showcase the award to all of our clients through email campaigns, trade shows, in person meetings, as well as through our vendor relationships. In short, Sourcewell's members trust the cooperative and are loyal. Rush aims to build upon the brand recognition Sourcewell brings through communication with our industry experts, highlighting our complete offering of service capabilities. Allowing Sourcewell members to work with our industry experts for their fleet needs, while offering customers the flexibility of purchasing through a cooperative contract. Rush Enterprises goal if awarded is to combined Sourcewell (one of the largest purchasing cooperative in the nation) with the largest commercial truck dealer group in the nation to provide single source solutions to as many government, education and not for profit entities as possible.
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Due to the variance in specifications in the vehicles that we provide, Rush prefers each client request be handled by one of our industry experts to ensure the right product is provided for the application. This approach allows Rush to have more interaction with the customer to offer solutions that they may not know is available to them. Our sales teams are trained to be solution minded and to make sure we offer customers all potential solutions that we feel may help their business, this is best accomplished with personal interaction. In support of this customer base, we do offer an ecommerce solution to sourcing parts and receiving service from our locations across the United States. This customer-based solutions allows for comprehensive parts pricing, sourcing, and research. In addition we offer an extensive service incident management platform for managing vehicles that are being serviced and repaired in our dealerships. Real-time status updates, estimate review and approval, and historical repair reference are just some of the features of this platform that are available to Sourcewell members to assist with their fleet management.

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Rush works closely with our original equipment manufacturers as well as body upfitters and vendors to provide a comprehensive training strategy for vehicles and equipment provided. These programs are tailored to meet the specific needs of the Sourcewell member and will be developed as requested. Any associated costs for this training will be discussed upfront after maximizing support from all involved.
41	Describe any technological advances that your proposed products or services offer.	Working in concert with our represented OEM's in advancing fleet management technologies, Rush Truck Centers works to simplify the application of these technologies for the Sourcewell member. Through the development of our RushCare system, we offer real-time communication platforms that are often communicating with the technologies incorporated in the equipment provided. Monitored by our 24/7 call center, we aid customers in predictive incident and preventative maintenance of their fleets. Through our dedicated telematics division, Rush remains on the forefront of new and emerging technologies ensuring maximum uptime for our customers and solutions for their fleet needs.
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Being a leader in emerging technologies, Rush again led the industry in the adoption of alternate-fuel vehicles and environmentally-focused dealer operations. This was evident of the early development of it's own CNG fuel systems, incorporating them into the vehicles provided to similarly-minded customers. It continues with the dedication to the electric initiatives in support of the adoption of these vehicles in the market by providing battery charging stations at our facilities, supported by solar panel based energy storage and delivery systems. In fact, the dedication to this initiative is evident by operating electric vehicles in our own delivery fleet. Our commitment to these environmental-based technologies will remain a focus and will continue to expand as more opportunities arise.
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Ratings and certifications for the products included in the proposal are typically attained and managed at the original equipment manufacturer level. As a distributor that represents these manufacturers, we fully support the initiatives set forth to accomplish and maintain these sustainability recognitions.
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or HUB partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Rush Truck Centers does not hold any of these certifications.
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Being the largest commercial truck dealer group in the nation, Rush Truck Centers offers an expansive sales, parts, service and administrative team that offers top tier customer service. We pride ourselves on being a dedicated commercial dealer group that has extensive knowledge of commercial vehicle capabilities along with the industry expertise that our body/upfit partners provide. Clients will have a wealth of industry knowledge at their disposal while working with our expert teams.

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure.

You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	All product warranty coverages in reference to this proposal are provided to the end user by the original equipment manufacturer or upfitter. We have attached copies of the standard warranty coverage for each OEM that we are offering on this proposal.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Each OEM warranty has different usage restrictions and limitations. We have attached the standard warranty coverage for each of the manufacturers we are offering on this proposal.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Case dependent; typically the warranty coverage offered by the OEM does not include travel or mileage if mobile service is requested. Any associated costs with these services will be presented prior to any services being performed. In terms of towing, some OEMs will cover the expense of a tow into the closest factory certified warranty facility if the unit is undrivable.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	Any potential geographic restrictions will be discussed with the client at the time of quote to ensure that the vehicle can be properly serviced and maintained for the Sourcewell member. We will work to spec equipment that maximizes operating capability, but also maximizes access to service support for the client whether through the OEM network or our network of Rush Enterprises locations.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	All warranty coverage is passed on from the OEM.	*
51	What are your proposed exchange and return programs and policies?	Rush Truck Centers does not offer an exchange or return policy.	*
52	Describe any service contract options for the items included in your proposal.	Extended service contracts are offered through OE programs as well as from Rush through our third-party partners. However, these extended service contracts are somewhat customizable and need to be discussed, quoted and evaluated with each client on a case-by-case basis.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Rush Truck Centers does offer NET30 terms from the date of delivery (upon credit risk approval by the Rush credit team).	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	Rush Enterprises does offer municipal leasing and financing options through our third-party lending partners. At the time the vehicle is quoted we will gladly review these options with Sourcewell members to find the best option for them. Any leasing or financing terms would be agreed to separately by the customer and the leasing/financing company.	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Rush Truck Centers requires a Retail Sales Order, Delivery Receipt, and a CARB Attestation form. The State of Attestation/Domicile form is required by Rush to be signed by the customer to make sure that non-California compliant trucks ultimately won't registered or primarily operated in the State of California due to new CARB, ACT, ACF, and Low Nox Omnibus regulations. Other forms may include warranty start forms depending on the OEM.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Rush Truck Centers does except P-cards for payment on parts and service without a credit card processing fee.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Rush Truck Centers will offer a discount off of List/MSRP for 3 of the 4 OEMs included in this proposal, the OEM that will not show a discount off of pricing is Dennis Eagle which does not have a List Price or MSRP. In the case of Dennis Eagle, the pricing shown is the Sourcwell member's price before any volume discounts are applied. Please note this is for the chassis only as any upfit that is requested or needed will need to be added to the quote to provide a complete price for the customer.	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Rush Truck Centers is prepared to offer the following minimum discount range off of List/MSRP per OEM: Ford Motor Company: 1.50% to 7.00% Hino: 10% to 15% Isuzu: 10% to 15% Dennis Eagle: 0% as Dennis Eagle does not have a List/MSRP	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	Any Sourcwell member looking to purchase 10 or more units, please contact us for additional price concession.	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Products or Goods sourced through open market channels will be quoted with additional markup not to exceed 15% of the MSRP of the goods Products or Goods quoted to Rush Truck Centers.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	From a chassis perspective we have included all applicable charges in our attached pricing list. If there is a specific need, training or special installation we will include that with the upfit portion of the quote to the Sourcwell members.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcwell participating entity, describe in detail the complete freight, shipping, and delivery program.	Some of the OEMs allow for courtesy delivery by other dealers in the OEM dealer network to minimize any additional freight cost. If this resource is available through the specific OEM quoted, or if the equipment quoted doesn't require any upfit and we're able to ship directly to the end user from the factory we will certainly do so. However, if the unit requires additional equipment to be added or an upfit prior to delivery then there will be freight cost incurred to move the unit from the body company to the dealership or its final destination.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Shipping to Alaska, Hawaii, Canada and other off shore entities present several logistical hurdles that will require additional expense such as port fees, loading fees, etc.. These additional expenses will be listed out on the customer's quote for their review.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	In addition to working with the franchised dealer network of the represented OEMs, Rush will utilize its extensive network of dealerships to optimize delivery to the Sourcwell member while minimizing associated costs.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Rush Truck Centers is offering Sourcwell pricing that is more aggressive than we've priced on other cooperative contracts.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcwell. This process includes ensuring that Sourcwell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcwell. Provide sufficient detail to support your ability to report quarterly sales to Sourcwell as described in the Contract template.	Rush Truck Centers has a strict self-audit process in place to help ensure compliance to not only company policy and procedures, but also to requirements of contracts with our customer base. This oversight is provided by our internal audit staff in our accounting department as well as auditors from our Ethics and Compliance division based at corporate headquarters. The Rush Sales Operations group will also help ensure compliance with the business requirements of the contract in place as well as providing reporting based on the terms requested in the contract.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	This Sales Operation Team will track the performance of the contract in place. While using a broad distribution model to approach this opportunity, the management of the contract will be handled centrally by the responsible representative assigned to the contract with senior leadership oversight. Extensive reporting tools are in place to assist with this management.	*
68	Identify a proposed administrative fee that you will pay to Sourcwell for facilitating, managing, and promoting the Sourcwell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Rush is prepared to offer a per unit fee of: \$400.00 for all units class 3-5 \$750.00 for all units class 6-8	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Proposers submitting a proposal in Category 1 as defined herein will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. For example, if a Proposer offers chassis and cabs with Internal Combustion Engines (ICE) as well as chassis and cabs with electric propulsion systems the Proposer should designate it is seeking an award in Category 1 **only**. Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems **only**.

Line Item	Category Selection *	
69	Category 1: All engines, fuel, and propulsion type chassis and cabs	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Rush Truck Centers is offering (4) OEMs on this proposal comprising of (39) individual models with even more specific order codes under each model. We are also offering a range of upfit options from spray in bed liners and toolboxes to service bodies, refuse equipment and sewer inspection equipment. To provide a complete solution to meet the customer's needs Rush Enterprises will work with our extensive list of vendors and even work with vendors specifically requested by the Sourcwell member (once approved by Rush Truck Centers risk team).	*
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Our subcategories will be broken down by Make, Model, and trim level (where applicable).	
72	Describe any manufacturing processes or materials utilized that contribute to chassis strength, cab strength, overall durability, driver safety.	Rush Truck Centers has the utmost confidence in the manufacturers we represent to produce the highest quality products available on the market.	
73	Describe any differentiating serviceability attributes (remote diagnostics, etc.) your proposal offers.	As detailed above, Rush Truck Centers offers a unique business case to Sourcwell members. Its network and forward-looking approach to solutions technologies positions Rush to offer products and services at a customizable-level to meet any transportation need proposed. Between the tools developed and available to the Sourcwell member base and the team of experts assembled to provide the solutions, Rush is a differentiator in the industry. Whether it be the widely available, pre-upfitted quick delivery inventory of vehicles, extensive and diverse parts inventory, or available service bays at our state-of-the-art facilities supported by a fleet of 600+ mobile service technicians, Rush Truck Centers is prepared to offer solutions to Sourcwell members.	

Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 1 will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Chassis Type (ICE and/or BEV)	Comments	
74	Class 4 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Internal Combustion Engine fuel types (ICE)	The OEMs Rush is offering currently only offer ICE solutions for the class 4 space.	*
75	Class 5 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Both Chassis Types (ICE and BEV)	None of the OEMs Rush is offering currently offer BEV solutions for the class 5 space. However, Isuzu is releasing a BEV class 5 that is projected to be available in 2025. We are looking to offer that product once pricing is published and able to be ordered.	*
76	Class 6 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Internal Combustion Engine fuel types (ICE)	None of the OEMs Rush is offering currently offer BEV solutions for the class 6 space. Although Hino is projecting to announce a class 7 BEV in 2025 at which time we will work with Sourcwell to have the product added to the contract.	*
77	Class 7 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Internal Combustion Engine fuel types (ICE)	None of the OEMs Rush is offering currently offer BEV solutions for the class 7 space. Although Hino is projecting to announce a class 7 BEV in 2025 at which time we will work with Sourcwell to have the product added to the contract.	*
78	Class 8 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Internal Combustion Engine fuel types (ICE)	None of the OEMs Rush is offering on this proposal offer BEV solutions for the class 8 space.	*
79	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Both Chassis Types (ICE and BEV)	Through Ford Rush is offering both ICE & BEV on the Transit T-250 & T-350 in the class 3 space. The Super Duty line, more specifically F-250 & F-350 are offered as ICE only.	

Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems **only**. See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments
80	Battery Electric Vehicle (BEV) Class 4 Chassis	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rush Truck Centers is not offering an OEM that has a BEV vehicle for the class 4 space.
81	Battery Electric Vehicle (BEV) Class 5 Chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Isuzu is looking to offer a BEV class 5 unit towards the end of 2024/beginning of 2025. Although pricing isn't currently available, once made available to Rush Truck Centers, we intend to work with Sourcewell to have this model added to the contract.
82	Battery Electric Vehicle (BEV) Class 6 Chassis	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rush Truck Centers is not offering an OEM that has a BEV vehicle for the class 6 space on.
83	Battery Electric Vehicle (BEV) Class 7 Chassis	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rush Truck Centers is not offering an OEM that has a BEV vehicle for the class 7 space.
84	Battery Electric Vehicle (BEV) Class 8 Chassis	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rush Truck Centers is not offering an OEM that has a BEV vehicle for the class 8 space.
85	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	<input checked="" type="radio"/> Yes <input type="radio"/> No	Rush Truck Centers is offering the Ford E-Transit line which we are offering on this proposal.

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

- Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
 - Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
 - Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
 - If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Pricing](#) - MSRP Pricing.zip - Thursday March 28, 2024 13:53:27
 - [Financial Strength and Stability](#) - 2023 10-K Final.pdf - Tuesday March 26, 2024 10:49:33
 - Marketing Plan/Samples (optional)
 - WMBE/MBE/SBE or Related Certificates (optional)
 - [Warranty Information](#) - Exhibit C - Rush Limited Warranty.pdf - Thursday March 28, 2024 12:41:37
 - [Standard Transaction Document Samples](#) - Sourcewell Docs Example.pdf - Thursday March 28, 2024 14:24:57
 - [Requested Exceptions](#) - RFP_033824_Class_4-8_Chassis_&_Cabs_Contract_Template_Rush_revisions.docx - Tuesday March 26, 2024 11:39:46
 - [Upload Additional Document](#) - Additional Documents.zip - Thursday March 28, 2024 12:40:50

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.








☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Whitt Michael, Senior of Medium Duty Sales, Rush Truck Centers of Texas, LP

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☒ Yes ☐ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_7_Class 4-8 Chassis and Cabs _RFP_032824 Thu March 21 2024 08:45 AM		1
Addendum_6_Class 4-8 Chassis and Cabs _RFP_032824 Wed March 20 2024 12:36 PM		3
Addendum_5_Class 4-8 Chassis and Cabs _RFP_032824 Mon March 18 2024 12:01 PM		1
Addendum_4_Class 4-8 Chassis and Cabs _RFP_032824 Wed March 6 2024 09:38 AM		1
Addendum_3_Class 4-8 Chassis and Cabs _RFP_032824 Wed February 21 2024 04:08 PM		2
Addendum_2_Class 4-8 Chassis and Cabs _RFP_032824 Wed February 14 2024 04:12 PM		1
Addendum_1_Class 4-8 Chassis and Cabs _RFP_032824 Thu February 8 2024 04:24 PM		1

**CITY OF TRACY
PURCHASE AGREEMENT FOR EQUIPMENT WITH PAPE MACHINERY, INC.**

This Purchase Agreement for Equipment, ("**Agreement**") is entered into between the City of Tracy, a municipal corporation ("**City**"), and Pape Machinery Inc. French Camp, California (Supplier). City and Supplier are sometimes referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

- A. City desires to retain Supplier to provide a 2025 John Deere 334P-Tier Skid Steer and related accessories and supplies.
- B. Pursuant to Tracy Municipal Code 2.20.220, the City is utilizing a Sourcewell cooperative purchasing agreement to purchase the Equipment.
- C. Sourcewell and the Supplier entered into an agreement for the purchase of equipment referred to as contract with Solicitation #092922 ("**Contract**").
- D. After negotiations between the City and the Supplier, the parties have reached an agreement for purchase of such equipment in accordance with the terms set for in this agreement.
- E. This Agreement is being executed pursuant to Resolution No. 2025-____ which was adopted by the City Council for the City of Tracy on _____.

Now therefore, the parties mutually agree as follows:

- 1. **CONTRACT APPLICABILITY.** The Contract is fully incorporated herein by reference, except as expressly modified herein, and the Parties agree to abide by the terms set forth therein. All capitalized terms used herein but not defined shall have the meaning attributed to them in the Contract.
 - 1.1. **EQUIPMENT.** The City agrees to purchase, and the Supplier agrees to sell, the Equipment as more specifically outlined and described in the Contract. The Equipment shall comply with all of the standards and specifications outlined in Contract.
 - 1.2 **NO SUBSTITUTIONS; AUTHORIZED REPRESENTATIVE.** There shall be no substitution for the Equipment, without the prior written authorization of the City. All Services shall be performed by or under the direct supervision of, the Supplier's Authorized Representative: _____, Director of Sales. Supplier shall not replace its Authorized Representative without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel may result in the termination of this Agreement.

2. **DELIVERY DATES.** The Equipment must be shipped and must arrive at the destination of 520 Tracy Blvd. Tracy, CA 95376

2.1 Any failure by the Supplier to meet the Delivery Timeline will constitute a material default of this Purchase Agreement and the City may cancel any equipment not delivered in a timely manner without liability. The Supplier must notify the City immediately if the Supplier reasonably believes the Supplier will not be able to meet the Delivery Timeline for any reason and provide the City with a schedule that the Supplier reasonably believes it will be able to meet. It is within the City's discretion whether it will accept the revised timeline.

3. **PURCHASE PRICE.** City shall pay Supplier on a fixed fee basis, at the fee amounts outlined in the Contract, attached, and incorporated by reference.

3.1 **NOT TO EXCEED AMOUNT.** Supplier's total contract amount, under this Agreement shall not exceed \$97,753.

4. **CANCELLATION AND TERMINATION.** The City reserves the right to terminate or cancel any portion of this Agreement at any time prior to the delivery, with or without cause, by giving Supplier written notice. There shall be no period of grace after giving the notice of cancellation or termination. Cancellation or termination shall become effective immediately upon the giving of notice by personal delivery or mail.

5. **BREACH.** In the event of a breach of the Agreement by Supplier, City may terminate the Agreement immediately without notice. Supplier may not terminate this Agreement except for cause.

6. **DELIVERY RISK OF LOSS.** All orders will be Free on Board (**FOB**) destination. Risk of loss or damage to the Equipment must remain with the Supplier until the equipment has been delivered to the City. All equipment will be received by the City subject to its right of inspection, rejection, and revocation of acceptance under the Uniform Commercial Code. The City will be allowed a reasonable period of time to inspect the Equipment and to notify Supplier of any nonconformance with the terms and conditions of the specifications. The City may reject any Equipment that do not conform to the terms and conditions outlined in the Contract. Any Equipment rejected may be returned to the Supplier at the Supplier's risk and expense.

7. **INDEMNIFICATION.** Supplier shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless the City from and against any claims for: (a) any damage to property; (b) death or injury to any person; and (c) a breach by Supplier of a relevant law in the course of, or caused by, the performance of its obligations under this Agreement, in each case as and to the extent that the damage, death or injury, or breach is caused or contributed to by Supplier but Supplier's liability to indemnify the City will be reduced proportionately to the extent that the damage, death or injury, or breach is caused or contributed to by the City.

7.1 **DEFINITION.** For the purposes of this section, "City" means the City, its officials, officers, agents, employees, and volunteers; and "Claims" includes claims, demands, actions, losses, damages, injuries, and liability (including any and all related costs

and expenses) and any allegations of these.

- 7.2 PROVISION SURVIVAL.** The provisions of this Section 7 survive the completion of the services or the termination of this Agreement and are not limited by the provisions of Section 7 relating to insurance.
- 7.3 LIMITATION.** IN NO EVENT SHALL THE CITY BE ENTITLED TO (NOR SUPPLIER LIABLE FOR) ANY CONSEQUENTIAL, INCIDENTAL OR CONTINGENT DAMAGES OF ANY KIND, WHETHER ARISING OUT OF (A) THIRD PARTY CLAIMS AGAINST THE CITY, OR (B) BREACH OF CONTRACT, TORT, WARRANTY (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY SUPPLIER, OR ANY UNDERTAKINGS, ACTS, OR OMISSIONS RELATING THERETO.
- 8. INSURANCE.** Supplier shall, throughout the duration of this Agreement, maintain insurance to cover its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein, which may be achieved with an equivalent umbrella policy.
- 8.1 COMMERCIAL GENERAL LIABILITY.** Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.
- 8.2 AUTOMOBILE LIABILITY.** (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.
- 8.3 WORKERS' COMPENSATION.** coverage shall be maintained as required by the State of California.
- 8.4 ENDORSEMENTS.** Supplier shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:
- 8.4.1** The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."
- 8.4.2** For any claims related to this Agreement, Supplier's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Supplier's insurance and shall not contribute with it.
- 8.5 NOTICE OF CANCELLATION.** Supplier shall notify the City if the policy is canceled before the expiration date. For this notice requirement, any material change in the policy prior to the expiration that causes Supplier to be out of compliance with the provisions of this section shall be considered a cancellation. Supplier shall immediately obtain a replacement policy.

- 8.6 **INSURANCE CERTIFICATE.** Supplier shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

SUBSTITUTE CERTIFICATES. Supplier shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

- 8.7 **SUPPLIER'S OBLIGATION.** Maintenance of insurance by the Supplier as specified in this Agreement shall in no way be interpreted as relieving the Supplier of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Supplier may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

9. **PACKING AND SHIPPING.** Deliveries must be made as specified, without charge for boxing, crating, or storage unless otherwise specified. Equipment must be suitably packed to secure the lowest transportation costs and, in accordance with the requirements of common carriers, in a manner to assure against damage from weather or transportation.

10. **TAXES.** The Supplier must separately state on all invoices any taxes imposed by the local, state, or federal government applicable to furnishing the Equipment; however, where a tax exemption is available, the tax must be subtracted from the total price and identified. Unless otherwise outlined in the Agreement, the Purchase Price will be considered to include state and city sales or use tax.

11. **WARRANTY.** Warranties for Equipment delivered hereunder are strictly given by the manufacturer thereof. Copies of a manufacturer's warranty, if any, which may apply will be provided by Supplier. Supplier warrants any labor performed according to the terms herein to be free from defects in workmanship for a period of 30 days from the date the labor was completed. If a defect in workmanship is found within the 30 days, Supplier will correct the defect during normal working hours at no cost to the City. Supplier's warranty does not extend to any defect, claim, or damage attributable to the failure to operate or maintain equipment in accordance with the manufacturer's specification.

- 11.1 The City's inspection, approval, acceptance, use of, and payment for all or any part of the equipment must in no way affect its warranty rights.

- 11.2 THE WARRANTIES IN THIS SECTION ARE THE EXCLUSIVE WARRANTIES GIVEN BY SUPPLIER AND SUPERSEDE ANY PRIOR, CONTRARY, OR ADDITIONAL REPRESENTATIONS, WHETHER ORAL OR WRITTEN. SUPPLIER HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTIES OTHERWISE ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

12. [NOT USED]

13. **REBATES, KICKBACKS, OR OTHER UNLAWFUL CONSIDERATIONS.** Supplier warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work performed, or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.
14. **NOTICES.** All notices, demands, or other communications that this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party at the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

Assistant Director – Operations
520 N. Tracy Blvd.
Tracy, CA 95376

To Supplier:

Pape Machinery, Inc.
8621 S. El Dorado St.
French Camp, Calif. 95231

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

With a copy to

Papé Machinery, Inc.
355 Goodpasture Island Rd
Eugene, OR 97401
Attn: Legal

15. **MISCELLANEOUS**

- 15.1 **STANDARD OF CARE.** Unless otherwise specified in this Agreement, the standard of care applicable to Supplier's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.
- 15.2 **AMENDMENTS.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.
- 15.3 **WAIVER.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
- 15.4 **ASSIGNMENT AND DELEGATION.** Supplier may not assign, transfer, or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be consent to any subsequent assignment.

- 15.5** **JURISDICTION AND VENUE.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.
- 15.6** **COMPLIANCE WITH THE LAW.** Supplier shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.
- 15.6.1** **HAZARDOUS MATERIAL.** Supplier is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled by it in the course of performing its services hereunder.
- 15.6.2** **NON-DISCRIMINATION.** Supplier represents and warrants that it is an equal opportunity employer and it shall not discriminate against any third-party Supplier, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Supplier shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).
- 15.7** **BUSINESS ENTITY STATUS.** Supplier is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Supplier. By entering into this Agreement, Supplier represents that it is not a suspended corporation. If Supplier is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.
- 15.8** **SUCCESSORS AND ASSIGNS.** This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.
- 15.9** **CONSTRUCTION OF AGREEMENT.** Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.
- 15.10** **SEVERABILITY.** If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.
- 15.11** **CONTROLLING PROVISIONS.** In the case of any conflict between the terms of this Agreement including the Exhibits hereto, the Contract, and any preprinted terms and conditions in Supplier's proposal or the City's purchase order (if any), this Agreement shall control.
- 15.12** **ENTIRE AGREEMENT.** This Agreement, the Contract and attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.

16. **SIGNATURES.** Each party represents and warrants that each individual executing this Agreement on behalf of the party has the right, power, legal capacity, and authority to enter and execute this Agreement on behalf of the party.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola

Title: Mayor

Date: _____

Attest:

April B. A. Quintanilla, City

Clerk

Approved as to form:

L. David Nefouse, City Attorney

Supplier

Papa Machinery, Inc.

French Camp, California

By: Rodger Spears

Title: President

Date: July 23, 2025

Federal Employer Tax ID No. 73-1627810

DocuSigned by:

Lance Jorgensen

By: Lance Jorgensen

Title: VP of Finance/CFO

Date: July 23, 2025

Quote Id: 33184219

Prepared For:

CITY OF TRACY PUBLIC WORKS DEPARTMENT



Prepared By: **BRIAN HEAVEY**

Pape Machinery, Inc.
8621 S El Dorado Street
French Camp, CA 95231

Tel: 209-983-8122
Mobile Phone: 209-247-5317
Fax: 209-983-1105
Email: bheavey@papemachinery.com

Date: 17 July 2025

Offer Expires: 17 October 2025

Quote Summary**Prepared For**

CITY OF TRACY PUBLIC WORKS DEPARTMENT
520 N TRACY BLVD
TRACY, CA 95376
Business: 209-831-6371
Email: ADRIAN.TAYLOR@CITYOFTRACY.ORG

Prepared By

BRIAN HEAVEY
Pape Machinery, Inc.
8621 S El Dorado Street
French Camp, CA 95231
Phone: 209-983-8122
Mobile: 209-247-5317
bheavey@papemachinery.com

This sale is subject to Pape's Terms and Conditions of Sale effective on the date hereof, which are incorporated in full by this reference. The Terms and Conditions of Sale are available at www.pape.com/terms, and will also be sent by mail or e-mail to the purchaser upon request.

Sourcewell Contract #011723-JDC

Quote Id:	33184219
Created On:	17 July 2025
Last Modified On:	17 July 2025
Expiration Date:	17 October 2025

Equipment Summary

JOHN DEERE 334 P-Tier Skid
Steer Loader

Selling Price	Qty	Extended
\$ 90,296.50	X 1 =	\$ 90,296.50

Equipment Total**\$ 90,296.50****Trade In Total****\$ 0.00**

Quote Summary

Equipment Total	\$ 90,296.50
Trade In	
CA Tire Fee	\$ 7.00
SubTotal	\$ 90,303.50
Sales Tax - (8.25%)	\$ 7,449.46
Total	\$ 97,752.96
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 97,752.96

Salesperson : X

Accepted By : X

Confidential

Selling Equipment

Quote Id: 33184219**Customer:** CITY OF TRACY PUBLIC WORKS DEPARTMENT

JOHN DEERE 334 P-Tier Skid Steer Loader

Hours:**Stock Number:**

Code	Description	Qty
00T0T	334 P-Tier Skid Steer Loader	1

Standard Options - Per Unit

183N	JDLink™	1
0202	United States	1
0259	English Operator's Manual	1
0351	Translated Text Labels	1
0952	Rear Camera	1
1100	Less Detection System	1
1363	3-Inch Seat Belt with Shoulder Harness	1
5247	14x17.5 14 PR Galaxy Hulk	1
8030	Fire Extinguisher Bracket	1
8047	Counterweight, (Double Set)	1
8059	Cab Severe Duty Polycarbonate Door	1
8934	84 In. Heavy Duty Construction Bucket (21.0 Cu Ft) w/ Edge	1

Notice: When operated in California, any off-road diesel vehicle may be subject to the California Air Resources Board In-Use Off-road Diesel Vehicle Regulation. It therefore could be subject to retrofit or accelerated turnover requirements to reduce emissions of air pollutants. For more information, please visit the California Air Resources Board website at:

<http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>.

011723-JDC

**Solicitation Number: RFP # 011723****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and John Deere Construction Retail Sales a division of John Deere Shared Services LLC, DBA John Deere Construction Retail Sales, 1300 River Drive, Moline, IL 61265 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Heavy Construction Equipment with Related Attachments and Technology from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires April 14, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcwell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcwell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. The John Deere Warranty Statement describes covered items and services when returning Damaged Equipment and

Products. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Sourcwell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcwell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcwell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcwell Price and Product Change Request Form to the assigned Sourcwell Supplier Development Administrator. This approved form is available from the assigned Sourcwell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee. Any state that requires a Sourcewell participating addendum with an additional admin fee, we reserve the right to reduce the list price discount to accommodate this additional fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*

- a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
 - b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for products liability-completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

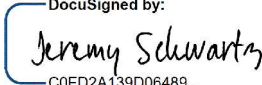
21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Intentionally Omitted.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

DocuSigned by:

C0FD2A139D06489...

By: _____
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 4/4/2023 | 2:30 PM CDT


**John Deere Construction Retail Sales a
division of John Deere Shared Services LLC,
DBA John Deere Construction Retail Sales**

DocuSigned by:

1CAF73242BB647F...

By: _____
Mark Oliver
Title: Manager Contract Sales
Date: 4/5/2023 | 8:05 AM CDT

Approved:

DocuSigned by:

7E42B8F817A64CC...

By: _____
Chad Coauette
Title: Executive Director/CEO
Date: 4/5/2023 | 8:20 AM CDT

RFP 011723 - Heavy Construction Equipment with Related Attachments and Technology

Vendor Details

Company Name: John Deere Shared Services LLC

Does your company conduct business under any other name? If yes, please state: John Deere Construction Retail Sales a division of John Deere Shared Services LLC

Address: 1300 River Drive
Moline, IL 61265

Contact: Brooke DeVol

Email: ForsbergBrookeL@JohnDeere.com

Phone: 309-207-0431

HST#: 36-2382580

Submission Details

Created On: Monday November 28, 2022 09:24:58

Submitted On: Thursday January 12, 2023 14:48:05

Submitted By: Brooke DeVol

Email: ForsbergBrookeL@JohnDeere.com

Transaction #: 17731346-34ec-484a-83d5-3fc1c1f49270

Submitter's IP Address: 165.225.57.43

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	John Deere Construction Retail Sales a division of John Deere Shared Services LLC	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Not Applicable	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	John Deere Construction Retail Sales JDCRS John Deere Construction & Forestry	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Cage Code: 3PSD7 UEI: ED9BLXH3Hg21	*
5	Proposer Physical Address:	1300 River Drive Moline, IL 61265	*
6	Proposer website address (or addresses):	www.deere.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Mark Oliver, Manager Contract Sales 1300 River Drive Moline, IL 61265 OliverMarkR@JohnDeere.com 309-748-3418	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Brooke DeVol, Contract Administrator 1300 River Drive Moline, IL 61265 ForsbergBrookeL@JohnDeere.com 309-207-0431	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Mark Oliver, Manager Contract Sales 1300 River Drive Moline, IL 61265 OliverMarkR@JohnDeere.com 309-748-3418	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>We Run Like No Other. We conduct business essential to life. Running for the people who trust us and the planet that sustains us, we create intelligent connected machines that enable lives to leap forward.</p> <p>See our higher purpose: https://www.deere.com/en/our-company/higher-purpose/</p> <p>John Deere customers are at the center of everything we do. We rely on more than 180 years of experience and terabytes of precision data to know them and their businesses better than anyone else. Our easy-to-use technology helps deliver results they see in the field, on the job site, and on the balance sheet. We ensure seamless access to parts, services, and performance upgrades from take home to trade-in by providing world-class support throughout the lifecycle of their equipment, with productivity and sustainability always in mind.</p> <p>We never forget that we're here to help life leap forward.</p> <p>Deere & Company at a glance: https://www.deere.com/assets/pdfs/common/our-company/deere-&-company-at-a-glance.pdf</p>	*

11	What are your company's expectations in the event of an award?	Our expectation, if we are awarded, is to continue working with Sourcewell to provide governmental customers the best option for acquiring our Construction and Compact Construction products. The John Deere Governmental Sales Team will continue to train our dealers on how to present Sourcewell and the benefits the contract offers to continue growing our sales. Since our training plan was rolled out in late 2016, our sales on this contract have had significant growth and our expectation is to continue that trend in the market place.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	John Deere has a long history and attached in supplemental documents is our most recent annual report from 2021. Our 2022 fiscal year just concluded on October 31, 2022 and the annual report is not published at this time.	*
13	What is your US market share for the solutions that you are proposing?	While we do not publicly state market share position, John Deere Construction & Forestry holds a top level market share position across our entire product portfolio in the US.	*
14	What is your Canadian market share for the solutions that you are proposing?	While we do not publicly state market share position, John Deere Construction & Forestry holds a top level market share position across our entire product portfolio in Canada.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No bankruptcy proceedings have taken place.	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	John Deere Construction Retail Sales (JDCRS) is based in Moline, IL and is responsible for growing sales in the governmental segment for the Construction & Forestry Division of John Deere. All employees of JDCRS are full time John Deere employees. This sales team is responsible for training our dealers on governmental business, contracts and sales processes. Specific to supporting the Sourcewell contract, the account managers, contract manager and sales support team are responsible for educating the dealers on the quoting, ordering and delivery process of products sold on the Sourcewell contract. All dealers are required to go through a contract training program either in person or virtually via Microsoft Teams to become an authorized seller on our contract. This process has been the main driver of our growth since it was launched in 2016. We do retain the right to sell direct if required or the dealer has not completed our training program. Upon award of this new contract, we are revamping our training process to leverage our John Deere University online training system to make it easier and more efficient for the dealer field staff to become trained and certified on the Sourcewell contract.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	John Deere maintains all licenses and certifications necessary to conduct its business around the world. This is supported by our Supply Management, Engineering, Safety, Accounting, Human Resources and Tax and Legal Departments. John Deere self-audits and has regular outside audits performed by Deloitte & Touche for compliance with all required licenses, certifications and regulations.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	There are no suspensions or disbarments to note.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	John Deere has received numerous levels of recognition and awards worldwide for quality production standards, environmental responsibility, ethics, diversity, safety and corporate citizenship. Page 12 of the 2021 Annual Report (attached in the documents section of the response) showcases some of our business highlights and the list of 2021 Awards and Recognitions. Also, attached within the documents section is our 2021 Sustainability Report for John Deere.	*
20	What percentage of your sales are to the governmental sector in the past three years	Customer and segment specifics for John Deere sales are not shared publicly. For the industry as a whole that we participate in, approximately 10-15% of sales for Construction and Compact Construction Equipment are sold to governmental agencies across North American each year.	*
21	What percentage of your sales are to the education sector in the past three years	Our education sector sales is a low percentage of our total governmental business but education entities have utilized the Sourcwell contract previously. For construction and compact construction equipment it is generally reported as a local or state level sale.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	NASPO, as well as state participating addendums through this contract H-GAC TASB BuyBoard We also hold on average 5-10 individual state contracts outside of cooperative purchasing contracts. Sales figures are not publicly shared on any of these contracts.	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GSA DLA US Fish & Wildlife, IDIQ Sales figures are not publicly shared on any of these contracts.	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Murphy Tractor & Equipment; an authorized dealer with a vast customer base with Sourcwell purchases.	Cole Iverson VP of Sales	507-320-8826	*
Brandt Tractor Ltd.; an authorized dealer with a vast customer baes with Sourcwell purchases.	Lloyd Norminton Government Sales Manager	780-486-6786	*
RDO Construction Equipment MW; an authorized dealer with a vast customer base with Sourcwell purchases.	Jesse Miller Government Sales Manager	952-882-2752	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
New York State	Government	New York - NY	Sourcewell and Sourcewell participating addendum sales.	We averaged 172 sales per year over the last 3 years within the state of New York.	We averaged 19 million dollars per year over the last 3 years within the state of New York.	*
State of Ohio	Government	Ohio - OH	Sourcewell sales. Ohio STS contract was also held and is now expired. These sales are not publicly shared from our office. 2022 Q4 is our first full quarter of our Sourcewell PA contract being rolled out in Ohio.	Previous contracts in Ohio averaged 38-50 transactions per year.	Previous contracts in Ohio averaged 3-5 million dollars per year.	*
United States Air Force	Government	Pennsylvania - PA	DLA Military Sales	Not publicly shared from our office.	Not publicly shared from our office.	*
Florida Forest Service	Government	Florida - FL	Florida Forest Service contract	Not publicly shared from our office.	Not publicly shared from our office.	*
Louisiana DOT	Government	Louisiana - LA	State DOT contract	Not publicly shared from our office.	Not publicly shared from our office.	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	Sales is covered by our independent dealer network that has been trained and certified on the Sourcewell sales processes. We have dealer standards that require a minimum sales person to customer ratio to ensure proper sales coverage and response time.	*
27	Dealer network or other distribution methods.	There are nearly 400 dealer locations in the U.S., authorized to sell John Deere construction equipment products and another 60 covering Canada. There are roughly 1400 dealer locations in the U.S. authorized to sell compact construction equipment another 500 across Canada. These John Deere dealers sign contracts to sell and service John Deere products in their assigned areas. We have dealer standards that require a minimum sales person to customer ratio to ensure proper sales coverage and response time.	*
28	Service force.	This is covered fully by our dealers. Our dealers standard policy also has a minimum service technician to machine base ratio to ensure the best service and response time.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	We have two processes for ordering products on our Sourcewell contract. The majority of our sales are ordered by authorized selling dealers that have been trained and certified by our John Deere Government Sales office. Upon delivery of an order we have a sales reporting automated process to capture the sales for reporting to Sourcewell. For dealers that may not be certified yet, our John Deere Government Sales office reserves the right to order direct.	*

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>A professional, capable, well-trained, well-capitalized dealer network is one of John Deere's competitive advantages. Our dealers, backed by John Deere, provide local customer support, repairs, maintenance and parts. John Deere has authorized dealers in all 50 U.S. states and all across Canada.</p> <p>There are nearly 400 dealer locations in the U.S., authorized to sell John Deere construction equipment products and another 60 covering Canada. There are roughly 1400 dealer locations in the U.S. authorized to sell compact construction equipment and another 500 across Canada. These John Deere dealers sign contracts to sell and service John Deere products in their assigned areas.</p> <p>We also have a certified technician training program to ensure quality service for our customers. There are also multiple regional parts depots across North America for the best parts availability in the industry.</p> <p>Dealers must submit an annual business plan that contains their commitment to effectively selling and supporting all potential customer in their area, including but not limited to commercial accounts, national accounts, and state, county, and local governmental agencies.</p> <p>Customer can count on John Deere construction dealers to support our products and customers.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	All areas of the U.S. will be served.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	All areas of Canada that Sourcewell has a defined partner (such as Canoe) will also be served.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	All areas of the U.S. will be served. All areas of Canada that Sourcewell has a defined partner (such as Canoe) will also be served.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	<p>Any agency that John Deere defines as a governmental customer and is also eligible to be a Sourcewell member will qualify for the discounts on our contract. John Deere Construction & Forestry defines a governmental customer as the following:</p> <ol style="list-style-type: none"> 1. Federal, state/provincial, county, municipal and local governmental agencies 2. Hospitals and state/provincially accredited schools (both public and private) 3. Special government and/or taxing districts that have authority to levy taxes and/or issue tax free municipal bonds (ex. airports) 4. Governmental facilities run by independent management groups qualify only if a governmental agency issues the purchase order and retains ownership. Ownership by the management group voids discount eligibility. 5. Non-governmental utilities or departments or divisions of them that provide has, water, electrical, or telephone service directly to commercial or home users 6. Governmental agencies or departments or divisions of them that provide recycling or waste service directly to commercial or home users. Companies or departments or divisions of these utilities that do not provide service directly to commercial or home users do not qualify 7. North American Indian Tribal Councils 8. Non-profit agencies exempt from state/provincial and federal taxes 9. All Municipal Railroads 	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	The John Deere Construction & Forestry Division has assigned dealers in both Alaska and Hawaii. As is the case for the continental U.S. (CONUS), factory to dealer freight as well as local delivery by dealer to end-user will be quoted and invoiced for any applicable areas outside of the continental U.S. (CONUS). Location specific factors related to moves by ocean, barge, inland, etc. will affect final delivery date.	*

Table 7: Marketing Plan

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Since our "authorized selling dealer" initiative that was rolled out in late 2016, our marketing plan has focused on getting our dealer network to understand the power of cooperative purchasing, specially the Sourcewell contract. Our dealers are closer to the end use customers and understand their business and product needs better than our small team here in Moline, IL. Once we got the dealers fully bought in on the power, ease of use and importance of the contract, the sales numbers took off year over year. Our plan for the new contract is to continue this with our dealer network.
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>John Deere has a great public website with information about our entire product line. We also have a link to a variety of governmental contracts that are available. In addition to those site, we also allow the customer to build their own machine online so they can see the options that are available before they contact their local dealer.</p> <p>https://www.deere.com/en/ https://www.deere.com/en/construction/ https://www.deere.com/en/government-and-military-sales/ https://www.deere.com/en/government-and-military-sales/state-and-local-purchasing/ https://configure.deere.com/cbyo/#/en_us/products</p> <p>Our marketing communications group runs a variety of social media promotions including a YouTube channel (https://www.youtube.com/user/JohnDeere) and Facebook page (https://www.facebook.com/JohnDeereUSCA/).</p> <p>The message on these sites changes periodically but it is primarily focused on the benefits of the John Deere relationship and how we are close to our customer.</p>
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>From the John Deere perspective, there are three key components to promoting the Sourcewell contract: Sourcewell, John Deere Construction Retail Sales (JDCRS), and our dealer network across the US and Canada. Each has a key role to the success of the continued and incremental sales increases each year. Sourcewell's job is to continue to promote the brand to eligible members so they understand the basics of cooperative purchasing and the benefits of membership. JDCRS has the responsibility to train the dealers on sales processes (ceiling price, discount structure, ordering and delivering of products), how to determine if a customer is already a member and how to assist a customer that is not a member how to become a member. Our dealer's responsibility is to help identify the right product for the job and how to find the easiest, most cost effective way to source that product/solution. We believe that Sourcewell provides one of the best tools available to eligible customer and we will continue to promote that in our annual training.</p> <p>We work with our dealers and support them at any regional conference or training opportunity that helps promote the brand of all three entities. Open communication between all three parties is the key for future success and incremental sales gains on the next contract.</p>
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	We are investigating e-procurement options for certain product families in the future but those are not available at this time. Due to the customizable nature of products and services, there are many possible configurations for each model. Many build-code dependencies must be taken into consideration for a properly functioning machine to be built. For that reason, we feel it is best to contact the local dealer for machine configuration guidance prior to requesting a contract quote.

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Training on equipment operation and safety is provided through the local dealer. At time of delivery, the dealer provides an introductory walk-around of the unit, explaining general operation and maintenance procedures, free of charge as part of the purchase. Additional product or specific system training is optional and quoted by the local dealer.

41	Describe any technological advances that your proposed products or services offer.	<p>John Deere C&F products offer a variety of technology solutions that work to eliminate rework, improve jobsite safety, counteract labor shortages and increase efficiency. Information on those initiatives is public and can be found at the following link: https://www.deere.com/en/technology-products/precision-construction-technology/</p> <p>There was also a magazine published in the Fall of 2021 that focused on technology and its place in our industry. A link to that publication is below.</p> <p>THE DIRT publication, Fall 2021. https://www.deere.com/assets/pdfs/common/industries/construction/publications/the-dirt-fall-2021-dkmag265c-cv.pdf</p> <p>John Deere has also published what is known as our "Leap Ambitions" and that is also public. Our strategy for the Construction & Forestry Division is by 2026, we will deliver:</p> <ul style="list-style-type: none"> • 20+ electric and hybrid-electric product models. • Earthmoving: Increase SmartGrade™ grade control adoption to 50%. • Forestry: Boost Intelligent Boom Control adoption to 100%. • Roadbuilding: Increase Precision Roadbuilding Solution adoption to 85%. <p>More information on our Leap Ambitions can be found at: https://www.deere.com/en/our-company/sustainability/sustainability-report/leap-ambitions/</p> <p>Technology advances in our products is vitally important and was on display at CES 2023 where our CEO was the keynote speaker on day 1. Information can be found at CES2023.deere.com</p>	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>John Deere has been very public with these initiatives and more can be found on our website in our most recently published Sustainability Report. https://www.deere.com/en/our-company/sustainability/sustainability-report/</p> <p>"Our next leap is ELECTRIC" is another informative piece discussing the future of electrification at John Deere. https://www.deere.com/en/our-company/electrification/</p>	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>In October 2022, John Deere received an award for the SBTi Validation of Greenhouse Gas Emission Reduction. https://www.deere.com/en/news/all-news/john-deere-receives-sbti-validation-of-greenhouse-gas-emission-reduction-targets/</p> <p>In 2021 John Deere acquired majority ownership of Kreisel Electric. https://www.kreiselelectric.com/johndeere/</p>	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>John Deere is committed to Supplier Diversity. Each year we submit to GSA a commercial plan that outlines our commitment to use WMBE's, SBE's, and other MBE's suppliers in support of our business.</p> <p>We also have signed on with two small business partners to learn about small business and partner with them to meet demand for products with a small business designation in the Federal market as well as help grow their businesses. Our partners are The Akana Group (Native American owned small business, small business, HUBZone certified) and Bravo (Service Disabled Veteran-Owned Business). If opportunities arise in the cooperative world for small business designation, we are prepared to grow that segment as well.</p>	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	<p>John Deere has a very strong presence as a construction equipment and compact construction equipment provider. John Deere is also the world's leading manufacturer of agricultural equipment. Additionally, John Deere Financial is one of the largest equipment finance companies.</p> <p>Valuable Extras:</p> <p>1) Genuine John Deere Parts - highest quality parts for the highest quality equipment. -Regional parts depots strategically placed around North America for the best parts delivery response.</p> <p>2) John Deere Connected Support – Allows customers to:</p> <ul style="list-style-type: none"> - Monitor alerts for the machine remotely. - Monitor engine hours and utilization. - View machine location and get driving directions to the jobsite. - Monitor fuel level and idle time. <p>3) John Deere Connected Support – Allows dealers to:</p> <ul style="list-style-type: none"> - Monitor alerts coming from the customers machine. - Remotely connect to a customers machine for real-time diagnostics. - Leverage Expert Alerts from John Deere to address potential future downtime. - Perform software updates from the dealership. 	*

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Construction equipment has basic warranty of 12 months/unlimited hours. The standard warranty general provisions including parts and labor is attached to this RFP submission. Compact construction equipment has a basic warranty of 24 months or 2,000hrs whichever occurs first.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Extended warranty is available as a separate purchase, not on this RFP, through our local dealers. Extended warranty has a year and hour limitation with each purchase. An example is 3 year 5,000hr power train/hydraulics extended warranty option.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	No, TTM is not covered within our warranty.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	No, we can cover the entire U.S. and Canada with our dealer network.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Third party warranties are handled by the original OEM of that attachment.	*
51	What are your proposed exchange and return programs and policies?	As noted in the standard warranty document, "John Deere will repair or replace, at its option, any parts... of a new John Deere product that, as delivered to the original retail purchaser(s), are defective in material or workmanship." See attached standard warranty document for full text explanation.	*
52	Describe any service contract options for the items included in your proposal.	John Deere does not offer any service contracts within this RFP. Service contracts and extended warranty options are available for customers from their local dealer and can be quoted to them at time of purchase.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	JDCRS' only option for payment terms is Net 30 Days for direct sales. Since the majority of our deals are purchased through one of our authorized dealers, there are financing options available (JD Financial) that can be negotiated before finalizing the deal.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	<p>JDCRS (contract vendor) does not play a role in leasing, financing or payment terms other than Net 30 Days.</p> <p>John Deere Financial offers leasing/financing options. The John Deere Municipal Lease Purchase Plan is a special low-rate financing plan that is designed to provide flexibility of leasing while building equity toward ownership of the John Deere equipment. Any state or local government body, or their political subdivisions, having the power to tax may be eligible for the John Deere Municipal Lease Purchase Plan, subject to approval.</p> <p>John Deere Financial also offers other leasing and financing options for governmental, educational and non-profit entities, subject to approval.</p> <p>All leasing and financing options are handled through the local dealer and John Deere Financial.</p> <p>The lease/finance provider funds the contract sales invoice within 30 days.</p>	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Our John Deere dealers use approved applications in their business system to provide quotes to customers stating the approved contract discount rate. The quote contains terms and conditions for the quote and terms for payment when a PO is issued. For direct sales through our office similar documentation is used and is available in the document upload section.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcwell participating entities for using this process?	P-card payments are accepted with a 3% processing fee added to the contract quote. P-card usage is to be made known at time of quote request. Customer PO must cover the added fee.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Each model will have a discount associated to it which applies to all options of that model fully configured, base coded attachments will have a separate discount schedule. Third party attachments (AT and BYT kits) are not part of this RFP proposal and are available for separate purchase by our dealer. The model and discount schedule is attached. Full current price pages will be submitted upon successful award. Any price changes or model updates will be submitted through the PnP process.	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Quotes are provided to the customer with a discount off of current list price. Quotes are price protected for a period of 30 days as long as a PO is received within that 30 day period. See attached pricing & discount schedule as well as the example quote for our proposal on this RFP.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	We offer two different volume discounts between our construction equipment (CE) portfolio and our compact construction equipment (CCE) portfolio due to the difference in acquisition costs of the larger construction equipment verses the smaller compact construction equipment. CE: 5-7 machines = 1%, 8-14 machines = 2%, 15+ machines = 3% CCE: 8-14 machines = 1%, 15+ machines = 3%	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Sourced or open market items are not part of our RFP response but we do allow dealers to quote these as dealer provided items as a separate line item on the quote. Discounts will not be applied to these open market items. Quotes for these products are negotiated directly through the customer and our dealer network.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	The following will not be included: 1. Dealer provided goods and services: Non-factory goods and services (third party items) will be quoted by dealer at the customers request. 2. Set-up and installation fees: These charges will be quoted by the dealer and are not part of this RFP. 3. Pre-Delivery Inspection (PDI): A PDI is performed on all new machine purchases to ensure proper fluid levels, check system pressures, verify accurate system operation, and cleaning of the unit prior to delivery. The cost of the PDI is quoted by the dealer and will vary by machine model and complexity. Taxes: Local taxes, if applicable, will be assessed.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Freight, delivery and shipping are charged to the customer and added to the quote as separate line items.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight, delivery and shipping are charged to the customer and added to the quote as separate line items just as they are for all participating entities. Travel that occurs by ocean, barge or inland may affect the delivery time of the machine.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	If a customer has a unique request, we can review at that time, otherwise there are no unique methods offered in this RFP.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Sourcwell has become our most valued contract to our dealer network for governmental business. We will continue to use our best available discount schedule to support this contract.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcwell. This process includes ensuring that Sourcwell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcwell. Provide sufficient detail to support your ability to report quarterly sales to Sourcwell as described in the Contract template.	Our dealers are required to participate in a contract sales training class to ensure they are promoting the contract per the Terms and Conditions of our RFP response. Dealers are made aware of how to obtain the effective price date of the contract, so the customer is being quoted accurately. Whenever there is a price change approved by Sourcwell, we communicate that information via our dealer bulletin process and post on our dealer microsite. We also use an automated settlement process where a dealer utilizes a program ID code so that we can accurately capture the sales each quarter for our internal review and submit to Sourcwell for the payment of our admin fee. We will also be launching a new quoting process to simplify the quoting process for many of our dealers to ensure accurate pricing per the terms and conditions of our contract.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Upon award of this contract, we track the sales performance of each dealer group across the US and Canada to achieve our market share goals for construction equipment and compact construction equipment in the governmental segments. This has worked well for this contract to date, and we will continue to use this market share metric to keep our dealers accountable for performance.	*
68	Identify a proposed administrative fee that you will pay to Sourcwell for facilitating, managing, and promoting the Sourcwell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	We have had great success growing and expanding the utilization of this contract for all our dealers in the US and Canada and will continue this growth by providing a 0.5% admin fee to Sourcwell on all contract items. Third party attachments or non-contract items (dealer provided items) are not subject to the admin fee. The total calculated admin fee is payable each calendar quarter to Sourcwell.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	We will be offering our complete line of construction equipment and compact construction equipment, as well as base coded attachments. Product families include Articulated Dump Trucks, Backhoes, Compact Track Loaders, Crawler Dozers, Crawler Loaders, Excavators, Compact Excavators, Tractor Loaders, Motor Graders, Skid Steer Loaders, Wheel Loaders and Compact Wheel Loaders. All services including product support, part support, and warranty work will be provided by our authorized dealers and not part of this contract.	*
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	N/A	*

Table 148: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered	Comments
71	Wheeled, tracked, and backhoe loaders	<input checked="" type="radio"/> Yes <input type="radio"/> No	
72	Motor Graders	<input checked="" type="radio"/> Yes <input type="radio"/> No	
73	Wheeled and tracked excavators	<input checked="" type="radio"/> Yes <input type="radio"/> No	
74	Bulldozers, compactors, scrapers, articulated and rigid haulers	<input checked="" type="radio"/> Yes <input type="radio"/> No	We do not offer rigid haulers. Compactors are offered on the separate Wirtgen contract.
75	Cranes	<input type="radio"/> Yes <input checked="" type="radio"/> No	
76	Accessories or attachments for the offering in #71-75 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	We will be offering base coded attachments at time of whole goods purchase or separately if needed. AT kits and BYT kits (third party attachments) are not part of this contract.
77	Technology or services for the offering in #71-75 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	Link Telematics, Grade Control, and Slope Control are examples of these technology services that are available as options on certain products.

Table 14C: Required Offering of Equipment

Indicate below if the proposer's proposal includes at least one (1) of the following listed types or classes of equipment. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered	Comments
78	Wheel loader with published net horsepower (HP) of at least 300 HP	<input checked="" type="radio"/> Yes <input type="radio"/> No	We offer 4 wheel loaders that meet this spec requirement.
79	Wheeled or tracked excavator with a published net horsepower (HP) of at least 150 HP	<input checked="" type="radio"/> Yes <input type="radio"/> No	We offer 10 excavators that meet this spec requirement.
80	Motor Grader with a published maximum operating weight of at least 30,000 lbs.	<input checked="" type="radio"/> Yes <input type="radio"/> No	We offer 8 motor graders that meet this spec requirement.
81	Rough terrain, all terrain, crawler, floating, lattice, or telescopic crane with a published maximum lifting capacity of at least 300 tons and a published maximum boom length of at least 150 feet	<input type="radio"/> Yes <input checked="" type="radio"/> No	

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
 2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
 3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
 4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Pricing](#) - RFP 011723 Model & Discount Schedule.pdf - Monday January 09, 2023 11:48:21
 - [Financial Strength and Stability](#) - Deere-Co_Annual-Report-2021.pdf - Tuesday November 29, 2022 12:34:40
 - Marketing Plan/Samples (optional)
 - WMBE/MBE/SBE or Related Certificates (optional)
 - [Warranty Information](#) - US CAN deere wty stmt.pdf - Tuesday December 06, 2022 10:27:02
 - [Standard Transaction Document Samples](#) - Sample Sourcewell Quote.pdf - Monday January 09, 2023 11:22:37
 - [Upload Additional Document](#) - Sustainability Report 2021.pdf - Tuesday November 29, 2022 13:01:16

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Mark Oliver, Manager, Contract Sales, John Deere Construction Retail Sales

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☒ Yes ☐ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_5_Heavy_Construction_Equipment_RFP_011723 Tue January 10 2023 08:47 AM	<input checked="" type="checkbox"/>	1
Addendum_4_Heavy_Construction_Equipment_RFP_011723 Fri January 6 2023 09:51 AM	<input checked="" type="checkbox"/>	2
Addendum_3_Heavy_Construction_Equipment_RFP_011723 Thu December 29 2022 12:33 PM	<input checked="" type="checkbox"/>	2
Addendum_2_Heavy_Construction_Equipment_RFP_011723 Wed December 21 2022 01:49 PM	<input checked="" type="checkbox"/>	1
Addendum_1_Heavy_Construction_Equipment_RFP 011723 Thu December 15 2022 09:27 AM	<input checked="" type="checkbox"/>	1

Dealership Information	Buyer Name(s)		
	Address		
	City	State	Zip
	Home Phone	Mobile Phone	
	Work Phone	Email	
	Facility Number		

VEHICLE PURCHASED			
<input type="checkbox"/> New <input type="checkbox"/> Used <input type="checkbox"/> Demonstrator		Lien Holder	
		Lien Holder Address	
Year	Make	Model	Miles
Vehicle Identification Number (VIN)		Sales Person	F&I Manager

TRADE-IN VEHICLE DETAILS			
Year	Make	Model	Miles
Cylinders	Body Type	Color	Title No.
Vehicle Identification Number (VIN)			Allowance
To Whom Owed		Balance Owed \$	Net Allowance \$

TRADE-IN VEHICLE DETAILS			
Year	Make	Model	Miles
Cylinders	Body Type	Color	Title No.
Vehicle Identification Number (VIN)			Allowance
To Whom Owed		Balance Owed \$	Net Allowance \$

DATE:		INVOICE NO:	
DEAL NUMBER:		STOCK NO:	
CASH PRICE OF VEHICLE			Amount
VEHICLE BASE PRICE			
ACCESSORIES AND EXTRA EQUIPMENT:			
SUBTOTAL			
SALES TAX			
INSURANCE:			
PRIOR CREDIT OR LEASE BALANCE			
DOCUMENTATION FEE			
VENDOR'S SINGLE INTEREST INSURANCE			
REGISTRATION / TRANSFER / TITLING / LIEN FEES			
GAP INSURANCE			
TOTAL TRADE-IN FEES			
OTHER FEES			
TOTAL CASH PRICE			
DEPOSIT,DOWN PAYMENT AND ALLOWANCES	DEPOSIT <input type="checkbox"/> Unconditional Refund <input type="checkbox"/> No Refund of Deposit <input type="checkbox"/> Conditional Refund of Deposit conditions for refund: _____ _____		
	NET TRADE-IN ALLOWANCE		
	REBATES		
	CASH ON DELIVERY		
TOTAL DOWN PAYMENT			
UNPAID BALANCE (SUBTRACT TOTAL DOWN PAYMENT FROM TOTAL CASH PRICE)			
FINANCE CHARGE			
MONTHS _____ DOLLARS PER MONTH _____			
<input type="checkbox"/> No Insurance included in finance charges <input type="checkbox"/> Insurance financed Type of Coverage(s): _____ \$ _____ _____ \$ _____			

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

**RESOLUTION DECLARING SPECIFIC VEHICLES AND EQUIPMENT AS
SURPLUS AND APPROVING THEIR DISPOSITION PURSUANT TO TRACY
MUNICIPAL CODE SECTION 2.20.310**

WHEREAS, The City periodically declares vehicles and equipment that have been used beyond their economical and/or useful life as surplus property; and

WHEREAS, The disposal of surplus vehicles and equipment no longer useful or needed by a department in the City is governed by Section 2.20.310 of the Tracy Municipal Code which identifies the method of disposition of surplus property; now, therefore, be it

RESOLVED: That the City Council declares and approves the list of vehicles and equipment attached the staff report accompanying this resolution as surplus and authorizes disposition of the vehicles and equipment pursuant to Tracy Municipal Code Section 2.20.310.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH RUSH TRUCK CENTERS FOR THE PURCHASE OF TWO (2) FORD F-250 TRUCKS AND ONE (1) FORD F-350 UTILIZING THE SOURCEWELL COOPERATIVE PROGRAM IN THE AMOUNT OF \$215,411

WHEREAS, Public Works is responsible for managing the fleet of vehicles and equipment necessary to support essential municipal operations; and

WHEREAS, Several vehicles and equipment have exceeded their useful service life, are no longer cost-effective⁴ to maintain, and must be replaced to ensure the continued safe and efficient delivery of City services; and

WHEREAS, As part of the Fiscal Year 2025-2026 budget process, the City Council authorized funding for the replacement of specified vehicles and equipment; and

WHEREAS, The City of Tracy is an Authorized member of the Sourcewell Cooperative Program, which provides competitively bid and awarded cooperative purchasing contracts available to government agencies nationwide, and the City is authorized to utilize such contracts pursuant to Tracy Municipal Code Section 2.20.220; now, therefore, be it

RESOLVED: The City Council hereby authorizes the execution of a purchase agreement with Rush Truck Centers for the purchase of two (2) Ford F-250 trucks and one (1) Ford F-350 truck utilizing the Sourcewell Cooperative Program in the amount of \$215,411.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH PAPE MACHINERY FOR THE PURCHASE OF ONE (1) JOHN DEERE 334P-TIER SKID STEER AND RELATED ACCESSORIES AND SUPPLIES UTILIZING THE SOURCEWELL COOPERATIVE PROGRAM IN THE AMOUNT OF \$97,753

WHEREAS, Public Works is responsible for managing the fleet of vehicles and equipment necessary to support essential municipal operations; and

WHEREAS, Several vehicles and equipment have exceeded their useful service life, are no longer cost-effective⁴ to maintain, and must be replaced to ensure the continued safe and efficient delivery of City services; and

WHEREAS, As part of the Fiscal Year 2025-2026 budget process, the City Council authorized funding for the replacement of specified vehicles and equipment; and

WHEREAS, The City of Tracy is an Authorized member of the Sourcewell Cooperative Program, which provides competitively bid and awarded cooperative purchasing contracts available to government agencies nationwide, and the City is authorized to utilize such contracts pursuant to Tracy Municipal Code Section 2.20.220; now, therefore, be it

RESOLVED: The City Council hereby authorizes the execution of a purchase agreement with Pape Machinery for the purchase of one (1) John Deere 334P-Tier Skid Steer and related accessories and supplies utilizing the Sourcewell Cooperative Program in the amount of \$97,753.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE PURCHASE TEN (10) FORD EXPLORER
HYBRID VEHICLES FROM FREMONT FORD INCLUDING UPFITTING, AS THE
LOWEST QUOTE VENDOR, IN AN AMOUNT NOT TO EXCEED \$1,149,430**

WHEREAS, Public Works is responsible for managing the fleet of vehicles and equipment necessary to support essential municipal operations; and

WHEREAS, Several vehicles and equipment have exceeded their useful service life, are no longer cost-effective to maintain, and must be replaced to ensure the continued safe and efficient delivery of City services; and

WHEREAS, As part of the Fiscal Year 2025-2026 budget process, the City Council authorized funding for the replacement of specified vehicles and equipment; and

WHEREAS, Staff solicited informal quotes from multiple dealerships for replacement vehicles, and Fremont Ford submitted the lowest responsive quote for ten (10) Ford Explorer Hybrid vehicles with upfitting; now, therefore, be it

RESOLVED: The City Council hereby authorizes the purchase of ten (10) Ford Explorer Hybrid vehicles from Fremont Ford including upfitting, as the lowest quote vendor, in an amount not to exceed \$1,149,430.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.D

RECOMMENDATION

Staff recommends that the City Council adopt a resolution, 1) approving the execution of Amendment No. 3 to the Cooperative Agreement for Construction with the California Department of Transportation for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Project, Capital Improvement Project 73147, and, 2) granting authority to the City Manager to Execute Future Amendments to the Cooperative Agreement.

EXECUTIVE SUMMARY

The City of Tracy (City) entered into a Cooperative Agreement with the California Department of Transportation (Caltrans) for the construction of the improvements for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Project (Project), Capital Improvement Project 73147, on April 19, 2023. An amendment to the agreement is required to update the funding summary to reflect the correct construction costs used in the Finance Letter and Request for Authorization (RFA) documents.

BACKGROUND AND LEGISLATIVE HISTORY

The Project was approved as a Capital Improvement Project (CIP) with the Fiscal Year 2015/2016 budget. The City of Tracy, as the Project Sponsor, has collaborated with the California Department of Transportation (Caltrans) in its development. It reconstructs the existing interchange from a tight diamond configuration to a Diverging Diamond Interchange (DDI). The Project is crucial for the region as it will provide safe and efficient access to the expanding fulfillment and distribution centers. It will improve freight operations along a federal Primary Freight Network (PFN) route and support both regional and national economic interests.

The design phase of the project is complete. The City has received \$24.9 million SB1 TCEP (Trade Corridor Enhancement Program) grant funding for the Project. Through the collaborative efforts with Caltrans, the City obtained the Ready to List (RTL) designation, and the California Transportation Commission (CTC) approved the allocation of the TCEP grant during their meetings on June 28 and 29, 2023.

ANALYSIS

On April 9, 2023, the City and Caltrans entered into a Cooperative Agreement for Construction per Resolution 2023-044. Amendment No. 1, which involved reprogramming the TCEP grant to the FNHFP (Federal National Highway Freight Program) grant, was approved by the City Council on August 15, 2023, under Resolution No. 2023-148. Amendment No. 2 was a clerical and minor revision to the cooperative agreement and reprogramming of the grant back to TCEP at Caltrans's request, understanding that there will be Federal reimbursement.

On June 18, 2025, Caltrans notified the City that the cooperative agreement needs to be amended because the funding section of the cooperative agreement did not correspond with the Project's Finance Letter and Request for Authorization (RFA) documents. Caltrans requested that the City amend the funding section of the agreement to accurately reflect the

funds detailed in the Finance Letter and RFA documents, ensuring transparency and effective financial management as the City proceeds with construction. Staff recommends that the City Council adopt a resolution to approve the execution of Amendment No. 3 to the Cooperative Agreement for Construction with Caltrans for the I-580/Patterson Pass Road Interchange Project, CIP 73147.

FISCAL IMPACT

This amendment does not impact the project cost; it solely corrects the cost included in the cooperative agreement to match the figures in the project's Finance Letter and RFA documents.

COORDINATION

The City's Engineering Division coordinated with several stakeholders, including Caltrans, San Joaquin County, San Joaquin Council of Governments, FHWA, California Public Utility Commission, and public and private utility companies.

CEQA DETERMINATION

The Project's environmental documents, Initial Study/Mitigated Negative Declaration – California Environmental Quality Act (CEQA) and Categorical Exclusion – National Environmental Policy Act (NEPA), were obtained on February 25, 2021. The proposed amendment is an administrative correction and does not require reevaluation of the approved environmental documents.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution, 1) approving the execution of Amendment No. 3 to the Cooperative Agreement for Construction with Caltrans for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Project, Capital Improvement Project 73147, and 2) granting authority to the City Manager to Execute Future Amendments to the Cooperative Agreement.

Prepared by: Habibullah Habib, PE, Senior Civil Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer
Even Marcelo, PE, City Engineer
Anush Nejad, PE., Director of Public Works
Sara Castro, Finance Director
Arturo M. Sanchez, Assistant City Engineer
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENT

Attachment A:

Amendment No. 3 to the Cooperative Agreement with Caltrans for the I-580/Patterson Pass Road Interchange project, CIP 73147.

COOPERATIVE AGREEMENT COVER SHEET

Funding Summary Amendment – Funding Summary No. 04

Agreement Amendment No. 03

Work Description

THE CITY OF TRACY PROPOSES TO IMPROVE THE INTERCHANGE AT I-580/INTERNATIONAL PARKWAY/PATTERSON PASS ROAD.

Contact Information

CALTRANS

Dina El-Nakhal, Corridor Manager

1976 E. Dr. Martin Luther King Jr. Way

Stockton, CA 95209

Office Phone:

Mobile Phone: (209) 351-4431

Email: dina.el.nakhal@dot.ca.gov

CITY OF TRACY

Sharat Bandugula, Assistant City Engineer – Public Works -Engineering

333 Civic Center Plaza

Tracy, CA 95376

Office Phone: (209) 831-6463

Email: Sharat.bandugula@cityoftracy.org

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AMENDMENT NO. 03

FUNDING SUMMARY NO. 04

1. PARTIES, in accordance with the provisions of this AGREEMENT, hereby amend this AGREEMENT by replacing Funding Summary No. 03 in its entirety with Funding Summary No. 04.

2. Funding Summary No. 04:
 1. Split the City local fund into \$4,895,657 Construction Support non-participating, \$19,949,500 Construction Capital participating, and \$165,000 non-participating construction capital. Total cost will be \$49,553,657.00.
 2. Replace the Federal National Highway Freight Program (FNHFP) Fund Type with the Trade Corridors Enhancement Program – State and the Trade Corridors Enhancement Program – Regional.

<u>FUNDING TABLE</u>					
<u>IMPLEMENTING AGENCY →</u>			<u>CITY</u>		Totals
Source	Party	Fund Type	CONST. SUPPORT	CONST. CAPITAL	
STATE	CALTRANS	Trade Corridors Enhancement Program - State	0	\$6,266,100	\$6,266,100
STATE	CITY	Trade Corridors Enhancement Program - Regional	0	\$18,277,400	\$18,277,400
LOCAL	CITY	SJ County Measure K, City RTIF, City TIMF	\$4,895,657	\$19,949,500	\$24,845,199
LOCAL	CITY	City Fund		\$165,000	\$165,000
Totals			4,895,657	44,658,000	49,553,657

SJ County Measure K – San Joaquin County Measure K

RTIF – Regional Transportation Impact Fee

TIMF – Traffic Impact Mitigation Fee

<u>SPENDING SUMMARY</u>					
Fund Type	CONST. SUPPORT		CONST. CAPITAL		Totals
	CALTRANS	<u>CITY</u>	<u>CITY</u>	DFM CALTRANS	
Trade Corridors Enhancement Program - State	0	0	\$6,266,100	0	\$6,266,100
Trade Corridors Enhancement Program - Regional	0	0	\$18,277,400	0	\$18,277,400
SJ County Measure K, City RTIF, City TIMF	0	\$4,895,657	\$19,949,500	\$165,0000	\$25,010,199
Totals	0	\$4,895,657	\$44,493,000	\$165,000	\$49,553,657

Funding

1. If there are insufficient funds available in this AGREEMENT to place the PROJECT right-of-way in a safe and operable condition, the appropriate IMPLEMENTING AGENCY will fund these activities until such time as PARTIES amend this AGREEMENT.

That IMPLEMENTING AGENCY may request reimbursement for these costs during the amendment process.

2. If there are insufficient funds in this AGREEMENT to implement the obligations and responsibilities of this AGREEMENT, including the applicable commitments and conditions included in the PROJECT environmental documentation, permits, agreements, and/or approvals that are in effect at a time that WORK stops, each PARTY accepts responsibility to fund their respective WORK until such time as PARTIES amend this AGREEMENT.

Each PARTY may request reimbursement for these costs during the amendment process.

3. The cost of any engineering support performed by CALTRANS includes all direct and applicable indirect costs. CALTRANS calculates indirect costs based solely on the type of funds used to pay support costs. State and federal funds administered by CALTRANS are subject to the current Program Functional Rate. All other funds are subject to the current Program Functional Rate and the current Administration Rate. The Program Functional Rate and Administration Rate are adjusted periodically.
4. If the WORK is funded with state or federal funds, any PARTY seeking CALTRANS reimbursement of indirect costs must submit an indirect cost rate proposal and central service cost allocation plan (if any) in accordance with Local Assistance Procedures Manual, 2 CFR, Part 200 and Chapter 5. These documents are to be submitted annually to CALTRANS' Audits and Investigations for review and acceptance prior to CALTRANS' reimbursement of indirect costs.
5. Travel, per diem, and third-party contract reimbursements for WORK are to be paid from the funds in this AGREEMENT only after the contractor performs the work and incurs said costs.

Payments for travel and per diem will not exceed the rates paid rank and file state employees under current California Department of Human Resources (CalHR) rules current at the effective date of this AGREEMENT.

If CITY invoices for rates in excess of CalHR rates, CITY will fund the cost difference and reimburse CALTRANS for any overpayment.

6. Notwithstanding the terms of this AGREEMENT, PARTIES agree to abide by the funding guidelines for all contributed funds that are programmed and allocated by the CTC.

Invoicing and Payment

7. PARTIES will invoice for funds where the SPENDING SUMMARY shows that one PARTY provides funds for use by another PARTY. PARTIES will pay invoices within forty-five (45) calendar days of receipt of invoice when not paying with Electronic Funds Transfer (EFT). When paying with EFT, CITY will pay invoices within five (5) calendar days of receipt of invoice.
8. If CITY has received EFT certification from CALTRANS, then CITY will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS.
9. When a PARTY is reimbursed for actual cost, invoices will be submitted each month for the prior month's expenditures. After all PROJECT COMPONENT WORK is complete, PARTIES will submit a final accounting of all PROJECT COMPONENT costs. Based on the final accounting, PARTIES will invoice or refund as necessary to satisfy the financial commitments of this AGREEMENT.
10. If an executed Program Supplement Agreement (PSA) or STIP Planning, Programming, and Monitoring Program Fund Transfer Agreement (PPM) exists for this PROJECT then CITY will abide by the billing and payment conditions detailed for the fund types identified in the PSA or PPM.
11. If CALTRANS reimburses CITY for any costs later determined to be unallowable, CITY will reimburse those funds.

CONSTRUCTION Support

12. No invoicing or reimbursement will occur for the CONSTRUCTION SUPPORT PROJECT COMPONENT.

CONSTRUCTION Capital

13. CITY will invoice and CALTRANS will reimburse for actual costs incurred and paid.

Department Furnished Materials (DFM)

14. CALTRANS will invoice CITY for a lump sum payment of \$165,000 after execution of this AGREEMENT.

Signatures

PARTIES are authorized to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and hereby covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT. By signing below, the PARTIES each expressly agree to execute this AGREEMENT electronically.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION****CITY OF TRACY**

Grace Magsayo
District Director

L. David Nefouse,
City Attorney

Michelle Ishaya
District Budget Manager

Dan Arriola
Mayor

Lai Saephan
HQ Accounting Supervisor

April B.A. Quintanilla
City Clerk

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

-
- 1) APPROVING THE EXECUTION OF AMENDMENT NO. 3 TO THE COOPERATIVE AGREEMENT FOR CONSTRUCTION WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR THE INTERSTATE 580/PATTERSON PASS ROAD/INTERNATIONAL PARKWAY DIVERGING DIAMOND INTERCHANGE PROJECT, CAPITAL IMPROVEMENT PROJECT 73147.**
 - 2) GRANTING AUTHORITY TO THE CITY MANAGER TO EXECUTE FUTURE AMENDMENTS TO THE COOPERATIVE AGREEMENT.**

WHEREAS, the Interstate 580/ Patterson Pass Road/International Parkway Diverging Diamond interchange project (Project) is an approved Capital Improvement Project (CIP) with the Fiscal Year 2015/2016 budget; and

WHEREAS, as the Project Sponsor, the City of Tracy has been actively involved in the development of the Project in partnership with the California Department of Transportation (Caltrans); and

WHEREAS, the design phase of the project is complete, and It reconstructs the existing interchange from a tight diamond configuration to a Diverging Diamond Interchange (DDI). The Project is crucial for the region as it will provide safe and efficient access to the expanding fulfillment and distribution centers. It will improve freight operations along a federal Primary Freight Network (PFN) route and support both regional and national economic interests; and

WHEREAS, the City has received \$24.9 million SB1 TCEP (Trade Corridor Enhancement Program) grant funding for the Project. Through the collaborative efforts with Caltrans, the City obtained the Ready to List (RTL) designation, and the California Transportation Commission (CTC) approved the allocation of the TCEP grant during their meetings on June 28 and 29, 2023; and

WHEREAS, the Project's environmental documents, Initial Study/Mitigated Negative Declaration – California Environmental Quality Act (CEQA) and Categorical Exclusion – National Environmental Policy Act (NEPA), were obtained on February 25, 2021. The proposed amendment is an administrative correction and does not require reevaluation of the approved environmental documents; and

WHEREAS, on April 9, 2023, the City and Caltrans entered into a Cooperative Agreement for Construction per Resolution 2023-044. Amendment No. 1, which involved reprogramming the TCEP grant to FNHFP (Federal National Highway Freight Program), was approved by the City Council on August 15, 2023, under Resolution No. 2023-148. Amendment No. 2 was a clerical and minor revision to the cooperative agreement and reprogramming of the

grant back to TCEP at Caltrans's request, understanding that there will be Federal reimbursement; and

WHEREAS, on June 18, 2025, Caltrans notified the City that notified the City that the cooperative agreement needs to be amended, because the funding section of the cooperative agreement did not correspond with the Project's Finance Letter and Request for Authorization (RFA) documents. Caltrans requested that the City amend the funding section of the agreement to accurately reflect the funds detailed in the Finance Letter and RFA documents; and

WHEREAS, this amendment will ensure transparency and effective financial management as the City proceeds with construction; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy, by resolution, hereby 1) approves the execution of Amendment No.3 to the Cooperative Agreement for Construction attached hereto as Exhibit 1 with the California Department of Transportation for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Project, Capital Improvement Project 73147 and 2) grant authority to the City Manager to Execute Future Amendments to the Cooperative Agreement.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

COOPERATIVE AGREEMENT COVER SHEET

Funding Summary Amendment – Funding Summary No. 04

Agreement Amendment No. 03

Work Description

THE CITY OF TRACY PROPOSES TO IMPROVE THE INTERCHANGE AT I-580/INTERNATIONAL PARKWAY/PATTERSON PASS ROAD.

Contact Information

CALTRANS

Dina El-Nakhal, Corridor Manager

1976 E. Dr. Martin Luther King Jr. Way

Stockton, CA 95209

Office Phone:

Mobile Phone: (209) 351-4431

Email: dina.el.nakhal@dot.ca.gov

CITY OF TRACY

Sharat Bandugula, Assistant City Engineer – Public Works -Engineering

333 Civic Center Plaza

Tracy, CA 95376

Office Phone: (209) 831-6463

Email: Sharat.bandugula@cityoftracy.org

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AMENDMENT NO. 03

FUNDING SUMMARY NO. 04

1. PARTIES, in accordance with the provisions of this AGREEMENT, hereby amend this AGREEMENT by replacing Funding Summary No. 03 in its entirety with Funding Summary No. 04.
2. Funding Summary No. 04:
 1. Split the City local fund into \$4,895,657 Construction Support non-participating, \$19,949,500 Construction Capital participating, and \$165,000 non-participating construction capital. Total cost will be \$49,553,657.00.
 2. Replace the Federal National Highway Freight Program (FNHFP) Fund Type with the Trade Corridors Enhancement Program – State and the Trade Corridors Enhancement Program – Regional.

<u>FUNDING TABLE</u>					
<u>IMPLEMENTING AGENCY →</u>			<u>CITY</u>		Totals
Source	Party	Fund Type	CONST. SUPPORT	CONST. CAPITAL	
STATE	CALTRANS	Trade Corridors Enhancement Program - State	0	\$6,266,100	\$6,266,100
STATE	CITY	Trade Corridors Enhancement Program - Regional	0	\$18,277,400	\$18,277,400
LOCAL	CITY	SJ County Measure K, City RTIF, City TIMF	\$4,895,657	\$19,949,500	\$24,845,199
LOCAL	CITY	City Fund		\$165,000	\$165,000
Totals			4,895,657	44,658,000	49,553,657

SJ County Measure K – San Joaquin County Measure K

RTIF – Regional Transportation Impact Fee

TIMF – Traffic Impact Mitigation Fee

<u>SPENDING SUMMARY</u>					
Fund Type	CONST. SUPPORT		CONST. CAPITAL		Totals
	CALTRANS	<u>CITY</u>	<u>CITY</u>	DFM CALTRANS	
Trade Corridors Enhancement Program - State	0	0	\$6,266,100	0	\$6,266,100
Trade Corridors Enhancement Program - Regional	0	0	\$18,277,400	0	\$18,277,400
SJ County Measure K, City RTIF, City TIMF	0	\$4,895,657	\$19,949,500	\$165,0000	\$25,010,199
Totals	0	\$4,895,657	\$44,493,000	\$165,000	\$49,553,657

Funding

1. If there are insufficient funds available in this AGREEMENT to place the PROJECT right-of-way in a safe and operable condition, the appropriate IMPLEMENTING AGENCY will fund these activities until such time as PARTIES amend this AGREEMENT.

That IMPLEMENTING AGENCY may request reimbursement for these costs during the amendment process.

2. If there are insufficient funds in this AGREEMENT to implement the obligations and responsibilities of this AGREEMENT, including the applicable commitments and conditions included in the PROJECT environmental documentation, permits, agreements, and/or approvals that are in effect at a time that WORK stops, each PARTY accepts responsibility to fund their respective WORK until such time as PARTIES amend this AGREEMENT.

Each PARTY may request reimbursement for these costs during the amendment process.

3. The cost of any engineering support performed by CALTRANS includes all direct and applicable indirect costs. CALTRANS calculates indirect costs based solely on the type of funds used to pay support costs. State and federal funds administered by CALTRANS are subject to the current Program Functional Rate. All other funds are subject to the current Program Functional Rate and the current Administration Rate. The Program Functional Rate and Administration Rate are adjusted periodically.
4. If the WORK is funded with state or federal funds, any PARTY seeking CALTRANS reimbursement of indirect costs must submit an indirect cost rate proposal and central service cost allocation plan (if any) in accordance with Local Assistance Procedures Manual, 2 CFR, Part 200 and Chapter 5. These documents are to be submitted annually to CALTRANS' Audits and Investigations for review and acceptance prior to CALTRANS' reimbursement of indirect costs.
5. Travel, per diem, and third-party contract reimbursements for WORK are to be paid from the funds in this AGREEMENT only after the contractor performs the work and incurs said costs.

Payments for travel and per diem will not exceed the rates paid rank and file state employees under current California Department of Human Resources (CalHR) rules current at the effective date of this AGREEMENT.

If CITY invoices for rates in excess of CalHR rates, CITY will fund the cost difference and reimburse CALTRANS for any overpayment.

6. Notwithstanding the terms of this AGREEMENT, PARTIES agree to abide by the funding guidelines for all contributed funds that are programmed and allocated by the CTC.

Invoicing and Payment

7. PARTIES will invoice for funds where the SPENDING SUMMARY shows that one PARTY provides funds for use by another PARTY. PARTIES will pay invoices within forty-five (45) calendar days of receipt of invoice when not paying with Electronic Funds Transfer (EFT). When paying with EFT, CITY will pay invoices within five (5) calendar days of receipt of invoice.
8. If CITY has received EFT certification from CALTRANS, then CITY will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS.
9. When a PARTY is reimbursed for actual cost, invoices will be submitted each month for the prior month's expenditures. After all PROJECT COMPONENT WORK is complete, PARTIES will submit a final accounting of all PROJECT COMPONENT costs. Based on the final accounting, PARTIES will invoice or refund as necessary to satisfy the financial commitments of this AGREEMENT.
10. If an executed Program Supplement Agreement (PSA) or STIP Planning, Programming, and Monitoring Program Fund Transfer Agreement (PPM) exists for this PROJECT then CITY will abide by the billing and payment conditions detailed for the fund types identified in the PSA or PPM.
11. If CALTRANS reimburses CITY for any costs later determined to be unallowable, CITY will reimburse those funds.

CONSTRUCTION Support

12. No invoicing or reimbursement will occur for the CONSTRUCTION SUPPORT PROJECT COMPONENT.

CONSTRUCTION Capital

13. CITY will invoice and CALTRANS will reimburse for actual costs incurred and paid.

Department Furnished Materials (DFM)

14. CALTRANS will invoice CITY for a lump sum payment of \$165,000 after execution of this AGREEMENT.

Signatures

PARTIES are authorized to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and hereby covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT. By signing below, the PARTIES each expressly agree to execute this AGREEMENT electronically.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION****CITY OF TRACY**

Grace Magsayo
District Director

L. David Nefouse,
City Attorney

Michelle Ishaya
District Budget Manager

Dan Arriola
Mayor

Lai Saephan
HQ Accounting Supervisor

April B.A. Quintanilla
City Clerk

Agenda Item 1.E

RECOMMENDATION

Staff recommends that the City Council adopt a resolution to approve Amendment No.1 to Professional Service Agreement with Dewberry Engineers, Inc. of Manteca, California, to provide additional construction management services for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvements, Capital Improvement Project 73147, by increasing the compensation by \$81,634 for a total revised contract not-to-exceed amount of \$4,380,592.

EXECUTIVE SUMMARY

This agenda seeks approval of amendment No.1 to the Professional Services Agreement (PSA) with Dewberry Engineers, Inc. (Consultant) of Manteca, California, to provide additional construction management services for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvements, Capital Improvement Project (CIP) 73147, by increasing the compensation by \$81,634 for a total revised contract not-to-exceed amount of \$4,380,592. The recommended additional construction management services will enhance project outreach and safety, ensuring that updates are provided to residents, businesses, and stakeholders traveling through the project area.

BACKGROUND AND LEGISLATIVE HISTORY

The Project was approved as a CIP with the Fiscal Year 2015/2016 Budget. The City of Tracy, as the Project Sponsor, has collaborated with the California Department of Transportation (Caltrans) in its development. The Project is crucial for the region, as it will provide safe and efficient access to the expanding fulfillment and distribution centers in the area, enhance safety, and benefit both the regional and national economies. It will improve freight operations along a federal Primary Freight Network (PFN) route.

In 2020, the City received a \$24.9 million SB1 Trade Corridor Enhancement Program (TCEP) grant from the California Transportation Commission (CTC) to support the construction phase of the Project.

The Project involves reconstructing the existing interchange to a Diverging Diamond Interchange (DDI), similar to the one at State Route (SR) 120 & Union Road in Manteca. The DDI will redirect traffic in both directions to the opposite side of the road while crossing Interstate 580 (I-580). This will provide direct left turns to I-580 on-ramps and from I-580 off-ramps, allowing for free movements onto the interstate. Traffic signals will be installed at the location where the traffic diversion occurs. The ramp entrances will also be widened to accommodate turning movements. The overcrossing will be widened to accommodate three northbound lanes, two southbound lanes, Class II Bike Lanes, and a multi-use (bicycle and pedestrian) path in the center of the overcrossing. The DDI configuration will maintain access to the existing gas station located west of I-580. A public roadway to the gas station will be built to realign their access to accommodate the DDI configuration and design.

On January 16, 2024, staff prepared and issued a Request for Proposals (RFP) for construction management services for the Project.

On March 1, 2024, the City received a total of three proposals from WSP USA, Inc., MNS Engineers, Inc., and Dewberry Engineering Inc.

On March 27, 2024, the City's Consultant Selection Committee conducted interviews with three consulting firms that submitted proposals. The committee determined that Dewberry Engineers Inc. of Manteca, California, possessed the necessary skills, experience, and certifications, and that the Consultant demonstrated the competence and professional qualifications required for the satisfactory performance of the requested services. Staff negotiated with the Consultant to provide construction management services for this Project on a time-and-material basis for an amount not to exceed \$4,298,958, which was determined to be reasonable and competitive.

ANALYSIS

To ensure clear, consistent, and timely communication throughout the remainder of the Project, staff recommend that the City amend the existing PSA with the Consultant to provide additional construction management services, with a focus on public outreach and stakeholder engagement. These services include the development and maintenance of a stakeholder database, a dedicated project webpage, a project hotline and email address, preparation of communication materials and graphics, detour maps, direct mail notifications, and notices for residents, business owners, and interest groups. The Consultant will also coordinate meetings, site visits, and media relations, offering professional project-specific public relations support as needed. Utilizing the consultant's specialized expertise will significantly reduce the burden on City staff, improve communication efficiency between the City, the contractor, and project stakeholders, and enhance public safety by ensuring that accurate and timely information is readily available throughout all phases of construction. To accommodate the additional work required as outlined above and detailed in Attachment A, the City requested a time-and-materials proposal from the Consultant to complete the full scope of additional services.

On May 7, 2025, the Consultant submitted their proposal to the City, and after successful negotiations between the parties, all have reached an agreement for the performance of these additional services for a not-to-exceed amount of \$81,634.

Staff recommends that the City Council adopt a resolution to approve Amendment No. 1 to the PSA with Dewberry Engineers Inc. for CIP 73147 to perform these additional services. Upon approval, the revised total PSA amount will be increased to the not-to-exceed amount of \$4,380,592.

FISCAL IMPACT

There are sufficient funds available for Amendment No. 1 to the PSA of Dewberry Engineers, Inc., to provide additional construction management services.

The I-580/International Parkway/Patterson Pass Road Interchange, CIP 73147, is an approved Capital Improvement Project with an approved budget of \$61,903,749.:

Funding Source	Budget	Expensed/ Committed	Balance
242 - Measure K	\$ 2,541,000	\$ 2,541,000	\$ -
245 - Gas Tax	\$ 1,494,125	\$ 316,933	\$ 1,177,192
TCEP Grant	\$ 24,884,000	\$ 24,884,000	\$ -
363 - TIMP Traffic	\$ 25,032,624	\$ 17,408,583	\$ 7,624,041
392 - RTIF	\$ 7,952,000	\$ 7,952,000	\$ -
Current Budget	\$ 61,903,749	\$ 53,102,516	\$ 8,801,233

COORDINATION

The City's Engineering Division coordinated with several stakeholders, including Caltrans, San Joaquin County, San Joaquin Council of Governments (SJCOG), Federal Highway Administration (FHWA), California Public Utilities Commission, and public and private utility companies.

CEQA/NEPA DETERMINATION

The Project's environmental documents, including the Final Initial Study/Mitigated Negative Declaration – California Environmental Quality Act (CEQA Approval) and the Categorical Exclusion – National Environmental Policy Act (NEPA Approval) for the Project, were obtained on February 25, 2021. The proposed amendment is an administrative action and does not require reevaluation of the approved environmental documents.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution to approve Amendment No.1 to Professional Service Agreement with Dewberry Engineers, Inc. of Manteca, California, to provide additional construction management services for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvements, Capital Improvement Project 73147, by increasing the compensation by \$81,634 for a total revised contract not-to-exceed amount of \$4,380,592.

Prepared by: Habibullah Habib, PE, Senior Civil Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer
Even Marcelo, PE, City Engineer
Anush Nejad, PE, Director of Public Works
Sara Castro, Finance Director
Arturo M. Sanchez, Assistant City Engineer
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENT

Attachment A – Amendment No.1 to the Professional Service Agreement – Dewberry Engineers Inc. (CIP 73147)

CITY OF TRACY
Amendment No. 1
To the Professional Services Agreement
For additional Construction Management Services
Interstate 580/Patterson Pass/International Parkway Diverging Diamond Interchange
Improvements project (CIP 73147)

This Amendment No. 1 (**Amendment**) to the Professional Services Agreement entered between the City of Tracy, a municipal corporation (**City**), and Dewberry Engineers, Inc., a California Corporation. (Consultant) dated July 2nd, 2024 (Agreement) is entered into as of the date of last signature below. City and Consultant are referred to individually as "**Party**" and collectively as "**Parties.**"

Recitals

- A. The Agreement was executed pursuant to the authority granted in Resolution No. 2014-117 approved by the Tracy City Council on July 2, 2024.
- B. City and Consultant now seek to amend the agreement to provide additional services on a time and material basis, in the amount not to exceed \$81,634. The revised contract amount will not exceed \$4,380,592.

Now therefore, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

- 1. **Term of Amendment.** Section 3.1 of the Agreement is hereby modified to reflect that the Compensation is a total not-to-exceed amount of \$4,380,592 (four million three hundred eighty thousand five hundred ninety-two dollars and zero cents). In addition to all services identified under this Agreement (Amendment No. 1), the Consultant is responsible for completing all tasks identified under the original Agreement.
- 2. **Effect.** The Parties hereto ratify the Agreement and, except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect.
- 3. **Entire Agreement.** This Amendment represents the entire agreement and understanding of the Parties and shall supersede any prior agreement—written or oral—between the Parties. This Amendment will not be valid and enforceable until executed by all of the Parties hereto. This Amendment may not be modified or altered except through a subsequent writing signed by both Parties.
- 4. **Severability.** If any term of this Amendment is held invalid by a court of competent jurisdiction, this Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.
- 5. **Signatures.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties

and their respective successors and assigns. This Amendment may be executed in one or more counterparts. All counterparts so executed shall constitute one contract, binding on all Parties, even though all Parties are not signatory to the same counterpart.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

Consultant: Dewberry Engineers, Inc.

By: _____
Midori Lichtwardt

Title: City Manager

By: _____

Vice
Title: President

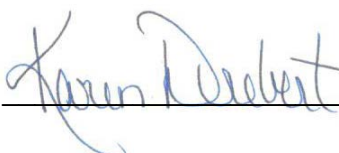
Date: _____

Date: 7/18/2025

Federal Tax Employer ID No. 13-0746510

Attest:

By: _____
April B.A. Quintanilla, City Clerk

By:  _____

Title: Corporate Secretary

Date: 7/16/2025

Approved as to form.

By: _____
L. David Nefouse, City Attorney

City of Tracy – CM for Interstate 580/Patterson Pass Road/International Parkway
AIM Consulting Outreach Scope of Services
300 Working Days

Outreach Management

AIM will provide strategic advice and counsel, review project materials and reports, and monitor team communications. In addition, AIM will attend a project kick-off meeting and regular construction contract coordination meetings by phone with the project team, as necessary. (Up to 30 meetings)

AIM will create and coordinate a public outreach strategy based on CM/Resident Engineer, Caltrans, PIO, and City Project Manager PIO as necessary. The project is expected to last 300 working days.

Stakeholder Database

AIM will develop and maintain a resident database throughout the project's duration. This database will include the resident's name, contact information as well as the preferred method of contact, and potential key concerns and/or areas of project interest. The primary function of this database is to keep residents and any other stakeholders impacted by the installation of conduit and substructure informed of the project's progress.

Project Webpage

AIM will design and develop a project-specific website. AIM will prepare accurate and timely updates to inform residents, stakeholders, and community members of important project information and events throughout the project. Visitors can access project information, such as fact sheets, FAQs, a project map and schedule, and notifications of upcoming delays, detours, and road closures. Website visitors can provide their contact information to receive electronic project updates.

Project Hotline and Email

AIM will also set up, monitor, respond to, and log calls/emails that are received through a project-specific hotline number and email address. AIM will support the City with responding to public inquiries and will document each in a written matrix, capturing the results of each query (nature of the call, who responded, and follow-up actions/result) and distribute the log to the project team every month. AIM will respond to each inquiry within 24 hours and may require support from the project team on appropriate responses.

Communication Collateral/Graphic Support Detour Maps

AIM will develop outreach materials to inform the community about project construction. These materials can include project business cards, detour maps, lawn signs, informational brochures, fact sheets, and FAQs. A template for each collateral item will be developed consistently that is easily updated and sent or distributed through electronic means.

Direct Mailer Notification (1)

AIM will design a direct mail postcard containing project information and details about the construction schedule, hotline, website, and email 30 days before the groundbreaking. AIM will mail the postcard to residences and property owners in the project area identified by the City. as AIM assumes the City will handle any costs related to securing the mailing address data, printing the postcards, and mailing the postcards including postage.

Noticing: Stakeholder/Business Owner/ Interest Group Meetings/Visits (6)

AIM will coordinate with local business owners, neighborhood groups, stakeholders, elected officials, city staff, and neighborhood leaders to schedule and plan up to six interest group meetings/visits with the project team. The goals of these meetings will be to introduce the project and its construction schedule and open the lines of communication.

City of Tracy – CM for Interstate 580/Patterson Pass Road/International Parkway
AIM Consulting Outreach Scope of Services
300 Working Days

AIM will notify, create agendas for, and assist in facilitating the stakeholder/interest group meetings.

Media Relations/PR Support

Working with the Construction Manager the City Project Manager and Public Information Officers, AIM will draft media releases to be used at key milestones during the construction process. These milestones include construction updates and traffic impacts. AIM will distribute media releases to all local/regional media outlets. AIM will respond to any media requests for further information.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2025-_____

APPROVING AMENDMENT NO.1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH DEWBERRY ENGINEERS, INC. OF MANTECA, CALIFORNIA, TO PROVIDE ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES FOR THE INTERSTATE 580/PATTERSON PASS ROAD/INTERNATIONAL PARKWAY DIVERGING DIAMOND INTERCHANGE IMPROVEMENTS, CAPITAL IMPROVEMENT PROJECT 73147, BY INCREASING THE TOTAL COMPENSATION BY \$81,634 FOR A TOTAL REVISED CONTRACT NOT-TO-EXCEED AMOUNT OF \$4,380,592.

WHEREAS, the Project was approved as a CIP with the Fiscal Year 2015/2016 Budget. The City of Tracy, as the Project Sponsor, has collaborated with the California Department of Transportation (Caltrans) in its development. The Project is crucial for the region, as it will provide safe and efficient access to the expanding fulfillment and distribution centers in the area, enhance safety, and benefit both the regional and national economies. It will improve freight operations along a federal Primary Freight Network (PFN) route. In 2020, the City received a \$24.9 million SB1 Trade Corridor Enhancement Program (TCEP) grant from the California Transportation Commission (CTC) to support the construction phase of the Project; and

WHEREAS, the Project involves reconstructing the existing interchange to a Diverging Diamond Interchange (DDI), similar to the one at State Route (SR) 120 & Union Road in Manteca. The DDI will redirect traffic in both directions to the opposite side of the road while crossing Interstate 580 (I-580). This will provide direct left turns to I-580 on-ramps and from I-580 off-ramps, allowing for free movements onto the interstate. Traffic signals will be installed at the location where the traffic diversion occurs. The ramp entrances will also be widened to accommodate turning movements. The overcrossing will be widened to accommodate three northbound lanes, two southbound lanes, Class II Bike Lanes, and a multi-use (bicycle and pedestrian) path in the center of the overcrossing. The DDI configuration will maintain access to the existing gas station located west of I-580. A public roadway to the gas station will be built to realign their access to accommodate the DDI configuration and design; and

WHEREAS, on January 16, 2024, staff prepared and issued a Request for Proposals (RFP) for construction management services for the Project. On March 1, 2024, the City received a total of three proposals from WSP USA, Inc., MNS Engineers, Inc., and Dewberry Engineering Inc., and

WHEREAS, on March 27, 2024, the City's Consultant Selection Committee conducted interviews with three consulting firms that submitted proposals. The committee determined that Dewberry Engineers Inc. of Manteca, California, possessed the necessary skills, experience, and certifications, and that the Consultant demonstrated the competence and professional

qualifications required for the satisfactory performance of the requested services. Staff negotiated with the Consultant to provide construction management services for this Project on a time-and-material basis for an amount not to exceed \$4,298,958, which was determined to be reasonable and competitive; and

WHEREAS, to ensure clear, consistent, and timely communication throughout the remainder of the Project, staff recommend that the City amend the existing PSA with the Consultant to provide additional construction management services, with a focus on public outreach and stakeholder engagement. These services include developing and maintaining a stakeholder database, a dedicated project webpage, a project hotline and email address, preparation of communication materials and graphics, detour maps, direct mail notifications, and notices for residents, business owners, and interest groups. The Consultant will also coordinate meetings, site visits, and media relations, offering professional project-specific public relations support as needed. Utilizing the consultant's specialized expertise will significantly reduce the burden on City staff, improve communication efficiency between the City, the contractor, and project stakeholders, and enhance public safety by ensuring that accurate and timely information is readily available throughout all phases of construction. To accommodate the additional work required as outlined above and detailed in Attachment A, the City requested a time-and-materials proposal from the Consultant to complete the full scope of additional services; and

WHEREAS, on May 7, 2025, the Consultant submitted their proposal to the City, and after successful negotiations between the parties, all have reached an agreement for the performance of these additional services for a not-to-exceed amount of \$81,634; and

WHEREAS, the City's Engineering Division coordinated with several stakeholders, including Caltrans, San Joaquin County, San Joaquin Council of Governments (SJCOC), Federal Highway Administration (FHWA), California Public Utilities Commission, and public and private utility companies; and

WHEREAS, This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote positive change and progress in our community; and

WHEREAS: The Project's environmental documents, including the Final Initial Study/Mitigated Negative Declaration – California Environmental Quality Act (CEQA Approval) and the Categorical Exclusion – National Environmental Policy Act (NEPA Approval) for the Project, were obtained on February 25, 2021. The proposed amendment is an administrative action and does not require reevaluation of the approved environmental documents; and

WHEREAS,

The I-580/International Parkway/Patterson Pass Road Interchange, CIP 73147, is an approved Capital Improvement Project with an approved budget of \$61,903,749.:

Funding Source	Budget	Expensed/ Committed	Balance
242 - Measure K	\$ 2,541,000	\$ 2,541,000	\$ -
245 - Gas Tax	\$ 1,494,125	\$ 316,933	\$ 1,177,192
TCEP Grant	\$ 24,884,000	\$ 24,884,000	\$ -
363 - TIMP Traffic	\$ 25,032,624	\$ 17,408,583	\$ 7,624,041
392 - RTIF	\$ 7,952,000	\$ 7,952,000	\$ -
Current Budget	\$ 61,903,749	\$ 53,102,516	\$ 8,801,233

WHEREAS, there are sufficient funds available for Amendment No. 1 to the PSA of Dewberry Engineers, Inc., to provide additional construction management services; now, therefore, be it

RESOLVED: that the City Council of the City of Tracy hereby approve Amendment No.1 to Professional Service Agreement with Dewberry Engineers, Inc. of Manteca, California, to provide additional construction management services for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvements, Capital Improvement Project 73147, by increasing the compensation by \$81,634 for a total revised contract not-to-exceed amount of \$4,380,592.

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025 by the following vote:

AYES: COUNCIL MEMBERS:
 NOES: COUNCIL MEMBERS:
 ABSENT: COUNCIL MEMBERS:
 ABSTENTION: COUNCIL MEMBERS:

DAN ARRIOLA
 Mayor of the City of Tracy, California

ATTEST: _____
 APRIL B.A. QUINTANILLA
 City Clerk and Clerk of the Council of the
 City of Tracy, California

Agenda Item 1.F

RECOMMENDATION

By resolution, the Mayor appoint, and the City Council approve, two youth Commissioners to the Environmental Sustainability Commission (ESC), for the remainder of a one-year term beginning on September 16, 2025, and ending on July 31, 2026, as recommended by the interview and selection panel, pursuant to the ESC Bylaws.

EXECUTIVE SUMMARY

On October 15, 2024, staff recommended that the City Council waive the City Council Appointment Policy under Resolution 2024-042 and defer, instead, to the interview process under the Bylaws of the Environmental Sustainability Commission (ESC) to fill youth vacancies which was approved under Resolution 2024-184. The Bylaws of the ESC set the number of youths appointed to the Commission at two for a one-year term ending annually on July 31 and stipulate that an interview and selection panel (Panel) convened by the ESC conduct the initial interviews of applicants and make a final recommendation to the City Council. Youth Commissioners serve a one -year term ending on July 31 each year. There are two youth commissioner seats on the ESC.

The application period for the 2025/2026 ESC was closed on July 31, 2025, after a three-month application period with staff receiving five (5) applications. Only four of the five applicants chose to interview. A selection and interview panel was established per the ESC Bylaws, and interviews were conducted over a two-day period from August 20 to August 21, 2025. Two applicants were chosen and accepted to serve on the ESC upon Council approval. This item requests that by resolution, the Mayor appoint, and the City Council approve, Melvin Rufino and Niyah Palma to serve the remainder of a one-year term ending on July 31, 2026, per the ESC Bylaws.

BACKGROUND AND LEGISLATIVE HISTORY

The City Council has established various boards and commissions over the years, and many of those bodies have adopted bylaws. The bylaws outline the processes for interviewing and recommending candidates to fill vacancies on the respective bodies. Those processes conflicted with the recently adopted Appointment Policy under Resolution 2024-042. As the Appointment Policy most accurately reflects the State law applicable to general law cities, it would supersede any conflicting bylaws. However, the City Council always retains the discretion to approve an alternative process (if it is otherwise consistent with State law) that may be proposed by the Mayor, who retains the sole power to appoint (subject to the approval of the Council body) to the City's boards and commissions.

On October 1, 2024, the City Council held a special meeting to interview and make recommendations to the Mayor on appointments for two adult vacancies on the YAC. The City also received 16 applications to fill youth vacancies on the YAC. For efficiency, Mayor Young motioned, and the Council body approved, that the Appointment Policy be suspended and have the youth be interviewed through the process outlined in the YAC bylaws instead. Similarly, the

ESC had two youth vacancies that needed to be filled, and the ESC Bylaws were also inconsistent with the Appointment Policy in that they called for a specific selection and interview panel to review and recommend youth applications. Mayor Young requested a similar process be applied to fill the youth vacancies on the ESC, which was seconded by Council Member Bedolla.

As the ESC request was not included in the agenda item for that special meeting, staff had to bring the request back to Council as a separate request. On October 15, 2024, staff returned with the item to affirm the selection process for the ESC youth commissioners per the ESC Bylaws and waiving the selection process under Resolution 2024-042. The bylaws of the ESC call for a selection panel to review new applications and make recommendations for appointment to the City Council. Recruitment for the youth Commissioners began on April 25, 2025, and closed on July 31, 2025, with five applications being accepted.

ANALYSIS

This year's interview and selection panel consisted of ESC Commissioner Jenny Wood, Adult Youth Advisory Commissioner Olinga Yarber-Alexander, and Public Works Assistant Director – Utilities Stephanie Reyna-Hiestand.

The panel conducted interviews with four students over two days, beginning on Wednesday, August 20 through Thursday, August 21, 2025. Each candidate was scored via a scale of zero to twenty-five points total and the top two candidates were chosen to move forward for appointment. In accordance with Resolution No. 2024-184, the bylaws then call for the selection panel to make their recommendation to the City Council to be considered annually for appointment and approval.

Based upon the interviews conducted and scores received, the selection panel recommends the following two youth for the remainder of one-year terms, September 16, 2025, to July 31, 2026: Melvin Rufino and Niyah Palma.

FISCAL IMPACT

There is no fiscal impact associated with the appointment of a commissioner.

PUBLIC OUTREACH/INTEREST

The City recruits new Commissioners on an ongoing basis to fill any vacancies created by outgoing Commissioners. Marketing efforts include City website, social media, outreach to the various high schools, emails to the various community service clubs in the Tracy community, and any interest cards that have been completed with the City Clerk.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the Council's Strategic Plans.

ACTION REQUESTED OF THE CITY COUNCIL

By resolution, the Mayor appoint, and the City Council approve, two youth Commissioners to the Environmental Sustainability Commission (ESC), for the remainder of a one-year term beginning on September 16, 2025, and ending on July 31, 2026, as recommended by the interview and selection panel, pursuant to the ESC Bylaws.

Prepared By: Stephanie Reyna-Hiestand, Assistant Director - Utilities

Reviewed By: Arturo M. Sanchez, Assistant City Manager
Sara Castro, Finance Director
L. David Nefouse, City Attorney

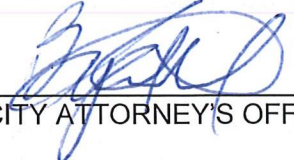
Approved By: Midori Lichtwardt, City Manager

ATTACHMENTS:

Attachment A - Resolution 2024-042

Attachment B – Resolution 2024-184

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2024-042

AMENDING THE COUNCIL POLICY ESTABLISHING A SELECTION PROCESS FOR APPOINTMENTS TO CITY ADVISORY BODIES TO ALLOW THE FULL CITY COUNCIL TO INTERVIEW CANDIDATES AND MAKE INFORMAL RECOMMENDATIONS OF SPECIFIC CANDIDATES FOR THE MAYOR TO CONSIDER AS PROPOSED APPOINTEES, SUBJECT TO FINAL APPROVAL OF THE CITY COUNCIL

WHEREAS, the *Council Policy Establishing a Selection Process for Appointments to City Advisory Bodies* (Appointment Policy) sets forth the process by which vacancies on City committees, subcommittees, and commissions are filled; and

WHEREAS, the most recent version of the Appointment Policy was adopted on December 21, 2021, by the City Council through Resolution 2021-200; and

WHEREAS, under Government Code Section 40605, the elected mayor of a general law city solely has the authority to appoint, subject to council approval, to council committees, subcommittees, and commissions, as well as any regional bodies to which the council sends a delegate; and

WHEREAS, the selection process contained in the Council's Appointment Policy does not fully comply with Government Code Section 40605 as it states that the City Council appoints to a sub-committee to interview candidates and appoints, based on the recommendations of the sub-committee, and no explicit authority of the Mayor to propose appointments is noted; and

WHEREAS, on March 5, 2024, the City Council discussed options to align the Appointment Policy with Government Code Section 40605; and

WHEREAS, after discussion, the City Council directed staff to return with a proposed amendment to the Appointment Policy that would allow the full City Council to interview candidates, in open session at a regular or special meeting; and

WHEREAS, the City Council had not reached consensus on what the next steps would be after the Council interviews had been completed and asked staff to return with two options for the City Council's further deliberation and final selection; and

WHEREAS, the City Council deliberated further at its meeting on March 19, 2024 and finalized the option set forth herein; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby amends the Appointment Policy as set forth in **Exhibit A**, as amended, such that the full City Council shall interview candidates, in open session at a regular or special meeting, and upon completing the interviews,

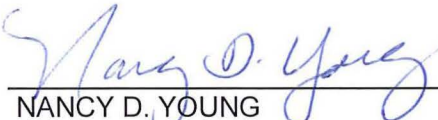
shall make ~~final~~ informal recommendations of specific candidates for the Mayor to consider as proposed appointees; and be it

FURTHER RESOLVED: That the amended Appointment Policy shall become effective immediately upon adoption of this Resolution; and be it

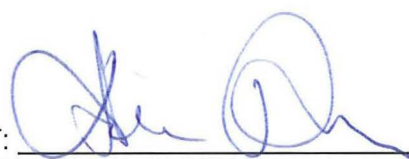
FURTHER RESOLVED: That the City Council authorizes the City Clerk to proceed with the process to fill vacancies as set forth in the newly amended Appointment Policy.

The foregoing Resolution 2024-042 was adopted by the Tracy City Council on the 19th day of March 2024 by the following vote:

AYES:	COUNCIL MEMBERS:	ARRIOLA, BEDOLLA, EVANS, DAVIS
NOES:	COUNCIL MEMBERS:	YOUNG
ABSENT:	COUNCIL MEMBERS:	NONE
ABSTENTION:	COUNCIL MEMBERS:	NONE



NANCY D. YOUNG
Mayor of the City of Tracy, California


ATTEST: _____
ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

**COUNCIL POLICY ESTABLISHING A SELECTION PROCESS FOR APPOINTMENTS
TO CITY ADVISORY BODIES**

(Exhibit "A" to Resolution No. 2024-042)

SECTION 1: PURPOSE

To establish a selection process for appointments to City advisory bodies including defining residency requirements, in accordance with Government Code sections 54970 et seq. This process acknowledges and is consistent with Government Code Section 40605, which requires that the elected mayor of a general law city solely has the authority to appoint, subject to council approval, to council committees, sub-committees. and commissions, as well as any regional bodies to which the council sends a delegate.

SECTION 2: SELECTION PROCESS FOR APPOINTEE BODIES

- A. On or before December 31st of each year, the City Clerk shall prepare an appointment list of all regular and ongoing boards, commissions and committees that are appointed by the City Council of the City of Tracy. The list shall contain the following information:
1. A list of all appointee terms which will expire during the next calendar year, with the name of the incumbent appointee, the date of the appointment, the date the term expires and the necessary qualifications for the position.
 2. A list of all boards, commissions and committees whose members serve at the pleasure of the Council and the necessary qualifications of each position.
 3. The list of appointments shall be made available to the public for a reasonable fee that shall not exceed actual cost of production. The Tracy Public Library shall receive a copy of the list.
- B. Whenever a vacancy occurs in any board, commission or committee, whether due to expiration of an appointee's term, resignation, death, termination or other causes, a special notice shall be posted in the office of the City Clerk, The Tracy Public Library, the City website, and in other places as directed within twenty (20) days after the vacancy occurs. Final appointment to the board, commission or committee shall not be made by the City Council for at least ten (10) working days after the posting of the notice in the Clerk's office. If Council finds an emergency exists, the Council may fill the unscheduled vacancy immediately.
- C. Appointments shall be made for the remainder of the term created by the vacancy except as follows:
1. If appointee will fill an un-expired term with six months or less remaining, the appointment shall be deemed to be for the new term.

2. If the vacancy is filled by an emergency appointment the appointee shall serve only on an acting basis until the final appointment is made pursuant to section 2.
- D. The Council and Mayor shall use the following selection process to provide an equal opportunity for appointment to a board, commission or committee:
1. The full Council shall, in open session at a regular or special meeting, review applications, interview applicants and make ~~final-informal~~ recommendations of specific candidates for the Mayor to consider as proposed appointees for appointment to the board, commission or committee.
 2. Upon receiving the recommendations of the Council, the Mayor will propose an appointee to the board, commission or committee, which proposed appointee shall be approved or disapproved, by majority vote, of the Council. The Mayor ~~shall~~ may endeavor to propose appointees that are recommended by the Council, but the Mayor may propose alternate appointees pursuant to mayoral authority under Government Code 40605. ~~The alternates shall be chosen from the eligibility list, if it has been created pursuant to section 4 below.~~
 3. If the Council disapproves an appointee proposed by the Mayor, the Mayor shall propose an alternate appointee, which shall be either approved or disapproved by the Council, by majority vote. This process shall continue until all vacancies on the board, commission or committee are filled; the Mayor may elect to reopen the application process.
 4. If there are more qualified candidates than the number of current vacancies, the Council may establish an eligibility list that will be used to fill future vacancies that occur in the following twelve (12) months.
- E. An individual already serving on a City of Tracy board, committee or commission may not be appointed to serve on an additional City of Tracy board, committee, or commission concurrently.

SECTION 3: DEFINITION OF RESIDENCY REQUIREMENTS

- A. The following definitions shall be used to determine whether residency requirements are met for boards and commissions to which the Tracy City Council appoints members:
1. Tracy Planning Area means the geographical area defined in the City of Tracy General Plan and any amendments thereto.
 2. City of Tracy means within the city limits of the City of Tracy.
 3. Citizen means a resident of the City of Tracy.

4. Tracy School District means the geographical area served by the Tracy Unified School District.
 5. Sphere of Influence shall be the geographical area approved by the Local Agency Formation Commission (LAFCo) of San Joaquin County and any amendments thereto.
- B. Residency, as defined above and as set forth in the applicable bylaws for each board or commission, shall be verified annually by the City Clerk. The residency must be verifiable by any of the following means:
1. Voter registration,
 2. Current California Driver's License or Identification,
 3. Utility bill information (phone, water, cable, etc.),
 4. Federal or State tax returns.
- C. Members of boards or commissions shall notify the City Clerk in writing within thirty (30) days of any change in residency. If the change in residency results in the board member or commissioner no longer meeting the residency requirements, the member shall tender their resignation to the City Clerk who shall forward it to the City Council.

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2024-184

WAIVING THE CITY COUNCIL APPOINTMENT PROCESS UNDER RESOLUTION 2024-042 AND DEFERRING, INSTEAD, TO THE INTERVIEW PROCESS UNDER THE BYLAWS OF THE ENVIRONMENTAL SUSTAINABILITY COMMISSION TO FILL YOUTH VACANCIES

WHEREAS, on March 19, 2024, the City Council amended the *Council Policy Establishing a Selection Process for Appointments to City Advisory Bodies* through Resolution 2024-042 (Appointment Policy); and

WHEREAS, Section D of the Appointment Policy defines the selection process, which requires the full City Council, in open session at a regular or special meeting, review applications, interview applicants, and make informal recommendations of specific candidates for the Mayor to consider as proposed appointees; and

WHEREAS, The City Council has established various boards and commissions over the years, and many of those bodies have adopted bylaws outline the processes for interviewing and recommending candidates to fill vacancies on the respective bodies; and

WHEREAS, These processes in the bylaws now conflict with the recently adopted Appointment Policy; and

WHEREAS, As the Appointment Policy most accurately reflects the State law applicable to general law cities, it would supersede any conflicting bylaws; and

WHEREAS, The City Council retains the discretion to approve an alternative process (as long as it is otherwise consistent with State law) that may be proposed by the Mayor, who retains the sole power to appoint (subject to the approval of the Council body) to the City's boards and commissions; and

WHEREAS, On October 1, 2024, the City Council held a special meeting to interview and make recommendations to the Mayor for appointments for two adult vacancies on the YAC, and the City has received 16 applications to fill youth vacancies on the YAC; and

WHEREAS, For efficiency, Mayor Young, motioned, and the Council body approved, that the Appointment Policy be suspended this one time and have the youth be interviewed through the process outlined in the YAC bylaws instead; and

WHEREAS, The Environmental Sustainability Commission (ESC) Bylaws are inconsistent with the Appointment Policy in that they call for a specific selection panel to review new applications, youth and adults alike, and make recommendations for appointment to the City Council; and

WHEREAS, On May 15, 2024, the City Clerk opened a recruitment to fill two (2) youth vacancies on the ESC giving youth an opportunity to apply prior to summer vacation, however, only one application has been received and recruitment remains open to date; and

WHEREAS, Staff requested that the same action be taken for the youth vacancies on the Environmental Sustainability Commission allowing for the selection process through the existing ESC bylaws; and

WHEREAS, Once applicants are selected under the process in the existing bylaws, recommendations will be brought back to the Mayor for appointment and City Council for approval; and

NOW, THEREFORE, be it resolved as follows:


RESOLVED: That the above recitals are true and correct and incorporated herein; and be it,

FURTHER RESOLVED: That the City Council of the City of Tracy, hereby waives the standard interview policy under Resolution 24-042 and defers to the bylaws of the Environmental Sustainability Commission for the selection and recommendation of candidates for youth vacancies; and be it

FURTHER RESOLVED: That staff will return to City Council with recommendations of candidates to fill available vacancies upon completion of the interview process.

The foregoing Resolution 2024-184 was adopted by the Tracy City Council on October 15, 2024, by the following vote:

AYES:	COUNCIL MEMBERS: ARRIOLA, BEDOLLA, EVANS, DAVIS, YOUNG
NOES:	COUNCIL MEMBERS: NONE
ABSENT:	COUNCIL MEMBERS: NONE
ABSTENTION:	COUNCIL MEMBERS: NONE



NANCY D. YOUNG
Mayor of the City of Tracy, California



ATTEST:
ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

APPROVING THE APPOINTMENTS OF MELVIN RUFINO AND NIYAH PALMA, AS YOUTH COMMISSIONERS OF THE ENVIRONMENTAL SUSTAINABILITY COMMISSION, FOR THE REMAINDER OF A ONE-YEAR TERM BEGINNING SEPTEMBER 16, 2025, AND ENDING ON JULY 31, 2025

WHEREAS, the City Council has established various boards and commissions over the years, and many of those bodies have adopted bylaws outlining the processes for interviewing and recommending candidates to fill vacancies on the respective bodies; and

WHEREAS, these processes in the Environmental Sustainability Commission (ESC) Bylaws now conflict with the recently adopted Appointment Policy; and

WHEREAS, as the Appointment Policy most accurately reflects the State law applicable to general law cities, it would supersede any conflicting bylaws; and

WHEREAS, the City Council retains the discretion to approve an alternative process (as long as it is otherwise consistent with State law) that may be proposed by the Mayor, who retains the sole power to appoint (subject to the approval of the Council body) to the City's boards and commissions; and

WHEREAS, on October 1, 2024, the City Council held a special meeting to interview and make recommendations to the Mayor for appointments for two adult vacancies on the Youth Advisory Commission (YAC), and the City had received 16 applications to fill youth vacancies on the YAC; and

WHEREAS, for efficiency, Mayor Young motioned, and the Council body approved, that the Appointment Policy be suspended and have the youth be interviewed through the process outlined in the YAC Bylaws instead; and

WHEREAS, Mayor Young requested a similar process be applied to fill the youth vacancies on the ESC which was seconded by Council Member Bedolla; however, as the ESC request was not included in the agenda item for that special meeting, staff had to bring the request back to the City Council at a later date as a separate request; and

WHEREAS, on October 15, 2024, staff returned with the item and the City Council waived the City Council Appointment Policy under Resolution 2024-042 and deferred, instead, to the interview process under the Bylaws of the ESC to fill youth vacancies (Resolution 2024- 184); and

WHEREAS, the Bylaws of the ESC call for a selection panel to review new applications and make recommendations for appointment to the City Council; and

WHEREAS, recruitment for the youth Commissioners began on April 25, 2025, and ended on July 31, 2025, with the City receiving five applications; and

WHEREAS, on Wednesday and Thursday, August 20 and 21, 2025, the interview and selection panel held an interview with the applicants, and

WHEREAS, the interview and selection panel recommend Melvin Rufino and Niyah Palma to the two vacant youth Commissioner positions on the ESC; and

WHEREAS, the Mayor accepted the panel's recommendation for the proposed appointee and the City Council approved the appointments; now therefore, be it

RESOLVED, that the above recitals are true and correct; and be it further

RESOLVED, that the City Council of the City of Tracy hereby approves the appointment of Melvin Rufino and Niyah Palma, as ESC youth Commissioners, for the remainder of a one-year term beginning on September 16, 2025, and ending on July 31, 2025, as recommended by the interview and selection panel convened pursuant to the ESC Bylaws and as proposed by the Mayor.

* * * * *

The foregoing Resolution 2025 - _____ was adopted by the City Council on the 16th day September, 2025, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:

APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.G

RECOMMENDATION

Staff recommends that the City Council adopt a resolution authorizing and approving (1) an amendment to the Member Agency Admission Agreement, executed on November 19, 2019, with Mark 43, Inc and City of West Covina to extend the agreement expiration date to April 17, 2027; (2) approving the increase of the original not to exceed amount from \$1,047,536 to \$1,557,531; and (3) authorizing the amendment retroactively to November 18, 2024.

EXECUTIVE SUMMARY

Tracy Police Department (TPD) entered into agreement with Mark 43, Inc. and the City of West Covina on November 19, 2019 for the purchase and maintenance of the department's Computer Aided Dispatch (CAD) and Records Management Systems (RMS). The agreement between the parties expired November 18, 2024. The amendment seeks to extend the agreement to April 17, 2027 and approve the term retroactively back to November 18, 2024.

BACKGROUND AND LEGISLATIVE HISTORY

Tracy Police Department (TPD) entered into agreement with Mark 43, Inc. and the City of West Covina on November 19, 2019 for the purchase and maintenance of the department's Computer Aided Dispatch (CAD) and Records Management Systems (RMS).

The Member Agency Admission Agreement executed on November 19, 2019 incorporated TPD into the service agreement between City of West Covina and Mark 43, Inc.

Council approved the original agreement by resolution 2019-204 on November 5, 2019, and authorized the agreement from November 19, 2019 to November 18, 2024.

Although executed in November 2019, the CAD and RMS systems were not functional until March 2021, and therefore the billing cycle and annual payment for the agreement became March for each year during the agreement.

Additionally, the agreement was amended (3) times, 3/24/2022, 3/22/2023, and 2/26/2024, to add new software components.

As the expiration term approached, City of West Covina informed TPD that the expiration of the agreement would not be until March 2025 due to the connectivity date and annual billing cycle being the month of March.

As March 2025 approached, Mark 43, Inc. advised TPD's execution of the Member Agency Admission Agreement incorporated the agency into the (7) seven-year service agreement between Mark 43, Inc. and City of West Covina which expires April 17, 2026. Due to the delay in connectivity of the CAD/RMS, Mark 43 amended the agreements to extend an additional 12 months to account for the lack of connectivity and lost time between 2019 and 2021. The expiration of all contracts is April 17, 2027.

TPD was not aware of the discrepancy between it's (5) five-year agreement and the (7) seven year agreement until staff attempted to negotiate a new contract with Mark 43, Inc.

As of March 2025, TPD has an outstanding balance of \$252,435 owed on this agreement which requires TPD to amend the current agreement to allow for payment of the amount owed.

At the conclusion of this amended agreement, it is the intent of TPD to renegotiate a new agreement for its CAD/RMS systems.

ANALYSIS

Staff has attempted to remedy the discrepancy between it's (5) year agreement with City of West Covina and Mark 43, Inc. and the agreements executed between City of West Covina and Mark 43, Inc.

To avoid any inconsistencies with terms of these agreements, it has been determined the best resolution is to execute an amendment that extends this expiration date to April 17, 2027. This will align both TPD's Member Agency Admission Agreement with the City of West Covina's service agreement. The recommendation is to approve this amendment retroactively to November 19, 2024 which will authorize TPD to pay its outstanding annual payment for 2025 and retain vital services provided through Mark 43, Inc. for its CAD/RMS systems.

As TPD will be obligated under this agreement until April 17, 2027, there is a need to add one feature to the scope of services as outlined in the amendment (Attachment A). TPD needs to add an interface between Flock OS and Mark 43 for mapping and API maintenance which is necessary for the department's Real Time Information Center project.

FISCAL IMPACT

The cost of the proposed extension is \$509,995 which will be funded through the police department's operational budget. No new funding is requested.

Increasing of the original not to exceed amount from \$1,047,536 to \$1,557,531 allows approval for all past and future expenditures under this agreement.

The cost breakdown is as follows:

- Year 1 (billing cycle March 2025-March 2026) - \$252,435
- Year 2 (billing cycle March 2026 – April 2027) - \$257,560

Past payments to City of West Covina/Mark 43, Inc are as follows:

- 2020 - \$95,000
- 2021 - \$246,769
- 2022 - \$251,009
- 2023 - \$221,009
- 2024 - \$252,344

PUBLIC OUTREACH/ INTEREST

This is a routine operational item for the police department. No public outreach or interest was sought.

COORDINATION

This is a routine operational item for the police department.

CEQA DETERMINATION

The proposed action is not a “project” under the California Environmental Quality Act “CEQA.” Pursuant to CEQA Guidelines Section 15061(b)(3), there is no possibility that this action will have an effect on the physical environment.

STRATEGIC PLAN

This agenda item relates to the Council’s Strategic Priorities for Public Safety.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution authorizing and approving (1) an amendment to the Member Agency Admission Agreement, executed on November 19, 2019, with Mark 43, Inc and City of West Covina to extend the agreement expiration date April 17, 2027; (2) approve the increase of the original not to exceed amount from \$1,047,536 to \$1,557,531; and (3) authorizing the amendment retroactively to November 18, 2024.

Prepared by: Beth Lyons-McCarthy, Police Support Operations Manager

Reviewed by: Sekou Millington, Chief of Police
Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments

Attachment A: Amendment to Member Agency Admission Agreement

Amendment No. 4
Member Agency Admission Agreement

This Amendment No. 4 ("Amendment") to the Member Agency Admission Agreement, entered between the City of Tracy, a municipal corporation ("City"), Mark 43, Inc. ("Mark 43"), a California corporation ("Consultant") and the City of West Covina ("West Covina"), a municipal corporation ("Consultant"), is entered into as of the date of last signature below. City, West Covina and Consultant are referred to individually as "Party" and collectively as "Parties."

Recitals

- A. On or about November 12, 2019, the Parties entered into that certain Member Agency Admission Agreement ("Agreement"), pursuant to which Tracy was admitted as a Member Agency to the Software License and Services Agreement between Mark 43 and West Covina ("Mark43 and West Covina Service Agreement").
- B. Tracy executed the Agreement pursuant to the authority granted in Resolution No. 2019-204, approved by the Tracy City Council on November 5, 2019.
- C. Pursuant to the authority granted in Resolution No. 2019-204, the Agreement had an initial term of (5) five years beginning November 19, 2019.
- D. The Parties have amended the Agreement on three (3) occasions, by that certain Amendment No. 1, dated March 24, 2022, that certain Amendment No. 2, dated May 16, 2023, and that certain Amendment No. 3, dated February 26, 2024, to add additional software components. The Agreement, as modified by Amendments Nos. 1, 2, and 3 is referred to herein as the "Agreement."
- E. The term of the Agreement between the City, Mark 43, and West Covina expired on November 18, 2024.
- F. The term of the Agreement should have been (8) years to align with the term of the Mark 43 and West Covina Service Agreement, which has a term of eight (8) years, commencing April 18, 2019 and expiring April 17, 2027.
- G. To avoid any inconsistencies with terms of these agreements, the Parties desire to amend the expiration date of the Agreement from November 18, 2024 to April 17, 2027.
- H. The Parties also desire to amend the Agreement to update Exhibit A, by adding 3rd Party API Built Interface – API Maintenance Flock OS Map, pursuant to the terms and conditions of the Agreement.
- I. The Parties intend and desire that this Amendment be effective retroactive to November 18, 2024.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Amendments the Agreement.

a. A new Section 11 is added to the Agreement to read as follows:

11. The initial term of this Agreement begins on November 19, 2019 and will continue through April 17, 2027, unless and until terminated in accordance with Section 4.2 of the Mark 43-West Covina Service Agreement. Upon the expiration of the initial term, this Agreement will automatically renew for successive one (1) year periods, unless any Party provides the other Parties with written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term.

b. Exhibit A of the Agreement is amended by deleting it in its entirety and replacing it with the Exhibit A attached hereto, whereby 3rd Party API Built Interface – API Maintenance Flock OS Map is being added to the Services. Compensation for the 3rd Party API Built Interface shall be as set forth in Exhibit A.

2. **Effect.** The Parties hereto ratify the Agreement and, except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect.

3. **Entire Agreement.** The Agreement as modified by this Amendment represents the entire agreement and understanding of the Parties and shall supersede any prior agreement—written or oral—between the Parties. This Amendment may not be modified or altered except through a subsequent writing signed by both Parties.

4. **Severability.** If any term of this Amendment is held invalid by a court of competent jurisdiction, this Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.

5. **Signatures.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Amendment may be executed in one or more counterparts, and may be executed by electronic signatures. All counterparts so executed shall constitute one contract, binding on all Parties, even though all Parties are not signatory to the same counterpart. The Parties waive all right to challenge the admissibility or authenticity of this Agreement in a court of law based solely on the absence of an original signature.

6. **Effective Date.** This Amendment shall be effective retroactive to November 18, 2024.

[Signature page follows.]

City of Tracy

By: _____

Dan Arriola

Title: Mayor

Date: _____

Attest:

By: _____

April B.A. Quintanilla, City Clerk

Approved as to Form:

By: _____

L. David Nefouse, City Attorney

City of West Covina

By: _____

Milan Mrakich

Title: Acting City Manager

Date: _____

Attest:

By: _____

Monique S. De La Rosa, Deputy
City Clerk

Approved as to Form:

By: _____

Thomas P. Duarte, City Attorney

Mark 43, Inc.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

EXHIBIT A

ADDITIONAL SERVICES

Professional Services – Contracted

1. Interface – Custom Level 1: Intrado e-911 ANI / ALI
2. Interface – Custom Level 1: ATIMS Booking
3. Integration – Self Build: Axon BWC
4. Integration – Self Build: CopLogic
5. Integration – Self Build: Tyler / Brazos Citation
6. Integration – Self Build: CopLink
7. Interface - Custom level 1- SWITRS
8. Project Management – 78 hours
9. Integration – Self Build: Crossroads
10. Saas Services (Amendment No. 3 addition) – OnScene Mobile Application

Amendment No. 4 Addition

1. 3rd Party API Built Interface – API Maintenance Flock OS Map

Compensation for the 3rd Party API Built Interface – API Maintenance Flock OS Map shall be as follows:

<i>Payment Schedule</i>	<i>Due Date</i>	<i>Amount Due</i>
Year 1 Payment(s)	September 1, 2025 – April 17, 2026	\$2,125.00
Year 2 Payment(s)	April 18, 2026 – April 17, 2027	\$3,000.00
Total		\$5,125.00

*Annual cost for SAAS and Recurring Services for 3rd Party API Built Interface – API Maintenance Flock OS Map - \$3,000. Year 1 is prorated based on Sept 2025 implementation

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

-
- (1) AUTHORIZING AN AMENDMENT TO THE MEMBER AGENCY ADMISSION AGREEMENT, EXECUTED ON NOVEMBER 19, 2019, WITH MARK 43, INC. AND CITY OF WEST COVINA TO EXTEND THE AGREEMENT EXPIRATION DATE TO APRIL 18, 2027.**
 - (2) APPROVING THE INCREASE OF THE ORIGINAL NOT TO EXCEED AMOUNT FROM \$1,047,536 TO \$1,557,531.**
 - (3) AUTHORIZING THE AMENDMENT RETROACTIVELY TO NOVEMBER 18 2024.**

WHEREAS, Tracy Police Department (TPD) entered into agreement with Mark 43, Inc. and the City of West Covina on November 19, 2019 for the purchase and maintenance of the department's Computer Aided Dispatch (CAD) and Records Management Systems (RMS); and

WHEREAS, The Member Agency Admission Agreement executed on November 19, 2019 incorporated TPD into the service agreement between City of West Covina and Mark 43, Inc; and

WHEREAS, Council approved the original agreement by resolution 2019-204 on November 5, 2019, and authorized the agreement from November 19, 2019 to November 18, 2024; and

WHEREAS, Although executed in November 2019, the CAD and RMS systems were not functional until March 2021, and therefore the billing cycle and annual payment for the agreement became March for each year during the agreement; and

WHEREAS, Additionally, the agreement was amended (3) times, 3/24/2022, 3/22/2023, and 2/26/2024, to add new software components; and

WHEREAS, Due to the delay in connectivity of the CAD/RMS, Mark 43 amended the agreements to extend an additional 12 months to account for the lack of connectivity and lost time between 2019 and 2021. The expiration of all contracts is April 17, 2027; and

WHEREAS, TPD has an outstanding balance of \$252,435 owed on this agreement which requires TPD to amend the current agreement to allow for payment of the amount owed; and

WHEREAS, The amendment will align both TPD's Member Agency Admission Agreement with the City of West Covina's service agreement.

WHEREAS, Amending the agreement, retroactively to November 19, 2024, will authorize TPD to pay its outstanding annual payment for 2025 and retain vital services provided through Mark 43, Inc. for its CAD/RMS systems; and

WHEREAS, The cost of the proposed extension is \$509,995 which will be funded through the police department's operational budget; and

WHEREAS, Increasing of the original not to exceed amount from \$1,047,536 to \$1,557,531 allows approval for all past and future expenditures under this agreement; and

WHEREAS, the proposed Amendment to Member Agency Admission Agreement, attached hereto as Exhibit 1, is a 12-month agreement with a not to exceed budget of \$1,557,531 and is funded through the Police Department's operating budget in the General Fund.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it

FURTHER RESOLVED: That the City Council does hereby approve Amendment to Member Agency Admission Agreement, attached as Exhibit 1, to provide the specified services, for a total not to exceed amount of \$1,557,531.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September, 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Amendment No. 4
Member Agency Admission Agreement

This Amendment No. 4 ("Amendment") to the Member Agency Admission Agreement, entered between the City of Tracy, a municipal corporation ("City"), Mark 43, Inc. ("Mark 43"), a California corporation ("Consultant") and the City of West Covina ("West Covina"), a municipal corporation ("Consultant"), is entered into as of the date of last signature below. City, West Covina and Consultant are referred to individually as "Party" and collectively as "Parties."

Recitals

- A.** On or about November 12, 2019, the Parties entered into that certain Member Agency Admission Agreement ("Agreement"), pursuant to which Tracy was admitted as a Member Agency to the Software License and Services Agreement between Mark 43 and West Covina ("Mark43 and West Covina Service Agreement").
- B.** Tracy executed the Agreement pursuant to the authority granted in Resolution No. 2019-204, approved by the Tracy City Council on November 5, 2019.
- C.** Pursuant to the authority granted in Resolution No. 2019-204, the Agreement had an initial term of (5) five years beginning November 19, 2019.
- D.** The Parties have amended the Agreement on three (3) occasions, by that certain Amendment No. 1, dated March 24, 2022, that certain Amendment No. 2, dated May 16, 2023, and that certain Amendment No. 3, dated February 26, 2024, to add additional software components. The Agreement, as modified by Amendments Nos. 1, 2, and 3 is referred to herein as the "Agreement."
- E.** The term of the Agreement between the City, Mark 43, and West Covina expired on November 18, 2024.
- F.** The term of the Agreement should have been (8) years to align with the term of the Mark 43 and West Covina Service Agreement, which has a term of eight (8) years, commencing April 18, 2019 and expiring April 17, 2027.
- G.** To avoid any inconsistencies with terms of these agreements, the Parties desire to amend the expiration date of the Agreement from November 18, 2024 to April 17, 2027.
- H.** The Parties also desire to amend the Agreement to update Exhibit A, by adding 3rd Party API Built Interface – API Maintenance Flock OS Map, pursuant to the terms and conditions of the Agreement.
- I.** The Parties intend and desire that this Amendment be effective retroactive to November 18, 2024.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Amendments the Agreement.

a. A new Section 11 is added to the Agreement to read as follows:

11. The initial term of this Agreement begins on November 19, 2019 and will continue through April 17, 2027, unless and until terminated in accordance with Section 4.2 of the Mark 43-West Covina Service Agreement. Upon the expiration of the initial term, this Agreement will automatically renew for successive one (1) year periods, unless any Party provides the other Parties with written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term.

b. Exhibit A of the Agreement is amended by deleting it in its entirety and replacing it with the Exhibit A attached hereto, whereby 3rd Party API Built Interface – API Maintenance Flock OS Map is being added to the Services. Compensation for the 3rd Party API Built Interface shall be as set forth in Exhibit A.

2. **Effect.** The Parties hereto ratify the Agreement and, except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect.

3. **Entire Agreement.** The Agreement as modified by this Amendment represents the entire agreement and understanding of the Parties and shall supersede any prior agreement—written or oral—between the Parties. This Amendment may not be modified or altered except through a subsequent writing signed by both Parties.

4. **Severability.** If any term of this Amendment is held invalid by a court of competent jurisdiction, this Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.

5. **Signatures.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Amendment may be executed in one or more counterparts, and may be executed by electronic signatures. All counterparts so executed shall constitute one contract, binding on all Parties, even though all Parties are not signatory to the same counterpart. The Parties waive all right to challenge the admissibility or authenticity of this Agreement in a court of law based solely on the absence of an original signature.

6. **Effective Date.** This Amendment shall be effective retroactive to November 18, 2024.

[Signature page follows.]

City of Tracy

By: _____

Dan Arriola

Title: Mayor

Date: _____

Attest:

By: _____

April B.A. Quintanilla, City Clerk

Approved as to Form:

By: _____

L. David Nefouse, City Attorney

City of West Covina

By: _____

Milan Mrakich

Title: Acting City Manager

Date: _____

Attest:

By: _____

Monique S. De La Rosa, Deputy
City Clerk

Approved as to Form:

By: _____

Thomas P. Duarte, City Attorney

Mark 43, Inc.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

EXHIBIT A

ADDITIONAL SERVICES

Professional Services – Contracted

1. Interface – Custom Level 1: Intrado e-911 ANI / ALI
2. Interface – Custom Level 1: ATIMS Booking
3. Integration – Self Build: Axon BWC
4. Integration – Self Build: CopLogic
5. Integration – Self Build: Tyler / Brazos Citation
6. Integration – Self Build: CopLink
7. Interface - Custom level 1- SWITRS
8. Project Management – 78 hours
9. Integration – Self Build: Crossroads
10. Saas Services (Amendment No. 3 addition) – OnScene Mobile Application

Amendment No. 4 Addition

1. 3rd Party API Built Interface – API Maintenance Flock OS Map

Compensation for the 3rd Party API Built Interface – API Maintenance Flock OS Map shall be as follows:

<i>Payment Schedule</i>	<i>Due Date</i>	<i>Amount Due</i>
Year 1 Payment(s)	September 1, 2025 – April 17, 2026	\$2,125.00
Year 2 Payment(s)	April 18, 2026 – April 17, 2027	\$3,000.00
Total		\$5,125.00

*Annual cost for SAAS and Recurring Services for 3rd Party API Built Interface – API Maintenance Flock OS Map - \$3,000. Year 1 is prorated based on Sept 2025 implementation

Agenda Item 1.H

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

(1) awarding a construction contract for \$1,795,342 to United Pavement Maintenance, Inc. of Hughson, California, for the Annual Pavement Rehabilitation Project – Fiscal Year 2023/2024, Tracy Boulevard Pavement Rehabilitation, Capital Improvement Project 73193,

(2) accepting and appropriating the Surface Transportation Block Group / Regional Surface Transportation Program funds in the amount of \$1,883,894 to the Project,

(3) authorizing the City Manager to approve change orders up to the contingency amount of \$179,534, if needed, pursuant to Tracy Municipal Code section 2.20.090(b), and authorizing an overall not-to-exceed project budget of \$2,244,178,

(4) granting authority to the City Manager to execute permits, agreements, or documents necessary to facilitate the construction of the Project, and

5) acknowledging the remaining funds to be used for the next phases of the Pavement Management Program.

EXECUTIVE SUMMARY

This agenda item seeks the adoption of a resolution by the City Council awarding a construction contract in the amount of \$1,795,342 to United Pavement Maintenance, Inc. of Hughson, California for the Annual Pavement Rehabilitation Project – Fiscal Year 2023/2024 (FY23/24, Tracy Boulevard Pavement Rehabilitation, Capital Improvement Project (CIP) 73193 (Project), and grant authorization to the City Manager to approve change orders up to the contingency amount of \$179,534 with an overall not-to-exceed project budget of \$2,244,178. The Project includes pavement rehabilitation, American Disabilities Act (ADA) upgrades to the sidewalk, curb ramp modifications, curb and gutter repairs, sidewalk repairs, utility cover adjustments, pedestrian crossing push button installation, and complete pavement striping and markings along Tracy Boulevard. To accomplish these improvements, the San Joaquin Council of Governments (SJCOG) has agreed with the City that there is sufficient funding available to accommodate the City's request to use the Surface Transportation Block Group / Regional Surface Transportation Program (STBG/RSTP) funds in the amount of \$1,883,894 towards the Project. Therefore, this agenda item seeks the acceptance and appropriation of these funds towards the Project and to grant the City Manager authority to execute permits, agreements, or documents required to facilitate the construction of the Project.

BACKGROUND AND LEGISLATIVE HISTORY

The selection of pavement rehabilitation was based on a life cycle and cost-benefit analysis using the City's Pavement Management System (PMS), which prioritizes the rehabilitation of major arterial roadways in coordination with the City's Public Works Department, Street Maintenance Division. The PMS is designed to improve understanding of the City's pavement conditions across all city roadways, supporting the development of comprehensive pavement management

strategies for future rehabilitation and maintenance priorities.

The Annual Pavement Rehabilitation Project – FY23/24 Capital Improvement Project 73193 is an approved Capital Improvement Project. It consists of rehabilitating three major arterial roads as part of the Pavement Management Program, and the work has been divided into three phases for implementation:

- 1) Phase 1 – Tracy Boulevard Rehabilitation from Lowell Ave. to Grant Line Rd.
- 2) Phase 2 – Corral Hollow Road Rehabilitation from 11th St. to Parkside Dr.
- 3) Phase 3 – MacArthur Road Rehabilitation from 11th St. to Grant Line Rd.

The current phase of construction is Phase 1 - Tracy Boulevard Pavement Rehabilitation, which is a four-lane major arterial road with a raised median (see [Attachment A](#)). As part of the City's annual street Pavement Management Program, the Project aims to extend the service life of the pavement, enhance safety, and improve rideability.

The Project includes the installation and/or modification of commercial driveways, widening sidewalks, grade adjustments to meet ADA standards, installation of curb, gutter, and sidewalk, and new ADA-compliant curb ramps. These improvements will promote safer pedestrian access, encourage walking to nearby parks and businesses, and provide a safer route for students to walk to Monte Vista Middle School and the Ritter Family Ball Park.

Public Works Engineering staff planned, coordinated, and designed the project, including all plans, specifications, and cost estimates. The construction of the Project will be managed and supervised by engineering staff.

Tracy Boulevard (Phase 1) is one of the three major arterial roads planned for rehabilitation this year. Corral Hollow (phase 2) is scheduled for 2026, and MacArthur Drive (phase 3) is planned for 2027. All three phases are under the same CIP 73193. Staff will return to Council to request a separate award contract for Phases 2 and 3 in 2026 and 2027, respectively; and

ANALYSIS

The Project was advertised in the Tracy Press for competitive bids on July 18, 2025, and July 25, 2025.

Bids were received from several local companies and publicly opened in the City Hall- Conference Room 203 and via Teleconference at 2:00 pm on Tuesday, August 26, 2025, with the following bid results:

<u>Contractor</u>	<u>Base Bid</u>
Knife River Construction	\$1,917,205
Dirt Dynasty, Inc.	\$1,848,429
United Pavement Maintenance, Inc.	\$1,795,342

In accordance with Tracy Municipal Code Section 2.20.260 and the California Public Contract Code Section 22032, Staff performed a subsequent bid analysis and determined that the lowest responsive and responsible bidder was United Pavement Maintenance, Inc. of Hughson,

California. Staff further verified that the bidder holds the appropriate contractor's license in active standing with the State of California and possesses the necessary qualifications to perform the requested work.

The total estimated cost of this Project, if awarded to the lowest bidder, is as follows:

Construction Bid	\$1,795,342
Contingency (10%)	\$ 179,534
Construction Management and Design Support during construction (15%)	\$ 269,302
Total Estimated Project Construction Cost	\$2,244,178

FISCAL IMPACT

The Annual Pavement Rehabilitation Project – FY23/24 Tracy Boulevard Pavement Rehabilitation, CIP 73193 is an approved Capital Improvement Project with a current project budget of \$2,359,855 and upon appropriation of the STBG/RSTP Grant of \$1,883,894 for a total revised project budget of \$4,243,749. Any remaining funds will be used for the next phase of Pavement Management Program.

The Project has sufficient funds available in the CIP to award the construction contract as follows:

Funding Source	Budget	Expensed	Balance
242 - Measure K	\$ 540,000	\$ 74,453	\$ 465,547
245 - Gas Tax	\$ 54,500	\$ -	\$ 54,500
248 - SB1 Gas Tax	\$ 1,300,000	\$ 227,761	\$ 1,072,239
301 - General Project	\$ 465,355	\$ -	\$ 465,355
Subtotal	\$ 2,359,855	\$ 302,214	\$ 2,057,641
STBG/RSTP Grant	\$ 1,883,894	\$ -	\$ 1,883,894
Total Budget	\$ 4,243,749	\$ 302,214	\$ 3,941,535

PUBLIC OUTREACH/INTEREST

Not Applicable.

COORDINATION

The City's Public Works Engineering Division coordinated with the Public Works Maintenance and Operations, and Utilities Divisions, the Parks & Recreation Department, and the South of San Joaquin County Fire Authority (SSJCFA), and with several stakeholders, including California Department of Transportation (Caltrans), San Joaquin County, San Joaquin Council of Governments (SJCOG), and the Federal Highway Administration (FHWA).

CEQA DETERMINATION

Under the California Environmental Quality Act (CEQA), Guidelines Section 15301, for existing facilities class I category, no further environmental assessment is required for this Project. Notice

of Exemption, appendix E of the CEQA form, has been filed and signed by the County.

Under the provisions of National Environmental Policy Act (NEPA), the Project has been reviewed for environmental compliance, and the NEPA Categorical Exclusion Determination form was signed and approved on January 14, 2025.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Plan and the Development of a strong and diverse economic base within the city, which is consistent with the Council's priority on safety and accessibility.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution:

- (1) awarding a construction contract for \$1,795,342 to United Pavement Maintenance, Inc. of Hughson, California, for the Annual Pavement Rehabilitation Project – Fiscal Year 2023/2024, Tracy Boulevard Pavement Rehabilitation, Capital Improvement Project 73193,
- (2) accepting and appropriating the Surface Transportation Block Group / Regional Surface Transportation Program funds in the amount of \$1,883,894 to the Project,
- (3) authorizing the City Manager to approve change orders up to the contingency amount of \$179,534, if needed, pursuant to Tracy Municipal Code section 2.20.090(b), and authorizing an overall not-to-exceed project budget of \$2,244,178,
- (4) granting authority to the City Manager to execute permits, agreements, or documents necessary to facilitate the construction of the Project, and
- 5) acknowledging the remaining funds to be used for the next phases of the Pavement Management Program.

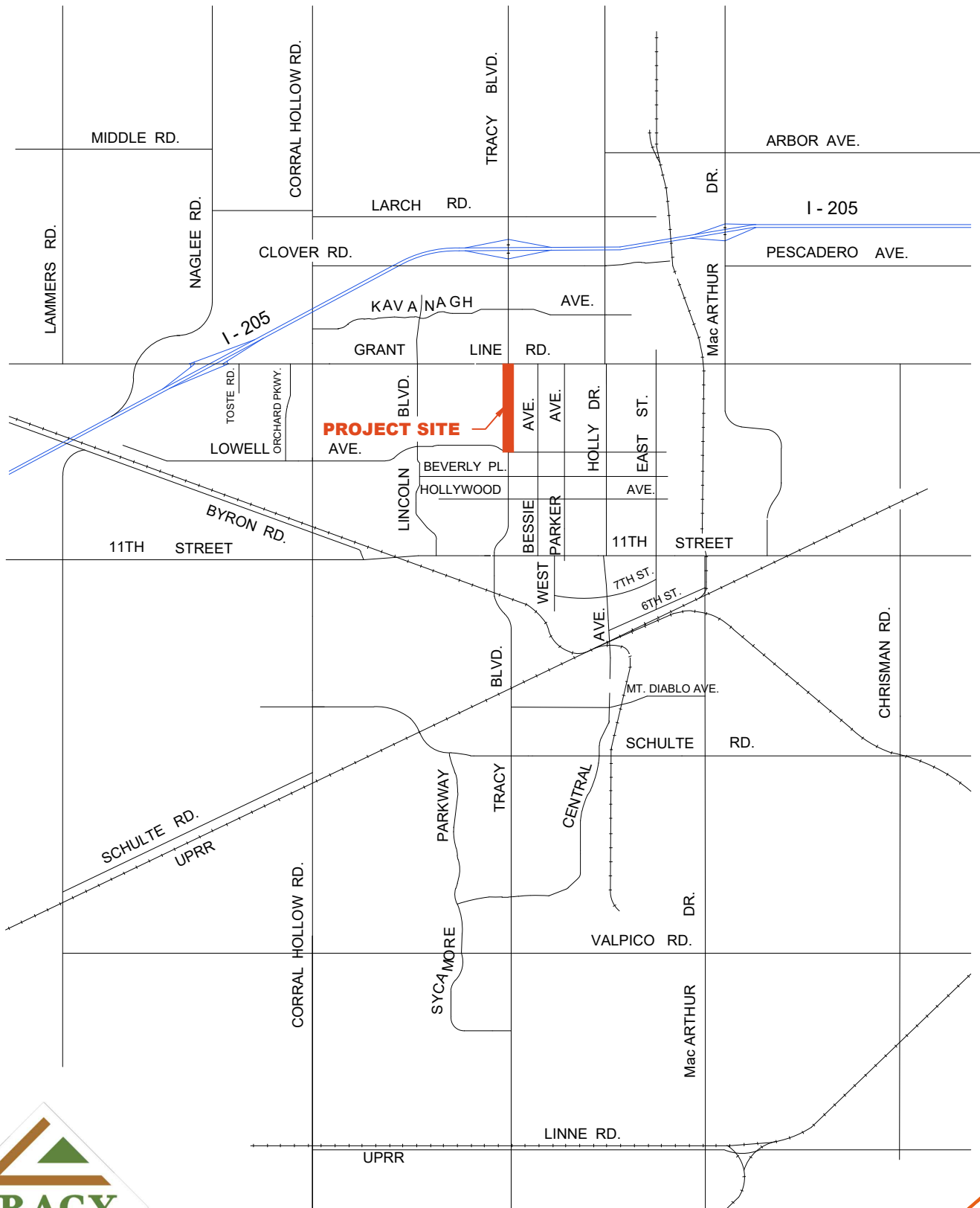
Prepared by: Yemane Haile, Associate Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer
Even G. Marcelo, PE, City Engineer
Anush Nejad, PE, Public Works Director
Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENT

Attachment A – Location Map



LOCATION MAP

TRACY BOULEVARD PAVEMENT REHABILITATION PROJECT



APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION:

(1) AWARDING A CONSTRUCTION CONTRACT FOR \$1,795,342 TO UNITED PAVEMENT MAINTENANCE, INC. OF HUGHSON, CALIFORNIA, FOR THE ANNUAL PAVEMENT REHABILITATION PROJECT – FISCAL YEAR 2023/2024, TRACY BOULEVARD PAVEMENT REHABILITATION, CAPITAL IMPROVEMENT PROJECT 73193,

(2) ACCEPTING AND APPROPRIATING THE SURFACE TRANSPORTATION BLOCK GROUP / REGIONAL SURFACE TRANSPORTATION PROGRAM FUNDS IN THE AMOUNT OF \$1,883,894 TO THE PROJECT,

(3) AUTHORIZING THE CITY MANAGER TO APPROVE CHANGE ORDERS UP TO THE CONTINGENCY AMOUNT OF \$179,534, IF NEEDED, PURSUANT TO TRACY MUNICIPAL CODE SECTION 2.20.090(B), AND AUTHORIZING AN OVERALL NOT-TO-EXCEED PROJECT BUDGET OF \$2,244,178,

(4) GRANTING AUTHORITY TO THE CITY MANAGER TO EXECUTE PERMITS, AGREEMENTS, OR DOCUMENTS NECESSARY TO FACILITATE THE CONSTRUCTION OF THE PROJECT, AND

5) ACKNOWLEDGING THE REMAINING FUNDS TO BE USED FOR THE NEXT PHASES OF THE PAVEMENT MANAGEMENT PROGRAM.

WHEREAS, the Annual Pavement Rehabilitation Project – Fiscal Year 2023/2024 (FY23/24) Capital Improvement Project (CIP) 73193 (Project) is an approved Capital Improvement Project and will consist of rehabilitating three major arterial roads as part of the Pavement Management Program, and the work has been divided into three phases for implementation:

- 1) Phase 1 – Tracy Boulevard Rehabilitation from Lowell Ave. to Grant Line Rd.
- 2) Phase 2 – Corral Hollow Road Rehabilitation from 11th St. to Parkside Dr.
- 3) Phase 3 – MacArthur Road Rehabilitation from 11th St. to Grant Line Rd.; and

WHEREAS, Staff will return to Council to request a separate award contract for Phases 2 and 3 in 2026 and 2027, respectively; and

WHEREAS, the current phase of construction is Phase 1 - Tracy Boulevard Pavement Rehabilitation, which is a four-lane major arterial road with a raised median; and

WHEREAS, the proposed Project extends the life of the pavement, improves safety, and rideability; and

WHEREAS, the Project includes the installation and/or modification of commercial driveways, widening sidewalks, grade adjustments to meet ADA standards, installation of curb, gutter, and sidewalk, and new ADA-compliant curb ramps. These improvements will promote safer pedestrian access, encourage walking to nearby parks and businesses, and provide a safer route for students to walk to Monte Vista Middle School and the Ritter Family Ball Park.; and

WHEREAS, the proposed Project is funded by Measure K, Gas Tax, SB1, and the Federal Surface Transportation Block Group / Regional Surface Transportation Program (STBG/RSTP) funds; and

WHEREAS, the Project was advertised for competitive bids on July 18, 2025, and July 25, 2025, and bids were received and publicly opened in City Hall Conference Room 203 and via Teleconference at 2:00 p.m. on Tuesday, August 26, 2025; and

WHEREAS, the Project received the following bids:

<u>Contractor</u>	<u>Base Bid</u>
Knife River Construction	\$1,917,205
Dirt Dynasty, Inc.	\$1,848,429
United Pavement Maintenance, Inc.	\$1,795,342

; and

WHEREAS, per the City of Tracy Municipal Code Section 2.20.260 and the California Public Contract Code Section 22032, the City's bid analysis determined that the lowest responsive and responsible bidder was United Pavement Maintenance, Inc.

The total estimated cost of this Project, if awarded to the lowest bidder, is as follows:

Construction Bid	\$1,795,342
Contingency (10%)	\$ 179,534
Construction Management and Design Support during construction (15%) ((15%))	\$ 269,302
<i>Total Estimated Project Construction Cost</i>	\$2,244,178

;and

WHEREAS, the Annual Pavement Rehabilitation Project – FY23/24 Tracy Boulevard Pavement Rehabilitation, CIP 73193 is an approved Capital Improvement Project with a current project budget of \$2,359,855 and upon appropriation of the STBG/RSTP Grant of \$1,883,894 for a total revised project budget of \$4,243,749; now therefore, be it

RESOLVED: That the above recitals are true and correct; and be it,

FURTHER RESOLVED: That the City Council of the City of Tracy hereby awards a construction contract for \$1,795,342 to United Pavement Maintenance, Inc. of Hughson, California, for the Annual Pavement Rehabilitation Project – FY23/24 Tracy Boulevard Pavement Rehabilitation, Capital Improvement Project 73193; and be it

FURTHER RESOLVED: That the City Council authorizes the City Manager to approve change orders up to the contingency amount of \$179,534, if needed, pursuant to Tracy Municipal Code section 2.20.090(b), and authorize an overall not-to-exceed project budget of \$2,244,178; and be it,

FURTHER RESOLVED: That the City Council accepts and appropriates the Surface Transportation Block Group / Regional Surface Transportation Program (STBG/RSTP) funds in the amount of \$1,883,894 to the Project; and be it,

FURTHER RESOLVED: That the City Council of the City of Tracy hereby authorizes and directs the City Manager or their designee, for and on behalf of the City, to execute, in consultation with the City Attorney's office, any agreements or documents, and to take any and all actions that may be necessary or advisable, in their discretion, to enter into the Construction Contract and to effectuate the purposes of this Resolution; and

FURTHER RESOLVED: The project is exempt from the California Environmental Quality Act (CQEA) requirements. Per CEQA Guidelines Section 15301 for existing facilities, no further environmental assessment is required for this project.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.1

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

1) approving a revised construction contingency amount not to exceed \$6,388,106 for the construction contract awarded to O.C. Jones & Sons, Inc. of Berkeley, California, pursuant to Resolution No. 2024-085, and

2) authorizing the City Manager to approve change orders up to the revised contingency amount, if needed.

EXECUTIVE SUMMARY

This agenda item seeks the adoption of a resolution by City Council approving a revised construction contingency amount to a not to exceed of \$6,388,106 for the construction contract awarded to O.C. Jones & Sons, Inc. of Berkeley, California for the Interstate 580/International Parkway/Patterson Pass Road Diverging Diamond Interchange, Capital Improvement Project 73147 (Project) awarded pursuant to Resolution 2024-085 adopted by City Council on June 4, 2024, and grant authorization to the City Manager to approve change orders up to the revised contingency amount, if needed.

BACKGROUND AND LEGISLATIVE HISTORY

The Project was approved as a CIP within the Fiscal Year 2015/2016 Budget. As the Project Sponsor, the City of Tracy has partnered with the California Department of Transportation (Caltrans) throughout its development. This Project is critical for the region, improving access to the expanding fulfillment and distribution centers, enhancing safety, and benefiting both the regional and national economies. Additionally, it will improve freight operations along a federal Primary Freight Network (PFN) Route. In 2020, the City secured a \$24.9 million grant from the California Transportation Commission (CTC) for the construction phase.

The Project consists of reconstructing the existing interchange into a Diverging Diamond Interchange (DDI), similar to the one located at State Route (SR) 120 and Union Road in Manteca. The DDI will reroute traffic to the opposite side of the road when crossing Interstate 580 (I-580), allowing for direct left turns onto I-580 on-ramps and from I-580 off-ramps, enabling free-flowing movement. Traffic signals will be installed where traffic switches sides and ramp entrances will be widened to accommodate turning movements. The overcrossing will also be expanded to include three northbound lanes, two southbound lanes, Class II bike lanes, and a multi-use path for both bicyclists and pedestrians located in the center of the overcrossing. The DDI will maintain access to the gas station west of I-580 through the construction of a new public roadway, realigning access to accommodate the interchange's new design.

On June 4, 2024, through Resolution 2024-085, the City Council awarded the construction contract to O.C. Jones & Sons, Inc. of Berkeley, California, for a total not-to-exceed amount of \$42,587,374.

ANALYSIS

On June 4, 2024, through Resolution 2024-085, when the City Council awarded the construction contract to O.C. Jones & Sons, Inc. of Berkeley, California, for a total not-to-exceed amount of

\$42,587,374, due to limited resource availability at the time of contract award, no contingency was approved.

Since then, the engineering staff has worked with finance to reprioritize resources for the project. Staff requested authorization of a \$1,500,000 partial construction contingency for the project, which was approved by City Council on December 3rd, 2024, through Resolution 2024-209.

To fully fund and complete the project, the Finance and CIP teams have been working together to identify the budget and provide a contingency limit of 15% of the awarded contract. On May 6, 2025, City Council authorized and appropriated \$8,000,000 from the Tracy Infrastructure Master Plan (TIMP) fund (F363) for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvement Project. To provide the full appropriation, City Council also approved a twenty-year loan of \$6,000,000 from the General Fund Reserves (F101) to the TIMP (F363), as outlined in Resolution 2025-086.

Now the Engineering staff asks the City Council to approve a revised construction contingency amount not to exceed \$6,388,106 for the construction contract awarded, and authorize the City Manager to approve change orders up to the contingency amount, if needed.

Construction projects of this size often face site conditions that were not expected during planning. These can include unexpected soil issues, utility moves, environmental concerns, site-specific problems, or other unexpected complications. Increasing the construction contingency to a not-to-exceed amount of \$6,388,106 ensures the Project can effectively address these unforeseen issues. This contingency helps prevent delays and cost overruns that could otherwise hinder progress, keeping the Project moving forward with minimal disruption and aligned with its overall goals.

Additionally, granting the City Manager the authority to approve necessary change orders under TMC Section 2.20.090(b) enables quick decision-making for changes during construction. This streamlined authority helps maintain momentum, which is vital for minimizing impacts on Tracy residents and commuters using the interchange.

FISCAL IMPACT

The I-580/International Parkway/Patterson Pass Road Interchange, CIP 73147, is an approved Capital Improvement Project with an approved budget of \$61,903,749. There are sufficient funds available for the revised contingency amount of a not to exceed of \$6,388,106. The funding sources and the Project budget are as follows:

Funding Source	Budget	Expensed/ Committed	Balance
242 - Measure K	\$ 2,541,000	\$ 2,541,000	\$ -
245 - Gas Tax	\$ 1,494,125	\$ 316,933	\$ 1,177,192
TCEP Grant	\$ 24,884,000	\$ 24,884,000	\$ -
363 - TIMP Traffic	\$ 25,032,624	\$ 17,408,583	\$ 7,624,041
392 - RTIF	\$ 7,952,000	\$ 7,952,000	\$ -
Current Budget	\$ 61,903,749	\$ 53,102,516	\$ 8,801,233

PUBLIC OUTREACH/ INTEREST

Caltrans and the City of Tracy circulated the draft Initial Study/Mitigated Negative Declaration (IS/MND), in compliance with the California Environmental Quality Act (CEQA), for public comment and review on July 1, 2020. An opportunity for a public meeting was offered, but none was requested. All written comments received were addressed in the final IS/MND and in the Categorical Exclusion Determination (CE) in compliance with the National Environmental Protection Act (NEPA). The Resolutions of Necessity hearing for the required property acquisitions for the Project was conducted by City Council on February 21, 2023.

COORDINATION

The City's Engineering Division coordinated with several stakeholders, including the Caltrans, San Joaquin County, San Joaquin Council of Governments (SJCOG), Federal Highway Administration (FHWA), California Public Utility Commission, and public and private utility companies.

CEQA DETERMINATION

As the Project has federal funds, compliance with both CEQA and NEPA were required. The Final IS/MND (CEQA Approval), in accordance with Section 15164 of the CEQA Guidelines, and the CE (NEPA Approval) for the Project were obtained on February 25, 2021, under 23 USC 327. The request was reviewed under the provision of NEPA and other pertinent environmental reviews.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution:

- 1) approving a revised construction contingency amount not to exceed \$6,388,106 for the construction contract awarded to O.C. Jones & Sons, Inc. of Berkeley, California, pursuant to Resolution No. 2024-085, and
- 2) authorizing the City Manager to approve change orders up to the revised contingency amount, if needed.

Prepared by: Habibullah Habib, PE, Senior Civil Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer
Even Marcelo, PE, City Engineer
Anush Nejad, PE, Director of Public Works
Sara Castro, Finance Director
L.David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2025- _____

**(1) APPROVING A REVISED CONSTRUCTION CONTINGENCY AMOUNT NOT TO EXCEED \$6,388,106 FOR THE CONSTRUCTION CONTRACT AWARDED TO O.C. JONES & SONS, INC. OF BERKELEY, CALIFORNIA, PURSUANT TO RESOLUTION NO. 2024-085, AND
(2) AUTHORIZING THE CITY MANAGER TO APPROVE CHANGE ORDERS UP TO THE REVISED CONTINGENCY AMOUNT, IF NEEDED.**

WHEREAS, the I-580 and International Parkway/Patterson Pass Road Interchange Project, Capital Improvement Project 73147, (Project) was approved as a Capital Improvement Project (CIP) within the Fiscal Year 2015/2016 Budget; and

WHEREAS, as the Project Sponsor, the City of Tracy has partnered with the California Department of Transportation (Caltrans) throughout its development; and

WHEREAS, this Project is critical for the region, improving access to the expanding fulfillment and distribution centers, enhancing safety, and benefiting both the regional and national economies; and

WHEREAS, on June 4, 2024, pursuant to Resolution 2024-085, the City Council awarded the construction contract to O.C. Jones & Sons, Inc. of Berkeley, California, for a total not-to-exceed amount of \$42,587,374; and

WHEREAS, on June 4, 2024, through Resolution 2024-085, when the City Council awarded the construction contract to O.C. Jones & Sons, Inc. of Berkeley, California, for a total not-to-exceed amount of \$42,587,374, due to limited resource availability at the time of contract award, no contingency was approved; and

WHEREAS, since then, the engineering staff has worked with finance to reprioritize resources and has identified additional funds for the project. Staff requested authorization of a \$1,500,000 partial construction contingency for the project, which was approved by City Council on December 3rd, 2024, through Resolution 2024-209; and

WHEREAS, To fully fund and complete the project, the Finance and CIP teams have been working together to identify the budget and provide a contingency limit of 15% of the awarded contract. On May 6, 2025, City Council authorized and appropriated \$8,000,000 from the Tracy Infrastructure Master Plan (TIMP) fund (F363) for the Interstate 580/Patterson Pass Road/International Parkway Diverging Diamond Interchange Improvement Project. To provide the full appropriation, City Council also approved a twenty-year loan of \$6,000,000 from the General Fund Reserves (F101) to the TIMP (F363), as outlined in Resolution 2025-086; and

WHEREAS, now the Engineering staff asks the City Council to approve a revised construction contingency amount not to exceed \$6,388,106 for the construction contract awarded, and authorize the City Manager to approve change orders up to the contingency amount, if needed; and

WHEREAS, The I-580/International Parkway/Patterson Pass Road Interchange, CIP 73147, is an approved Capital Improvement Project with an approved budget of \$61,903,749. There are sufficient funds available for the revised contingency amount of a not to exceed of \$6,388,106. The funding sources and the Project budget are as follows:

Funding Source	Budget	Expensed/ Committed	Balance
242 - Measure K	\$ 2,541,000	\$ 2,541,000	\$ -
245 - Gas Tax	\$ 1,494,125	\$ 316,933	\$ 1,177,192
TCEP Grant	\$ 24,884,000	\$ 24,884,000	\$ -
363 - TIMP Traffic	\$ 25,032,624	\$ 17,408,583	\$ 7,624,041
392 - RTIF	\$ 7,952,000	\$ 7,952,000	\$ -
Current Budget	\$ 61,903,749	\$ 53,102,516	\$ 8,801,233

; and

WHEREAS, Construction projects of this size often face site conditions that were not expected during planning. These can include unexpected soil issues, utility moves, environmental concerns, site-specific problems, or other unexpected complications. Increasing the construction contingency to a not-to-exceed amount of \$6,388,106 ensures the Project can effectively address these unforeseen issues. This contingency helps prevent delays and cost overruns that could otherwise hinder progress, keeping the Project moving forward with minimal disruption and aligned with its overall goals. Additionally, granting the City Manager the authority to approve necessary change orders under TMC Section 2.20.090(b) enables quick decision-making for changes during construction. This streamlined authority helps maintain momentum, which is vital for minimizing impacts on Tracy residents and commuters using the interchange; and

WHEREAS, the Final IS/MND (CEQA Approval), in accordance with Section 15164 of the CEQA Guidelines, and the CE (NEPA Approval) for the Project was obtained on February 25, 2021, under 23 USC 327; and, therefore, be it

RESOLVED: that the City Council of the City of Tracy hereby approves a revised construction contingency amount not to exceed \$6,388,106 for the construction contract awarded to O.C. Jones & Sons, Inc. of Berkeley, California, pursuant to Resolution No. 2024-085; and be it

FURTHER RESOLVED: authorize the City Manager to approve change orders up to the revised contingency amount, if needed; and be it further

FURTHER RESOLVED: That actions authorized herein are consistent with the Project that was reviewed per the Final IS/MND under the California Environmental Quality Act (CEQA)

and in accordance with Section 15164 of the CEQA Guidelines, and the Categorical Exemption under the National Environmental Pollution Act that was obtained on February 25, 2021, under 23 U.S.C. 327.

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on 16th day of September 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.J

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

- (1) Approving the execution of a General Services Agreement with United Rentals (North America), Inc. for heavy-duty equipment rental services, with a term ending on June 30, 2028, and a not-to-exceed amount of \$500,000 per fiscal year; and**
- (2) Authorizing the City Manager to administratively extend the agreement for up to an additional three (3) years, in any combination in length, based on satisfactory performance and the City's Council approved annual budget.**

EXECUTIVE SUMMARY

The Public Works and Parks Departments utilize heavy-duty equipment to efficiently and safely carry out large-scale projects in demanding environments. These pieces of equipment enable faster task completion, reduce reliance on manual labor, and significantly enhance safety at the worksite. This request will allow the City to procure these pieces of equipment on an as-needed base and provide uniform pricing throughout the two departments. These pieces of equipment are rented instead of purchased due to short term need; no maintenance requirements, location for storage; and lack of funding.

BACKGROUND AND LEGISLATIVE HISTORY

Under the recently implemented Tyler MUNIS contract entry system, staff have identified several past practices that did not comply with the City's procurement policy or the Tracy Municipal Code (TMC). Staff have been working diligently to address these issues and have recently brought several items before the City Council for approval. This General Services Agreement (GSA) continues that effort, as there has been no formal contract or competitive bid process for these services in many years. Staff will utilize its contract with Sourcwell to procure this contract.

ANALYSIS

Sourcwell is an entity that supports government and education organizations by managing cooperative purchasing programs. This program offers a competitive solicitation process and provides an established network of awarded contracts that meet local requirements. The City of Tracy (City) is a member of Sourcwell and is authorized to procure materials and services in accordance with TMC 2.20.220.

On March 24, 2025, the City requested applicable bids from Sourcwell and received recommendations for three most qualified vendors: Herc Rentals, Inc.; Sunbelt Rentals, Inc.; and United Rentals (North America), Inc. After contacting each vendor and evaluating them based on pricing and responsiveness, United Rentals (North America), Inc. was selected as the most responsive and cost-effective option.

	<i>Herc Rentals, Inc.</i>	<i>Sunbelt Rentals, Inc.</i>	<i>United Rentals (North America), Inc.</i>
Equipment	Monthly Rental Cost	Monthly Rental Cost	Monthly Rental Cost
Wheel Loader (4yd)	\$ 8,402	\$ 6,375	\$ 5,113
Dump Truck (10yd)	\$ 5,935	\$ 4,950	\$ 5,057
Mini Excavator	\$ 8,481	\$ 5,525	\$ 6,348
Total	\$ 22,818	\$ 16,850	\$ 16,518

Staff has successfully negotiated the terms of an agreement with United Rentals for an initial term ending on June 30, 2028. Upon satisfactory performance and based on a recommendation by the Public Works Director (or their designee) to the City Manager, the agreement may be extended administratively for up to an additional three (3) years, in any combination, not to exceed a total term of five (5) years.

Staff will further include rental equipment information and obligation to the City's Risk Management Division to secure rental insurance for each piece of equipment rented along with expected duration of the rental.

FISCAL IMPACT

The rental services will be funded through the City Council approved annual Operations and Maintenance budgets of the Public Works and Parks Departments. Each Department will identify the funding source for the required equipment based on need upon rental.

STRATEGIC PLAN

This agenda item is consistent with the City's Quality of Life Strategy and meets the goals to ensure physical infrastructure and systems necessary for the health and safety of the Tracy community.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution:

- (1) Approving the execution of a General Services Agreement with United Rentals (North America), Inc. for heavy-duty equipment rental services, with a term ending on June 30, 2028, and a not-to-exceed amount of \$500,000 per fiscal year; and
- (2) Authorizing the City Manager to administratively extend the agreement for up to an additional three (3) years, in any combination in length, based on satisfactory performance and the City's Council approved annual budget.

Prepared by: Aloke Vaid, Wastewater Operations Superintendent

Reviewed by: Stephanie Reyna-Hiestand, Assistant Director of Utilities
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS: A - GSA with United Rentals, Inc.
B – Sourcewell Contract United Rentals

CITY OF TRACY GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and United Rentals (North America), Inc, a Delaware corporation (**Contractor**). City and Contractor are referred to individually as “Party” and collectively as “Parties.”

Recitals

- A. City desires to retain Contractor to provide heavy-duty pieces of equipment for rental services, on as needed base; and
- B. Pursuant of Tracy Municipal Code 2.20.220, the City is utilizing a Sourcewell cooperative agreement for Rental Equipment, Products, and Related Services.
- C. Sourcewell entered into an agreement for the heavy-duty pieces of equipment rental services referred to as contract with Solicitation RFP #040924 (“**Contract**”).
- D. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- E. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on _____, 2025.

Now therefore, the Parties mutually agree as follows:

1. **Scope of Work.** Contractor shall perform the services described in Exhibit “A” attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor’s Authorized Representative: Laurence Held. Contractor shall not replace its Authorized Representative, nor shall Contractor use or replace any subcontractors or subconsultants, without City’s prior written consent. A failure to obtain the City’s prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

1.1 Non-Exclusive Agreement. The City reserves the right to contract with other Contractors providing the same Services or similar scope of services described above during the term of this Agreement. The City further reserves the right to assign work, at its sole discretion, to contractors other than Contractor based on City’s budget, experience, and skills of contractors based on the City’s specific needs.

2. **Time of Performance.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on the date this Agreement is executed and end on June 30, 2028, unless terminated in accordance with Section 6. This Agreement may be extended

for an additional two (2) years by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit “B,” attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor’s total compensation under this Agreement shall not exceed \$500,000 (five hundred thousand dollars) per fiscal year. Contractor’s billing rates shall cover all costs and expenses for Contractor’s performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City’s prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor’s failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City’s receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims caused by Contractor’s negligent performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, “City” means the City, its officials, officers, agents, employees and volunteers; “Contractor” means the Contractor, its employees, agents and subcontractors; “Claims” includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and “Arising out of” includes “pertaining to” and “relating to”.

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) “per occurrence” coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for “any auto”) “claims made” coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers’ Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability “claims made” coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional “insured.”

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on “public works” and “maintenance” projects. The services being performed under this Agreement are part of a “public works” or “maintenance” project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor’s services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City’s prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City’s employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor’s conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

City of Tracy
Attn: Assistant Director of Utilities
3900 Holly Drive
Tracy, CA 95304

To Contractor:

United Rentals (North America), Inc
Attn: Legal Department
100 First Stamford Place, Suite 700
Stamford, CT 06902

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents

that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor, City of Tracy

Date: _____

Attest:

April B. A. Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

United Rentals (North America), Inc.

By: Joe Doran
Title: Branch Manager

Date: 8/12/25

Federal Employer Tax ID No. _____

By: Henry Seizle
Title: District Sales Manager

Date: 8/12/25

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

The City's primary objective is to obtain complete, consistently reliable, high quality, and timely delivery of rental equipment.

Contractor will be responsible for the safe and reliable working condition of any rental equipment for the City's use.

Timeline. Contractor must respond to the City's Superintendent or their designee's order request within 48-72 hours upon receiving such request via phone or email.

Locations. Contractor shall deliver all pieces of equipment order request to various locations within the City of Tracy.

At the commencement of each equipment rental, the City shall provide the Contractor with the equipment specifications, delivery location, and the intended duration of the rental period. Upon receipt of this information, the Contractor shall furnish a written quote reflecting itemized rental pricing. All applicable rates and charges shall be clearly specified and categorized in the quote.

EXHIBIT B – Compensation

The Day, Week, and Month rates shall be established as not-to-exceed pricing pursuant to the Sourcewell cooperative contract. The City and Contractor may negotiate the actual rates for each equipment rental at the commencement of the rental period; however, such rates shall not exceed the maximum amounts set forth below.

Earthmoving Equipment					
Cat	Class	Description	Day	Week	Month
902	15	BACKHOE/LOADER COMPACT 20-29HP 4WD	\$ 256	\$ 755	\$ 1,826
902	1020	BACKHOE/LOADER 60-90HP 4WD	\$ 371	\$ 990	\$ 2,377
902	1021	BACKHOE/LOADER 60-90HP 4WD CAB EXT-A-HOE	\$ 463	\$ 1,286	\$ 2,461
902	1100	BACKHOE/LOADER 60-90HP 4WD EXT-A-HOE	\$ 383	\$ 1,036	\$ 2,384
902	1101	BACKHOE/LOADER 60-90HP 4WD CAB	\$ 463	\$ 1,358	\$ 2,850
902	1210	BACKHOE/LOADER 91-104HP 4WD EXT-A-HOE	\$ 475	\$ 1,420	\$ 3,207
902	1330	BACKHOE/LOADER OVER 105HP 4WD EXT-A-HOE	\$ 589	\$ 1,723	\$ 4,076
902	1350	BACKHOE/LOADER OVER 121HP 4WD EXT-HOE	\$ 573	\$ 1,957	\$ 5,215
902	5018	BACKHOE BUCKET 18"	\$ 3	\$ 12	\$ 26
902	5024	BACKHOE BUCKET 24"	\$ 37	\$ 79	\$ 184
902	5030	BACKHOE BUCKET 30"	\$ 14	\$ 33	\$ 56
902	5215	BACKHOE BREAKER	\$ 358	\$ 891	\$ 2,172
902	5225	BACKHOE VIBRATORY PLATE COMPACTOR	\$ 220	\$ 553	\$ 1,377
902	5250	BACKHOE 18" COMPACTION WHEEL	\$ 150	\$ 449	\$ 1,023
902	5300	BACKHOE AUGER POWER UNIT	\$ 213	\$ 577	\$ 1,220
906	2070	DOZER STANDARD TRACK 70HP	\$ 637	\$ 1,668	\$ 4,115
906	2090	DOZER STANDARD TRACK 90-95HP	\$ 749	\$ 2,016	\$ 4,944
906	2150	DOZER STANDARD TRACK 140-150HP	\$ 1,216	\$ 3,222	\$ 9,324
906	2270	DOZER LOW GROUND PRESSURE 70HP	\$ 634	\$ 1,759	\$ 4,246
906	2290	DOZER LOW GROUND PRESSURE 90-95HP	\$ 826	\$ 2,184	\$ 5,218
906	2305	DOZER LOW GROUND PRESSURE 100-115HP	\$ 945	\$ 2,431	\$ 5,933
906	2330	DOZER LOW GROUND PRESSURE 90-95HP	\$ 1,020	\$ 2,752	\$ 6,864
906	2350	DOZER LOW GROUND PRESSURE 140-150HP	\$ 1,380	\$ 3,601	\$ 10,301
906	2905	DOZER BRUSH RAKE LARGE EQUIPMENT	\$ 109	\$ 304	\$ 1,159
903	13	SKID STEER MINI 601-950# DSL TRACKED	\$ 237	\$ 716	\$ 1,611
907	45	MINI EXCAVATOR 4000-4999#	\$ 316	\$ 929	\$ 2,180
907	46	MINI EXCAVATOR 4000-4999# ELECTRIC	\$ 461	\$ 1,194	\$ 2,875
907	85	MINI EXCAVATOR 8500# ZERO TAIL SWING	\$ 370	\$ 1,098	\$ 2,527
907	500	MINI EXCAVATOR BUCKET CLEAN OUT	\$ 18	\$ 31	\$ 61
907	524	MINI EXCAVATOR BUCKET 12" SMOOTH	\$ 2	\$ 7	\$ 11
907	534	MINI EXCAVATOR BUCKET 18" SMOOTH	\$ 8	\$ 20	\$ 40
907	550	MINI EXCAVATOR BUCKET 30"	\$ 5	\$ 14	\$ 27
907	554	MINI EXCAVATOR BUCKET 36" SMOOTH	\$ 8	\$ 17	\$ 27
907	555	MINI EXCAVATOR BUCKET 36"	\$ 8	\$ 17	\$ 33
907	556	MINI EXCAVATOR BUCKET 36" DITCHING	\$ 16	\$ 63	\$ 115
907	560	MINI EXCAVATOR POWERTILT ATTACHMENT	\$ 71	\$ 206	\$ 395
907	572	MINI EX BRUSH CUTTER/MOWER	\$ 118	\$ 598	\$ 1,197

907	580	MINI EXCAVATOR VIBRATORY PLATE	\$ 231	\$ 551	\$ 1,129
907	100	MINI EXCAVATOR 10000-14000#	\$ 399	\$ 1,138	\$ 2,613
907	111	MINI EXCAVATOR 10000-13999# REDUCED TAIL	\$ 483	\$ 1,406	\$ 3,074
907	114	MINI EXCAVATOR 15000-19999#	\$ 545	\$ 1,572	\$ 3,659
907	29	MINI EXCAVATOR 2000-2999#	\$ 251	\$ 731	\$ 1,773
907	35	MINI EXCAVATOR 3000-3999#	\$ 289	\$ 802	\$ 1,900
907	525	MINI EXCAVATOR BUCKET 12"	\$ 7	\$ 12	\$ 18
907	535	MINI EXCAVATOR BUCKET 18"	\$ 9	\$ 16	\$ 25
907	543	MINI EXCAVATOR BUCKET 24" SMOOTH	\$ 12	\$ 62	\$ 124
907	545	MINI EXCAVATOR BUCKET 24"	\$ 10	\$ 18	\$ 31
907	570	MINI EXCAVATOR BREAKER	\$ 233	\$ 604	\$ 1,481
907	575	MINI EXCAVATOR AUGER POWER UNIT	\$ 184	\$ 521	\$ 1,809
907	62	MINI EXCAVATOR 6000-6799#	\$ 305	\$ 840	\$ 2,002
907	68	MINI EXCAVATOR 6800-7399#	\$ 321	\$ 850	\$ 2,071
907	75	MINI EXCAVATOR 7400-9199#	\$ 353	\$ 943	\$ 2,193
907	92	MINI EXCAVATOR 9200-9999#	\$ 392	\$ 1,038	\$ 2,485
905	1005	EXCAVATOR 19000# REDUCED TAIL SWING	\$ 556	\$ 1,677	\$ 4,012
905	1015	EXCAVATOR 25000-29999#	\$ 828	\$ 2,191	\$ 5,305
905	1030	EXCAVATOR 30000-34999#	\$ 879	\$ 2,259	\$ 5,434
905	1032	EXCAVATOR 30000-34999# RUBBER TRACK	\$ 767	\$ 2,371	\$ 5,862
905	1035	EXCAVATOR 30000-34999#REDUCED TAIL SWING	\$ 919	\$ 2,469	\$ 5,990
905	1045	EXCAVATOR 35000-39999#	\$ 919	\$ 2,371	\$ 5,990
905	1060	EXCAVATOR 43000-49999#	\$ 1,067	\$ 2,833	\$ 6,863
905	1080	EXCAVATOR 50000-59999# REDUCED TAIL SWG	\$ 1,261	\$ 3,148	\$ 8,317
905	1085	EXCAVATOR 50000-55999#	\$ 1,261	\$ 3,148	\$ 8,317
905	1095	EXCAVATOR 53000-59999# LONG REACH	\$ 1,709	\$ 4,569	\$ 11,672
905	1135	EXCAVATOR 63000-66999#	\$ 1,656	\$ 4,075	\$ 11,021
905	1145	EXCAVATOR 60000-69999# LONG REACH	\$ 1,853	\$ 4,817	\$ 11,232
905	1150	EXCAVATOR 70000-79000#	\$ 1,858	\$ 4,998	\$ 12,499
905	5035	EXCAVATOR BUCKET 36"	\$ 4	\$ 21	\$ 40
905	5045	EXCAVATOR BUCKET 48"	\$ 12	\$ 37	\$ 81
905	5085	EXCAVATOR GRAPPLE THUMB 7500#	\$ 63	\$ 161	\$ 343
905	7025	EXCAVATOR BREAKER 1500-2000#	\$ 674	\$ 1,698	\$ 4,238
905	7030	EXCAVATOR BREAKER 2001-2500#	\$ 556	\$ 1,484	\$ 3,801
905	7035	EXCAVATOR BREAKER 3000-3500#	\$ 689	\$ 2,037	\$ 4,916
905	7045	EXCAVATOR BREAKER 4000-4500#	\$ 806	\$ 2,659	\$ 6,570
905	7050	EXCAVATOR BREAKER 5000#	\$ 864	\$ 2,282	\$ 6,041
905	7100	EXCAVATOR COMPACTION WHEEL 24"	\$ 264	\$ 676	\$ 1,311
905	7105	EXCAVATOR COMPACTION WHEEL 36"	\$ 226	\$ 749	\$ 1,357
905	7155	EXCAVATOR VIB PILE HAMMER ATTACHMENT	\$ 1,277	\$ 3,281	\$ 7,958
904	2000	LOADER WHEEL .99 CUBIC YARD AND UNDER	\$ 433	\$ 1,175	\$ 2,720
904	2010	LOADER WHEEL 1.0-1.4 CUBIC YARD	\$ 462	\$ 1,241	\$ 2,919
904	2020	LOADER WHEEL 2.0-2.5 CUBIC YARD	\$ 607	\$ 1,932	\$ 5,078
904	2025	LOADER WHEEL 2.5-2.9 CUBIC YARD	\$ 725	\$ 2,076	\$ 5,619
904	2030	LOADER WHEEL 3.0-3.4 CUBIC YARD	\$ 895	\$ 2,290	\$ 6,021

904	2035	LOADER WHEEL 3.5-3.9 CUBIC YARD	\$ 1,017	\$ 2,537	\$ 6,345
904	2040	LOADER WHEEL 4.0 CUBIC YARD	\$ 1,341	\$ 3,348	\$ 7,918
904	2045	LOADER WHEEL 5.0-5.9 CUBIC YARD	\$ 1,648	\$ 4,113	\$ 10,274
904	3020	LOADER LANDSCAPER 4WD	\$ 320	\$ 972	\$ 2,169
904	4530	LOADER TRACK 2.0 CUBIC YARD	\$ 1,094	\$ 2,742	\$ 6,857
904	6205	LOADER WHEEL SNOW BUCKET	\$ 380	\$ 459	\$ 814
904	6234	LOADER WHEEL ROOT RAKE	\$ 79	\$ 238	\$ 475
904	6240	LOADER WHEEL FORK ATTACHMENT	\$ 47	\$ 167	\$ 433
900	8125	MOTORGRADER 125HP 12' BLADE	\$ 860	\$ 2,539	\$ 5,939
900	8150	MOTORGRADER 195-205HP 14' BLADE	\$ 1,255	\$ 4,635	\$ 11,168
900	8165	MOTORGRADER 206-235HP 14' BLADE	\$ 1,288	\$ 3,679	\$ 8,947
903	595	SKID STEER TRACK LOADER 3400# AND OVER	\$ 533	\$ 1,424	\$ 3,206
903	105	SKID STEER LOADER 2600# AND OVER	\$ 371	\$ 1,112	\$ 2,421
903	15	SKID STEER LOADER 601-850#	\$ 237	\$ 716	\$ 1,611
903	45	SKID STEER LOADER 1351-1699#	\$ 252	\$ 731	\$ 1,619
903	5036	SKID STEER BUCKET 36" SMOOTH	\$ 9	\$ 33	\$ 105
903	5058	SKID STEER BUCKET 68" SMOOTH	\$ 3	\$ 10	\$ 23
903	5061	SKID STEER BUCKET 60" SMOOTH	\$ 10	\$ 25	\$ 58
903	5066	SKID STEER BUCKET 66" SMOOTH	\$ 2	\$ 7	\$ 14
903	5067	SKID STEER BUCKET 66" TOOTH	\$ 7	\$ 15	\$ 39
903	5072	SKID STEER BUCKET 72" TOOTH	\$ 7	\$ 20	\$ 44
903	5073	SKID STEER BUCKET 72" SMOOTH	\$ 49	\$ 91	\$ 282
903	5074	SKID STEER BUCKET 74" SMOOTH	\$ 3	\$ 12	\$ 33
903	5078	SKID STEER BUCKET 78" SMOOTH	\$ 7	\$ 14	\$ 28
903	5079	SKID STEER BUCKET 78" TOOTH	\$ 3	\$ 11	\$ 40
903	5200	SKID STEER GRAPPLE BUCKET	\$ 132	\$ 323	\$ 788
903	5215	SKID STEER SNOW BUCKET	\$ 25	\$ 75	\$ 179
903	522	SKID STEER TRACK LOADER WALKBEHIND	\$ 239	\$ 575	\$ 1,439
903	5305	SKID STEER BRUSH MOWER ATTACHMENT	\$ 208	\$ 431	\$ 1,407
903	5310	SKID STEER TRENCHER ATTACHMENT	\$ 201	\$ 494	\$ 1,235
903	5330	SKID STEER PLANER ATTACHMENT	\$ 616	\$ 1,725	\$ 2,905
903	5335	SKID STEER ROCKHOUND	\$ 214	\$ 557	\$ 1,390
903	5343	SKID STEER 72" DOZER BLADE ATTACHMENT	\$ 102	\$ 297	\$ 667
903	5355	SKID STEER BREAKER	\$ 237	\$ 674	\$ 1,499
903	5381	SKID STEER MULCHING HEAD	\$ 340	\$ 1,175	\$ 2,951
903	5385	SKID STEER LANDSCAPE RAKE ATTACHMENT	\$ 190	\$ 515	\$ 996
903	5410	SKID STEER FORK ATTACHMENT	\$ 62	\$ 154	\$ 371
903	5411	SKID STEER FORK ATTACHMENT HEAVY DUTY	\$ 56	\$ 194	\$ 455
903	5413	SKID STEER GRAPPLE FORK ATTACHMENT	\$ 170	\$ 425	\$ 881
903	5435	SKID STEER PICKUP BROOM WITH DUMP BUCKET	\$ 151	\$ 387	\$ 937
903	5440	SKID STEER ANGLE BROOM	\$ 146	\$ 344	\$ 880
903	5475	SKID STEER SNOW PLOW ATTACHMENT	\$ 82	\$ 232	\$ 486
903	5491	SKID STEER ROOT GRAPPLE BUCKET	\$ 125	\$ 329	\$ 661
903	5500	SKID STEER AUGER POWER UNIT	\$ 122	\$ 299	\$ 794
903	5598	SKID STEER AUGER EXTENSION 2' HEX	\$ 35	\$ 126	\$ 220

903	5600	SKID STEER AUGER EXTENSION	\$ 23	\$ 115	\$ 231
903	5606	SKID STEER AUGER BIT 6"	\$ 34	\$ 104	\$ 243
903	5609	SKID STEER AUGER BIT 9"	\$ 48	\$ 118	\$ 296
903	561	SKID STEER TRACK LOADER 1300-1699#	\$ 371	\$ 1,112	\$ 2,421
903	5612	SKID STEER AUGER BIT 12"	\$ 44	\$ 116	\$ 321
903	5618	SKID STEER AUGER BIT 18"	\$ 50	\$ 150	\$ 237
903	5624	SKID STEER AUGER BIT 24"	\$ 60	\$ 164	\$ 373
903	5630	SKID STEER AUGER BIT 30"	\$ 63	\$ 169	\$ 354
903	5636	SKID STEER AUGER BIT 36"	\$ 81	\$ 202	\$ 505
903	5670	SKID STEER MINI AUGER POWER UNIT	\$ 102	\$ 422	\$ 749
903	570	SKID STEER TRACK LOADER 1700-1999#	\$ 381	\$ 1,146	\$ 2,529
903	580	SKID STEER TRACK LOADER 2000-2399#	\$ 393	\$ 1,170	\$ 2,664
903	585	SKID STEER TRACK LOADER 2400-2799#	\$ 463	\$ 1,194	\$ 2,841
903	590	SKID STEER TRACK LOADER 2800-3399	\$ 528	\$ 1,369	\$ 2,987
903	71	SKID STEER LOADER 1700-1899#	\$ 296	\$ 856	\$ 1,736
903	80	SKID STEER LOADER 1900-2000#	\$ 317	\$ 895	\$ 2,027
903	90	SKID STEER LOADER 2001-2599#	\$ 302	\$ 971	\$ 2,225
750	1100	SWEEPER RIDE ON 6' WINDROW	\$ 274	\$ 812	\$ 1,865
750	1105	SWEEPER RIDE ON 8' WINDROW THREE WHEEL	\$ 321	\$ 947	\$ 2,136
750	1106	SWEEPER 8' 4 WHEEL ROPS	\$ 350	\$ 977	\$ 2,309
750	1107	SWEEPER 8' 4 WHEEL CAB	\$ 383	\$ 1,156	\$ 2,518
750	1110	SWEEPER RIDE ON PICK UP	\$ 521	\$ 1,342	\$ 3,446
750	1040	SWEEPER WALKBEHIND	\$ 197	\$ 573	\$ 1,035
750	1109	SWEEPER RIDEON PICK UP 66" AND SMALLER	\$ 540	\$ 1,802	\$ 3,416
750	1111	SWEEPER RIDE-ON PICK UP ELECTRIC	\$ 421	\$ 1,287	\$ 2,228
750	1115	SWEEPER/SCRUBBER RIDE ON	\$ 693	\$ 2,178	\$ 5,247
908	30	FARM TRACTOR 30HP	\$ 305	\$ 746	\$ 1,866
908	40	FARM TRACTOR 40HP	\$ 373	\$ 965	\$ 2,335
908	50	FARM TRACTOR 50HP	\$ 255	\$ 744	\$ 2,532
908	5260	FARM TRACTOR BOX BLADE 60"	\$ 194	\$ 436	\$ 888
908	5410	FARM TRACTOR MOWER ATTACHMENT	\$ 209	\$ 659	\$ 2,035
908	90	FARM TRACTOR 90HP+	\$ 484	\$ 1,560	\$ 4,534
930	1101	TRENCHER 11-15HP WALKBEHIND TIRE	\$ 255	\$ 782	\$ 1,684
930	1102	TRENCHER 11-15HP WALKBEHIND TRACK	\$ 263	\$ 781	\$ 1,598
930	1200	TRENCHER 16-27HP WALKBEHIND TIRE	\$ 276	\$ 814	\$ 1,907
930	1230	TRENCHER 16-27HP WALKBEHIND TRACK	\$ 293	\$ 902	\$ 2,041
930	1350	TRENCHER 32-50HP	\$ 413	\$ 1,157	\$ 2,707
930	1440	TRENCHER 51-69HP	\$ 599	\$ 1,652	\$ 3,853
930	1520	TRENCHER RIDE ON WITH BACKHOE	\$ 448	\$ 1,164	\$ 2,899

Modular Fence rentals will include consumable retail sales items to be quoted at the time of rental based on the quantities of the order.

****Standard Delivery during normal working hours****

Delivery/Pickup Charges = \$160.69 flat charge (each way) then \$4.19 per mile

****After Hours, Weekends, and Holidays****

An additional call out fee may be incurred, and will be communicated at the time of request. Please refer to pricing table under Service/Labor for hourly rates that would be applicable to support the call out charges.

****Third Party Hauling Charges****

In a situation where both parties mutually agree to utilize a third party hauler, a quote (cost + 10%) will be provided to the end user that would replace standard United Rentals Delivery and Pickup rates.

****Oversize/Permitted Loads****

All applicable fees will be communicated at time of service.

****Over Time Charges****

Rental Rates above are based on normal usage so run time in excess of single shift rates will incur overtime charges based on actual usage of the equipment.

****Truck Rental Allowance (US)****

Rental rates for all vehicles with an odometer (categories 950 - 956) are based on a 2000 mile per 28 day monthly billing cycle and a \$0.22 Per Mile charge shall be assessed when monthly miles exceed the 2,000 miles allowance. Minimum \$250 charge for excess cleaning, or to remove odor, smoke or vapor if required. Fee will be assessed if vehicle is not returned to originating location. Additional charges may also apply for the costs incurred by customers during the rental including vehicle recovery, tolls, parking and traffic violations. Please see the rental agreement for further information and detail.

****Rental Equipment Fuel Service****

A refueling service charge will be applied to all equipment returned less than full. The exact cost of the refueling service may vary depending on the rate being charged by the branch location on the date customer returns the equipment.

Notes:

- Taxes are charged separately.
- Equipment must be returned with full fuel tank. If it is less than full, a fuel charge is applicable.
- Prices of Equipment not listed above is negotiable upon order request.

040924-URI

**Solicitation Number: RFP #040924****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and United Rentals (North America), Inc., 100 First Stamford Place, Suite 700, Stamford, CT 06902 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Rental Equipment, Products, and Related Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires June 11, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

A. WARRANTY. The following warranties apply:

For equipment rentals by a Participating Entity, Supplier warrants that upon delivery the equipment rented hereunder will be in good working condition. If the equipment is not in good working condition upon delivery, Supplier shall promptly repair or replace the equipment at its sole cost and expense. If the equipment requires repair or replacement during the rental period, Supplier will promptly repair or replace the equipment at its sole cost and expense; provided, however, if the repair or replacement is necessary due to Participating Entity's abuse, misuse, or neglect, then Participating Entity will be responsible for the cost of such repair or replacement. EXCEPT AS SET FORTH HEREIN SUPPLIER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE RENTAL OF EQUIPMENT.

For equipment purchases by a Participating Entity, the only warranty provided with the equipment sold herein is the warranty provided by the original equipment manufacturer ("OEM"). Supplier will pass through all warranties, to the extent allowable, that the OEM provides. If a warranty claim is approved by the OEM and the OEM authorizes Supplier to repair or replace the equipment, Supplier will do so. ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

For services provided to a Participating Entity, Supplier warrants the services will be performed in a good and workmanlike manner. The duration of the warranty shall be 30 days after the service is completed. If during the 30-day warranty period the equipment requires additional service, because of defective original service or a defective replacement part(s), then Supplier will re-perform the defective service and/or replace the defective part at its sole cost and expense. If the equipment has been subject to abuse, misuse, or neglect, Supplier shall have no

obligation to re-perform the service or replace any part(s). The only warranty on replacement parts provided with Supplier's service herein is the warranty provided by the original equipment manufacturer ("OEM"). Supplier will pass through all warranties, to the extent allowable, that the OEM provides. If a warranty claim on such replacement part is approved by the OEM and the OEM authorizes Supplier to repair or replace the part, Supplier will do so. EXCEPT AS SET FORTH HEREIN SUPPLIER DISCLAIMS ALL OTHER WARRANTIES EXPRESS OR IMPLIED WITH RESPECT TO REPLACEMENT PARTS AND SERVICE OF EQUIPMENT.

B. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcwell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcwell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcwell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcwell Price and Product Change Request Form to the assigned Sourcwell Supplier Development Administrator. This approved form is available from the assigned Sourcwell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcwell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. **PARTICIPATION.** Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. **PUBLIC FACILITIES.** Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. **ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements),

or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. **BUSINESS REVIEWS.** Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. **ADMINISTRATIVE FEE.** In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in

any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcwell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcwell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcwell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

As applicable, Supplier agrees to indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, caused by the negligent acts or omissions of the Supplier or its agents or employees. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*
 - a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
 - b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the

breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for products liability-completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence
\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing

regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

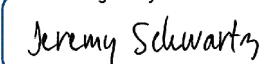
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

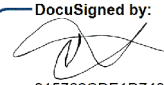
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Sourcewell

DocuSigned by:

C0FD2A139D06489...

By: _____
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 6/11/2024 | 1:23 PM CDT

United Rentals (North America), Inc.

DocuSigned by:

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By: _____
Craig Schmidt
Title: Vice President National Accounts
Date: 6/11/2024 | 10:49 AM PDT

RFP 040924 - Rental Equipment, Products, and Related Services

Vendor Details

Company Name: UNITED RENTALS (NORTH AMERICA), INC.

Does your company conduct business under any other name? If yes, please state: United Rentals, Inc. , United Rentals of Canada, Inc, United Rentals (North America), Inc dba Reliable Onsite Services

Address: 100 FIRST STAMFORD PLACE, SUIT STAMFORD, CT 06902

Contact: Daniel Cunningham

Email: dcunning@ur.com

Phone: 877-874-4468

Fax: 877-735-7450

HST#: 860933835

Submission Details

Created On: Monday March 18, 2024 10:35:35

Submitted On: Tuesday April 09, 2024 11:15:38

Submitted By: Daniel Cunningham

Email: dcunning@ur.com

Transaction #: 331a9681-32c6-4a37-9427-b7117bb4742c

Submitter's IP Address: 155.190.3.50

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	United Rentals (North America), Inc.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	United Rentals of Canada, Inc. is a wholly owned subsidiary of United Rentals (North America), Inc. The ultimate parent is United Rentals Inc. United Rentals, Inc. is publicly traded under the New York Stock Exchange symbol of URI.	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Our portable sanitation business is performed under the DBA of Reliable Onsite Services.	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Our Cage Code is 0JXS6 and SAM UEI number is QFG7EC12DQK4.	*
5	Proposer Physical Address:	100 First Stamford Place Suite 700, Stamford, CT 06902	*
6	Proposer website address (or addresses):	www.unitedrentals.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Craig Schmidt Vice President, National Accounts 100 First Stamford Place, Suite 700 Stamford, CT 06902 cschmidt@ur.com 203-622-3131	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Brad Laws Sr. Manager, Government Accounts 100 First Stamford Place, Suite 700 Stamford, CT 06902 jlaws@ur.com 504-915-6013	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Daniel Cunningham Government Sales Specialist Office: 877-874-4468 Fax: 877-735-7450 Email: govrents@ur.com	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>About United Rentals</p> <p>United Rentals was founded in 1997 and quickly became the world's largest equipment rental provider. Today, our company continues to build on its industry leadership with a best-in-class range of resources and the largest customer service network of its kind in North America.</p> <p>United Rentals deploys \$19.99 billion of fleet (original equipment cost) through approximately 1,524 branches, a centralized reservation service and automated online ordering. Our branches are fully integrated through technology, allowing them to collaborate on solving customer needs.</p> <p>Our Mission</p> <p>Our mission is to deploy the best people, equipment and solutions to enable our customers to safely build a better and stronger future. We constantly seek ways to enhance our service offering, improve the lives of our team members, give back to our communities and reduce our environmental impact through innovation and investment. Our eight core values define our relationship with society and the environment.</p> <p>Our Values</p>	

Safety First

Act, and require others to act, in a manner that puts the safety of our employees, customers and communities first.

A Passion For People

Build a diverse workplace that challenges all employees to grow professionally and embrace teamwork.

Visible Leadership

Lead by example in every business decision and action, with a sense of humility and responsibility.

Customer-Driven

Support the best interests of our customers and develop better ways for them to succeed at their jobs.

Absolute Integrity

Always do the right thing, honor commitments and ensure appropriate corporate governance.

Community-Minded

Be an outstanding corporate citizen and a good neighbor in every sense by being helpful, respectful, law-abiding and friendly.

Continuous Innovation

Contribute to a culture of innovative thinking that empowers employees to improve quality, efficiency and customer service.

Sustainability

Engage in practices that lead to positive change by encouraging social accountability and environmental responsibility.

Business Philosophy

With approximately 25,000 employees and more than 1,500 rental locations globally, we are the largest equipment rental company in the world. Our size and scale enable us to provide our customers with cutting-edge solutions and equipment, and our commitment to sustainability helps them operate jobsites safely, effectively and efficiently.

We occupy a unique position in the marketplace, between end-users and original equipment manufacturers (OEMs), and serve customers ranging from Fortune 500 companies to small businesses. Guided by our Work United® ethos, we partner with customers, communities and employees to find solutions with a shared commitment to service and safety. Our business model supports the circular economy by providing customers with rental access to one of the largest equipment and tool selections in the world. This enables customers to test new equipment or accomplish a specific task without having to purchase new, reducing the need to manufacture an estimated 400,000 pieces of equipment over United Rentals' 25 year history.

United Rentals serves its customers as a single-source solution, provided through two business segments: General Rentals and Specialty Rentals: General Rentals offers construction, industrial and homeowner equipment for rent, and related services. Specialty Rentals includes the rental of equipment and tools for underground construction, temporary power, power distribution, highway safety, climate control, fluid solutions, disaster recovery, tool management, modular offices, mobile storage and related services.

To serve specific sectors of its customer base, United Rentals has a comprehensive National Accounts program, industrial specialists and government sales specialists. Additional customer services are provided by the company's centralized, toll-free call centers, emergency response teams, and individuals dedicated to larger accounts, such as managed services consultants and single points of contact.

UR Worksite®

The United Rentals safety culture takes a no-compromise approach to loss prevention and safe behavior. Examples of safety initiatives include the company's Injury and Illness Prevention Program, branch safety meetings, driver safety programs and the United Academy® training and certification management portal for customers and employees.

Total Control® is United Rentals' proprietary, web-based rental management software, designed to help large customers reduce equipment consumption, control costs and drive efficiencies.

UR Control® is an online rental management platform that provides unlimited access to account details, giving customers the tools to track and control equipment costs and view all rented equipment, even across multiple accounts. With UR Control, users can request equipment pickups, submit electronic (ACH) payments, and access more than a dozen customer-specific reports that support bidding, budgeting and decision-making.

Tool Management is a service for capital projects, maintenance shutdowns and turnarounds, whereby an on-site mobile tool room is established to facilitate workflow and enhance accountability.

On-Site Shop Services are offered for major capital projects through a centralized, on-site maintenance and repair facility.

Sustainability is a major, ongoing focus of United Rentals as part of our commitment to corporate responsibility. Our company has implemented Sustainable Growth initiatives in the areas of facilities, fleet and logistics. We believe that these initiatives will result in the reduction of our total cost of operation and will safeguard

		<p>the environment, while helping our customers reduce their own carbon footprints.</p> <p>Industry Longevity Strategy</p> <p>For the past several years, as we continued to manage the impact of global economic conditions and COVID-19, we executed a strategy focused on improving the profitability of our core equipment rental business through revenue growth, margin expansion and operational efficiencies. In particular, we have focused on customer segmentation, customer service differentiation, rate management, fleet management and operational efficiency. Our general strategy focuses on profitability and return on invested capital, and, in particular, calls for:</p> <ul style="list-style-type: none"> • A consistently superior standard of service to customers, often provided through a single lead contact who can coordinate the cross-selling of the various services we offer throughout our network. We utilize a proprietary software application, Total Control®, which provides our key customers with a single in-house software application that enables them to monitor and manage all their equipment needs. Total Control® is a unique customer offering that enables us to develop strong, long-term relationships with our larger customers. Our digital capabilities, including our Total Control® platform, allow our sales teams to provide contactless end-to-end customer service; • The further optimization of our customer mix and fleet mix, with a dual objective: to enhance our performance in serving our current customer base, and to focus on the accounts and customer types that are best suited to our strategy for profitable growth. We believe these efforts will lead to even better service of our target accounts, primarily large construction and industrial customers, as well as select local contractors. Our fleet team's analyses are aligned with these objectives to identify trends in equipment categories and define action plans that can generate improved returns; • A continued focus on "Lean" management techniques, including kaizen processes focused on continuous improvement. We have a dedicated team responsible for reducing waste in our operational processes, with the objectives of: condensing the cycle time associated with preparing equipment for rent; optimizing our resources for delivery and pickup of equipment; improving the effectiveness and efficiency of our repair and maintenance operations; and implementing customer service best practices; • The continued expansion and cross-selling of adjacent specialty and services products, which enables us to provide a "one-stop" shop for our customers. We believe that the expansion of our specialty business, as exhibited by our acquisition of General Finance Corporation ("General Finance") in May 2021, as well as our tools and onsite services offerings, will further position United Rentals as a single source provider of total jobsite solutions through our extensive product and service resources and technology offerings; and • The pursuit of strategic acquisitions to continue to expand our core equipment rental business, as exhibited by our recently completed acquisition of assets of Ahern Rentals, which is discussed in note 4 to the consolidated financial statements. Strategic acquisitions allow us to invest our capital to expand our business, further driving our ability to accomplish our strategic goals. 	
11	What are your company's expectations in the event of an award?	In the event of an award, United Rentals will begin instituting the included marketing plan. We have experienced success with this contract in the past by developing numerous relationships with participating entities, 12 state-level participating addendums, and helping to get hundreds of new members to join the Sourcwell cooperative. Upon award, we expect to continue these results and grow our current success with the help of the Sourcwell team. United Rentals' expectations of Sourcwell marketing efforts to include trade shows, customer interactions, and collateral related to our contract. We would also like to work with the Sourcwell team to educate each other of our offerings and contract in order to improve customer interactions either organization will have.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	We have uploaded our 2023 Annual Report in the supporting documents section.	*
13	What is your US market share for the solutions that you are proposing?	As a publicly traded company, we can only provide the information currently made public. United Rentals is the North American equipment leader. Our North American market share 15% based on 2023 rental revenues and ARA industry estimates. The next closest competitor's market share is 11%.	*
14	What is your Canadian market share for the solutions that you are proposing?	As a publicly traded company, we can only provide the information currently made public. United Rentals is the North American equipment leader. Our North American market share 15% based on 2023 rental revenues and ARA industry estimates. The next closest competitor's market share is 11%.	*

15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	United Rentals' is a service provider of rental equipment and related services. Within our nine different business units, we have a large amount of vendors we purchase through. We are aligned with the largest vendors in the industry like JLG, Genie, John Deere, Atlas Copco, etc. To serve this base, we employ customer service professionals who have firsthand knowledge of equipment capabilities and site challenges. All sales employees are direct employees of United Rentals and not through a third party. Their expertise, together with our company's commitment to safety, are compelling competitive advantages. United Rentals owns the equipment in our rental fleet and has the internal logistics to be able to mobilize the fleet to service larger needs as they come up. We have a two pronged approach to servicing the customer both through our boots on the ground sales force of 6400 professionals and through our customer service teams. Our customer service team in Charlotte, NC is available 24/7/365. We also have a specialized Government Sales Support Team that are dedicated government account experts. In addition to our rental equipment, we also have in house training and servicing divisions that can work directly with the customer to meet all training and certification needs and service customer owned equipment.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	None	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	United Rentals is proud to be recognized by a wide range of organizations for our commitment to diversity, inclusion, veteran support and overall employee satisfaction. Our culture is built on core foundational values and we are proud of the continued recognition for our team. The below list is some of our top awards received in 2023 and 2022. For a more robust listing over the past 5 years please view our website at https://www.unitedrentals.com/our-company/awards-recognition . <ul style="list-style-type: none"> · 2023 G.I. JOBS Military Friendly Brand · 2023 G.I. JOBS Military Friendly Employers (Ranked Gold 14th consecutive year) · 2023 G.I. JOBS Military Friendly Supplier Diversity Program (5th consecutive year) · 2023 G.I. JOBS Military Spouse Friendly Employers (8th consecutive year) · 2023 Newsweek America's Most Responsible Companies (2nd consecutive year) · 2023 Newsweek America's Most Trusted Companies (Ranked 1 in our industry 3rd consecutive year) · 2023 Forbes The Best Employers for Women · 2023 Glassdoor 100 Best Places to Work (based on employee feedback) · 2023 Vets Indexes Employer Awards: 5 Stars · 2022 Military Times Best for Vets (9th consecutive year) · 2022 Forbes America's Best Large-sized Employers · 2022 Forbes Global 2000 · 2022 Forbes World's Best Employers · 2022 US Veteran Magazine Top Veteran Friendly Companies · 2022 US Department Of Labor HIRE Vets Medallion Program · 2022 ABC National Inclusion, Diversity and Equity Excellence Awards (12th consecutive year) · 2022 Diversity Journal Innovations in Diversity Award 	*
20	What percentage of your sales are to the governmental sector in the past three years	United Rentals' customer base is a diverse mix of construction and industrial companies, utilities, municipalities, government agencies and others. Most of our customers align with two categories: approximately 47% are non-residential construction, and 48% are non-construction, such as industrial. About 5% are homeowners, municipalities and other types.	*

21	What percentage of your sales are to the education sector in the past three years	We do not track this.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	<p>United Rentals' level of experience with national cooperative and state / local contracts is in-depth. Last year our Government Sales and Service Center downloaded thousands of solicitations, evaluated our ability to fulfill requirements and responded to more than 3,200 bids / solicitations worth over \$265M. Our Government team members have decades of government and industry experience. This is the level of expertise required to keep a large sales force educated and compliant. United Rentals has four national cooperative contracts: SOURCEWELL, NASPO Value Point, HGAC, E&I and HCDE Choice Partners.</p> <p>Sourcewell: United Rentals is the current contract holder for Contract 091615-URI and has held the contract since November 2010.</p> <ul style="list-style-type: none"> • Sourcewell Annual Sales Volume 2021: ~\$ 50.4 million • Sourcewell Annual Sales Volume 2022: ~\$72.1 million • Sourcewell Annual Sales Volume 2023: ~\$87.6 million <p>HGAC: United Rentals is a contract holder for HGAC RFP RN11-19 Supply of Rentals – Equipment & Portable Facilities and has held the contract since Oct 2009.</p> <ul style="list-style-type: none"> • HGAC Annual Sales Volume 2021: ~\$3.5 million • HGAC Annual Sales Volume 2022:~\$3.5 million • HGAC Annual Sales Volume 2023: ~\$5.3 million <p>E&I: United Rentals is a contract holder for E&I Contract CNR01438 and has held the contract since August 2017. The E&I cooperative only services educational institutions and does not allow for participation from states or municipalities.</p> <ul style="list-style-type: none"> • E&I Annual Sales Volume 2021: ~\$9 million • E&I Annual Sales Volume 2022~ \$10.5 million • E&I Annual Sales Volume 2023: ~\$12.5 million <p>HCDE/Choice Partners: United Rentals is the contract holder for HCDE RFP 18-072KC-06 Vocational Products and Services and has held the contract since Dec 2013. This contract was initially for sale of new and used equipment. A contract modification was awarded in 2014 for equipment rentals.</p> <ul style="list-style-type: none"> • Choice Partners Annual Sales Volume 2021: ~\$ 2.7 million • Choice Partners Annual Sales Volume 2022: ~\$3.3 million • Choice Partners Annual Sales Volume 2023:~\$3.9 million <p>NASPO Value PointAnnual Sales Volume Awarded in 2021. Master Agreement # 41156. Rental of Equipment & Equipment Safety Training Awarded in March of 2021.</p> <ul style="list-style-type: none"> • NASPO Value Point Annual Sales Volume 2021:- \$5.1 Million • NASPO Value Point Annual Sales Volume 2022: ~\$9.6 million • NASPO Value Point Partners Annual Sales Volume 2023:~\$10.4 million <p>In addition to signing up hundreds of municipalities for membership, United Rentals has 12 states under contract with participating addendums and state level agreements (including DOT) in a total of 38 states. None of our other contracts prohibit United Rentals from fully participating with this agreement.</p>	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	United Rentals currently holds a GSA schedule and has since August 2005. United Rentals was the first national servicing rental company on the GSA schedule and has two SINs: 332510S-Tool & Supply sales, walk-in, walk-out, 532310-Short-Term Rental, and Order-Level Materials (OLM).	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Volusia County	Tabatha Freedman, MBA,CPPO, CPPB, NIGP-CPP, Sr. Procurement Analyst	(386) 822-5702 TFreedman@volusia.org	*
City of Seattle	Krista Diaz, Deputy Division Director/Purchasing Manager	(206) 684-0456 krista.diaz@seattle.gov	*
State of Mississippi	Yolanda Thurman Director, Marketing, Travel and Card Programs Office of Purchasing, Travel and Fleet Management	(601)-359-3409 Yolanda.Thurman@dfa.ms.gov	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Confidential	Government	Louisiana - LA	Repair/Replace, Temporary Rental Equipment	\$1.3 million +	\$17.5 million	*
Confidential	Government	California - CA	Temporary Rental Equipment	\$275,000	\$14.2 million	*
Confidential	Government	New York - NY	Temporary Rental Equipment	\$205,000	\$11.8 million	*
Confidential	Government	Texas - TX	Temporary Rental Equipment	\$190,000	\$10.6 million	*
Confidential	Government	District of Columbia - DC	Temporary Rental Equipment	\$485,000	\$8.4 million	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	With the largest sales force in the industry, United Rentals is well poised to support the Sourcewell participating entities across the US and Canada. We approach servicing a large national account like Sourcewell through a multi-layered team approach. Brad Laws is the Government Accounts Senior Manager and is responsible for the success of the Sourcewell program at United Rentals. He is the quarterback of the US state and local government team and works in tandem with Mark Dunlop as the lead for the Canadian entities. Under Brad are six regional Government Accounts Managers that will work with the field sales team of 6,400 industry experts. Additionally, there are a team of state level Strategic Account Managers as your Single Point of Contact, Daniel Cunningham. This robust sales team is supported by branch operations and field personnel across an extensive network of approximately 1,465 North American branch locations to effectively implement, manage and service an industrial client of Sourcewell's scope. Implementing and rolling out a national contract with Sourcewell requires a concerted effort from many levels of United Rentals' organization beyond the government accounts group. Strategic Account Managers (SAM), Outside & Inside Sales Representatives (OSR & ISR), Branch & Service Managers, Delivery Drivers and Field Service Technicians will continue to maintain current relationships while implementing a new contract in areas where we are already doing business. These levels will be heavily engaged in areas where we do not currently have relationships with Sourcewell's members for contract implementation and service. Current partnerships will be built upon and modeled after.	*
27	Dealer network or other distribution methods.	Sourcewell benefits from United Rentals owning all of our fleet. The following operating efficiencies help distribute our equipment to your members quickly: Equipment Sharing Among Branches. Each branch within a region can access equipment located elsewhere in the region. This fleet sharing increases equipment utilization because equipment that is idle at one branch can be marketed and rented through other branches. Additionally, fleet sharing allows us to be more disciplined with our capital spend. Our fleet sharing policy increases equipment availability and the likelihood United Rentals will have the right equipment at the right time for your project. Should the nearest branch not have the equipment needed, United Rentals has a vast network of branches nearby allowing for flexibility in transferring of fleet to meet the needs of Sourcewell. Customer Care Center: We have a Customer Care Center ("CCC") located in Charlotte, North Carolina that handles all telephone calls 24/7/365 to our customer service telephone line, 1-800-UR-RENTS. The CCC handles many of the 1-800-UR-RENTS telephone calls without having to route them to individual branches, and allows us to provide a more uniform quality experience to customers, manage fleet sharing more effectively and free up branch employee time.	*

28	Service force.	<p>Our branches across the US and Canada are wholly owned by United Rentals and never franchised. They are staffed with a knowledgeable team of Branch Managers, Sales Reps, Dispatchers, Service Technicians, and Drivers to fulfill Sourcewell's equipment and service needs. Our in-house government experts provide the knowledge and support to help our field service teams execute on any government customer requests. Backing them up is the company's extensive customer service team that is available for customer request 24/7/365.</p> <p>Government Experts: We have a team of government experts to support and grow our government business. Our Director of Government accounts leads the group of Regional Government Account Managers, state level Government Strategic Account Managers, National Government Sales Support Specialists, and National Government Contract Analysts.</p> <p>Government Sales & Support Center. Government business is unique with separate guidelines and compliance requirements. We understand that at United Rentals. For this reason, we provide our government customers a dedicated support team and 800 line. This team provides the Sourcewell participating members with a direct team that understands the Sourcewell contract and membership enrollment process.</p> <p>Branch Managers: United Rentals' has numerous branch managers to oversee operations at each of our local branches, such as bookings, dispatches and requests for on-site assistance. They can collaborate with other branches in our network, and with our centralized customer service facilities, to ensure fleet availability for Sourcewell. They are also able to train our local personnel so that we service your account in a way that supports Sourcewell's existing and future operations.</p> <p>Maintenance/Service Technicians: United Rentals' has approximately 10,200 technicians company-wide that are factory-trained and participate in periodic preventive maintenance refresher courses and manufacturer training. They inspect and service each piece of rental equipment to ensure its safety and operating condition before returning it to the rental-ready fleet.</p> <p>Dispatchers: Our dispatch team coordinates all deliveries and pick-ups for the branch, prioritizing scheduled time of need and rental-ready fleet. They utilize our FAST Dispatch technology to schedule our fleet of drivers. This system allows operations personnel to assign deliveries and route trucks most efficiently, as well as track on-time performance. Delivery Vehicles are equipped with GPS technology tied to the FAST dispatch system; drivers are required to input when deliveries are made (in order to track on-time delivery) and acknowledge changes in routing from ops personnel.</p> <p>Drivers: United Rentals' has approximately 4,300 drivers company-wide that are regulated by US DOT and all safety training requirements. They inspect every truckload for safety requirements before leaving the branch or customer site. Through our FAST technology, they are able to communicate delivery time updates in real-time for our customers and dispatch team.</p>
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>Our Government Sales and Service Center (GSSC) will process all orders. Providing a centralized location for all orders, allows consistency and a stronger account knowledge to support the decentralized system of orders submitted by the many end users. Additionally, the end users will have full account visibility through our UR Control System.</p> <p>Customers are able to use the GSSC team to submit orders through phone or email. Our system can be set up to require POs as well through customer request. All participating entities' accounts will be set up with Sourcewell pricing so each rental will be at the not to exceed rates regardless if the customer or internal order taker remembers to mention the contract. Customers can also go through their local sales representative or branch to place orders.</p> <p>The more time people and departments spend using Total Control®, the more ways they find that it helps their company be better at managing rentals. Before, during, and after the rental process, Total Control gives users access to the types of information used to make the best business decisions. Renting only what you need, when you need it helps you reduce rental costs by optimizing the amount, length, and utilization of equipment on rent.</p> <p>Full visibility of rental activities across your organization</p> <p>View overdue and upcoming return dates</p> <p>Extend rentals or request pick-up</p> <p>Add and update PO numbers</p> <p>GPS data</p> <p>Comprehensive account management</p> <p>Real-time invoice and payment history</p> <p>Download summary and detail billing data</p> <p>Invoice availability & support</p> <p>Customized flexible reporting</p> <p>Report live or historical rental information on nearly any subject (equipment on rent, rental history, hundreds of more report styles)</p> <p>We have a team of contract compliance specialists that monitor the accounts linked to the Sourcewell contract to provide the Sourcewell members the current negotiated rates and terms. This team is managed by Sonia Gregory. They work within our reporting system to provide quarterly reports to Sourcewell and will work to process all administrative fees owed.</p>

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>Customers are given information to reach any of our sales reps, Government Team, or customer service center to place an order or answer any questions. United Rentals tracks our service levels through our Quarterly Scorecard reported to Sourcewell. United Rentals is offering Sourcewell, a quarterly SLA (Service Level Agreement) for the Sourcewell facilities, which will be reported quarterly, and reviewed on a regular basis with Sourcewell management. This SLA reporting will help with improving service levels, availability, and reliability of equipment. This will help with the on-going continuous improvement program.</p> <p>On-Time Delivery Goal</p> <ul style="list-style-type: none"> On-time deliveries to the designated location at the promised delivery time. <p>Fulfillment Goals</p> <ul style="list-style-type: none"> 100% of orders fulfilled in accordance with issued purchase order requirements. This is fleet that is 100% of orders that are fulfilled by United Rentals. <p>Quality Expectation at Delivery Goals</p> <ul style="list-style-type: none"> 100% of orders delivered without defects at time of delivery. <p>Quality Expectations during Rental Period Goals</p> <ul style="list-style-type: none"> 90% of orders/rental periods without a defect. <p>Repair Replacement Response time Goals</p> <ul style="list-style-type: none"> 100% of service responses within a 2 hour window for repair/replacement solutions when equipment fails. <p>Repairs: On-time service Goals</p> <ul style="list-style-type: none"> 100% of equipment repairs/replacements within 4 hours of promised time. <p>Repair failures: 2 day window Goals</p> <ul style="list-style-type: none"> Target 0% of repair occurrences requiring additional service. <p>Billing Accuracy Goals</p> <ul style="list-style-type: none"> 100% of invoiced billed correctly without requiring a credit because the billing was not charged correctly. <p>Diversity & Sustainability Reviews Goals</p> <ul style="list-style-type: none"> Quarterly reporting of diversity spend % for all locations Sustainability efforts by key categories <p>Quality Supplier Performance Reviews Goals</p> <ul style="list-style-type: none"> Schedule and complete quarterly scorecards and review throughout the term of the agreement for performance measuring, tracking & reporting. <p>Identify required action items to correct issues and project portfolio for ongoing continuous improvement opportunities.</p> <p>Escalation Goals</p> <ul style="list-style-type: none"> Number of occurrences by segment & location where issues are not resolved at the local branch level and are escalated to the National Account Manager/VP Sales. 	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	<p>Sourcewell's participating entities will have access to a network of approximately 1,465 rental locations in North America. United Rentals maintains a robust fleet and has the proven experience to mobilize this fleet to service the needs of our customer. We have held the Sourcewell contract for the last 10 years and have a proven track record of servicing Sourcewell and its participating entities through our vast sales and service network led by our dedicated government team.</p> <p>Our GSSC team provides a single point of contact to all Sourcewell participating entities offering support and guidance to our products and services available through our contract. Additionally, this team also furnishes eligible entities with the hyperlink and instructions on how to become a member of Sourcewell in order to capitalize on these programs offered to them.</p> <p>Over the past 2 years, we have added another layer to the resources of our government customers. Our Business Development Representatives located in Charlotte, NC reach out to our government customers to educate them on the offering they have through their Sourcewell membership to support their equipment needs.</p>	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	<p>Sourcewell's participating entities will have access to a network of approximately 148 rental locations in Canada. Our current contract includes a Canadian pricing structure, and we look forward to working with Sourcewell to grow the customer base and recognition throughout Canada. On our Government Team we have several members led by Mark Dunlop that are dedicated to servicing the Canadian government and municipal accounts.</p>	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	<p>The only two geographic areas we are unable to service are Hawaii and the Northwest Territories in Canada. United Rentals' is exploring the opportunity to expand into Hawaii.</p>	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	<p>We are able to continue to service all participating entities as we have for nearly 15 years.</p>	*

35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	With over 1,465 branches throughout North America, United Rentals currently services all of the US except Hawaii with limited access in certain markets. We are exploring the opportunity to expand into Hawaii.	*
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Table 7: Marketing Plan

Line Item	Question	Response *	
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Over the past 10 years, we have helped grow our Sourcewell contract over 450%. Our dedication to promoting this contract opportunity has resulted in \$87.6 million in revenues for 2023; up from \$15.8 million in 2014. Our team of government experts are strategically positioned across the US and Canada to market and grow this contract opportunity with the participating Sourcewell entities and our branches. We routinely introduce eligible entities to the Sourcewell program as well. United Rentals takes a three pronged approach to our marketing and sales plans: internal training, external sales and education, and customer faced marketing. You will find a comprehensive marketing plan and marketing material samples attached in the documents section. United Rentals is now also part of the NIGP Business Council. We are proudly working with government procurement experts and board members to continue the great work of the NIGP Business Council. We are actively partnering with this board to further the procurement activities within the equipment rental space as the solely industry representative on this business council. For more information, on the Business Council please utilize the following link https://www.nigp.org/suppliers/business-council .	*
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	We engage with customers through an omni-channel digital marketing strategy, allowing customers to interact with us through a variety of different platforms including our website, local Google listings, our mobile application and our social media tools. We use data to help personalize journeys for our customers, ensuring we are compliant along the way. This in conjunction with our proprietary digital management tools that provides a comprehensive digital experience for our customers.	*
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	We believe promoting the contract is a collaborative process that both Sourcewell and United Rentals are responsible for. We will continue to work together as we have over the past 10 years to promote our contract. This process has helped it grow over 450% since 2014. We plan to work with Sourcewell to make sure both organizations can articulate and promote the value proposition of the other. We collectively succeed most when we identify and promote each other's services to the participating entities. Sourcewell has a great reputation of promoting their contracts through their websites, tradeshow, marketing collateral, newsletters, and more. United Rentals has a proven track record of selling a Sourcewell contract that includes our sales process that is laid out in the provided marketing plan.	*
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	We understand that government entities have their internal purchasing systems for processing purchase orders, placing orders, and approving payment for the services. To simplify the ordering process for our government accounts we work collaboratively with them to create punch-out catalogs specific to each Participating Entities' equipment needs within their internal purchasing systems. This provides them with the flexibility of working within one system. We also recognize that not all participating entities utilize an internal punch-out and purchasing system for ordering. For these customers that prefer the ease of e-procurement via our systems, we offer our proprietary system Total Control. Total Control is more than just an e-procurement ordering process though. This is why our government customers also utilize it in combination with their internal purchasing systems to better manage their equipment - rented and owned. This is a cloud-based worksite management solution that helps customers make the most of their equipment fleet. This comprehensive, integrated suite of tools and services makes it easy to streamline their processes and cut their annual rental costs by up to a third. In addition to placing their equipment order, they can off-rent the equipment, access the location and use of rented equipment, set role-based alerts, PO tracking, auto-invoicing and more. Utilization tracking and telematics can also help them reduce the time machines sit idle, saving them money. Lastly, all orders can also be placed through our Government Sales and Service Center or locally through any of our branches. The GSSC team is available to take in orders through a single source email, phone, fax, or online. The service center will have all of the contract details for each of the various co-op partners' accounts.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
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40	<p>Describe any training programs related to this proposal such as OSHA training, safety training, specialty training like earth moving, hand tool safety, electrical safety, or other related certifications. Define if the training is offered in-person or virtually. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.</p>	<p>The technology and pace that business operates at is accelerating quickly. Yet, the way safety training is performed and tracked is quite stagnate. United Rentals invested in building the United Academy platform to replace primitive safety training and record keeping methods and to make sure that safety programs could match the pace of the projects they support. Often times, when you discover that a worker or a crew is untrained, the time involved in taking action strains a project timeline. United Academy leverages technology to avoid training related lost time, and respond quickly when you must. Quality training when you need it.</p> <p>Training is led by a team of certified trainers with years of experience in educating and protecting commercial, industrial and municipal workers and sites. Equipment familiarization and proper training are two very different concepts. Equipment familiarization is provided at no cost upon delivery of each piece of equipment. Proper certified training is per person cost through United Academy. We are providing all Participating Entities discounted United Academy Training. We can also help you determine when each is needed. Learner comprehension and learning preferences have evolved. United Academy gives you options: classroom instruction and blended learning. Schedule classroom training and certification or access blended e-learning 24/7. Ease of tracking training and certifications. Easy, real-time tracking and verification of training and certifications anytime, anywhere.</p> <p>Skilled Trainers Safety training is not new to United Rentals. Over the years we have built one of the largest and most professional training teams in the industry with over dedicated, full time safety trainers supporting United Academy across the USA and Canada. In addition, we have hundreds of certified trainers and evaluators located in many of our 1,465 branches. Our full-time trainers have years of experience educating workers on safety and many have been working in our industry for years in various capacities.</p> <p>Professional Courses In-Person & Online Top-notch training from an industry leader Courses developed by a team of subject matter experts Meets or exceeds OSHA, ANSI and OH&S training requirements Meets legal regulations for training, theory, practical, and hands on evaluation Instructor-led training by Certified Professional Trainers or interactive cinematic online component</p> <p>Over 300 courses to choose from Training valid in all 50 states and Canada Courses available in English, French and Spanish</p> <p>Record Management Made Easy Training documentation stored on United Academy platform Ability to upload training records taken outside of United Academy Email notifications sent when certification is up for renewal Certificates and temporary cards available to print immediately after training completion Work efficiently with compliance tools, team views and various reporting dashboards Managers can view all records, assign courses and upload external certificates for their employees</p> <p>Accessible Where You Are Classes and account records accessible 24/7 Verify training records out in the field by simply scanning the United Academy wallet card or hardhat sticker Access via website or United Academy mobile app</p> <p>Online Training Profile Sourcewell can save time and money by storing and maintaining training and certifications in United Academy. Records for each course taken through the Academy are stored in our online database and a training profile is created for every account holder. Users can also store additional records for training taken outside of United Academy so that they can build a comprehensive training transcript. Company administrators can set which email addresses receive alerts.</p> <p>Wallet Card Replace several tattered and work paper training cards with United Academy's single, universal wallet card and free United Academy App, Sourcewell can access their employee's Training Profile anywhere and anytime. All you have to do is key in the personal identification codes into a computer or scan the QR code on the card with a smartphone or tablet for instant access. Our wallet card is secure and credit card quality so it won't tear or become damaged by the elements. Wallet cards are sent to United Academy account holders after completing their first Academy course.</p>
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41	Describe any technological advances that your proposed products or services offer.	<p>We've engineered worksite performance solutions that help our customers make better, smarter, safer decisions. And we're just getting started.</p> <p>Total Control & Mobile App Keeping tabs on dozens or hundreds of pieces of rental equipment on a jobsite, including what's in use, what needs to be returned and what's awaiting delivery or pickup, is a big job. Doing it well can lead to significant cost savings and increased worker productivity. Digital technology such as the cloud-based equipment management solution Total Control® gives our customers a huge leg up. But when you're out in the field, you want to be able to work from the phone in your pocket or the tablet in your bag, not the computer back in the office or trailer.</p> <p>The United Rentals Mobile App was designed for exactly that. It puts all your equipment data at your fingertips and enables a host of easy-click actions that help you do more in less time when you're out and about.</p> <p>RFID Badges On construction projects, site access management and equipment access management are both critical to safety, security and productivity. Digital tools from United Rentals now enable customers to manage equipment access using the same RFID badges they issue to workers for site access.</p> <p>With the Next-Generation Access Management Solution, PINs aren't necessary. Rather than entering a code on a keypad ignition lock, a worker can tap their RFID-enabled ID badge on the lock's card reader to unlock a piece of equipment they are authorized to operate. On large projects, leveraging RFID badges for equipment access eliminates the need to assign PINs to hundreds or thousands of workers, reducing administrative overhead. In addition to keeping unauthorized workers off equipment, it provides accurate real-time and historical insights into equipment usage.</p> <p>Smart Turnstiles At high-traffic job sites where employees, contractors and visitors come and go throughout the day, managing entry can be challenging, yet it's critical to ensuring the safety and security of employees and other personnel. Controlling site access is also essential to protecting the public from potential hazards and guarding against theft and vandalism. Smart Turnstiles are the modern-day answer to access management through the utilization of a variety of innovative technology offerings.</p> <p>With the swipe and/or tap of a badge, key fob or other credential, smart turnstiles ensure that only people with proper authorization can pass through the entry gate. Compared with sign-in sheets, which can be bypassed even when a security guard is present, smart turnstiles are effective and efficient. Just as important, they provide real-time entry and exit data that can be quickly accessed and searched in the event of an emergency.</p> <p>Wedge WEDGE is a remote monitoring system customized to fit your site. It monitors measurements such as temperature and humidity. Sensors installed on-site feed live data to the WEDGE Dashboard. Access real-time and historical data at your fingertips and if any pre-set thresholds are exceeded, you will be notified immediately.</p> <p>Please see our Value Added document in the attachments for more details.</p>
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Environmental sustainability is central to United Rentals' growth strategy. We measure and manage our greenhouse gas emissions — and help customers do the same — in order to become a more resilient company and to continue delivering value to all our stakeholders. As a business based in the sharing economy, our services inherently provide an environmental benefit which we continuously build on by increasing our operational efficiency and growing our low-emission product portfolio.</p> <p>We are advancing our social and environmental responsibilities through eight Corporate Responsibility goals. Each goal was set using a rigorous analysis that considered our operations, workforce and available technology, as well as the potential advancements that will become available during the relevant time period. While these goals are challenging, we believe they are achievable through our continued dedication to progress and innovation. In addition to our goals, we have three thematic commitments to drive progress toward reducing our climate impact:</p> <p>Engaging with original equipment manufacturers and customers on low- and zero-emissions equipment opportunities.</p> <p>Exploring ways to acquire more efficient and alternatively-fueled vehicles for our sales, service and delivery fleet, which are the largest contributors to our Scope 1 emissions.</p> <p>Helping our customers track and measure greenhouse gas emissions from our rental offerings.</p> <p>Our company has implemented Sustainable Growth initiatives in the areas of facilities, fleet and logistics. Please see our Corporate Responsibility Report in the document attachments for more information on these initiatives and achievements. We believe that these initiatives will result in the reduction of our total cost of operation and will safeguard the environment, while helping our customers reduce their own carbon footprints.</p>

43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>It's long been believed that renting equipment, in lieu of purchasing new, brings environmental benefits. In 2022, we validated this belief by partnering with a third-party consultant to analyze our rental business model and quantify the potential environmental benefit it brings. The results revealed that our business promotes environmental sustainability in two key ways:</p> <ol style="list-style-type: none"> 1. Reducing Total Equipment Needs 2. Reducing Emissions Intensity of Equipment <p>Sustainability is also the top of mind for many in the government, industrial and construction industry. As customers look to reduce their carbon footprint and meet their sustainability objectives and those of project owners, construction equipment emissions are one area of focus.</p> <p>Buying or renting electric construction equipment is increasingly an option, but fully electric fleets are a thing of the future. In the meantime, when it comes to reducing the emissions of diesel-powered equipment, the familiar adage applies: You can't manage what you can't measure.</p> <p>Until now, companies have had very limited access to information about the environmental impacts of their rental fleet. A recently launched emissions tracking feature in Total Control®, the United Rentals cloud-based worksite management solution, offers new visibility that can help inform decision-making around fleet and fleet utilization.</p> <p>The feature enables customers to monitor the estimated greenhouse gas (GHG) emissions from their telematics-enabled rental equipment as well as source pollutants such as particulate matter, nitrous oxides and carbon monoxide.</p>	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	None	*

45	<p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p>	<p>We're proud to have been named by Forbes magazine as one of the world's top employers. Still, we never take our people for granted. They are the key to our success with Sourcewell over nearly 10 years we have been supporting this contract. Through our team of experts. United Rentals deploys \$19.99 billion of fleet (original equipment cost) through approximately 1,465 branches, a centralized reservation service and automated online ordering. Our branches are fully integrated through technology, allowing them to collaborate on solving customer needs.</p> <p>Below are some of the unique resources we bring to the Participating Entities. Please see the Value Added document for more details on the suite of services and resources we provide to the Sourcewell Participating Entities.</p> <p>Safety</p> <p>Our most important differentiator is safety, because of its vital importance to our employees and customers. Unsafe behavior can have a direct impact on our business and yours. Our safety culture is organized under the banner of United4Safety, which provides a way of thinking about safety in every aspect of our lives, at work and at home. United4Safety has four tenets: think safe, work safe, drive safe and live safe. We expect safety to be the primary consideration of each of our employees, and we facilitate this through innovation, leadership development, continuous learning and personal well-being. In 2023, we had a total recordable incident rate (TRIR) of 0.68, toward a goal of zero.</p> <p>Digital Solutions</p> <p>At United Rentals, our goal is to go beyond equipment rental. It's a digital world, and digital technology should hand customers easy victories whether they're on the worksite, in the field office or back at headquarters.</p> <p>United Rentals is committed to providing not only the equipment businesses need; when they need it, but the WORKSITE PERFORMANCE™ tools that will help customers work smarter, better and safer. From cloud-based worksite management tools to renting equipment directly from our mobile app, United Rentals digital solutions lead the pack.</p> <p>Total Control® is our proprietary software suite that provides customers with a single, transformative solution for equipment productivity. Total Control helps customers manage their equipment fleets in real time through greater visibility and accountability, with the goal of improving the utilization of resources. By reducing downtime and avoiding on-site productivity gaps, Total Control can help a customer cut annual equipment rental costs by up to a third.</p> <p>Emergency Response</p> <p>While United Rentals has always responded to disasters near our locations, in 2018 we began to take a more structured approach to our response. We've trained a first-responder team comprising more than 800 company volunteers across North America, whose first objective in any emergency is to help our employees and customers who have been affected. The response for every major event starts at the highest level with our executive steering committee. The committee moves quickly to assess the situation and define the logistics of the response. From there, the plan flows to the Emergency Operations Center, or EOC.</p> <p>Each disaster has its own EOC — a command post that sets up as close as safely possible to the disaster site. This is where the response and communications are coordinated. United Rentals can stand up an EOC in a matter of hours, bringing together region and district leaders and a cross-functional team of experts from human resources, legal, real estate, fleet management, technology and finance. The EOC sets the objectives and executes them.</p> <p>Our team of experts has experience in critical need situations and can put maintenance equipment on your site quickly, including:</p> <ul style="list-style-type: none">- Complete portable sanitation solutions including hand wash stations, portable toilets and restroom trailers with hand wash stations, hand sanitizing stands, shower trailers, and laundry trailers with generators including service of waste- Power generation, fluid transfer, temporary lighting (indoor and outdoor) and site signage- Full range of HVAC products including air scrubbers, negative air machines with HEPA filtration, and portable air conditioners and heaters
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Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
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46	Do your warranties cover all products, parts, and labor?	<p>For Rentals: United Rentals warrants that upon delivery the equipment rented hereunder will be in good working condition. If the equipment is not in good working condition upon delivery, United Rentals shall promptly repair or replace the equipment at its sole cost and expense. If the equipment requires repair or replacement during the rental period, United Rentals will promptly repair or replace the equipment at its sole cost and expense; provided, however, if the repair or replacement is necessary due to Sourcewell Member's abuse, misuse or neglect, then the Sourcewell Member will be responsible for the cost of such repair or replacement. EXCEPT AS SET FORTH HEREIN UNITED DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE RENTAL OF EQUIPMENT.</p> <p>For Purchases of New Equipment: The only warranty provided with the equipment sold herein is the warranty provided by the original equipment manufacturer ("OEM"). United Rentals will pass through all warranties, to the extent allowable, that the OEM provides. If a warranty claim is approved by the OEM and the OEM authorizes United Rentals to repair or replace the equipment, United Rentals will do so. ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED AND DISCLAIMED."</p> <p>For Purchases of Used Equipment: United Rentals shall assign to the any remaining warranty from the original equipment manufacturer ("OEM") to the extent assignable. United Rentals makes no warranties express or implied with respect to the any used equipment being sold and all warranties, express or implied are disclaimed.</p> <p>In lieu of providing a warranty on the sale of used equipment, United Rentals will offer its United Guard service contract. Subject to the United Guard terms and conditions, United will perform the services outlines therein at the fees set forth therein.</p> <ul style="list-style-type: none"> • A copy of the United Guard Terms and Conditions is attached. <p>For Service: United Rentals warrants the services will be performed in a good and workmanlike manner. The duration of the warranty shall be 30 days after the service is completed. If during the 30-day warranty period the equipment requires additional service, because of defective original service or a defective replacement part(s), then United will re-perform the defective service and/or replace the defective part at its sole cost and expense. If the equipment has been subject to abuse, misuse or neglect, United shall have no obligation to re-perform the service or replace any part(s). The only warranty on replacement parts provided with United Rental's service herein is the warranty provided by the original equipment manufacturer ("OEM"). United will pass through all warranties, to the extent allowable, that the OEM provides. If a warranty claim on such replacement part is approved by the OEM and the OEM authorizes United to repair or replace the part, United will do so.</p> <p>EXCEPT AS SET FORTH HEREIN BIDDER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO REPLACEMENT PARTS AND SERVICE OF EQUIPMENT.</p> <p>For Damage to Rental Equipment: All of our rental equipment is owned by United Rentals, and all preventative and regular use maintenance will be taken care of by United Rentals. For costs due to damage, Sourcewell participating entities will have our Rental Protection Plan (RPP). It is a simple, affordable and smart way to protect yourself from the unforeseen. United Rentals offers a comprehensive program to provide you with added protection for the most common problems:</p> <ul style="list-style-type: none"> • Accidental damage to United Rentals equipment and vehicles • Theft of United Rentals equipment and vehicles do have the option to provide <p>The participating entities can opt-out of RPP by providing a Certificate of Insurance with the applicable property insurance.</p>
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47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>For Rentals. Yes. As stated above, United Rentals will repair or replace equipment at its sole cost and expense during the rental period if the equipment needs repair or replacement. However, if the equipment needs repair or replacement due to any other reason that defect in the equipment, United Rentals' negligence or reasonable wear and tear, the Sourcewell participating entity will be responsible for the cost of repair or replace. Reasonable wear and tear of the rental equipment shall mean only the normal deterioration of the equipment caused by ordinary and reasonable use on a one shift (8 hours per day, 40 hours per week) basis. The following shall not be deemed reasonable wear and tear: (a) damage resulting from lack of lubrication, insertion of improper fuel, or maintenance of necessary oil, water and air pressure levels; (b) except where United Rentals expressly assumes the obligation to service or maintain the equipment, any damage resulting from lack of servicing or preventative maintenance suggested in the manufacturer's operation and maintenance manual; (c) damage resulting from any collision, overturning, or improper operation, including overloading or exceeding the rated capacity of the equipment; (d) damage in the nature of dents, bending, tearing, staining, corrosion or misalignment to or of the equipment or any part thereof; (e) wear resulting from use in excess of shifts for which rented; and (f) any other damage to the equipment which is not considered ordinary and reasonable in the equipment rental industry. Repairs to the equipment shall be made to the reasonable satisfaction of United and in a manner which will not adversely affect the operation, manufacturer's design or value of the equipment.</p> <p>Also, Customers agree to check filters, oil, fluid levels and tire air pressure, to clean and visually inspect the equipment daily and to immediately notify United Rentals when equipment needs repair or maintenance. Should the equipment be involved in an accident, become unsafe, malfunction or require repair, Customer shall immediately cease using the equipment and immediately notify United.</p> <p>In the case of the loss or destruction of any equipment, or inability or failure to return same to United Rentals for any reason whatsoever, Customer will pay United the then full replacement list value of the equipment together with the full rental rate as specified until such equipment is replaced. If the equipment is returned in a damaged or excessively worn condition, Customer shall pay United the reasonable cost of repair and pay rental on the equipment at the regular rental rate until all repairs have been completed. Repair or replacement of tires and tubes is the responsibility of Customer.</p> <p>For New and Used Equipment Sales. As state above, the only warranty available for new or used equipment is the warranty provided by the OEM. Any restrictions or limitation would be set forth in the OEM warranty.</p>	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	<p>For Rentals. Costs including technician travel time that are associated with service required due to defects in the equipment, reasonable wear and tear or United negligence is the responsibility of United Rentals. The cost of Service required for any other reason will the participating entities' responsibility.</p> <p>For New and Used Equipment Sales. The OEM warranty will set forth what expenses are covered.</p>	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	<p>For Rentals. All branches in the United States and Canada have in-house technicians available to service and maintain our equipment. Therefore, all regions we provide service to will also have access to certified technicians.</p> <p>For New and Used Equipment Sales. Subject to approval of the warranty claim by the OEM and subject to authorization from the OEM to perform work, as stated above, all branches in the United States and Canada have in-house technicians available to service and maintain our equipment. Therefore, all regions we provide service to will also have access to certified technicians.</p>	*

50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	<p>United Rentals is not the original equipment manufacturer ("OEM") on any of the equipment it rents or sells. United is certified to perform warranty service by many OEMs. Upon acceptance of a warranty claim by the OEM and upon the OEM authorizing United to perform service, United Rentals is able to perform warranty service on many OEM's equipment..</p> <p>We strive to lead our industry in service performance, particularly when it comes to equipment maintenance and readiness for rental. United Rentals invests in our service personnel to ensure that they are up to speed on manufacturer's service requirement with internal or manufacturer sponsored training. We have also invested heavily in resources designed to make our company more efficient in maintaining our equipment to the highest standards. All 1524 + United Rentals locations use the same systems in order to ensure that Preventive Maintenance, ANSI inspections and manufacturer's service bulletins are being completed with integrity per our company procedure. United Rentals is responsible for the costs associated with inspecting and servicing our owned equipment. If requested, United Rentals can also provide inspections and services on equipment owned by our customers at mutually agreed upon rates.</p> <p>Some of the specific procedures are:</p> <ul style="list-style-type: none"> Preventive maintenance: PM's are governed by the stricter of two regulatory programs: Either 1) Per manufacturer's recommendation of service requirement or; 2) Perform an inspection inside of 90 days and / or service of the equipment with 250 operating hours. The "Rental Flow" process also tracks pending PM's due for service personnel to monitor. These PM's are performed at our locations as well as at customer locations by qualified field service technicians. ANSI inspections on aerial equipment, booms and scissors, are required by law. United Rentals has a NO-EXCEPTIONS policy related to ANSI inspections; if a unit does not receive this inspection within a year from its last date, it is taken out of rental service. Manufacturer's service bulletins are handled as United Rentals is notified, either in our shops or in the field. 	*
51	What are your proposed exchange and return programs and policies?	<p>For Rentals. If a piece of equipment is not operating properly, United Rentals will deploy one of its factory-trained technicians to perform the repair and/or supply the necessary parts. United Rentals promptly responds to repair and maintenance service calls – typically within two to four hours. In the event the equipment cannot be repaired on site, United Rentals will replace the equipment as quickly as it can.</p> <p>For New and Used Equipment Sales. Exchange and return programs/policies are determined by the OEM.</p>	*
52	Describe any service contract options for the items included in your proposal.	<p>For Rentals. Please note that service is provided at no cost to customer, unless such service is due to customer's fault. Please refer to service labor pricing included in our pricing spreadsheet. All branches have in-house technicians available to service and maintain our equipment.</p> <p>For Customer-owned equipment. If the customer has owned equipment, they can chose to utilize our Customer Equipment Solutions team to manage and perform the equipment service needs. We have a dedicated team and dedicated service technicians that solely work on customer owned equipment and do not work on our rental fleet.</p> <p>For New and Used Equipment Sales. In addition, any Sourcewell participating entity may purchase a United Guard Service Contract with the purchase of equipment as mentioned above.</p>	*

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
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53	Describe any performance standards or guarantees that apply to your services	<p>We work together with our customers, communities and employees to find solutions with a shared commitment to service and safety. To us, this is a simple, but powerful notion we call Work United™. It's a shared mindset. One of partnership that helps us face any challenge, together.</p> <p>Quality Assurance: United Rentals maintains a fleet of well-maintained equipment to ensure reliability and safety. We follow strict maintenance schedules and inspection procedures to guarantee that the equipment is in good working condition before it goes out on rental.</p> <p>Preventive maintenance: During the rental, our system estimates use in addition to physical checks and inquiries for hour meter updates. Maintenance steps (requirements) for each category and class of equipment are tracked within our system based on hours, miles and days. Reporting is generated daily for inspection and scheduling purposes. Service and safety bulletins released by manufacturers are loaded centrally and tracked within this same reporting system. We will schedule with the participating entities to do maintenance during a down time when equipment is on-rent.</p> <p>Customer Service: United Rentals provides excellent customer service, including knowledgeable staff to help customers select the right equipment for their needs, as well as assistance with any issues or questions that may arise during the rental period.</p> <p>Safety Standards: Safety is paramount to United Rentals. We adhere to strict safety standards and we provide training and familiarization on the proper use of equipment to ensure the safety of customers and their employees.</p> <p>Digital Notifications & PO Management: United Rentals also offers relevant notifications through Total Control ® to the right people at the right time. With United Rentals simplified notifications experience, every customer has the ability to pick a notification format - SMS or email, set up notifications across all project stages from quote through final invoice, and identify who should receive each notification. We know schedules are tight, and the complexities of today's worksites make efficient processes mission-critical. We're here to help. With our suite of intuitive digital tools, we make it easy for customers to view invoices, make payments, stay informed with custom notifications and tap into actionable data.</p> <p>Keeping track of invoices and payments can be a tedious and time-consuming task. Between our cloud-based fleet management software, Total Control ® and the United Rentals Mobile App, customers have access to valuable features that can help streamline administrative processes and drive smart decisions.</p> <p>Access and pay invoices, day or night View account balances and track invoice age Visibility for the right person with invoice sharing and notifications With the PO Management function in Total Control ®, teams can keep track of purchase orders and quickly navigate to crucial aspects of the project billing cycle. From open contracts to reservations and invoices, paid and past due, the PO Tab has what you need.</p> <p>Plus, users now have the ability to assign an owner to each Purchase Order, so your crew can stay in the know and in control.</p>
54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	<p>Quality Assurance: United Rentals adheres to strict maintenance schedules and inspection protocols for all equipment in their fleet. This involves regular servicing, repairs, and thorough inspections to identify and address any potential safety issues before equipment is rented out.</p> <p>We encourage all customers to use Total Control ®, a suite of technology solutions offered by United Rentals to enhance efficiency, safety, and productivity for its customers. Total Control encompasses various digital tools and platforms designed to streamline equipment rental processes, improve job site management, and provide valuable insights into equipment utilization and performance.</p> <p>With telematics-enabled equipment from United Rentals, customers can maximize jobsite efficiencies with valuable insights into runtime and equipment utilization, plus gain visibility to all equipment in one place. Telematics data also enables customers to monitor equipment fuel and service with alerts. United Rentals has the largest and most robust, connected fleet in the industry, and a variety of trackable assets so customers have real-time visibility into location and utilization - owned and rented.</p> <p>With Equipment Diagnostic Alerts from United Rentals, customers can stay informed about critical equipment functions and performance indicators.</p> <p>Through Total Control ®, customers receive customizable alerts about machines on their job sites, streamlining equipment maintenance and keeping downtime to a minimum.</p> <p>Types of Equipment Diagnostic Alerts include:</p> <p>Low DEF Level: Alerts when a piece of equipment's Diesel Emission Fluid falls below the low DEF threshold (25%)</p> <p>Diesel Particulate Filter: Alerts when a piece of equipment requires a regeneration</p> <p>Emergency Stop: Alerts when the E-stop on a piece of equipment is engaged</p> <p>High Coolant Temperature: Alerts when a generator's temperature is running too hot</p> <p>High / Low Frequency: Alerts when a generator is outputting at a high/low frequency</p> <p>Customer Service: United Rentals currently holds 4.6 Stars out of 5 on Procurated. website: https://app.procurated.com/suppliers/united-rentals-north-america-inc-b5e4173b-c387-471b-b30a-3912acf62deb</p>

	<p>In addition, we regularly conduct customer surveys to gather feedback on various aspects of our services, including satisfaction levels, areas for improvement, and overall customer experience. See full list below:</p> <p>1) Overall Satisfaction: How satisfied customers are with the quality of equipment, customer service, and rental experience.</p> <p>Equipment Performance: Feedback on the reliability, functionality, and condition of rented equipment.</p> <p>2) Customer Service: Evaluation of interactions with United Rentals staff, including professionalism, responsiveness, and helpfulness.</p> <p>3) Rental Process: Assessment of the ease of renting equipment, including the online rental process, availability of equipment, and clarity of rental terms and conditions.</p> <p>4) Safety: Feedback on safety measures and support provided by United Rentals, including training resources, equipment safety features, and adherence to safety regulations.</p> <p>5) Value for Money: Perceptions of the value received in relation to the rental rates charged by United Rentals.</p> <p>6) Suggestions for Improvement: Opportunities for United Rentals to enhance their services, address any shortcomings, and better meet customer needs and expectations.</p> <p>Safety Standards: United Rentals Inc. places "Safety First". We Act, and require others to act, in a manner that puts the safety of our employees, customers and communities first. We empower every employee with the power to "Stop Work" whenever a safety situation arises so we can not only prevent an accident, but document and learn in real time. This allows us to stay the industry leader in safety but and to the latest updates in safety standards, guidelines and regulations. are some topics that drive our safety standards.</p> <p>1) Equipment Inspection and Maintenance: Regular inspection and maintenance of rental equipment are essential for ensuring safety. United Rentals follows manufacturer guidelines and industry best practices for inspecting, servicing, and maintaining their equipment fleet. This helps to identify and address any potential safety issues before equipment is rented out.</p> <p>2) Training and Education: United Rentals provides training and educational resources to customers on the safe operation of rental equipment. This could include online resources, safety manuals, instructional videos, and in-person training sessions conducted by qualified personnel. Training may cover topics such as equipment operation, maintenance, and proper safety procedures.</p> <p>3) Safety Guidelines and Documentation: United Rentals provides safety guidelines and documentation for each piece of equipment they rent out. This may include operation manuals, safety decals, warning labels, and instructional materials that highlight potential hazards and safe operating practices.</p> <p>4) Personal Protective Equipment (PPE): United Rentals requires customers to use appropriate personal protective equipment (PPE) when operating certain types of equipment. This could include items such as fall protection, hard hats, safety glasses, gloves, hearing protection, and high-visibility clothing. also offer PPE for sale or rental alongside equipment at our locations.</p> <p>5) Compliance with Regulations: United Rentals complies with all safety regulations and standards set forth by government agencies such as OSHA (Occupational Safety and Health Administration) in the United States and similar regulatory bodies in other countries. This may involve ensuring that equipment meets safety standards and that rental operations adhere to legal requirements.</p> <p>6) Emergency Preparedness: United Rentals has procedures in place for handling emergencies or accidents involving rental equipment. This could include protocols for reporting incidents, providing first aid, and coordinating with emergency responders when necessary.</p> <p>7) Safety Culture: United Rentals fosters a strong safety culture among its employees and encourages customers to prioritize safety in their operations. This may involve promoting safety awareness, encouraging open communication about safety concerns, and recognizing and rewarding safe behaviors.</p> <p>It's important for customers to familiarize themselves with United Rentals' specific safety protocols and guidelines for the equipment they intend to rent. This may involve asking questions, seeking clarification on safety procedures, and following all instructions provided by United Rentals staff. By prioritizing safety and adhering to established guidelines, customers can help ensure a safe rental experience.</p>	*
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Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
55	Describe your payment terms and accepted payment methods.	Our pricing terms are Due Upon Receipt.	*
56	Describe any leasing or financing options available for use by educational or governmental entities.	We cannot offer leasing or financing options through United Rentals, however we have experience working with Sourcewell awarded lending and other partners when the customer requests this option.	*
57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Through our typical rental transactions utilize industry standard documents to include rental agreement terms, quotes, and invoices. We have included in the Documents section a copy of a quote, Rental Agreement & a sample invoice.	*
58	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes we do accept P-card procurement and payment with no additional charges.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
59	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Please see our attached pricing spreadsheet. United Rentals is providing a national net pricing structure as you will see on the attached pricing spreadsheet. This is not a percentage discount program. All pricing is NOT TO EXCEED and our sales representatives will be encouraged to provide local market pricing if it happens to be lower than the contract price although this is not a common occurrence. We reserve the right to adjust rates on privilege wage jobs that are governed by the Davis Bacon Act.	*
60	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	United Rentals is providing a national net pricing structure as you will see on the attached pricing spreadsheet. This is not a percentage discount program. All pricing is NOT TO EXCEED and our sales representatives will be encouraged to provide local market pricing if it happens to be lower than the contract price although this is not a common occurrence. We reserve the right to adjust rates on privilege wage jobs that are governed by the Davis Bacon Act.	*
61	Describe any quantity or volume discounts or rebate programs that you offer.	This is a NOT TO EXCEED contract. Customers can negotiate volume pricing locally on a case by case basis.	*
62	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	As with normal requests, United Rentals will field off-schedule requests through local territory representatives or our Government Customer Care Center. This will enable us to provide first-class service to Sourcewell members through our knowledgeable team. Our philosophy is that no request is unreasonable and will be investigated to the fullest. Our strategy will be to field requests and factor in rental patterns, demands for new technology or advances in equipment efficiencies, and enactment of new legislation, affecting equipment. If we see a spike in a certain category, we will ask Sourcewell to determine if the equipment can be added to our schedule. For Sourcewell members, we would like to propose a NOT TO EXCEED markup of 24% on the total invoice cost from a 3rd Party Vendor for rentals and related services, including but not limited to equipment re-rents, labor, fuel and transportation costs.	*
63	Identify any element of the total cost of rental that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a rental that are not directly identified as freight or shipping charges. For example, list costs for items like loading and unloading, fuel surcharges, environmental fees or permits, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their	Installation, Set up Costs for Specialty Equipment Rental Solutions United Rentals' proposal includes specialty equipment solutions that may require additional labor costs as a result of setup, installation, mandatory training, or initial inspection. The estimated labor costs will be based on the hourly rate schedule posted in the repair / service tab and negotiated at the time of the rental quote. A.) Storage & Office	

relationship to the Proposer.

Solutions

Rentals may require additional equipment and services, such as site preparation, ramps, anchoring and tie-downs, skirting and other materials and supplies for ground level offices, office trailers and modular buildings. These consumable items along with labor charges are not included in the scheduled rental rate or transportation fees and will be quoted at the time of rental. Labor and consumables associated with the additional equipment and services will be charged at the parts, labor & service rate approved for Sourcewell customers.

B.) Power and HVAC

Services may include power and HVAC system start-up support, installation of low voltage cables, installation of temporary chilled water piping, on-site training for Customer's employees, 24/7 technical assistance and on-site support, and monitoring of selected installing trades.

C.) Trench Safety

Services may include the engineering, delivery and pickup of the trench/shoring system (the "System").

D.) Fluid Solutions

May include the design, installation, operation, ongoing maintenance, monitoring, and dismantling of the Fluid Solutions system ("Fluid Solutions Services"). Tank Rentals may include 3rd party cleaning fees unless customer can provide "certified washed / cleaned" documentation.

E.) Portable Restroom Services

Additional fees may be charged for tip-overs, relocation of the units on the same site and vandalism/graffiti. Modular Fence rentals will include consumable retail sales items to be quoted at the time of rental based on the quantities of the order.

F.) Scaffolding Services

May include the installation and dismantling of scaffolding, including all parts and accessories.

G.) Vehicle

May include the installation of customized truck parts and accessories.

Labor Rate / Service Calls - Customer Owned Equipment - US
 7am - 4pm = \$163.26/hr
 4pm - 9pm = \$244.89/hr
 9pm - 7am, Holidays and weekends = \$326.52/hr

Planned Maintenance & Inspection - Customer Owned Equipment
 (PM Program) - US
 5% off listed price
 List minus 5%
 Parts
 US
 total margin
 40%
 Freight
 US
 total margin
 20%

****After Hours, Weekends, and Holidays****

An additional call out fee may be incurred, and will be communicated at the time of request. Please refer to the pricing table under Service/Labor for hourly rates that would be applicable to support the call out charges.

****Third Party Hauling Charges****

In a situation where both parties mutually agree to utilize a third party hauler, a quote (cost + 10%) will be provided to the end user that would replace standard United Rentals Delivery and Pickup rates.

****Oversize/Permitted Loads****

All applicable fees will be communicated at time of service.

****Over Time Charges****

Rental Rates above are based on normal usage so run time in excess of single shift rates will incur overtime charges based on actual usage of the equipment.

****Truck Rental Allowance (US)****

Rental rates for all vehicles with an odometer (categories 950 - 956) are based on a 2000 mile per 28 day monthly billing cycle and a \$0.22 Per Mile charge shall be assessed when monthly miles exceed the 2,000 miles allowance. Minimum \$250 charge for excess cleaning, or to remove odor, smoke or vapor if required. Fee will be assessed if vehicle is not returned to originating location. Additional charges may also apply for the costs incurred by customers during the rental including vehicle recovery, tolls, parking and traffic violations. Please see the rental agreement for further information and detail.

****Rental Equipment Fuel Service****

A refueling service charge will be applied to all equipment returned less than full. The exact cost of the refueling service may vary depending on the rate being charged by the branch location on the date customer returns the equipment.

Refueling Service Charge

Customer acknowledges that a "Refueling Service Charge" will be applied to all Equipment not returned with a full tank of fuel. The exact cost of the Refueling Service Charge may vary depending on the rate being charged by the branch location on the date Customer returns the Equipment. Customer acknowledges that the Refueling Service Charge is not a retail sale of fuel. Customer may avoid the Refueling Service Charge if Customer returns the Equipment with a full tank of fuel.

Tire Repair

Repair or replacement of tires and tubes on Equipment is the responsibility of Customer and is not included in the rental rate.

Environmental Fee

Due to the hazardous nature of some of our waste products, United Rentals charges an Environmental Service Charge on rental invoices for equipment which contains an internal combustion engine,

hydraulic oils or similar components. The Charge is 1.84% of the rental charge, with a maximum charge of \$99 per invoice. This charge is not a tax or government mandated fee. We are offering to waive this fee for this new contract in order to provide the participating entities additional new savings.

Additional Fees

Some government entities have special fees, such as the SMM fee in Colorado (Texas and Maryland have similar fees). These fees are setup by local/state government entities, and are charged at the direction of local/state laws. United Rentals passes these fees directly to the customer with no markup. These fees are usually negligible in nature and are included quotes provided by our branches.

Rental Protection Plan

United Rentals offers an OPTIONAL, affordable and smart way to protect your agency from the unforeseen. The plan covers accidental damage or theft of United Rentals equipment. This RPP coverage must be selected prior to delivery of the equipment. Additional details can be requested from your local branch. See attached document for additional information on our RPP program. Non-governmental agencies (non-profits, NGO, etc.) will be required to provide a certificate of insurance in order to opt out of the RPP program.

United Guard

Full coverage offered for used equipment (OPTIONAL). Equipment over \$2,500 that is eligible for United Guard™ must be nine years old or newer. Licensed vehicles are not eligible for United Guard. Used equipment must be in rental ready condition at time of sale. United Guard is available within 72 hours of equipment purchase and cannot be renewed once the term expires. Other conditions and restrictions may apply. We have also provided additional information about United Guard™ in the documents section.

Davis Bacon Act

We reserve the right to adjust rates on privilege wage jobs that are governed by the Davis Bacon Act.

64	<p>If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.</p>	<p>Standard Delivery during normal working hours. We reserve the right to adjust rates on privilege wage jobs that are governed by the Davis Bacon Act.</p> <p>**Standard Delivery during normal working hours** Delivery/Pickup Charges = \$160.69 flat charge (each way) then \$4.19 per mile</p> <p>**After Hours, Weekends, and Holidays** An additional call out fee may be incurred, and will be communicated at the time of request. Please refer to pricing table under Service/Labor for hourly rates that would be applicable to support the call out charges.</p> <p>**Third Party Hauling Charges** In a situation where both parties mutually agree to utilize a third party hauler, a quote (cost + 10%) will be provided to the end user that would replace standard United Rentals Delivery and Pickup rates.</p> <p>**Oversize/Permitted Loads** All applicable fees will be communicated at time of service.</p> <p>**Over Time Charges** Rental Rates above are based on normal usage so run time in excess of single shift rates will incur overtime charges based on actual usage of the equipment.</p> <p>Field Automation Strategy & Technology (FAST) The Field Automation Strategy and Technology (FAST) program builds on the current strengths of our field platform with new technologies and procedures that support operations. This program is focused on supporting branches in improving delivery and pickup scheduling, route mapping, and overall equipment transportation performance. This includes equipment bar-coding, handheld devices for drivers, new dispatch capabilities, and procedural improvements. FAST makes the Rental Flow process more user-friendly for customers and for United Rentals.</p> <p>Sourcewell member advantages</p> <ul style="list-style-type: none"> • Route Optimization and turn by turn directions increases the likeliness of on time delivery and expedited pick up when called off rent • Real-time visibility of the status of delivery's and or location truck • Actionable alerts for deliveries in jeopardy for real time customer updates • Electronic condition reports with embedded pictures of the equipment upon delivery and pick up • One electronic signature covers all legal documentation • Contract can be e-faxed or emailed to customers preferred address right from the drivers Hand Held Computer / Jobsite <p>Sustainability Advantages</p> <ul style="list-style-type: none"> • Reduction in Carbon foot print by optimized routing reduces mile driven and fuel used • Electronic contracts and condition reports • GPS tracking & monitoring of delivery fleet • Reduced engine idle time and fuel used <p>Reduced tire and maintenance cost</p> <ul style="list-style-type: none"> • Paperless DOT Driver logs <p>Safety Advantages</p> <ul style="list-style-type: none"> • GPS tracking & monitoring of delivery fleet: Speeding and hard braking alerts • Reduced vehicle accident claims <p>Electronic Driver logs</p> <ul style="list-style-type: none"> • Higher level of DOT compliance • Higher level of vehicle maintenance
65	<p>Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.</p>	<p>No restrictions or additional charges in AK as United Rentals has 2 locations in state. United Rentals currently does not have a location in Hawaii, and would only deliver on a case by case basis that would be negotiated up front with Sourcewell members. United Rentals can service Puerto Rico and the US Virgin Islands, these delivery charges will be negotiated on a case by case basis if equipment is not available on location.</p> <p>Standard Delivery/Pick-up during normal working hours in Canada</p>

****Standard Delivery during normal working hours****

Delivery/Pickup Charges = 216 CAN\$\$ flat charge (each way) then 5.16 CAN\$\$ per KM

****Truck Rental Allowance (CAN)****

Rental rates for all vehicles with an odometer (categories 950 - 956) are based on a 3200 mile per 28 day monthly billing cycle and a \$0.21 Per KM charge shall be assessed when monthly miles exceed the 3,200 km allowance. Minimum \$250 charge for excess cleaning, or to remove odor, smoke or vapor if required. Fee will be assessed if vehicle is not returned to originating location. Additional charges may also apply for the costs incurred by customers during the rental including vehicle recovery, tolls, parking and traffic violations. Please see the rental agreement for further information and detail.

****After Hours, Weekends, and Holidays****

An additional call out fee may be incurred, and will be communicated at the time of request. Please refer to pricing table under Service/Labor for hourly rates that would be applicable to support the call out charges.

****Third Party Hauling Charges****

In a situation where both parties mutually agree to utilize a third party hauler, a quote (cost + 10%) will be provided to the end user that would replace standard United Rentals Delivery and Pickup rates.

****Oversize/Permitted Loads****

All applicable fees will be communicated at time of service.

****Over Time Charges****

Rental Rates above are based on normal usage so run time in excess of single shift rates will incur overtime charges based on actual usage of the equipment.

****Rental Equipment Fuel Service****

A refueling service charge will be applied to all equipment returned less than full. The exact cost of the refueling service may vary depending on the rate being charged by the branch location on the date customer returns the equipment.

Customer Owned Equipment - Repairs, Service & Inspections (CAN Only)

A.) Service Calls & Applicable Labor Charges - Customer Owned Equipment

Should the customer seek to engage United Rentals' certified mechanics / technicians for service calls, repairs or labor performed during normal business hours (7:00 am to 4:00 pm, M-F), they will be billed at \$221.54 per hour, portal to portal, and all labor performed outside of these regular business hours will be billed at 1.5x (4:00PM – 9:00PM M-F) and 2X the normal rate for all other times (dependent on the time of day, day or week, or holiday). These rates also apply to all specialty solutions and engineered system set-ups. All rates will be pre-negotiated with the customer prior to service and labor execution. United Rentals will try to accommodate customer requested time frames to perform unscheduled services or repairs but cannot guarantee service times. Customers must ensure United Rentals' accessibility to a facility during non-business hours. Billed hourly rate for wait time will apply. Service is market driven and is not available in all geographical areas.

B.) Planned Maintenance & Inspection - Customer Owned Equipment (PM Program)

Should the customer seek to engage United Rentals' certified mechanics / technicians for completion of planned services (PMs - Preventative Maintenance) and /or required inspections, they will be billed list rate less 5%. This is a

		<p>contracted service -- not on-demand. Basic PM service includes Lube, Engine Service, Fuel Filter, Engine Oil Filter, Oil, and up to one hour travel time. Customer may request specific service intervals per equipment types. Additional charges may apply for Tier Four Engines. Customer must provide United Rentals with list of equipment requiring planned services and inspections - United Rentals to supply proposal for services and inspections. United Rentals will try to accommodate customer requested time frames to perform services and inspections. Customers must ensure United Rentals' accessibility to a facility during non-business hours. Service is market driven and is not available in all geographical areas.</p> <p>C.) Repair and Service Parts - Customer Owned Equipment</p> <p>These are additional costs and will be itemized on a Work Order. Parts shall be billed at a 40% margin and freight for repair parts will be billed at a 20% margin.</p> <p>D.) Extended Warranty - Customer Owned Equipment</p> <p>United Rentals will assign to customer any manufacturer's warranty on parts incorporated into the equipment as part of this service, to the extent assignable for a period of 30 days following completion of services by United Rentals, provided that customer provides written notice to United setting forth in detail how services how such services were unsatisfactory. United Rentals may, in its sole discretion, and as its sole liability hereunder, repair or replace such unsatisfactory services, or refund any monies paid to United by the customer. Such repair, replacement or refund shall be customers' sole remedy under this work order. United Rentals disclaims all other warranties, either express or implied, including, without limitation, warranties of merchantability and fitness for a particular purpose.</p> <p>Labor Rate / Service Calls - Customer Owned Equipment</p> <p>CAN</p> <p>7am - 4pm \$221.54/hr</p> <p>4pm - 9pm \$332.31/hr</p> <p>9pm - 7am, Holidays and weekends \$443.08/hr</p> <p>Planned Maintenance & Inspection - Customer Owned Equipment (PM Program)</p> <p>CAN</p> <p>5% off listed price List minus 5%</p> <p>Parts</p> <p>CAN</p> <p>total margin 40%</p> <p>Freight</p> <p>CAN</p> <p>total margin 20%</p>	
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	All delivery options discussed in previous question. If a unique situation arises that is not covered under the previous options, United Rentals and the requesting Sourcewell member will negotiate at time of request.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
67	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
68	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	<p>The United Rentals government team will be available to provide up-to-date information. In addition to direct communication with the team a sample report has been provided in the response.</p> <p>United Rentals customer quotes, orders, change orders and updates are recorded within United Rentals' RentalMan computerized rental system. They are recorded in date order, with unique, individualized numerical designations. Customer accounts are identified as eligible to utilize the Sourcewell contract and are identified further within the RentalMan system with a customer level code and United Rentals' pricing agreement for the contract will be loaded into the customer account file.</p> <p>United Rentals will identify and report all product/equipment sourced as part of a Sourcewell contact purchases and provide timely payment of administrative fees to Sourcewell.</p> <p>On a quarterly basis, we will perform analysis of the detailed pricing file, review the pricing agreement for accuracy or updates/changes, and audit the individual customer invoices and transactions for accuracy and compliance with the contract.</p>
69	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	<p>The list below are some of the internal metrics that will be tracked and measured to substantiate success of the contract.</p> <ul style="list-style-type: none"> # of accounts utilizing Sourcewell Revenue per account utilizing Sourcewell Total Revenue under contract Account Growth Declining and Inactive Accounts <p>As an example, within the last six months 7,190 Sourcewell members have utilized the current United Rentals' Sourcewell contract.</p>
70	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	United Rentals proposes a 2% administrative fee on all eligible sales and rentals.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
71	Describe the rent-to-buy option for new rental equipment if applicable.	We do not offer rent-to-buy options for new equipment.
72	Describe your used rental equipment sales program if applicable.	<p>United Rentals sells top-quality used equipment that is sourced directly from leading manufacturers.</p> <ul style="list-style-type: none"> Customers can buy with confidence, as this equipment is expertly maintained by the same team that services the United Rentals fleet. Customers can continue to rely on United Rentals for maintenance of any purchased equipment through its Customer Equipment Solutions.
73	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>United Rentals serves its customers as a single-source solution, provided through two business segments: General Rentals and Specialty Rentals: General Rentals offers construction, industrial and homeowner equipment for rent, and related services. Specialty Rentals includes the rental of equipment and tools for underground construction, temporary power, climate control, fluid solutions, disaster recovery, onsite tool management, portable sanitation, and related services.</p> <p>Related Services include United Academy Safety Training, Customer Equipment Servicing, New and Used Equipment Sales, and Third Party Rentals. Please see our attached proposal document for a comprehensive product offering.</p>
74	Within this RFP category there may be	Below is a high-level listing of the equipment categories we can provide.

subcategories of solutions. List subcategory titles that best describe your products and services.

Gen Rent / Aerial

- Forklifts
- Boom Lifts
- Excavators
- Scissor Lifts
- Compressors
- Skid steers
- Light Towers
- Commercial & Utility Trucks

Power & HVAC

- Generators
- Dehumidifiers
- Climate Control
- Transformers
- Power Distribution Panels

Fluid Solutions

- Pumps
- Containment
- Filtration Systems
- Fluid Transfer
- Accessories
- Hose, Pipe, & Fittings

Tool Solutions

- Electrical & Hand Tools
- Welding
- Mobile Tool Rooms
- Custom Boxes
- Radio & Communication Systems
- Turnstiles
- Safety Wearables

Trench Safety

- Shoring & Shielding
- Engineered Systems
- Road Plates
- Confined Space Safety

Onsite Services

- Portable Restrooms
- Restroom Trailers
- Hand-washing Stations
- Shower Trailers

Mobile Office & Storage Solutions

- Storage Containers
- Ground Level Offices
- Modular Buildings
- Mobile Office Trailers

United Academy – Safety Training

- Operator Certification Training
- Jobsite Safety Training
- OSHA Certified Training

Customer Equipment Servicing

- Preventative Maintenance
- Annual and Quarterly Inspections
- Servicing Downed Equipment

New & Used Equipment Sales

- United Rentals sells the equipment that ages out of our rental fleet.
- We currently represent approximately 280 manufacturers that have authorized United Rentals to sell New Equipment to Sourcewell members. For this contract our pricing will be setup as a “cost plus” model. Additional details and allowable margins can be found in the pricing file under the New and Used Equipment tab. Provides Rental Fleet Customers with quality used equipment that has always been worked on by manufacturer trained United Rentals technicians.
- Keeps our rental fleet at a young age for the customers.

Third Party Rentals

- United Rentals is providing a re-rental option. We can find equipment from another company and rent it under one United Rentals invoice when needed if our own fleet is out of the requested equipment or doesn't carry it.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Sourcewell is seeking proposals for Rental Equipment, Products, and Related Services. Awards under this solicitation will be made in three (3) separate categories. No proposer should select more than one category to respond to due to the RFP being structured such that Category 1 enables a supplier to respond with a single response that includes solutions from both categories 2 and 3. Whereas, those with only solutions in Category 2 or 3, should respond to the corresponding category whose scope includes those solutions (e.g., either category 2 or 3).

Proposers submitting a proposal in Category 1 must have at least one solution from each of categories 2 and 3. For example, if a Proposer offers at least one solution from Construction and General Rental Solutions, in addition to offering at least one solution from Public Works and Utility Equipment, the Proposer should designate it is seeking an award in Category 1 only.

Proposers seeking an award in Category 2 must include at least one solution offered within the scope of Category 2 for Construction and General Rental Solutions and no solutions from Category 3 Public Works and Public Utility Equipment.

Similarly, proposers seeking an award in Category 3 for Public Works and Public Utility Equipment must include at least one solution offered within the scope of Category 3 for Public Works and Public Utility Equipment and no solutions from Category 2 Construction and General Rental Solutions.

Line Item	Category Selection *	
75	Category 1: Rental Equipment, Products and Related Services	*

Table 15: Depth and Breadth - Construction Equipment and General Rental Solutions

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers seeking an award in Category 1 or Category 2 must include at least one solution offered within the scope Construction and General Rental Solutions.. See RFP Section II. B. 1. for details.

☐ We will not be submitting for Table 15: Depth and Breadth - Construction Equipment and General Rental Solutions

Line Item	Category or Type	Offered *	Comments	
76	Earth Moving Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Backhoes, dozers, excavators, skid steers, loaders, trenchers and tractors	*
77	Aerial Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Boom lifts, scissor lifts, push around and all other aerial work platforms.	
78	Compaction Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Rollers, plate compactors and jumping jacks.	
79	Industrial	<input checked="" type="radio"/> Yes <input type="radio"/> No	Miscellaneous hand / power tools and radios / communication systems.	*
80	Roadway	<input checked="" type="radio"/> Yes <input type="radio"/> No	Traffic signage, arrow and message boards, road plate and trenching and shoring.	
81	Concrete Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No		
82	Landscape Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No		
83	Trailers	<input checked="" type="radio"/> Yes <input type="radio"/> No		
84	Lighting Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No		
85	Barricades	<input checked="" type="radio"/> Yes <input type="radio"/> No		
86	Signs	<input checked="" type="radio"/> Yes <input type="radio"/> No		
87	Batteries or Charging Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No		
88	Generators	<input checked="" type="radio"/> Yes <input type="radio"/> No		
89	Wash Stations	<input checked="" type="radio"/> Yes <input type="radio"/> No		
90	Portable Restrooms	<input checked="" type="radio"/> Yes <input type="radio"/> No		
91	Temporary Shelters	<input checked="" type="radio"/> Yes <input type="radio"/> No		
92	Used Rental Equipment Sales	<input checked="" type="radio"/> Yes <input type="radio"/> No		

Table 16: Depth and Breadth - Public Works and Public Utility Equipment

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers seeking an award in Category 1 or Category 3 must include at least one solution offered within the scope of Public Works and Public Utility Equipment. See RFP Section II. B. 1. for details.

☐ We will not be submitting for Table 16: Depth and Breadth - Public Works and Public Utility Equipment

Line Item	Category or Type	Offered *	Comments
93	Sewer Vac & Hydro or Air Excavators	<input checked="" type="radio"/> Yes <input type="radio"/> No	
94	Street Maintenance & Cleaning Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	
95	Bucket Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	
96	Diggers	<input checked="" type="radio"/> Yes <input type="radio"/> No	
97	Roll-Off Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	
98	Refuse Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	
99	Waste & Debris Handling Equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcwell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcwell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcwell.
3. Sourcwell may reject any response where any document(s) cannot be opened and viewed by Sourcwell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."





- [Pricing](#) - Sourcewell RFP_040924_Rental_Equipment_Marketing Plan.zip - Monday April 08, 2024 17:56:46
- [Financial Strength and Stability](#) - Sourcewell RFP_040924_Rental_Equipment_Value Added.zip - Monday April 08, 2024 17:58:39
- [Marketing Plan/Samples](#) - United Rentals, Inc. 2023 Annual Report.pdf - Monday April 08, 2024 17:59:45
- [WMBE/MBE/SBE or Related Certificates](#) - Sourcewell RFP 040924 Price List.xlsx - Monday April 08, 2024 18:00:31
- [Warranty Information](#) - RPP Flyer.pdf - Monday April 08, 2024 18:00:51
- [Standard Transaction Document Samples](#) - RFP_040924_Rental_Equipment_Contract_Template - UR Revisions.docx - Monday April 08, 2024 18:01:08
- [Requested Exceptions](#) - Standard Transaction Documents.zip - Tuesday April 09, 2024 11:14:21
- Upload Additional Document (optional)

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

File Name	I have reviewed the below addendum and attachments (if applicable)		Pages
Addendum_4-Rental_Equipment_RFP 040924 Wed March 13 2024 04:42 PM			3
Addendum_3-Rental_Equipment_RFP 040924 Wed February 28 2024 09:59 AM			1
Addendum_2-Rental_Equipment_RFP 040924 Wed February 21 2024 03:00 PM			1
Addendum_1-Rental_Equipment_RFP 040924 Tue February 20 2024 04:03 PM			1

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

- (1) APPROVING THE EXECUTION OF A GENERAL SERVICES AGREEMENT WITH UNITED RENTALS (NORTH AMERICA), INC FOR HEAVY-DUTY EQUIPMENT RENTAL SERVICES, WITH A TERM ENDING ON JUNE 30, 2027, AND A NOT-TO-EXCEED AMOUNT OF \$500,000 PER FISCAL YEAR; AND**
- (2) AUTHORIZING THE CITY MANAGER TO ADMINISTRATIVELY EXTEND THE AGREEMENT FOR UP TO AN ADDITIONAL THREE (3) YEARS, IN ANY COMBINATION IN LENGTH, BASED ON SATISFACTORY PERFORMANCE AND COUNCIL APPROVED ANNUAL BUDGET**

WHEREAS, the Public Works and Parks Departments utilize heavy-duty equipment to efficiently and safely carry out large-scale projects in demanding environments; and

WHEREAS, these pieces of equipment enable faster task completion, reduce reliance on manual labor, and significantly enhance safety at the worksite; and

WHEREAS, under the recently implemented Tyler MUNIS contract entry system, staff have identified several past practices that did not comply with the City's procurement policy or Tracy Municipal Code (TMC); and

WHEREAS, staff have been working diligently to address these issues and have recently brought several items before the City Council for approval; and

WHEREAS, this General Services Agreement (GSA) with United Rentals (North America), Inc "Contractor" continues that effort, as there has been no formal contract or competitive bid process for these rental services for many years; and

WHEREAS, on March 24, 2025, the City of Tracy (City) requested qualified vendors to provide heavy-duty equipment rental services from Sourcewell; and

WHEREAS, Sourcewell serves government and education organizations with a cooperative purchasing program that manages a competitive solicitation process offering its members an established network of awarded contracts that meet the local requirements; and

WHEREAS, the City is an established member with Sourcewell and is authorized to procure materials and services using the Sourcewell Cooperative Purchasing Program, per TMC 2.20.220; and

WHEREAS, Sourcewell provided three (3) best qualified vendors in the local vicinity, who can provide the services best meet the City's needs; and

WHEREAS, staff contacted these vendors to further evaluate their pricing and responsiveness, and Contractor was selected as the most responsive and cost-effective vendor; and

WHEREAS, staff is requested that City Council approve the execution of the General Services Agreement with Contractor, in the form attached as Exhibit 1, for the term ending on June 30, 2027, for the total not-to-exceed amount of \$500,000 per fiscal year; and

WHEREAS, staff also requested that City Council authorize the City Manager to administratively extend the agreement for up to an additional three (3) years, in any combination in length, based on satisfactory performance and City's annual budget; and

WHEREAS, the cost of the services provided by the Contractor will be funded through the annual Operation and Maintenance budgets of the Public Works and Parks Departments; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy approves the execution of the General Services Agreement with Contractor, in the form attached as Exhibit 1, for the term ending on June 30, 2027, for the total not-to-exceed \$500,000 per fiscal year; and be it

FURTHER RESOLVED: That the City Council authorizes the City Manager to administratively extend the agreement for up to an additional three (3) years, in any combination in length, based on satisfactory performance and the City's annual budget.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.K

REQUEST

Staff recommends that the City Council (1) rescind City Council Resolution 2025-183 accepting and appropriating the \$267,000 State of California Office, California Highway Patrol, Cannabis grant award; (2) adopt a revised and amended resolution authorizing the acceptance of the State of California Office, California Highway Patrol, Cannabis grant award in the amount of \$269,609.11 to conduct extra patrols and traffic enforcement, and to purchase one prisoner transportation van, two electronic message boards, and two scene light kits; and (3) Appropriating the full grant funds to the Police Department Operational Budget for fiscal year 2025/2026.

EXECUTIVE SUMMARY

This agenda item seeks adoption of a revised and amended resolution by the City Council authorizing the acceptance of the California Highway Patrol Cannabis Tax Fund Grant Program (CTFGP) in the amount of \$269,609.11 to conduct saturation patrols and to purchase one prisoner transport van, two electronic message boards, and two scene light kits. There is no local match required for the acceptance of this grant. Staff also requests the City Council to concurrently appropriate the full grant funds to the Police Department Operational Budget for Fiscal Year 2025/2026.

BACKGROUND AND LEGISLATIVE HISTORY

On August 19 2025, City Council approved resolution 2025-183 authorizing the acceptance of the CTFGP for \$267,000 and appropriating the amount to Police Department Operational Budget for Fiscal Year 2025/2026.

The amount authorized was incorrect due to administrative error and it did not match the correct amount as stated in the grant award documents. The correct award is \$269,609.11.

ANALYSIS

To correct inconsistencies between resolution 2025-183 and the CTFGP Grant Agreement, a revised and amended resolution is necessary.

PUBLIC OUTREACH/INTEREST

This is an administrative item no public outreach/interest was sought.

COORDINATION

This is an administrative item and no coordination was sought.

CEQA DETERMINATION

The proposed action is not a "project" under the California Environmental Quality Act "CEQA." Pursuant to CEQA Guidelines Section 15061(b)(3), there is no possibility that this action will

have an effect on the physical environment.

STRATEGIC PLAN

This agenda item relates to Council's Strategic Priorities for Public Safety, continuing to strengthen community safety through crime prevention reduction activities.

FISCAL IMPACT

The City will receive \$269,609.11 from CTFGP on a reimbursement basis. There is no city match required. Staff requests the \$269,609.11 be appropriated to the Police Department's Operating Budget for FY 25/26.

RECOMMENDATION:

Staff recommends that the City Council (1) rescind City Council Resolution 2025-183 accepting and appropriating the \$267,000 State of California Office, California Highway Patrol, Cannabis grant award; (2) adopt a revised and amended resolution authorizing the acceptance of the State of California Office, California Highway Patrol, Cannabis grant award in the amount of \$269,609.11 to conduct extra patrols and traffic enforcement, and to purchase one prisoner transportation van, two electronic message boards, and two scene light kits; and (3) Appropriating the full grant funds to the Police Department Operational Budget for fiscal year 2025/2026.

Prepared by: Beth Lyons-McCarthy, Police Support Operations Manager

Reviewed by: Sekou Millington, Chief of Police
Sara Castro, Finance Director
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments: CTFGP Grant Award Acceptance

1. GRANT TITLE FY25/26 CTFGP Law Enforcement - Tracy Police Department	
2. NAME OF ORGANIZATION/AGENCY Tracy Police Department	
3. ORGANIZATION/AGENCY SECTION TO ADMINISTER GRANT Tracy Police Department	
4. PROJECT PERFORMANCE PERIOD From: 07/01/2025 To: 06/30/2026	5. PURCHASE ORDER NUMBER
6. GRANT OPPORTUNITY INFORMATION DESCRIPTION Law Enforcement grants provide financial assistance to allied agencies for the education, prevention, and the enforcement of laws related to driving under the influence of alcohol and other drugs, including cannabis and cannabis products. The intent of the program is to educate the public regarding the dangers of impaired driving, enforce impaired driving laws on the roadway, and improve the Organization/Agency's effectiveness through training and development of new strategies.	
7. FUNDS ALLOCATED UNDER THIS GRANT AGREEMENT SHALL NOT EXCEED \$269,609.11	
8. TERMS AND CONDITIONS The Grantee agrees to complete the Project, as described in the Project Description. The Grantee's Grant Application, and the California Code of Regulations, Title 13, Division 2, Chapter 13, Sections 1890.00-1890.27, are hereby incorporated into this Grant Agreement by reference. The parties hereto agree to comply with the Terms and Conditions of the following attachments: <ul style="list-style-type: none">• Schedule A – Project Description, Problem Statement, Goals and Objectives, and Method of Procedure• Schedule B – Detailed Budget Estimate• Schedule B-1 – Budget Narrative We, the officials named below, hereby swear, under penalty of perjury under the laws of the State of California, that we are duly authorized to legally bind the Grant recipient to the above-described Grant Terms and Conditions. IN WITNESS WHEREOF, this Grant Agreement is executed by the parties hereto.	
9. APPROVAL SIGNATURES A. AUTHORIZED OFFICIAL OF ORGANIZATION/AGENCY Name: Dan Arriola Title: City Mayor Phone: (209) 831-6141 Address: 333 Civic Center Tracy, CA 95376 E-Mail: Dan.Arriola@cityoftracy.org _____ (Signature) _____ (Date)	B. AUTHORIZED OFFICIAL OF CHP Name: Andrew Beasley Phone: (916) 843-4360 Title: Captain Fax: (916) 322-3169 Address: 601 North 7th Street Sacramento, CA 95811 E-Mail: ABeasley@chp.ca.gov _____ (Signature) _____ (Date)
C. ACCOUNTING OFFICER OF CHP Name: M. V. Fojas Phone: (916) 843-3531 Title: Commander Fax: (916) 322-3159 Address: 601 North 7th Street Sacramento, CA 95811 E-Mail: Michelle.Fojas@chp.ca.gov _____ (Signature) _____ (Date)	10. AUTHORIZED FINANCIAL CONTACT TO RECEIVE REIMBURSEMENT PAYMENTS Name: Beth Lyons-McCarthy Title: Support Operations Manager Phone: (209) 831-6594 Address: 1000 Civic Center Tracy, CA 95376

TERMS AND CONDITIONS

Grantee shall comply with the California Code of Regulations, Title 13, Division 2, Chapter 13 Section 1890, et seq. and all other Terms and Conditions noted in this Grant Agreement. Failure by the Grantee to comply may result in the termination of this Grant Agreement by the California Highway Patrol (hereafter referred to as State). The State will have no obligation to reimburse the Grantee for any additional costs once the Grant Agreement has been terminated.

A. EXECUTION

1. The State (the California Highway Patrol) hereby awards, to the Grantee, the sum of money stated on page one of this Grant Agreement. This funding is awarded to the Grantee to carry out the Project set forth in the Project Description and the terms and conditions set forth in this Grant Agreement.
2. The funding for this Grant Agreement is allocated pursuant to California Revenue and Taxation Code Section 34019(f)(3)(B). The Grantee agrees that the State's obligation to pay any sum under this Grant Agreement is contingent upon availability of funds disbursed from the California Cannabis Tax Fund to the State. If there is insufficient funding, the State shall have the option to either: 1) terminate this Grant Agreement; whereby, no party shall have any further obligations or liabilities under this Grant Agreement, or 2) negotiate a Grant Agreement Amendment to reduce the grant award and scope of work to be provided under this Grant Agreement.
3. The Grantee is not to commence or proceed with any work in advance of receiving notice that the Grant Agreement is approved. Any work performed by the Grantee in advance of the date of approval by the State shall be deemed volunteer work and will not be reimbursed by the State.
4. The Grantee agrees to provide any additional funding, beyond what the State has agreed to provide, pursuant to this Grant Agreement, and necessary to complete or carry out the Project, as described in this Grant Agreement. Any modification or alteration of this Grant Agreement, as set forth in the Grant Application submitted by the Grantee and on file with the State, must be submitted in writing thirty (30) calendar days in advance to the State for approval.
5. The Grantee agrees to complete the Project within the timeframe indicated in the Project Performance Period, which is on page one of this Grant Agreement.

B. PROJECT ADMINISTRATION

1. The Grantee shall submit all reimbursements, progress, performance, and/or other required reports concerning the status of work performed in furtherance of this Grant Agreement on a quarterly basis, or as requested by the State.
2. The Grantee shall provide the State with a final report showing all Project expenditures, which includes all State and any other Project funding expended, within sixty (60) calendar days after completion of this Grant Agreement.
3. The Grantee shall ensure all equipment which is purchased, maintained, operated, and/or developed is available for inspection by the State.
4. Equipment purchased through this Grant Agreement shall be used for the education, prevention, and enforcement of impaired driving laws, unless the Grantee is funding a portion of the purchased price not dedicated to impaired driving and that portion is not part of the Project costs. Equipment purchased under this Grant Agreement must only be used for approved Project-related purposes, unless otherwise approved by the State in writing.
5. Prior to disposition of equipment acquired under this Grant Agreement, the Grantee shall notify the State via e-mail, and by telephone, by calling the California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit at (916) 843-4360.

TERMS AND CONDITIONS

C. PROJECT TERMINATION

1. Grantee or the State may terminate this Grant Agreement at any time prior to the commencement of the Project. Once the Project has commenced, this Grant Agreement may only be terminated if the party withdrawing provides thirty (30) calendar days written notice of their intent to withdraw.
 - a. If by reason of force majeure the performance hereunder is delayed or prevented, then the term end date may be extended by mutual consent for the same amount of time of such delay or prevention. The term "force majeure" shall mean any fire, flood, earthquake, or public disaster, strike, labor dispute or unrest, embargo, riot, war, insurrection or civil unrest, any act of God, any act of legally constituted authority, or any other cause beyond the Grantee's control which would excuse the Grantee's performance as a matter of law.
 - b. Grantee agrees to provide written notice of an event of force majeure under this Grant Agreement within ten (10) calendar days of the commencement of such event, and within ten (10) calendar days after the termination of such event, unless the force majeure prohibits Grantee from reasonably giving notice within this period. Grantee will give such notice at the earliest possible time following the event of force majeure.
2. Any violations of law committed by the Grantee, misrepresentations of Project information by the Grantee to the State, submission of falsified documents by the Grantee to the State, or failure to provide records by the Grantee to the State when requested for audit or site visit purposes may be cause for termination. If the Project is terminated for the reasons described in this paragraph, the State will have no obligation to reimburse the Grantee for any additional costs once the Grant Agreement has been terminated.
3. The State may terminate this Grant Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein provided. Furthermore, the Grantee, upon termination, shall return grant funds not expended by the Grantee as of the date of termination.
4. If this Grant Agreement is terminated, the State may choose to exclude the Grantee from future Grant Opportunities.

D. FINANCIAL RECORDS

1. The Grantee agrees the State, or their designated representative, shall have the right to review and to copy all records and supporting documentation pertaining to the performance of this Grant Agreement. Grantee agrees to maintain such records for possible audit for a minimum of five (5) years after final payment, unless a longer period of records retention is stipulated or required by law. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Furthermore, the Grantee agrees to include a similar right for the State to audit all records and interview staff in any subcontract related to performance of this Grant Agreement.

E. HOLD HARMLESS

1. The Grantee agrees to indemnify, defend, and save harmless the State, its officials, agents and employees from any and all claims and losses accruing or resulting to any and all Grantee's staff, contractors, subcontractors, suppliers, and other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, agency, firm, corporation who may be injured or damaged by the Grantee in performance of this Grant Agreement.

TERMS AND CONDITIONS

F. NONDISCRIMINATION

1. The Grantee agrees to comply with State and federal laws outlawing discrimination, including, but not limited to, those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status, and denial of statutorily-required employment-related leave. (GC 12990 [a-f] and CCR, Title 2, Section 8103.)

G. AMERICANS WITH DISABILITIES ACT

1. The Grantee assures the State it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

H. DRUG-FREE WORKPLACE

1. The Grantee shall comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace.
 - ii. The person's or Organization/Agency's policy of maintaining a drug-free workplace.
 - iii. Any available counseling, rehabilitation, and employee assistance programs.
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
 - c. Every employee who works on the Project will:
 - i. Receive a copy of the company's drug-free workplace policy statement.
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on the Grant Agreement.
2. Failure to comply with these requirements may result in suspension of payments under this Grant Agreement, or termination of this Grant Agreement, or both, and Grantee may be ineligible for award of any future Grant Agreements if the department determines that any of the following has occurred:
 - a. The Grantee has made false certification or violated the certification by failing to carry out the requirements, as noted above. (GC 8350 et seq.)

I. LAW ENFORCEMENT AGENCIES

1. All law enforcement Organization/Agency/Agency Grantees shall comply with California law regarding racial profiling. Specifically, law enforcement Organization/Agency/Agency Grantees shall not engage in the act of racial profiling, as defined in California Penal Code Section 13519.4.

TERMS AND CONDITIONS

J. LABOR CODE/WORKERS' COMPENSATION

1. The Grantee is advised and made aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Grant Agreement, (refer to Labor Code Section 3700).

K. GRANT APPLICATION INCORPORATION

1. The Grantee agrees the Grant Application and any subsequent changes or additions approved or required by the State is hereby incorporated into this Grant Agreement.

L. STATE LOBBYING

1. The Grantee is advised that none of the funds provided under this Grant Agreement may be used for any activity specifically designed to urge or influence a state or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any state or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a state official, whose salary is supported by this Grant Agreement, from engaging in direct communications with the state or local legislative officials, in accordance with customary state and/or local practice.

M. REPRESENTATION AND WARRANTIES

1. The Grantee represents and warrants that:
 - a. It is validly existing and in good standing under the laws of the State of California, has, or will have the requisite power, authority, licenses, permits, and the like necessary to carry on its business as it is now being conducted and as contemplated in this Grant Agreement, and will, at all times, lawfully conduct its business in compliance with all applicable federal, state, and local laws, regulations, and rules.
 - b. It is not a party to any Grant Agreement, written or oral, creating obligations that would prevent it from entering into this Grant Agreement or satisfying the terms herein.
 - c. If the Grantee is a Nonprofit Organization/Agency, it will maintain its "Active" status with the California Secretary of State, maintain its "Current" status with the California Attorney General's Registry of Charitable Trusts, and maintain its federal and State of California tax-exempt status. If the Grantee subcontracts with a Nonprofit as part of this Grant Agreement, the Grantee shall ensure the Nonprofit will maintain its "Active" status with the California Secretary of State, maintain its "Current" status with the California Attorney General's Registry of Charitable Trusts, and maintain its federal and State of California tax-exempt status.
 - d. All of the information in its Grant Application and all materials submitted are true and accurate.

N. AIR OR WATER POLLUTION VIOLATION

1. Under the state laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

TERMS AND CONDITIONS

O. GRANTEE NAME CHANGE

1. Grantee agrees to immediately inform the State, in writing, of any changes to the name of the person within the Organization/Agency/Agency with delegated signing authority.
2. An Amendment is required to change the Grantee's name, as listed on this Grant Agreement. Upon receipt of legal documentation of the name change, the State will process the Amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said Amendment.

P. RESOLUTION

1. A county, city, district, or other local public body shall provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body, which by law, has authority to enter into a Grant Agreement, authorizing execution of the Grant Agreement.

Q. PAYEE DATA RECORD FORM STD. 204

1. This form shall be completed by all non-governmental Grantees.

R. FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA GOVERNMENT AGENCY TAXPAYER ID FORM

1. This form shall be completed by all Grantees.

S. CONFLICT OF INTEREST

1. This section serves to make the Grantee aware of specific provisions related to current or former state employees. If Grantee has any questions regarding the status of any person rendering services or involved with the Grant Agreement, the Grantee shall contact the State (California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit) immediately for clarification.
2. Current State Employees:
 - a. No officer or employee shall engage in any employment, activity, or enterprise, from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any state agency, unless the employment, activity, or enterprise is required, as a condition of regular state employment.
 - b. No officer or employee shall contract on their own behalf, as an independent Grantee, with any state agency to provide goods or services.
3. Former State Employees:
 - a. For the two-year period from the date they left state employment, no former state officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to this Grant Agreement while employed in any capacity by any state agency.
 - b. For the 12-month period from the date they left state employment, no former state officer or employee may enter into a contract with any state agency if they were employed by that state agency in a policy-making position in the same general subject area as the proposed Grant Agreement within the 12-month period prior to their leaving state service.
4. The authorized representative of the Grantee Organization/Agency, named within this Grant Agreement, warrants their Organization/Agency and its employees have no personal or financial interest and no present or past employment or activity, which would be incompatible with

TERMS AND CONDITIONS

participating in any activity related to this Grant Agreement. For the duration of this Grant Agreement, the Organization/Agency and its employees will not accept any gift, benefit, gratuity or consideration, or begin a personal or financial interest in a party who is associated with this Grant Agreement.

5. The Grantee Organization/Agency and its employees shall not disclose any financial, statistical, personal, technical, media-related, and/or other information or data derived from this Grant Agreement, made available for use by the State, for the purposes of providing services to the State, in conjunction with this Grant Agreement, except as otherwise required by law or explicitly permitted by the State in writing. The Grantee shall immediately advise the State of any person(s) who has access to confidential Project information and intends to disclose that information in violation of this Grant Agreement.
6. The Grantee will not enter into any Grant Agreement or discussions with third parties concerning materials described in paragraph five (5) prior to receiving written confirmation from the State that such third party has a Grant Agreement with the State, similar in nature to this one.
7. The Grantee warrants that only those employees who are authorized and required to use the materials described in paragraph 5 will have access to them.
8. If the Grantee violates any provisions in the above paragraphs, such action by the Grantee shall render this Grant Agreement void.

T. EQUIPMENT-USE TERMS

1. The Grantee agrees any equipment purchased under this Grant Agreement shall be used for impaired driving efforts.
2. Law Enforcement Projects:
 - a. Oral Fluid Drug Screening Devices and Cannabis/Marijuana Breath Testing Equipment - The Grantee agrees to ensure all personnel using road-side drug testing equipment, including oral fluid drug testing devices and/or cannabis/marijuana breath testing devices, purchased with grant funds from this Grant Agreement, are trained to recognize alcohol and drug impairment. At a minimum, personnel using these devices should receive Standardized Field Sobriety Testing training. These personnel are also encouraged to attend Advanced Roadside Impaired Driving Enforcement and Drug Recognition Evaluator training. Prior to using these devices, the Grantee agrees to obtain permission from their local prosecutor's office, establish a policy ensuring appropriate use, and require the staff using these devices to receive appropriate training, which may include training from the manufacturer. This will help ensure the equipment is used appropriately. The Grantee shall advise the State (California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit) of any legal challenges or other items of significance that may affect the use or legal acceptance of these devices. Additionally, the State may request additional information about the performance of these devices, including information about their use, accuracy, and feedback from personnel using the devices.
 - b. Law Enforcement Vehicles – The Grantee agrees any law enforcement vehicles purchased with Grant funds, from this Grant Agreement, will be primarily used for the enforcement of driving under the influence laws and/or providing public education, related to the dangers of driving under the influence. Additionally, any vehicle purchased using funds from this Grant Agreement shall comply with all California Vehicle Code and California Code of Regulation requirements. The State may require the Grantee to mark these vehicles with a decal and/or emblem, indicating the vehicle is used for driving under the influence enforcement.

Schedule A

Tracy Police Department

All grant awards, including any adjustments to requested funding, were made by the Cannabis Grants Unit based on the merits of the Grant Application, scale of operation, and in accordance with the Request for Application (RFA) requirements and associated regulations. As a result, not all Project activities and items detailed in Schedule A are applicable. Refer to Schedule B - Detailed Budget Estimate for approved Budget line items and Project activities. Project activities and items that are not clearly identified/specified in the Grant Agreement must be submitted to and approved by CGU prior to purchase.

Project Description

The Tracy Police Department aims to reduce DUI related collisions and deaths by increasing the capability of the agency to detect DUI and enforce applicable DUI laws. According to the Office of Traffic Safety data, in 2019, the City of Tracy was ranked 60th of 105 jurisdictions with 334 total victims killed or injured, 38th of 105 jurisdictions for drivers under the age of 21 that had been drinking with two victims killed or injured, and 53rd of 105 jurisdictions for drivers between ages 21 and 34 who had been drinking with 11 victims killed or injured. The City of Tracy was ranked 35th of 105 jurisdictions for DUI arrests with 105 arrested for DUI. Based on these statistics, it appears there is a shallow but continual increase in the number of victims injured and or killed as a result of DUI collisions coupled with an increase in arrests for DUI related offenses.

In 2020, the City of Tracy was ranked 46th of 106 jurisdictions with 285 total victims killed or injured, 44th of 106 jurisdictions for drivers under the age of 21 that had been drinking with two victims killed or injured, and 59th of 106 jurisdictions for drivers between ages 21 and 34 who had been drinking with nine victims killed or injured. The City of Tracy ranked 29th of 106 jurisdictions for DUI arrests with 81 arrested for DUI.

In 2021, the City of Tracy was ranked 60th of 105 jurisdictions with 260 total victims killed or injured, 58th of 105 jurisdictions for drivers under the age of 21 that had been drinking with two victims killed or injured, and 60th of 105 jurisdictions for drivers between ages 21 and 34 who had been drinking with sixteen victims killed or injured. The City of Tracy ranked 42nd of 105 jurisdictions for DUI arrests with 104 arrested for DUI.

In 2022, the City of Tracy was ranked 71st of 104 jurisdictions with 241 total victims killed or injured, 98th of 104 jurisdictions for drivers under the age of 21 that had been drinking with zero victims killed or injured, and 71st of 104 jurisdictions for drivers between ages 21 and 34 who had been drinking with eleven victims killed or injured. The City of Tracy ranked 30th of 104 jurisdictions for DUI arrests with 89 arrested for DUI.

Currently, the Traffic Safety Unit Utilizes Patrol Officers and cars to transport arrestees to county Jail that is 16 miles from Tracy. The department is seeking grant funds to purchase and outfit a prisoner transport van. DUI/DUID check points and saturation patrols often result in multiple arrests within a short timeframe. A dedicated transport van would streamline the process, allowing officer to continue enforcement activities while a separate unit handles the transport. Reducing the need for multiple patrol vehicles to transport arrestees ensures that more Officers remain available for enforcement, increasing overall effectiveness. The department will also use the funds to purchase equipment such as 4 electronic message boards and lighting equipment. The boards will be used to highlight enforcement efforts and DUI/DUID campaigns and the lighting equipment will be used at checkpoints and collision scenes to enhance safety for the officers and citizens. The goal of the department is to reduce injuries and deaths which result from DUI collisions through the use of proactive and high-visible enforcement activities. Additionally, the department aims to increase the capability of our officers by providing more training in SFST's in order to detect more impaired drivers and increase the safety of the motoring public in our jurisdiction.

Schedule A

Problem Statement & Proposed Solution

Tracy is a community of approximately 100,000 residents. In 2023, the department investigated 668 vehicle collisions and made 140 DUI arrests. 65 of those DUI arrests were collision related. 2 fatal collisions were investigated by the Traffic Safety Unit. Approximately 10% of 2023 collision involved DUI drivers. In 2024, the department investigated 761 collisions and made 177 DUI arrests. 64 of those arrests were DUI collision related. 1 fatal collision was investigated by the traffic Safety Unit. Approximately 8% of 2024 collisions involved DUI drivers. Over those two years, collisions involving DUI drivers fell very slightly, however there was a marked increase in DUI arrests. This can be attributed at least in part to an increase in enforcement as a result of increased enforcement activities funded by a grant from the Office of Traffic Safety and the Tracy Police Departments commitment to reduce DUI/DUID.

In October of 2021, the Tracy City Council passed amended resolutions that allowed for one store-front marijuana dispensary per 10,000 residents and capped the number of those dispensaries at 11 regardless of population. It is foreseeable as more marijuana dispensaries are established within our jurisdiction, and with the proliferation and acceptance of marijuana use in current society, that there will naturally be an increase in DUI collisions and DUI collision related deaths. As of February 2025, the City of Tracy has 6 dispensaries operating within the city limits.

In 2024, the department saw a decrease in fatal and DUI collisions, but an increase in DUI arrests. The department aims to continue efforts in collision reduction and an increase in DUI detection through the use of additional proactive enforcement, and train additional personnel in SFSTs. Additional trained personnel and additional enforcement measures should lead to a decrease in collisions and collision related deaths, and an increase in detection and appropriate enforcement.

The department is requesting grant funds to procure a prisoner transport vehicle. DUI/DUID check points and saturation patrols often result in multiple arrests within a short timeframe. A dedicated transport van would streamline the process, allowing officer to continue enforcement activities while a separate unit handles the transport. Reducing the need for multiple patrol vehicles to transport arrestees ensures that more Officers remain available for enforcement, increasing overall effectiveness. Additionally, the department seeks grant funds to support additional highly publicized, high-visibility saturation patrols conducted by a combination of motorcycle officers and uniformed officers utilizing marked patrol vehicles with a focus on detecting impaired drivers. The department will also use the funds to purchase equipment such as 4 electronic message boards and lighting equipment. The boards will be used to highlight enforcement efforts and DUI/DUID campaigns and the lighting equipment will be used at checkpoints and collision scenes to enhance safety for the officers and citizens. Through our strong social media presence, these enforcement efforts will be highly publicized to bring the community's attention to the dangers of driving under the influence and further make the community aware of the department's efforts to reduce collisions and collision related deaths due to DUI drivers. The department's Public Information Officers will distribute Kick-Off press releases and update the public to the department's activity using social media posts. Grant funding will cover the cost of the additional vehicle and equipment for enforcement efforts.

Performance Measures/Scope of Work

8 DUI Saturation Patrols (Q1=6, Q2=6, Q3=6, Q4=6): Aim to reduce DUI/DUID deaths by 15%, These enforcement efforts will improve roadway safety and education in the community.

3 DUI Checkpoints (Q1=1, Q3=1, Q4=1); Aim to reduce DUI/DUID by 15%, which will reduce the number of impaired drivers within in the community and educate of the dangers.

2 Message boards for DUI/DUID check points and Educational Messaging (Q1= Purchase, Q2=Receive, Q2-Q4= Use while conducting saturation events and checkpoints. We will utilize the message boards to notify the public of an approaching DUI Checkpoint. They will also be used to display educational messaging against driving under the influence and conduct speed checks.

2 - 24-hour 16000 lumen Scene Lights for DUI/DUID check points and collision scenes (Q1=Purchase, Q2=Receive, Q2-Q4= We will utilize these lights to illuminate the area around the check points for the safety of officers and the community. They will also be used during investigations of collision scenes related to DUI collisions to aid in safety of officers and the community.

Schedule A

1 Prisoner Transport Van for DUI/DUID check points and saturation patrols (Q1=Purchase, Q2=Build out, Q3-Q4 to aid in the transport of arrestees to the San Joaquin County Jail. The county jail is approximately 15 miles from the city. These events often result in multiple arrests within a short timeframe. A dedicated transport van would streamline the process, allowing officer to continue enforcement activities while a separate unit handles the transport, increasing the overall effectiveness. At times the booking process may take hours at a time per arrest.

Project Performance Evaluation

The department will evaluate the effectiveness of the grant campaign by comparing crash and DUI data and the conclusion of the campaign to the same data from the three previous fiscal years. Data will be accessed through Office of Traffic Safety Data as well as internal data available through our records management software. In order to share with stakeholders, the data that results from the grant activities, social media outreach and press releases may be used. It is assumed that the evaluation and sharing of the results of the grant campaign would be requirement of the program.

Program Sustainability

In 2024, the department saw an increase in the number of officers assigned to the Traffic Safety Unit from 5 to 8 (7 officers and one supervisor). The department is nearly fully staffed, 103 of 108 officers and remaining officers are being hired. The department's fleet has not grown quite as quickly and having a prisoner transport vehicle with its primary role being to streamline the process and allow officers to continue enforcement activities while a separate unit handles transportation. This would lessen the strain on the department's fleet while at the same time ensuring the longevity of the vehicle as it would only be used to transport arrestees. Currently patrol vehicles are shared among A team and B team officers. For example, an A team officer will work four days in a row and then a B team officer will work four days in a row or the days that the A team officer is not on shift. A team and B team shift partners (i.e. A team graveyard and B team graveyard) are assigned a common vehicle. Once the department reaches full staffing, this will allow officers to be assigned to additional duties while on shift such as a Transport Officer, or in the case of this program, an emphasis on DUI enforcement without the ongoing need for overtime funds and maintain minimum staffing for patrol teams.

The message boards and LED scene lights will have a life span of approximately 10 years. As we have shown in previous years the Tracy Police department is committed to continue the efforts of DUI/DUID enforcement and education to increase the safety of our roadways for the community. We continue to partner with our local California Highway Patrol to conduct DUI/DUID check points on a quarterly basis. This equipment will continue to aid our enforcement efforts for many years.

Our department has committed to sending two officers to the POST SFST instructor course in August of 2025. Once certified we will work on providing the training to Tracy officer as well as allied agencies willing to attend.

Administrative Support

The Tracy Police Department is staffed currently by 103 officers with 108 authorized positions and is actively working to hire and fill the remaining five positions. The Traffic Safety Unit consists of seven officers and a supervisor. All of the unit personnel have or will have completed Intermediate Collision Investigation training with the goal of completing Advanced Collision Investigation training, all officers investigate major and fatal collisions, and two officers hold the position of a collision reconstructionist. The unit also has one certified RADAR/LIDAR instructor. The department has one SFST instructor and two scheduled to attend the POST SFST instructor course in August 2025. The department is committed to hosting and training more of our own officers as well as opening the training to allied agencies in the area.

The Traffic Safety Unit officer is assigned to handle all grant work, including the application for and administration of traffic-related grants, gathering of and reporting of statistical data, completing quarterly completion of grant reports and submitting of grant claim invoices for reimbursement of funds. The PIO is responsible for disseminating press releases related to grant activities and social media posts that highlight activities of the grant or announcing required participation in certain activities as part of grant acceptance.

Schedule A

In addition to other State and Federally funded grants, the department has experience in applying for and receiving grants from the Office of Traffic Safety (OTS) for Selective Traffic Enforcement Program (STEP). The department has successfully completed the requirements for multiple OTS grants and the prior Cannabis Grant.

Schedule B

Detailed Budget Estimate

Award Number	Organization/Agency	Total Amount
23345	Tracy Police Department	\$269,609.11

Cost Category	Line Item Name	Total Cost to Grant
Other Direct Costs	Prisoner Transport Van - Outfitting	\$26,642.00
	Prisoner Transport Van Decal	\$920.00
	Category Sub-Total	\$27,562.00
Personnel	Saturation Patrol	\$14,820.00
	DUI Checkpoint	\$28,326.00
	Category Sub-Total	\$43,146.00
Equipment	Scene Lights	\$18,000.00
	Message Trailer	\$48,507.11
	Prisoner Transport Van	\$132,394.00
	Category Sub-Total	\$198,901.11

Grant Total	\$269,609.11
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Schedule B-1 Budget Narrative

Tracy Police Department

Prior to engaging in grant-funded Saturation Patrols, DUI Checkpoints, or other enforcement activities in areas where the grantee does not have primary traffic jurisdiction, the grantee should consult with the agency having primary traffic jurisdiction.

Other Direct Costs

Prisoner Transport Van - Outfitting

\$26,642.00

1 Axon in car camera system = \$10,542

1 Mobile data computer = \$6,400

1 Motorola police radio for the Van = \$9,700.

Prisoner Transport Van Decal

\$920.00

Police/LE decals for the van = \$920

Personnel

DUI Checkpoint

\$28,326.00

3 DUI Check points 10 hours per check point.

10 Officers at 76.02 per hour = \$7602

2 Sergeants at 92.00 pr hour = \$1840

Total per check is \$9442

Total for 3 check points \$28,326

All rates at OT.

Saturation Patrol

\$14,820.00

Two Officer saturation patrol for 10 hours = \$1840

2 patrols conducted each quarter for a total of 8.

Total cost \$14,820

All hours are OT

Equipment

Message Trailer

\$48,507.11

2 Message Trailers

2 - Stalker MC360 Message Trailer (3'x6") w/solar. Traffic stats sensor, speed sensor, red/blue strobes.

\$21,167 each x 2 + tax = \$45,826.55

Scene Lights

\$18,000.00

2 - Fox Fury Nomad Transformer 24-hour 16,000 lumen scene light field kit.

\$7,799.99 x2 + tax/shipping = \$18,000

Schedule B-1 Budget Narrative

Tracy Police Department

Prior to engaging in grant-funded Saturation Patrols, DUI Checkpoints, or other enforcement activities in areas where the grantee does not have primary traffic jurisdiction, the grantee should consult with the agency having primary traffic jurisdiction.

Prisoner Transport Van

\$132,394.00

Ford Transit Prisoner Transport Van

Van will be complete with prisoner compartment, installation of lights, radio, camera system and mobile data computer.

The van will be marked supporting DUI enforcement.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

(1) RESCINDING CITY COUNCIL RESOLUTION 2025-183 ACCEPTING AND APPROPRIATING THE \$267,000 STATE OF CALIFORNIA OFFICE, CALIFORNIA HIGHWAY PATROL, CANNABIS GRANT AWARD;

(2) AUTHORIZING A REVISED AND AMENDED RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE STATE OF CALIFORNIA OFFICE, CALIFORNIA HIGHWAY PATROL, CANNABIS GRANT AWARD IN THE AMOUNT OF \$269,609.11 TO CONDUCT EXTRA PATROLS AND TRAFFIC ENFORCEMENT, AND TO PURCHASE ONE PRISONER TRANSPORTATION VAN, TWO ELECTRONIC MESSAGE BOARDS, AND TWO SCENE LIGHT KITS;

(3) APPROPRIATING THE FULL GRANT FUNDS TO THE POLICE DEPARTMENT OPERATIONAL BUDGET FOR FISCAL YEAR 2025/2026.

WHEREAS, the Tracy Police Department received a grant award from the State of California Office, California Highway Patrol, Cannabis (CTFGP) in the amount of \$269,609.11; and

WHEREAS, Tracy Police Department's (TPD) sought approval for the acceptance of the award on August 19, 2025; and

WHEREAS, due to administrative error, the incorrect award amount of \$267,000 was presented; and

WHEREAS, City Council adopted resolution 2025-183 for the acceptance and appropriation of \$267,000; and

WHEREAS, staff requests a revised and amended resolution to correct inconsistencies; and

WHEREAS, staff requests that the City Council accept the CTFGP grant award of \$269,609.11 and appropriate the full grant funds to the Police Department Operational Budget for Fiscal Year 2025/2026.

NOW, THEREFORE IT BE RESOLVED: That the above recitals are true and correct; and be it,

FURTHER RESOLVED: That the City Council of the City of Tracy hereby rescinds resolution 2025-183, issued August 19, 2025.

FURTHER RESOLVED: That the City Council of the City of Tracy hereby accepts the grant award of \$269,609.11 from the California Highway Patrol Cannabis Tax Fund Grant to conduct extra DUI saturation patrols, and to purchase one prisoner transport van, two electronic message boards, and two scene light kits and be it

FURTHER RESOLVED: That the City Council appropriates the full grant funds of \$269,609.11 to the already approved Police Department's operational budget for Fiscal Year 2025/26, and be it

FURTHER RESOLVED: That the proposed action is not a "project" under the California Environmental Quality Act (CEQA), and pursuant to CEQA Guidelines Section 15061(b)(3), there is no possibility that this action will have an effect on the physical environment.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September, 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.L

RECOMMENDATION

Staff recommends that the City Council adopt a resolution: (1) determining that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180 (b)(4) and dispensing such requirement for the actions herein, and; (2) approving a General Services Agreement with SWARCO McCain, Inc., a California Corporation for the Upgrade and Maintenance of Traffic Management Center software, Capital Improvement Project 72118, for an initial term of three years and a total not-to-exceed amount of \$214,187, and; (3) authorizing an administrative extension of an additional term of two (2) years, contingent upon satisfactory performance and budget availability.

EXECUTIVE SUMMARY

This agenda item seeks adoption of a Resolution approving a General Service Agreement (GSA) with SWARCO McCain, Inc., (Consultant) for a three-year term and a total not to exceed amount of \$214,187. The compliance with the standard procurement procedures is not in the best interests of the City because the Traffic Management Center (TMC) uses McCain's Traffic Management System for all its traffic control system needs. Staff is also requesting authorization for an administrative extension of the agreement, for an additional term of two (2) years, upon demonstrated need. The Capital Improvement Project (CIP) 72118 will fund upgrades to the TMC, including the replacement of video wall, workstation desks and a software upgrade through GSA with SWARCO McCain, Inc.

BACKGROUND AND LEGISLATIVE HISTORY

In 1999, the City's traffic control system was updated from Bi-Trans software to QuicNet, SWARCO McCain's Traffic Management Software (TMS) as part of CIP 7217. QuicNet software reached its technological ceiling in 2015 and is no longer actively developed or supported for future operating systems or evolving industry standards. As a result, it lacks compatibility with modern Advanced Transportation Controllers, National Transportation Communications for Intelligent Transportation System Protocol (NTCIP), and emerging technologies that define today's smart transportation infrastructure. Since the initial installation, even though QuicNet software has been continuously updated, the software and hardware - including the server, workstations, and other components have exceeded their useful life and need to be upgraded to the latest MyCity traffic management software and future technologies.

ANALYSIS

MyCity is SWARCO McCain's centralized traffic management platform that helps the City monitor and manage traffic flow in real time. It improves mobility, safety, and efficiency across the transportation network. The system supports traffic signal controllers from multiple vendors using standard NTCIP protocols, giving the City long-term flexibility and vendor independence. MyCity also streamlines the management of signal timing data, including adaptive operations, intersection settings, and system alerts. The Timing Editor provides a central interface to view, edit, compare, and track timing data from various sources.

The City is currently working on two Adaptive Traffic Signal System CIPs. These include CIP 72098 - Adaptive Traffic Signal System on Eleventh Street, between Corral Hollow Road and MacArthur Drive. CIP 72113 - Adaptive Traffic Signal System on Corral Hollow Road, between Schulte Road and West Valley Mall. These projects will improve the traffic flow along these corridors by reducing the total traffic delays, reducing the traffic stops made by vehicles and improving the Level of Service (LOS) of the corridors.

As part of the TMC software upgrade, the City will implement MyCity Adaptive, a component of the MyCity suite of traffic management solutions. This software provides customizable adaptive strategies that can operate independently or in coordination with others to ensure efficient and safe traffic flow. The upgrade to MyCity Adaptive, in conjunction with the completion of CIPs 72098 and 72113, will enable real-time evaluation of traffic conditions, signal cycle effectiveness, and congestion levels along coordinated routes. The system will then automatically apply the most effective signal timing and coordination strategies based on current traffic demands.

Staff has negotiated a not-to-exceed amount of \$214,187 with SWARCO McCain, Inc. for the upgrade of the Traffic Management Center software. The proposed cost is considered reasonable and competitive based on the scope and proprietary nature of the work. Pursuant to Tracy Municipal code 2.20.180(b)(4), the formal Request for Proposals (RFP) process is not in the best interest of the City as the City's existing Traffic Management System and equipment are McCain products. The proposed software updates involve building upon and upgrading to the latest McCain technology. An exception to the procurement procedure requiring a procurement process can be made pursuant to Tracy Municipal Code 2.20.180(b)(4), when, in the determination of the City Council, compliance with the procedure is not in the best interest of the City for those commodities, equipment or general services the costs of which equal or exceed Fifty Thousand and no/100ths (\$50,000.00) Dollars.

FISCAL IMPACT

The Upgrade and Maintenance of Traffic Management Center Software Project, CIP 72118, is an approved Capital Improvement Project with an approved budget of \$214,277. Adaptive traffic signal licensing fee of \$45,000 each for CIP 72098 and CIP 72113 will be paid from the respective projects upon on completion. There are sufficient funds available for the award of contract.

Available budget in CIP 72118	\$214,277
Adaptive Traffic Signal License fee from CIP 72098	\$45,000
Adaptive Traffic Signal License fee from CIP 72113	\$45,000
<hr/>	
Total Project budget	\$304,277

PUBLIC OUTREACH/ INTEREST

Not applicable

COORDINATION

This is an upgrade to the existing Traffic Management Software. City staff is currently coordinating with the Police Department to explore potential opportunities for system integration after upgrade.

CEQA DETERMINATION

In accordance with the California Environmental Quality Act (CEQA) Guidelines §15061(b)(3), there is no possibility that this action will have an effect on the physical environment.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority and specifically implements the following goal:

Goal 1: Advance green and roadway infrastructure projects that improve connectivity, reduce climate impacts, and improve the appearance of the City.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution to (1) determine that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180 (b)(4) and dispensing such requirement for the actions herein, and; (2) approve a General Services Agreement with SWARCO McCain, Inc., a California Corporation for the Upgrade and Maintenance of Traffic Management Center software, Capital Improvement Project 72118, for an initial term of three years and a total not-to-exceed amount of \$214,187, and; (3) authorizing an administrative extension of an additional term of two (2) years, contingent upon satisfactory performance and budget availability.

Prepared by: Selvi Sivaraj, PE, Associate Civil Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer

Even Marcelo, PE, City Engineer

Anush Nejad, PE, Public Works Director

Sara Castro, Finance Director

L. David Nefouse, City Attorney

Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENT

Attachment A – SWARCO McCain, Inc. – GSA – CIP 72118

ATTACHMENT A

**CITY OF TRACY
GENERAL SERVICES AGREEMENT**

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and SWARCO McCain, Inc., a California corporation (**Contractor**). City and Contractor are referred to individually as “Party” and collectively as “Parties.”

Recitals

A. City desires to retain Contractor to implement MyCity Traffic Management System on a new traffic server; and

B. *Pursuant to Tracy Municipal code 2.20.180(b)(4) the formal request for proposals process is not in the best interest of the City. Allowing the formal request for proposals would have the City pay an overhead to the bidder to work with McCain since the existing Traffic Management System and equipment is an existing McCain product and the software updates are to be to the latest McCain product. Alternatively, the City of Tracy would like to work directly with McCain.*

C. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on _____, 2025.

Now therefore, the Parties mutually agree as follows:

1. **Scope of Work.** Contractor shall perform the services described in Exhibit “A” attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor’s Authorized Representative: Robert Y. Ung, Director of ITS Solutions and Services. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit “A,” nor shall Contractor use or replace any subcontractors or subconsultants, without City’s prior written consent. A failure to obtain the City’s prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. **Time of Performance.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit “A.” Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on September 16, 2025 and end on September 17, 2028, unless terminated in accordance with Section 6. Subject to the Not-To-Exceed Amount defined in Section 3.1, the Term of this Agreement may be extended with express written amendment incorporating this Agreement signed by both Parties and one of the following City approvals: (a) City Council approval or (b) City Manager approval. An administrative extension of this Agreement by City

Manager shall be limited to an additional term of two (2) years (s) and require written determination by the City Manager that Consultant has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed \$214,187 (two hundred fourteen thousand one hundred eighty-seven dollars). Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on “public works” and “maintenance” projects. The services being performed under this Agreement are part of a “public works” or “maintenance” project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

Even Marcelo, PE
333 Civic Center Plaza
Tracy, CA 95376
Email: even.marcelo@cityoftracy.org
Phone: 209-831-6455

To Contractor:

Lori Tackett
2365 Oak Ridge Way
Vista, CA 92081
Email: lori.tackett@swarco.com
Phone: 760-734-5014

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents

that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor
Date: _____

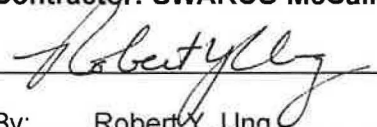
Attest:

April B.A. Quintanilla, City Clerk

Approved as to form:

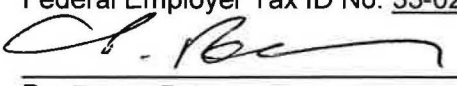
L. David Nefouse, City Attorney

Contractor: SWARCO McCain, Inc.



By: Robert Y. Ung
Title: Director, ITS Solutions & Service
Date: August 14, 2025

Federal Employer Tax ID No. 33-0262207



By: Renata Roles
Title: Director of Accounting
Date: 8/14/2025

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

1. Migrate Tracy's full database to MyCity
2. Purchase new server
3. Onsite implementation:
 - a. Cutover comms previously used by QuicNet system
 - b. Compare status with pre-migration inventory (*Prerequisites, 2.item*)
 - c. Reconfigure users as well as any applicable configuration identified (*Prerequisites, 2, items ii-v, as applicable*)
 - d. Observe and verify proper configuration
4. Provide onsite training
5. Provide onsite testing
 - a. Upon project sign-off, 2-yr. maintenance will commence
6. Adaptive Signal Control Setup and Licensing along Eleventh Street and Corral Hollow Corridors

Prerequisites:

1. *List of locations that will be migrated to MyCity (locations must be on the same serial channel)*
2. *System status inventory for locations identified in item 1 (pre-migration). This includes:*
 - i. Communications status*
 - ii. Other applicable configuration – are there detectors associated with the controllers, are they part of any groups, custom displays*
 - iii. Logging (are there any logs utilized by the agency – split monitor, etc.)*
 - iv. Schedules*
 - v. Alert Notifications*
3. *Current controller timing uploaded and saved to QuicNet for locations to be migrated*
4. *Any custom or very old McCain local software will need to be updated to supported versions*
5. *Any communications troubleshooting/upgrades will be provided by others*

SWARCO McCain Personnel and Project Roles:

Bob Ung, Director of ITS Solutions and Services. **Project Oversight**

Lori Tackett, Sr. Project Manager, **Project Manager**

Ray Laigo, Project Engineer, **Project Implementation, Testing and Training**

Dan Ojeda, NorCal Sales, **Field and Onsite Support**

Kamie Gribben, Jr. Project Manager, **Project Administration**

Jeff Pearson

EXHIBIT B - Compensation

Item #	Qty	Unit	Description	Unit Price	Sale Price
Phase 1 - MyCity TMS Upgrade <small>(see scope notes 1 & 2)</small>					
1	76	Each	On-Prem / Enterprise MyCity Traffic Management System (TMS) Licensing - qty: 76 - This increases agency's total Transparency TMS licenses to qty: 76	\$ 850.00	\$ 64,600.00
2	1	Lump	MyCity Hardware (Server)	\$ 20,000.00	\$ 20,000.00
3	1	Lump	Project Management/ Administration/Professional Services/ Labor: - Project Management/Administration - Remote installation and configuration - Database creation and system map configuration	\$ 10,428.00	\$ 10,428.00
4	1	Day	Onsite Field Support - 1 day for MyCity deployment	\$ 1,650.00	\$ 1,650.00
5	1	Day	Onsite Training - 1 day of MyCity TMS <small>(see scope note 3)</small>	\$ 4,000.00	\$ 4,000.00
6	1	Day	Onsite Systems Acceptance and Validation Testing <small>(see scope note 3)</small>	\$ 4,000.00	\$ 4,000.00
7	2	Year	MyCity TMS Annual Maintenance for a system with up to 76 licenses (recurring) <small>(see scope note 3)</small>	\$ 9,450.00	\$ 18,900.00
Phase 2 - MyCity Adaptive - 1st set of 10 locations <small>(see scope notes 1 & 2)</small>					
8	10	Each	On-Prem / Enterprise MyCity Adaptive Licensing - qty: 10 - This increases agency's total Adaptive licenses to qty: 10	\$ 4,500.00	\$ 45,000.00
9	10	Each	Adaptive Signal Control Setup / Configuration <small>(see scope note 4)</small>	\$ 1,500.00	\$ 15,000.00
10	10	Each	Controller Timing Conversions <small>(see scope note 5)</small>	\$ 495.00	\$ 4,950.00
11	10	Each	Custom Aerial Intersection Graphics <small>(see scope note 6)</small> NOTE: Other Intersections will have either the default graphics or the migrated QuickNet Pro graphics (if available)	\$ 330.00	\$ 3,300.00
12	10	Each	Signal Performance Measure Setup / Configuration	\$ 330.00	\$ 3,300.00
13	1	Day	Onsite Field Support - 1 day for adaptive turn-on	\$ 1,650.00	\$ 1,650.00
14	2	Day	Onsite Training - 1 day of Omni ex and 1 day of MyCity Adaptive <small>(see scope note 3)</small>	\$ 4,000.00	\$ 8,000.00
15	2	Year	MyCity Adaptive Annual Maintenance Add-On <small>(see scope note 3)</small>	\$ 4,627.50	\$ 9,255.00
Phase 3 - MyCity Adaptive - 2nd set of 10 locations <small>(see scope notes 1 & 2)</small>					
16	10	Each	On-Prem / Enterprise MyCity Adaptive Licensing - qty: 10 - This increases agency's total Adaptive licenses to qty: 20	\$ 4,500.00	\$ 45,000.00
17	10	Each	Adaptive Signal Control Setup / Configuration <small>(see scope note 4)</small>	\$ 1,500.00	\$ 15,000.00
18	10	Each	Controller Timing Conversions <small>(see scope note 5)</small>	\$ 495.00	\$ 4,950.00
19	10	Each	Custom Aerial Intersection Graphics <small>(see scope note 6)</small> NOTE: Other Intersections will have either the default graphics or the migrated QuickNet Pro graphics (if available)	\$ 330.00	\$ 3,300.00
20	10	Each	Signal Performance Measure Setup / Configuration	\$ 330.00	\$ 3,300.00
Subtotal				\$ 285,583.00	
Discount (25%)				\$ (71,396.25)	
Total				\$ 214,187.00	
NOTE: This amount does not include tax					

Bill Item #	To be paid according to the following Billing Schedule/Milestones	Billable Amount
Phase 1		\$ 102,159.00
1A	MyCity Traffic Management System (TMS) Licensing <i>Deliverable: Billed at PO Receipt</i>	\$ 50,320.00
1B	Receipt of MyCity Server <i>Deliverable: DELL Server</i>	\$ 20,000.00
1C	Completion of MyCity TMS installation, database creation, and system map configuration <i>Deliverable: MyCity TMS system map with configured locations and completed install sign-off sheet</i>	\$ 10,428.00
1D	Completion of Onsite MyCity TMS deployment - onsite support day #1 (of 2) <i>Deliverable: Onsite field support day provided</i>	\$ 1,650.00
1E	Completion of Onsite MyCity TMS training - training day #1 (of 3) <i>Deliverable: Final training agenda & completion of MyCity TMS training session</i>	\$ 4,000.00
1F	Completion of Onsite System Acceptance Test. This signifies Phase 1 completion and start of the maintenance period <i>Deliverable: Completed acceptance test document and project closure document</i>	\$ 15,761.00
Phase 2		\$ 61,897.00
2A	Completion of Controller Timing Conversions <i>Deliverable: Timing loaded onto identified controllers, printed timing sheets, and .mcb timing files</i>	\$ 4,950.00
2B	Implementation of Custom Aerial Intersection Graphics <i>Deliverable: 10 custom aerial displays</i>	\$ 3,300.00
2C	Completion of Signal Performance Measure Setup / Configuration <i>Deliverable: Populated SPM reports for 10 adaptive intersections</i>	\$ 3,300.00
2D	Completion of Adaptive Configuration/Setup for 10 locations <i>Deliverable: All adaptive configuration completed</i>	\$ 15,000.00
2E	Adaptive turn-on - onsite support day #2 (of 2) <i>Deliverable: Adaptive locations turned on + Onsite field support day provided</i>	\$ 25,231.00
2F	Completion of onsite Omni eX Training - training day #2 (of 3) <i>Deliverable: Final training agenda & completion of Omni eX training session</i>	\$ 4,000.00
2G	Completion of onsite MyCity Adaptive Training - training day #3 (of 3). This signifies Phase 2 completion and start of adaptive maintenance add-on <i>Deliverable: Final training agenda & completion of MyCity TMS training session</i>	\$ 6,116.00
Phase 3		\$ 50,131.00
3A	Completion of Controller Timing Conversions <i>Deliverable: Timing loaded onto identified controllers, printed timing sheets, and .mcb timing files</i>	\$ 4,950.00
3B	Implementation of Custom Aerial Intersection Graphics <i>Deliverable: 10 custom aerial displays</i>	\$ 3,300.00
3C	Completion of Signal Performance Measure Setup / Configuration <i>Deliverable: Populated SPM reports for 10 adaptive intersections</i>	\$ 3,300.00
3D	Completion of Adaptive Configuration/Setup for 10 locations <i>Deliverable: All adaptive configuration completed</i>	\$ 15,000.00
3E	Adaptive turn-on (Remote). This signifies Phase 3 completion. <i>Deliverable: Adaptive locations turned on</i>	\$ 23,581.00

Scope Notes:

1. All labor is remote unless indicated otherwise. VPN or internet access is required to provide remote support.
2. Customer is responsible for ensuring that communications and detection is operational and for providing the network scheme, as applicable.
3. Training and testing to be provided by SWARCO McCain ITS Project Engineer. SWARCO McCain requires up to 8 weeks advance notice for scheduling.
4. Agency is responsible for the following:
 - Base coordination patterns. McCain is not responsible for optimizing any existing coordination patterns.
 - Advance detection - must be deployed and separated by lane.
 - Detector inventory documentation. McCain requires the agency to provide channel assignments for detectors used in adaptive operation.
5. Agency will provide latest timing sheets. Does not include optimization of time-based coordination. Agency needs to verify operation prior to field implementation.
6. Custom aerial backgrounds containing the following information:
 - Vehicle phase call / indications

- Pedestrian phase call / indications
 - Overlap / FYA indications (as applicable)
 - Signal status (overlain on aerial background or on right sidebar depending on local software version)
 - Street name labels
7. The Annual MyCity Maintenance agreement covers a total of fourteen (14) hours that include telephone, email, or remote support and three (3) remote maintenance sessions each year. Agreement is for a system with up to 76 licenses. As licenses increase, cost is subject to increase.
 8. Adaptive Maintenance Add-on is required for systems with adaptive licenses. Agreement is for a system with up to 20 licenses. As licenses increase, cost is subject to increase.

Quote Notes:

1. All prices are in US Dollars. All payments to be made in US Dollars. Project will be billed per the schedule/milestones
2. Purchase order (PO) must match line items in quote.
3. Prices are firm for 30 days. Tax and freight are not included.
4. All software available through remote download only.
5. Sale is subject to SWARCO McCain's standard terms and conditions.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

(1) DETERMINING THAT COMPLIANCE WITH STANDARD PROCUREMENT PROCESSES IS NOT IN THE BEST INTERESTS OF THE CITY PURSUANT TO TRACY MUNICIPAL CODE 2.20.180 (B)(4) AND DISPENSING SUCH REQUIREMENT FOR THE ACTIONS HEREIN, AND; (2) APPROVING A GENERAL SERVICES AGREEMENT WITH SWARCO McCain, INC., A CALIFORNIA CORPORATION FOR THE UPGRADE AND MAINTENANCE OF TRAFFIC MANAGEMENT CENTER SOFTWARE, CAPITAL IMPROVEMENT PROJECT 72118, FOR AN INITIAL TERM OF THREE YEARS AND A TOTAL NOT-TO-EXCEED AMOUNT OF \$214,187, AND; (3) AUTHORIZING AN ADMINISTRATIVE EXTENSION OF AN ADDITIONAL TERM OF TWO (2) YEARS, CONTINGENT UPON SATISFACTORY PERFORMANCE AND BUDGET AVAILABILITY.

WHEREAS, in 1999, the City's traffic control system was updated from Bi-Trans software to QuicNet, SWARCO McCain's Traffic Management Software (TMS) as part of CIP 7217. QuicNet software reached its technological ceiling in 2015 and is no longer actively developed or supported for future operating systems or evolving industry standards and need to be upgraded to the latest MyCity traffic management software and future technologies; and

WHEREAS, MyCity is SWARCO McCain's centralized traffic management platform that helps the City monitor and manage traffic flow in real time. It improves mobility, safety, and efficiency across the transportation network; and

WHEREAS, MyCity system supports traffic signal controllers from multiple vendors using standard National Transportation Communications for Intelligent Transportation System protocols, giving the City long-term flexibility and vendor independence; and

WHEREAS, MyCity also streamlines the management of signal timing data, including adaptive operations, intersection settings, and system alerts. The Timing Editor provides a central interface to view, edit, compare, and track timing data from various source; and

WHEREAS, the City is currently working on two Adaptive Traffic Signal System Capital Improvement Projects (CIP). These include: CIP 72098 - Adaptive Traffic Signal System on Eleventh Street, between Corral Hollow Road and MacArthur Drive. CIP 72113 - Adaptive Traffic Signal System on Corral Hollow Road, between Schulte Road and West Valley Mall; and

WHEREAS, as part of the Traffic Management Center (TMC) software upgrade, the City will implement MyCity Adaptive, a component of the MyCity suite of traffic management solutions. This software provides customizable adaptive strategies that can operate independently or in coordination with others to ensure efficient and safe traffic flow; and

WHEREAS, the upgrade to MyCity Adaptive, in conjunction with the completion of CIPs 72098 and 72113, will enable real-time evaluation of traffic conditions, signal cycle effectiveness, and congestion levels along coordinated routes. The system will then automatically apply the most effective signal timing and coordination strategies based on current traffic demands; and

WHEREAS, the Staff has negotiated a reasonable cost not-to-exceed amount of \$214,187 with SWARCO McCain, Inc. for the upgrade of the Traffic Management Center software; and

WHEREAS, the formal Request for Proposals process is not in the best interest of the City as the City's existing Traffic Management System and equipment are McCain products. The proposed software updates involve building upon and upgrading to the latest McCain technology; now, therefore, be it

RESOLVED: That the City Council hereby adopts a resolution to determine that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180 (b)(4) and dispensing such requirement for the actions herein; and be it

FURTHER RESOLVED: That the City Council hereby approves a General Services Agreement with SWARCO McCain, Inc., a California Corporation for the Upgrade and Maintenance of Traffic Management Center software, Capital Improvement Project 72118, for an initial term of three years and a total not-to-exceed amount of \$214,187; and be it

FURTHER RESOLVED: That the City Council hereby authorizes an administrative extension of an additional term of two (2) years, contingent upon satisfactory performance and budget availability.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

(1) DETERMINING THAT COMPLIANCE WITH STANDARD PROCUREMENT PROCESSES IS NOT IN THE BEST INTERESTS OF THE CITY PURSUANT TO TRACY MUNICIPAL CODE 2.20.180 (B)(4) AND DISPENSING SUCH REQUIREMENT FOR THE ACTIONS HEREIN, AND; (2) APPROVING A GENERAL SERVICES AGREEMENT WITH SWARCO McCain, INC., A CALIFORNIA CORPORATION FOR THE UPGRADE AND MAINTENANCE OF TRAFFIC MANAGEMENT CENTER SOFTWARE, CAPITAL IMPROVEMENT PROJECT 72118, FOR AN INITIAL TERM OF THREE YEARS AND A TOTAL NOT-TO-EXCEED AMOUNT OF \$214,187, AND; (3) AUTHORIZING AN ADMINISTRATIVE EXTENSION OF AN ADDITIONAL TERM OF TWO (2) YEARS, CONTINGENT UPON SATISFACTORY PERFORMANCE AND BUDGET AVAILABILITY.

WHEREAS, in 1999, the City's traffic control system was updated from Bi-Trans software to QuicNet, SWARCO McCain's Traffic Management Software (TMS) as part of CIP 7217. QuicNet software reached its technological ceiling in 2015 and is no longer actively developed or supported for future operating systems or evolving industry standards and need to be upgraded to the latest MyCity traffic management software and future technologies; and

WHEREAS, MyCity is SWARCO McCain's centralized traffic management platform that helps the City monitor and manage traffic flow in real time. It improves mobility, safety, and efficiency across the transportation network; and

WHEREAS, MyCity system supports traffic signal controllers from multiple vendors using standard National Transportation Communications for Intelligent Transportation System protocols, giving the City long-term flexibility and vendor independence; and

WHEREAS, MyCity also streamlines the management of signal timing data, including adaptive operations, intersection settings, and system alerts. The Timing Editor provides a central interface to view, edit, compare, and track timing data from various source; and

WHEREAS, the City is currently working on two Adaptive Traffic Signal System Capital Improvement Projects (CIP). These include: CIP 72098 - Adaptive Traffic Signal System on Eleventh Street, between Corral Hollow Road and MacArthur Drive. CIP 72113 - Adaptive Traffic Signal System on Corral Hollow Road, between Schulte Road and West Valley Mall; and

WHEREAS, as part of the Traffic Management Center (TMC) software upgrade, the City will implement MyCity Adaptive, a component of the MyCity suite of traffic management solutions. This software provides customizable adaptive strategies that can operate independently or in coordination with others to ensure efficient and safe traffic flow; and

WHEREAS, the upgrade to MyCity Adaptive, in conjunction with the completion of CIPs 72098 and 72113, will enable real-time evaluation of traffic conditions, signal cycle effectiveness, and congestion levels along coordinated routes. The system will then automatically apply the most effective signal timing and coordination strategies based on current traffic demands; and

WHEREAS, the Staff has negotiated a reasonable cost not-to-exceed amount of \$214,187 with SWARCO McCain, Inc. for the upgrade of the Traffic Management Center software; and

WHEREAS, the formal Request for Proposals process is not in the best interest of the City as the City's existing Traffic Management System and equipment are McCain products. The proposed software updates involve building upon and upgrading to the latest McCain technology; now, therefore, be it

RESOLVED: That the City Council hereby adopts a resolution to determine that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180 (b)(4) and dispensing such requirement for the actions herein; and be it

FURTHER RESOLVED: That the City Council hereby approves a General Services Agreement with SWARCO McCain, Inc., a California Corporation for the Upgrade and Maintenance of Traffic Management Center software, Capital Improvement Project 72118, for an initial term of three years and a total not-to-exceed amount of \$214,187; and be it

FURTHER RESOLVED: That the City Council hereby authorizes an administrative extension of an additional term of two (2) years, contingent upon satisfactory performance and budget availability.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.M

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution: 1) approving the Compensation and Benefits plan for the Limited-Service Employees (LSE), and 2) authorizing an amendment to the City's Master Salary Schedule to reflect the terms of the Compensation and Benefits Plan.

EXECUTIVE SUMMARY

The existing Compensation and Benefits Plan for the Limited Services Employees (LSE) expires on September 30, 2025. The term of the attached Compensation and Benefit Plan is 48 months (4 years), effective on October 1, 2025, and expires September 30, 2029.

BACKGROUND AND LEGISLATIVE HISTORY

Under California Labor Code section 1182.12(c), the State Director of Finance must annually calculate an adjusted minimum wage based on the lesser of 3.5% or the change in the United States Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), with increases taking effect each January 1. For the latest cycle, the Department of Finance determined that the CPI-W rose 2.49% between July 1, 2024, and June 30, 2025. Accordingly, the state minimum wage will increase by 2.49%, from \$16.50 to \$16.90 per hour, effective January 1, 2026.

The City employs part-time, seasonal, and limited-service employees under the Limited-Service Employees Compensation and Benefits Plan. To maintain compliance with state law and remain competitive in attracting and retaining qualified Limited-Service Employees (LSE), it is recommended that the City provide a 2.5% cost-of-living adjustment (COLA) for LSEs. This COLA will take effect on October 5, 2025.

The Public Employees' Retirement Law governs the California Public Employees Retirement System (CalPERS) codified in Title 2 of the California Code of Regulations. Section 570.5 of the California Code of Regulations requires City Council approve the rate of pay for classification titles in a publicly available pay schedule for employees who are members of CalPERS. Under the City's Personnel Rules (Section 4.1), the City Council must approve the Classification and Compensation Plans and any amendments to said plans. State law requires that Council approve a Master Salary Schedule reflecting the salaries of all personnel.

ANALYSIS

The key change in the successor Compensation and Benefit Plan for Limited Service Employees (Attachment A), is as follows:

1. Salary Adjustments for All Classifications:
 - Effective October 5, 2025: 2.5% salary adjustment

FISCAL IMPACT

The adopted FY2025-26 operating budget accounts for the 2.5% cost-of-living adjustment (COLA).

STRATEGIC PLAN

This agenda item supports the City's Governance Strategy and Business Plan, and specifically implements the following goals and objectives:

Governance Strategy

To enhance fiscal stability, retain and attract new talent, improve the use of technology, and enhance engagement and transparency for the betterment of the Tracy community.

Goal 5: Recruit, develop, and retain a high performing and inclusive workforce.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution: 1) approving the Compensation and Benefits plan for the Limited-Service Employees (LSE), and 2) authorizing an amendment to the City's Master Salary Schedule to reflect the terms of the Compensation and Benefits Plan.

Prepared by: Arielle Vanoy, Human Resources Analyst

Reviewed by: Kimberly Murdaugh, Director of Human Resources
Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

- A – Limited-Service Employees Compensation and Benefit Plan
- B – Master Salary Schedule Effective 10/05/2025

COMPENSATION AND BENEFITS PLAN

BETWEEN

THE CITY OF TRACY

AND

LIMITED SERVICE EMPLOYEES

October 1, 2025 through September 30, 2029



Think Inside the Triangle®

**Human Resources Department
333 Civic Center Plaza
Tracy, CA 95376
(209) 831-6150
www.cityoftracy.org**

Limited Service Employee Compensation and Benefits Plan

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City of Tracy
Limited Service Employee
Compensation and Benefit Plan
Effective October 1, 2025 through September 30, 2029

Section 1. Purpose and Intent

This Limited Service Employee Compensation and Benefits Plan supersedes all prior Plans governing the employment relationship between the City and Limited Service Employees. The following plan provides the basis for recognition, benefits and compensation, effective October 1, 2025 through September 30, 2029.

Section 2. Coverage

From time to time the City may hire employees to perform work on a limited service basis. Limited service work assignments may include, without limitation, work on a part time, temporary, on-call, seasonal, supplemental and/or student basis. Limited Service Employees are distinguished from regular employees – i.e.: employees holding regular, full-time positions in the City. The City may establish by individual written contract, the terms and conditions of a limited service assignment. To be effective, such contract must be signed by the City Manager.

Section 3. Compensation and Benefits

A. Pay Rate:

Unless otherwise agreed to in an individual contract, Limited Service Employees shall receive such compensation pursuant to the pay rates provided in the Master Salary Schedule. Unless designated exempt from overtime under the Fair Labor Standards Act (“FLSA”), compensation will be paid on an hourly basis. The hourly rate of pay shall correspond to the pay ranges as listed in the Master Salary Schedule or the City’s Classification and Compensation Plan, unless otherwise specified in an individual contract.

B. COLA Increase:

Effective the first full pay period after October 1, 2025, all classifications will receive a two and one half percent (2.5%) salary increase.

C. Pay for New Employees:

Step "A" shall typically be paid upon initial employment into the pay range. If the Limited Service Employee possesses exceptional training or experience, that employee may start at step "B" with the approval of the Department Head. Appointments at any step greater than "B" require prior authorization from the City Manager.

D. Step Increases:

In accordance with the City's Personnel Rules, Limited Service Employees are eligible for a step increase at the discretion of the Department Head or their designee after working for one continuous year and hours worked reaches 1040 hours and thereafter every one year and 1040 hours worked until the attainment of Step E. An exception may be made for step advances for LSE assigned to the Aquatics Program after they have worked for one continuous year and thereafter every one year until the attainment of Step E. There is no retroactivity for LSE step increases.

E. Overtime:

For Limited Service Employees entitled to receive overtime, they shall be paid at a rate of one and one-half (1.5) times the regular hourly rate of pay, for hours actually worked over 40 in the designated workweek. Overtime is the hours actually worked in excess of the employee's regular workweek, and which has the prior approval of the Department Head or designated representative.

F. Workweek:

The workweek shall be from Sunday through the following Saturday, unless otherwise designated by the Department Head. For those employees permitted to work on the 9/80 schedule, the workweek for purposes of calculating overtime under the FLSA, shall be midway Friday the employee works to midway the following Friday.

G. Benefits:

Holiday Pay - Receive pay at the rate of one and one-half (1.5) times the hourly rate of pay for all hours worked on a City observed holiday (this overtime shall not be added to overtime due under the FLSA).

City Programs - May participate in the City Safety Committee, Tracy Service Improvement and Employee of the Month programs.

Service Recognition - May receive certificate(s) for recognition of service time in five-year increments based on calendar years worked.

Sick Leave Limited Service Employees who have worked for the City of Tracy for 30 or more days within 12 months from the beginning of employment, and who are not eligible for any form of leave benefit provided by the City of Tracy or any employee group are eligible for paid sick leave in accordance with the City's Sick Leave for Limited Service Employees administrative policy. Retired CalPERS annuitants are excluded for receiving sick leave.

Use: Limited Service Employees are eligible to use their available paid sick leave beginning on the 90th day of employment.

Accrual: Forty (40) hours at time of hire and per fiscal year thereafter. Unused sick leave hours do not carry forward from fiscal year to fiscal year.

Bereavement Leave for Scheduled Work Hours

Limited Service Employees are entitled to leave due to the death of immediate family members, as defined in the City's Bereavement Leave administrative policy, and not to exceed five (5) non-paid calendar days within three (3) months of the date of death of the family member. This leave will be based on the formulated schedules within the respective departments relevant to the employee. In the event of the death of a relative, not a member of the immediate family, absence from duty shall be allowed not to exceed one (1) day.

H. CalPERS Membership

The following sections apply to Limited Service Employees who are enrolled in the CalPERS Retirement Program, either prior to joining the City or after working 1,000 hours or more in a fiscal year at the City. In addition to the benefits listed above, these employees are eligible for:

Jury Duty Leave for Scheduled Work Hours

Allowed time away from work to comply with jury duty requests to report, as specified, in the City's Personnel Rules and Regulations.

Leave Accrual

Vacation Leave – Accrual will be based on date of CalPERS enrollment, and in accordance with years of service, on a prorated basis.

Months of Service	Vacation Accrual Rate
0 – 59	0.0462
60 – 119	0.0654
120 – 179	0.0847
180 - 999	0.0923

CalPERS Retirement:

Limited Service Employees who have worked 1,000 hours or more in a fiscal year and/or are enrolled in the CalPERS Retirement System, shall be entitled to the following benefits:

For employees hired and enrolled in the CalPERS Retirement Program on or before December 16, 2010, and under the first tier CalPERS retirement formula (2.5% at 55), the employee shall pay the 8% employee contribution during the term of this Compensation and Benefits Plan.

For employees hired and enrolled in the CalPERS Retirement Program between December 16, 2010 through December 31, 2012, and under the second tier CalPERS retirement formula (2% and 55), the employee shall pay the 7% employee contribution during the term of this Compensation and Benefits Plan.

For employees hired and enrolled in the CalPERS Retirement Program on or after January 1, 2013 and who qualify as “new employees” under the Public Employee’ Pension Reform Act shall receive average of three (3) consecutive highest years and 2% at 62 benefit formula provided through CalPERS. Employees who receive the CalPERS retirement formula of 2% @ 62 shall pay the employee contribution required by the Public Employees’ Pension Reform Act, currently calculated at fifty percent (50%) of the normal cost.

Section 4. Miscellaneous

- A. As used in this Plan, “the City” refers to the City Manager, and includes their designees; provided, however, the City Manager may not delegate authority to alter at-will employment relationships. The City Manager may establish reasonable rules, regulations and procedures to implement this Plan.
- B. Limited Service Employees shall have no property rights to continued employment or work in the City. Limited Service employees are “at-will” in that the City or the worker may terminate the relationship, with or without cause. The at-will relationship with the City may not be changed by practice, custom or express representation, but only by a written documentation personally signed by the City Manager and the affected worker. Limited Service Employees may also be subject to discipline, including counseling, reprimands, suspensions, demotions, and step reductions, but shall have no appeal rights under the City’s Personnel Rules and Regulations.
- C. Generally speaking, Limited Service Employees will be restricted to performing no more than 999 hours of service in a fiscal year if they are not already enrolled in the CalPERS retirement program. Upon recommendation of the Department Head, and

with the approval of the City Manager, Limited Service Employees may be authorized to work beyond the 999 hour limit.

- D. In the event a court of competent jurisdiction determines that some provision in this Plan is inconsistent with applicable law, the City may, in its discretion, void all or part of this Plan and terminate any affected employment relationships.

City of Tracy
Master Salary Schedule

Effective 10/05/2025

Class	Position Title	Salaried	Unit	Step	Bi-Weekly Salary	Monthly Salary	Annual Salary	Hourly Rate
4112	ACCOUNT CLERK		TTSSEA	A	2,448.21	5,304.46	63,653.46	30.6026
				B	2,570.63	5,569.70	66,836.38	32.1329
				C	2,699.15	5,848.16	70,177.90	33.7394
				D	2,834.12	6,140.59	73,687.12	35.4265
				E	2,975.83	6,447.63	77,371.58	37.1979
3106	ACCOUNTANT	Y	TMMBU	A	3,849.17	8,339.87	100,078.42	48.1146
				B	4,041.64	8,756.89	105,082.64	50.5205
				C	4,243.71	9,194.71	110,336.46	53.0464
				D	4,455.89	9,654.43	115,853.14	55.6986
				E	4,678.68	10,137.14	121,645.68	58.4835
2520	ACCOUNTING MANAGER	Y	CONF	A	5,564.59	12,056.61	144,679.34	69.5574
				B	5,842.82	12,659.44	151,913.32	73.0353
				C	6,134.97	13,292.44	159,509.22	76.6871
				D	6,441.73	13,957.08	167,484.98	80.5216
				E	6,763.84	14,654.99	175,859.84	84.5480
4201	ACCOUNTING TECHNICIAN		TTSSEA	A	3,010.82	6,523.44	78,281.32	37.6353
				B	3,161.38	6,849.66	82,195.88	39.5173
				C	3,319.44	7,192.12	86,305.44	41.4930
				D	3,485.42	7,551.74	90,620.92	43.5678
				E	3,659.71	7,929.37	95,152.46	45.7464
4102	ADMINISTRATIVE ASSISTANT		TTSSEA	A	2,437.39	5,281.01	63,372.14	30.4674
				B	2,559.24	5,545.02	66,540.24	31.9905
				C	2,687.21	5,822.29	69,867.46	33.5901
				D	2,821.56	6,113.38	73,360.56	35.2695
				E	2,962.63	6,419.03	77,028.38	37.0329
8102	ADMINISTRATIVE ASSISTANT-CONF		CONF Non-Mgmt	A	2,497.82	5,411.94	64,943.32	31.2228
				B	2,622.70	5,682.52	68,190.20	32.7838
				C	2,753.84	5,966.65	71,599.84	34.4230
				D	2,891.55	6,265.03	75,180.30	36.1444
				E	3,036.11	6,578.24	78,938.86	37.9514
4107	ADMINISTRATIVE TECHNICIAN		TTSSEA	A	3,010.82	6,523.44	78,281.32	37.6353
				B	3,161.38	6,849.66	82,195.88	39.5173
				C	3,319.44	7,192.12	86,305.44	41.4930
				D	3,485.42	7,551.74	90,620.92	43.5678
				E	3,659.71	7,929.37	95,152.46	45.7464
3510	AIRPORT MANAGER	Y	TMMBU	A	3,907.22	8,465.64	101,587.72	48.8403
				B	4,102.56	8,888.88	106,666.56	51.2820
				C	4,307.68	9,333.31	111,999.68	53.8460
				D	4,523.05	9,799.94	117,599.30	56.5381
				E	4,749.20	10,289.93	123,479.20	59.3650

City of Tracy
Master Salary Schedule

Effective 10/05/2025

5522	ANIMAL SERVICES AIDE		TEAMSTERS	A	1,670.71	3,619.87	43,438.46	20.8839
				B	1,754.25	3,800.88	45,610.50	21.9281
				C	1,841.97	3,990.94	47,891.22	23.0246
				D	1,934.06	4,190.46	50,285.56	24.1758
				E	2,030.75	4,399.96	52,799.50	25.3844
3620	ANIMAL SERVICES MANAGER	Y	TMMBU	A	4,197.18	9,093.89	109,126.68	52.4648
				B	4,407.04	9,548.59	114,583.04	55.0880
				C	4,627.40	10,026.03	120,312.40	57.8425
				D	4,858.76	10,527.31	126,327.76	60.7345
				E	5,101.71	11,053.71	132,644.46	63.7714
5521	ANIMAL SERVICES OFFICER I		TEAMSTERS	A	2,325.30	5,038.15	60,457.80	29.0663
				B	2,441.52	5,289.96	63,479.52	30.5190
				C	2,563.59	5,554.45	66,653.34	32.0449
				D	2,691.77	5,832.17	69,986.02	33.6471
				E	2,826.39	6,123.85	73,486.14	35.3299
5523	ANIMAL SERVICES OFFICER II		TEAMSTERS	A	2,558.34	5,543.07	66,516.84	31.9793
				B	2,686.24	5,820.19	69,842.24	33.5780
				C	2,820.58	6,111.26	73,335.08	35.2573
				D	2,961.60	6,416.80	77,001.60	37.0200
				E	3,109.69	6,737.66	80,851.94	38.8711
3621	ANIMAL SERVICES SUPERVISOR		TMMBU Non-Exempt	A	3,110.00	6,738.33	80,860.00	38.8750
				B	3,265.50	7,075.25	84,903.00	40.8188
				C	3,428.76	7,428.98	89,147.76	42.8595
				D	3,600.21	7,800.46	93,605.46	45.0026
				E	3,780.22	8,190.48	98,285.72	47.2528
2573	ASSISTANT CITY ATTORNEY	Y	CONF	A	7,083.99	15,348.65	184,183.74	88.5499
				B	7,438.17	16,116.04	193,392.42	92.9771
				C	7,810.09	16,921.86	203,062.34	97.6261
				D	8,200.59	17,767.95	213,215.34	102.5074
				E	8,610.61	18,656.32	223,875.86	107.6326
3338	ASSISTANT CITY ENGINEER	Y	TMMBU	A	5,964.97	12,924.10	155,089.22	74.5621
				B	6,278.92	13,604.33	163,251.92	78.4865
				C	6,609.38	14,320.32	171,843.88	82.6173
				D	6,957.26	15,074.06	180,888.76	86.9658
				E	7,323.41	15,867.39	190,408.66	91.5426
1502	ASSISTANT CITY MANAGER	Y	DEPT HEAD	MIN	10,318.65	22,357.09	268,285.02	128.9831
				MAX	11,066.61	23,977.66	287,731.96	138.3326
2682	ASSISTANT DIRECTOR DS	Y	CONF	A	6,765.65	14,658.91	175,906.90	84.5706
				B	7,103.92	15,391.83	184,701.92	88.7990
				C	7,459.12	16,161.43	193,937.12	93.2390
				D	7,832.06	16,969.46	203,633.56	97.9008

City of Tracy
Master Salary Schedule

Effective 10/05/2025

				E	8,223.66	17,817.93	213,815.16	102,7958
2635	ASSISTANT DIRECTOR-OPERATIONS	Y	CONF	A	6,765.65	14,658.91	175,906.90	84.5706
				B	7,103.92	15,391.83	184,701.92	88.7990
				C	7,459.12	16,161.43	193,937.12	93.2390
				D	7,832.06	16,969.46	203,633.56	97.9008
				E	8,223.66	17,817.93	213,815.16	102.7958
2640	ASSISTANT DIRECTOR-PARKS	Y	CONF	A	6,765.65	14,658.91	175,906.90	84.5706
				B	7,103.92	15,391.83	184,701.92	88.7990
				C	7,459.12	16,161.43	193,937.12	93.2390
				D	7,832.06	16,969.46	203,633.56	97.9008
				E	8,223.66	17,817.93	213,815.16	102.7958
2636	ASSISTANT DIRECTOR-UTILITIES	Y	CONF	A	6,765.65	14,658.91	175,906.90	84.5706
				B	7,103.92	15,391.83	184,701.92	88.7990
				C	7,459.12	16,161.43	193,937.12	93.2390
				D	7,832.06	16,969.46	203,633.56	97.9008
				E	8,223.66	17,817.93	213,815.16	102.7958
3302	ASSISTANT ENGINEER	Y	TMMBU	A	4,095.20	8,872.93	106,475.20	51.1900
				B	4,299.93	9,316.52	111,798.18	53.7491
				C	4,514.94	9,782.37	117,388.44	56.4368
				D	4,740.69	10,271.50	123,257.94	59.2586
				E	4,977.72	10,785.06	129,420.72	62.2215
5232	ASSISTANT PLANNER		TEAMSTERS	A	3,340.38	7,237.49	86,849.88	41.7548
				B	3,507.40	7,599.37	91,192.40	43.8425
				C	3,682.77	7,979.34	95,752.02	46.0346
				D	3,866.91	8,378.31	100,539.66	48.3364
				E	4,060.25	8,797.21	105,566.50	50.7531
2580	ASSISTANT TO CITY MANAGER	Y	CONF	A	5,564.59	12,056.61	144,679.34	69.5574
				B	5,842.82	12,659.44	151,913.32	73.0353
				C	6,134.97	13,292.44	159,509.22	76.6871
				D	6,441.73	13,957.08	167,484.98	80.5216
				E	6,763.84	14,654.99	175,859.84	84.5480
3303	ASSOCIATE CIVIL ENGINEER	Y	TMMBU	A	4,520.53	9,794.48	117,533.78	56.5066
				B	4,746.54	10,284.17	123,410.04	59.3318
				C	4,983.88	10,798.41	129,580.88	62.2985
				D	5,233.06	11,338.30	136,059.56	65.4133
				E	5,494.70	11,905.18	142,862.20	68.6838
3333	ASSOCIATE ENGINEER	Y	TMMBU	A	4,520.53	9,794.48	117,533.78	56.5066
				B	4,746.54	10,284.17	123,410.04	59.3318
				C	4,983.88	10,798.41	129,580.88	62.2985
				D	5,233.06	11,338.30	136,059.56	65.4133
				E	5,494.70	11,905.18	142,862.20	68.6838

City of Tracy
Master Salary Schedule

Attachment B

Effective 10/05/2025

3202	ASSOCIATE PLANNER	Y	TMMBU	A	3,825.62	8,288.84	99,466.12	47.8203
				B	4,016.90	8,703.28	104,439.40	50.2113
				C	4,217.75	9,138.46	109,661.50	52.7219
				D	4,428.64	9,595.39	115,144.64	55.3580
				E	4,650.08	10,075.17	120,902.08	58.1260
4451	BOX OFFICE ASSISTANT		TTSSEA	A	2,195.34	4,756.57	57,078.84	27.4418
				B	2,305.13	4,994.45	59,933.38	28.8141
				C	2,420.39	5,244.18	62,930.14	30.2549
				D	2,541.39	5,506.35	66,076.14	31.7674
				E	2,668.49	5,781.73	69,380.74	33.3561
4455	BOX OFFICE COORDINATOR		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951
				C	3,199.98	6,933.29	83,199.48	39.9998
				D	3,359.98	7,279.96	87,359.48	41.9998
				E	3,527.98	7,643.96	91,727.48	44.0998
3104	BUDGET OFFICER	Y	CONF	A	5,140.23	11,137.17	133,645.98	64.2529
				B	5,397.23	11,694.00	140,327.98	67.4654
				C	5,667.08	12,278.67	147,344.08	70.8385
				D	5,950.46	12,892.66	154,711.96	74.3808
				E	6,247.98	13,537.29	162,447.48	78.0998
5211	BUILDING INSPECTOR I		TEAMSTERS	A	2,997.65	6,494.91	77,938.90	37.4706
				B	3,147.52	6,819.63	81,835.52	39.3440
				C	3,304.91	7,160.64	85,927.66	41.3114
				D	3,470.16	7,518.68	90,224.16	43.3770
				E	3,643.66	7,894.60	94,735.16	45.5458
5212	BUILDING INSPECTOR II		TEAMSTERS	A	3,828.49	8,295.06	99,540.74	47.8561
				B	4,019.94	8,709.87	104,518.44	50.2493
				C	4,220.91	9,145.31	109,743.66	52.7614
				D	4,431.97	9,602.60	115,231.22	55.3996
				E	4,653.53	10,082.65	120,991.78	58.1691
5320	BUILDING MAINTENANCE WORKER I		TEAMSTERS	A	2,544.23	5,512.50	66,149.98	31.8029
				B	2,671.46	5,788.16	69,457.96	33.3933
				C	2,805.03	6,077.57	72,930.78	35.0629
				D	2,945.29	6,381.46	76,577.54	36.8161
				E	3,092.55	6,700.53	80,406.30	38.6569
5321	BUILDING MAINTENANCE WORKER II		TEAMSTERS	A	2,805.10	6,077.72	72,932.60	35.0638
				B	2,945.36	6,381.61	76,579.36	36.8170
				C	3,092.62	6,700.68	80,408.12	38.6578
				D	3,247.24	7,035.69	84,428.24	40.5905
				E	3,409.62	7,387.51	88,650.12	42.6203



Attachment B

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3341	BUILDING OFFICIAL	Y	TMMBU	A	5,798.78	12,564.02	150,768.28	72.4848
				B	6,088.70	13,192.18	158,306.20	76.1088
				C	6,393.16	13,851.85	166,222.16	79.9145
				D	6,712.80	14,544.40	174,532.80	83.9100
				E	7,048.45	15,271.64	183,259.70	88.1056
4501	BUILDING PERMIT TECHNICIAN I		TTSSEA	A	2,779.95	6,023.23	72,278.70	34.7494
				B	2,918.97	6,324.44	75,893.22	36.4871
				C	3,064.90	6,640.62	79,687.40	38.3113
				D	3,218.15	6,972.66	83,671.90	40.2269
				E	3,379.07	7,321.32	87,855.82	42.2384
4502	BUILDING PERMIT TECHNICIAN II		TTSSEA	A	3,064.97	6,640.77	79,689.22	38.3121
				B	3,218.23	6,972.83	83,673.98	40.2279
				C	3,379.14	7,321.47	87,857.64	42.2393
				D	3,548.11	7,687.57	92,250.86	44.3514
				E	3,725.51	8,071.94	96,863.26	46.5689
1530	CHIEF INNOVATION OFFICER	Y	DEPT HEAD	MIN	7,723.66	16,734.60	200,815.20	96.5458
				MAX	9,380.60	20,324.63	243,895.54	117.2575
1506	CITY ATTORNEY	Y	CONTRACT		11,695.39	25,340.02	304,080.22	146.1924
3110	CITY CLERK	Y	TMMBU	A	5,260.38	11,397.49	136,769.88	65.7548
				B	5,523.41	11,967.39	143,608.66	69.0426
				C	5,799.57	12,565.74	150,788.82	72.4946
				D	6,089.54	13,194.00	158,328.04	76.1193
				E	6,394.02	13,853.71	166,244.52	79.9253
1102	CITY COUNCIL MEMBER		ELECTED		876.93	1,900.02	22,800.18	
2681	CITY ENGINEER	Y	CONF	A	7,088.20	15,357.77	184,293.20	88.6025
				B	7,442.62	16,125.68	193,508.12	93.0328
				C	7,814.75	16,931.96	203,183.50	97.6844
				D	8,205.49	17,778.56	213,342.74	102.5686
				E	8,615.79	18,667.55	224,010.54	107.6974
1501	CITY MANAGER	Y	CONTRACT		13,015.63	28,200.53	338,406.35	162.6954
1112	CITY TREASURER		ELECTED		876.93	1,900.02	22,800.18	
9107	CLERICAL AIDE (H)		LIMITED SERVICE	A				17.0191
				B				17.8701
				C				18.7637
				D				19.7017
				E				20.6868
3155	CODE COMPLIANCE ANALYST	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593

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				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
5202	CODE ENFORCEMENT OFFICER		TEAMSTERS	A	3,096.52	6,709.13	80,509.52	38.7065
				B	3,251.34	7,044.57	84,534.84	40.6418
				C	3,413.92	7,396.83	88,761.92	42.6740
				D	3,584.61	7,766.66	93,199.86	44.8076
				E	3,763.84	8,154.99	97,859.84	47.0480
4465	COMMUNICATIONS COORDINATOR		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951
				C	3,199.98	6,933.29	83,199.48	39.9998
				D	3,359.98	7,279.96	87,359.48	41.9998
				E	3,527.98	7,643.96	91,727.48	44.0998
3315	COMMUNITY PRESERVATION MANAGER	Y	TMMBU	A	4,520.53	9,794.48	117,533.78	56.5066
				B	4,746.54	10,284.17	123,410.04	59.3318
				C	4,983.88	10,798.41	129,580.88	62.2985
				D	5,233.06	11,338.30	136,059.56	65.4133
				E	5,494.70	11,905.18	142,862.20	68.6838
5513	COMMUNITY SERVICES OFFICER		TEAMSTERS	A	2,703.87	5,858.39	70,300.62	33.7984
				B	2,839.06	6,151.30	73,815.56	35.4883
				C	2,980.98	6,458.79	77,505.48	37.2623
				D	3,130.05	6,781.78	81,381.30	39.1256
				E	3,286.57	7,120.90	85,450.82	41.0821
5222	CONSTRUCTION INSPECTOR I		TEAMSTERS	A	3,474.84	7,528.82	90,345.84	43.4355
				B	3,648.60	7,905.30	94,863.60	45.6075
				C	3,831.01	8,300.52	99,606.26	47.8876
				D	4,022.56	8,715.55	104,586.56	50.2820
				E	4,223.72	9,151.39	109,816.72	52.7965
5223	CONSTRUCTION INSPECTOR II		TEAMSTERS	A	3,831.17	8,300.87	99,610.42	47.8896
				B	4,022.73	8,715.92	104,590.98	50.2841
				C	4,223.85	9,151.68	109,820.10	52.7981
				D	4,435.08	9,609.34	115,312.08	55.4385
				E	4,656.82	10,089.78	121,077.32	58.2103
3347	CONSTRUCTION PROJECT MANAGER	Y	TMMBU	A	5,112.10	11,076.22	132,914.60	63.9013
				B	5,367.71	11,630.04	139,560.46	67.0964
				C	5,636.10	12,211.55	146,538.60	70.4513
				D	5,917.88	12,822.07	153,864.88	73.9735
				E	6,213.78	13,463.19	161,558.28	77.6723
4605	CRIME ANALYST		TTSSEA	A	3,284.86	7,117.20	85,406.36	41.0608
				B	3,449.10	7,473.05	89,676.60	43.1138
				C	3,621.58	7,846.76	94,161.08	45.2698

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				D	3,802.66	8,239.10	98,869.16	47.5333
				E	3,992.76	8,650.98	103,811.76	49.9095
5514	CRIME PREVENTION SPECIALIST		TEAMSTERS	A	2,800.78	6,068.36	72,820.28	35.0098
				B	2,940.85	6,371.84	76,462.10	36.7606
				C	3,087.90	6,690.45	80,285.40	38.5988
				D	3,242.26	7,024.90	84,298.76	40.5283
				E	3,404.37	7,376.14	88,513.62	42.5546
3622	CRIME SCENE PROP UNIT SUPER		TMMBU Non-Exempt	A	3,344.25	7,245.88	86,950.50	41.8031
				B	3,511.45	7,608.14	91,297.70	43.8931
				C	3,686.99	7,988.48	95,861.74	46.0874
				D	3,871.34	8,387.90	100,654.84	48.3918
				E	4,064.92	8,807.33	105,687.92	50.8115
5517	CRIME SCENE TECHNICIAN		TEAMSTERS	A	3,033.25	6,572.04	78,864.50	37.9156
				B	3,184.87	6,900.55	82,806.62	39.8109
				C	3,344.13	7,245.62	86,947.38	41.8016
				D	3,511.35	7,607.93	91,295.10	43.8919
				E	3,686.92	7,988.33	95,859.92	46.0865
1108	CULTURAL ARTS COMMISSIONER					Stipend of \$50.00 per meeting.		
3162	CULTURAL ARTS DIVISION MGR	Y	TMMBU	A	5,429.95	11,764.89	141,178.70	67.8744
				B	5,701.45	12,353.14	148,237.70	71.2681
				C	5,986.52	12,970.79	155,649.52	74.8315
				D	6,285.84	13,619.32	163,431.84	78.5730
				E	6,600.12	14,300.26	171,603.12	82.5015
4459	CULTURAL ARTS PROGRAM COORD		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951
				C	3,199.98	6,933.29	83,199.48	39.9998
				D	3,359.98	7,279.96	87,359.48	41.9998
				E	3,527.98	7,643.96	91,727.48	44.0998
3524	CULTURAL ARTS SUPERVISOR	Y	TMMBU	A	4,197.18	9,093.89	109,126.68	52.4648
				B	4,407.04	9,548.59	114,583.04	55.0880
				C	4,627.40	10,026.03	120,312.40	57.8425
				D	4,858.76	10,527.31	126,327.76	60.7345
				E	5,101.71	11,053.71	132,644.46	63.7714
4461	CULTURAL ARTS TECHNICAL COORD		TTSSEA	A	2,437.39	5,281.01	63,372.14	30.4674
				B	2,559.24	5,545.02	66,540.24	31.9905
				C	2,687.21	5,822.29	69,867.46	33.5901
				D	2,821.56	6,113.38	73,360.56	35.2695
				E	2,962.63	6,419.03	77,028.38	37.0329
3523	CULTURAL ARTS TECHNICAL SUPV	Y	TMMBU	A	3,484.30	7,549.32	90,591.80	43.5538
				B	3,658.53	7,926.82	95,121.78	45.7316

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				C	3,841.44	8,323.12	99,877.44	48.0180
				D	4,033.51	8,739.27	104,871.26	50.4189
				E	4,235.21	9,176.29	110,115.46	52.9401
3113	CYBER SECURITY OFFICER	Y	TMMBU	A	5,058.74	10,960.60	131,527.24	63.2343
				B	5,311.69	11,508.66	138,103.94	66.3961
				C	5,577.26	12,084.06	145,008.76	69.7158
				D	5,856.13	12,688.28	152,259.38	73.2016
				E	6,148.94	13,322.70	159,872.44	76.8618
9552	D.A.R.E. OFFICER		LIMITED SERVICE	A				39.9345
				B				41.9329
				C				44.0300
				D				46.2261
				E				48.5429
2571	DEPUTY CITY ATTORNEY I	Y	CONF	A	5,561.82	12,050.61	144,607.32	69.5228
				B	5,839.91	12,653.14	151,837.66	72.9989
				C	6,131.93	13,285.85	159,430.18	76.6491
				D	6,438.52	13,950.13	167,401.52	80.4815
				E	6,760.43	14,647.60	175,771.18	84.5054
2572	DEPUTY CITY ATTORNEY II	Y	CONF	A	6,118.01	13,255.69	159,068.26	76.4751
				B	6,423.92	13,918.49	167,021.92	80.2990
				C	6,745.12	14,614.43	175,373.12	84.3140
				D	7,082.39	15,345.18	184,142.14	88.5299
				E	7,436.49	16,112.40	193,348.74	92.9561
4116	DEPUTY CITY CLERK		TTSSEA	A	3,233.97	7,006.94	84,083.22	40.4246
				B	3,395.68	7,357.31	88,287.68	42.4460
				C	3,565.46	7,725.16	92,701.96	44.5683
				D	3,743.74	8,111.44	97,337.24	46.7968
				E	3,930.93	8,517.02	102,204.18	49.1366
2711	DEPUTY POLICE CHIEF	Y	CONF	A	7,523.46	16,300.83	195,609.96	94.0433
				B	7,899.64	17,115.89	205,390.64	98.7455
				C	8,294.62	17,971.68	215,660.12	103.6828
				D	8,709.34	18,870.24	226,442.84	108.8668
				E	9,144.82	19,813.78	237,765.32	114.3103
1528	DIRECTOR OF COMM. & ECON DEV.	Y	DEPT HEAD	MIN	7,723.66	16,734.60	200,815.20	96.5458
				MAX	9,380.60	20,324.62	243,895.49	117.2575
1522	DIRECTOR OF FINANCE	Y	DEPT HEAD	MIN	7,723.66	16,734.60	200,815.20	96.5458
				MAX	9,380.60	20,324.62	243,895.49	117.2575
1518	DIRECTOR OF HUMAN RESOURCES	Y	DEPT HEAD	MIN	7,723.66	16,734.60	200,815.20	96.5458
				MAX	9,380.60	20,324.62	243,895.49	117.2575

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1527	DIRECTOR OF MOBILITY & HOUSING	Y	DEPT HEAD	MIN	7,723.66	16,734.60	200,815.20	96.5458
				MAX	9,380.60	20,324.62	243,895.49	117.2575
1524	DIRECTOR OF PUBLIC WORKS	Y	DEPT HEAD	MIN	8,278.29	17,936.30	215,235.56	103.4786
				MAX	10,060.56	21,797.88	261,574.51	125.7570
1516	DIRECTOR PARKS & RECREATION	Y	DEPT HEAD	MIN	7,723.66	16,734.60	200,815.20	96.5458
				MAX	9,380.60	20,324.62	243,895.49	117.2575
3208	ECONOMIC DEVELOPMENT ANALYST I	Y	TMMBU	A	3,528.65	7,645.41	91,744.90	44.1081
				B	3,705.08	8,027.67	96,332.08	46.3135
				C	3,890.34	8,429.07	101,148.84	48.6293
				D	4,084.86	8,850.53	106,206.36	51.0608
				E	4,289.10	9,293.05	111,516.60	53.6138
3209	ECONOMIC DEVELOPMENT ANALYST II	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593
				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
3207	ECONOMIC DEVELOPMENT MANAGER	Y	TMMBU	A	5,517.44	11,954.45	143,453.44	68.9680
				B	5,793.29	12,552.13	150,625.54	72.4161
				C	6,082.97	13,179.77	158,157.22	76.0371
				D	6,387.11	13,838.74	166,064.86	79.8389
				E	6,706.47	14,530.69	174,368.22	83.8309
5325	ELECTRICIAN		TEAMSTERS	A	3,843.28	8,327.11	99,925.28	48.0410
				B	4,035.47	8,743.52	104,922.22	50.4434
				C	4,237.25	9,180.71	110,168.50	52.9656
				D	4,449.09	9,639.70	115,676.34	55.6136
				E	4,671.54	10,121.67	121,460.04	58.3943
9105	ENGINEERING INTERN		LIMITED SERVICE	A				22.5640
				B				23.6949
				C				24.8809
				D				26.1216
				E				27.4282
5221	ENGINEERING TECHNICIAN I		TEAMSTERS	A	3,058.88	6,627.57	79,530.88	38.2360
				B	3,211.82	6,958.94	83,507.32	40.1478
				C	3,372.41	7,306.89	87,682.66	42.1551
				D	3,541.03	7,672.23	92,066.78	44.2629
				E	3,718.11	8,055.91	96,670.86	46.4764
5225	ENGINEERING TECHNICIAN II		TEAMSTERS	A	3,372.43	7,306.93	87,683.18	42.1554
				B	3,541.05	7,672.28	92,067.30	44.2631
				C	3,718.12	8,055.93	96,671.12	46.4765
				D	3,904.04	8,458.75	101,505.04	48.8005

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				E	4,099.19	8,881.58	106,578.94	51.2399
3412	ENVIRONMENTAL COMPLIANCE ANLST	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593
				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
5424	ENVIRONMENTAL COMPLIANCE TECH		TEAMSTERS	A	2,900.00	6,283.33	75,400.00	36.2500
				B	3,044.98	6,597.46	79,169.48	38.0623
				C	3,197.25	6,927.38	83,128.50	39.9656
				D	3,357.09	7,273.70	87,284.34	41.9636
				E	3,524.93	7,637.35	91,648.18	44.0616
5313	EQUIPMENT MECHANIC I		TEAMSTERS	A	2,811.22	6,090.98	73,091.72	35.1403
				B	2,951.76	6,395.48	76,745.76	36.8970
				C	3,099.35	6,715.26	80,583.10	38.7419
				D	3,254.31	7,051.01	84,612.06	40.6789
				E	3,417.03	7,403.57	88,842.78	42.7129
5314	EQUIPMENT MECHANIC II		TEAMSTERS	A	3,099.34	6,715.24	80,582.84	38.7418
				B	3,254.32	7,051.03	84,612.32	40.6790
				C	3,417.02	7,403.54	88,842.52	42.7128
				D	3,587.87	7,773.72	93,284.62	44.8484
				E	3,767.26	8,162.40	97,948.76	47.0908
4108	EXECUTIVE ASSISTANT		TTSSEA	A	2,964.97	6,424.10	77,089.22	37.0621
				B	3,113.21	6,745.29	80,943.46	38.9151
				C	3,268.88	7,082.57	84,990.88	40.8610
				D	3,432.32	7,436.69	89,240.32	42.9040
				E	3,603.94	7,808.54	93,702.44	45.0493
2581	EXECUTIVE ASSISTANT TO CM		CONF Non-Mgmt	A	3,480.59	7,541.28	90,495.34	43.5074
				B	3,654.60	7,918.30	95,019.60	45.6825
				C	3,837.33	8,314.22	99,770.58	47.9666
				D	4,029.21	8,729.96	104,759.46	50.3651
				E	4,230.65	9,166.41	109,996.90	52.8831
8108	EXECUTIVE ASSISTANT-CONF		CONF Non-Mgmt	A	3,038.50	6,583.42	79,001.00	37.9813
				B	3,190.44	6,912.62	82,951.44	39.8805
				C	3,349.95	7,258.23	87,098.70	41.8744
				D	3,517.43	7,621.10	91,453.18	43.9679
				E	3,693.32	8,002.19	96,026.32	46.1665
9635	FACILITY ATTENDANT		LIMITED SERVICE	A				21.7406
				B				22.8276
				C				23.9695
				D				25.1663
				E				26.4290

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3107	FINANCIAL ANALYST I	Y	TMMBU	A	3,528.65	7,645.41	91,744.90	44.1081
				B	3,705.08	8,027.67	96,332.08	46.3135
				C	3,890.34	8,429.07	101,148.84	48.6293
				D	4,084.86	8,850.53	106,206.36	51.0608
				E	4,289.10	9,293.05	111,516.60	53.6138
3108	FINANCIAL ANALYST II	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593
				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
3404	FLEET SUPERVISOR	Y	TMMBU	A	4,067.42	8,812.74	105,752.92	50.8428
				B	4,270.75	9,253.29	111,039.50	53.3844
				C	4,484.30	9,715.98	116,591.80	56.0538
				D	4,708.49	10,201.73	122,420.74	58.8561
				E	4,943.93	10,711.85	128,542.18	61.7991
3120	GIS ANALYST	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593
				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
4206	GIS TECHNICIAN		TTSSEA	A	3,284.86	7,117.20	85,406.36	41.0608
				B	3,449.10	7,473.05	89,676.60	43.1138
				C	3,621.58	7,846.76	94,161.08	45.2698
				D	3,802.66	8,239.10	98,869.16	47.5333
				E	3,992.76	8,650.98	103,811.76	49.9095
3215	HOMELESS SERVICES MANAGER	Y	TMMBU	A	5,015.84	10,867.65	130,411.84	62.6980
				B	5,266.63	11,411.03	136,932.38	65.8329
				C	5,529.97	11,981.60	143,779.22	69.1246
				D	5,806.46	12,580.66	150,967.96	72.5808
				E	6,096.77	13,209.67	158,516.02	76.2096
2511	HUMAN RESOURCES ANALYST I	Y	CONF	A	3,616.17	7,835.04	94,020.42	45.2021
				B	3,796.99	8,226.81	98,721.74	47.4624
				C	3,986.82	8,638.11	103,657.32	49.8353
				D	4,186.16	9,070.01	108,840.16	52.3270
				E	4,395.47	9,523.52	114,282.22	54.9434
2512	HUMAN RESOURCES ANALYST II	Y	CONF	A	4,158.48	9,010.04	108,120.48	51.9810
				B	4,366.41	9,460.56	113,526.66	54.5801
				C	4,584.72	9,933.56	119,202.72	57.3090
				D	4,813.98	10,430.29	125,163.48	60.1748
				E	5,054.68	10,951.81	131,421.68	63.1835

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2562	HUMAN RESOURCES MANAGER	Y	CONF	A	5,564.59	12,056.61	144,679.34	69.5574
				B	5,842.82	12,659.44	151,913.32	73.0353
				C	6,134.97	13,292.44	159,509.22	76.6871
				D	6,441.73	13,957.08	167,484.98	80.5216
				E	6,763.84	14,654.99	175,859.84	84.5480
4301	HUMAN RESOURCES TECHNICIAN		CONF Non-Mgmt	A	3,085.50	6,685.25	80,223.00	38.5688
				B	3,239.78	7,019.52	84,234.28	40.4973
				C	3,401.77	7,370.50	88,446.02	42.5221
				D	3,571.87	7,739.05	92,868.62	44.6484
				E	3,750.45	8,125.98	97,511.70	46.8806
4204	INFO SYSTEMS TECHNICIAN I		TTSSEA	A	2,856.41	6,188.89	74,266.66	35.7051
				B	2,999.23	6,498.33	77,979.98	37.4904
				C	3,149.20	6,823.27	81,879.20	39.3650
				D	3,306.66	7,164.43	85,973.16	41.3333
				E	3,472.00	7,522.67	90,272.00	43.4000
4205	INFO SYSTEMS TECHNICIAN II		TTSSEA	A	3,284.86	7,117.20	85,406.36	41.0608
				B	3,449.10	7,473.05	89,676.60	43.1138
				C	3,621.58	7,846.76	94,161.08	45.2698
				D	3,802.66	8,239.10	98,869.16	47.5333
				E	3,992.76	8,650.98	103,811.76	49.9095
2553	INFO TECHNOLOGY MANAGER	Y	CONF	A	5,564.59	12,056.61	144,679.34	69.5574
				B	5,842.82	12,659.44	151,913.32	73.0353
				C	6,134.97	13,292.44	159,509.22	76.6871
				D	6,441.73	13,957.08	167,484.98	80.5216
				E	6,763.84	14,654.99	175,859.84	84.5480
3111	INFO TECHNOLOGY SPECIALIST	Y	TMMBU	A	3,941.85	8,540.68	102,488.10	49.2731
				B	4,138.96	8,967.75	107,612.96	51.7370
				C	4,345.90	9,416.12	112,993.40	54.3238
				D	4,563.17	9,886.87	118,642.42	57.0396
				E	4,791.34	10,381.24	124,574.84	59.8918
5413	INSTRUMENTATION TECHNICIAN		TEAMSTERS	A	3,568.28	7,731.27	92,775.28	44.6035
				B	3,746.70	8,117.85	97,414.20	46.8338
				C	3,934.05	8,523.78	102,285.30	49.1756
				D	4,130.72	8,949.89	107,398.72	51.6340
				E	4,337.27	9,397.42	112,769.02	54.2159
9108	INTERN/GENERAL (H)		LIMITED SERVICE	A				22.5640
				B				23.6949
				C				24.8809
				D				26.1216
				E				27.4282
5224	JUNIOR ENGINEER		TEAMSTERS	A	3,717.97	8,055.60	96,667.22	46.4746

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				B	3,903.88	8,458.41	101,500.88	48.7985
				C	4,099.04	8,881.25	106,575.04	51.2380
				D	4,304.01	9,325.36	111,904.26	53.8001
				E	4,519.22	9,791.64	117,499.72	56.4903
5423	LABORATORY QA OFFICER	Y	TMMBU	A	3,372.71	7,307.54	87,690.46	42.1589
				B	3,541.37	7,672.97	92,075.62	44.2671
				C	3,718.43	8,056.60	96,679.18	46.4804
				D	3,904.33	8,459.38	101,512.58	48.8041
				E	4,099.57	8,882.40	106,588.82	51.2446
5421	LABORATORY TECHNICIAN I		TEAMSTERS	A	2,775.82	6,014.28	72,171.32	34.6978
				B	2,914.58	6,314.92	75,779.08	36.4323
				C	3,060.34	6,630.74	79,568.84	38.2543
				D	3,213.35	6,962.26	83,547.10	40.1669
				E	3,374.00	7,310.33	87,724.00	42.1750
5422	LABORATORY TECHNICIAN II		TEAMSTERS	A	3,060.28	6,630.61	79,567.28	38.2535
				B	3,213.29	6,962.13	83,545.54	40.1661
				C	3,373.95	7,310.23	87,722.70	42.1744
				D	3,542.64	7,675.72	92,108.64	44.2830
				E	3,719.77	8,059.50	96,714.02	46.4971
3508	LANDSCAPE ARCHITECT	Y	TMMBU	A	4,463.66	9,671.26	116,055.16	55.7958
				B	4,686.81	10,154.76	121,857.06	58.5851
				C	4,921.15	10,662.49	127,949.90	61.5144
				D	5,167.22	11,195.64	134,347.72	64.5903
				E	5,425.60	11,755.47	141,065.60	67.8200
4109	LEGAL SECRETARY		CONF Non-Mgmt	A	3,314.19	7,180.75	86,168.94	41.4274
				B	3,479.88	7,539.74	90,476.88	43.4985
				C	3,653.90	7,916.78	95,001.40	45.6738
				D	3,836.58	8,312.59	99,751.08	47.9573
				E	4,028.42	8,728.24	104,738.92	50.3553
3130	LEGISLATIVE ANALYST	Y	TMMBU	A	4,463.64	9,671.22	116,054.64	55.7955
				B	4,686.82	10,154.78	121,857.32	58.5853
				C	4,921.15	10,662.49	127,949.90	61.5144
				D	5,167.23	11,195.67	134,347.98	64.5904
				E	5,425.59	11,755.45	141,065.34	67.8199
9636	LIFEGUARD		LIMITED SERVICE	A				17.0191
				B				17.8701
				C				18.7637
				D				19.7017
				E				20.6868
9303	MAINTENANCE AIDE		LIMITED SERVICE	A				19.1602
				B				20.1154

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C 21.1147
D 22.1688
E 23.2778

5301	MAINTENANCE WORKER I		TEAMSTERS	A	2,069.14	4,483.14	53,797.64	25.8643
				B	2,172.61	4,707.32	56,487.86	27.1576
				C	2,281.22	4,942.64	59,311.72	28.5153
				D	2,395.28	5,189.77	62,277.28	29.9410
				E	2,515.05	5,449.28	65,391.30	31.4381
5303	MAINTENANCE WORKER II		TEAMSTERS	A	2,628.19	5,694.41	68,332.94	32.8524
				B	2,759.61	5,979.16	71,749.86	34.4951
				C	2,897.57	6,278.07	75,336.82	36.2196
				D	3,042.45	6,591.98	79,103.70	38.0306
				E	3,194.56	6,921.55	83,058.56	39.9320
3151	MANAGEMENT ANALYST I	Y	TMMBU	A	3,528.65	7,645.41	91,744.90	44.1081
				B	3,705.08	8,027.67	96,332.08	46.3135
				C	3,890.34	8,429.07	101,148.84	48.6293
				D	4,084.86	8,850.53	106,206.36	51.0608
				E	4,289.10	9,293.05	111,516.60	53.6138
3152	MANAGEMENT ANALYST II	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593
				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
4463	MARKETING COORDINATOR		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951
				C	3,199.98	6,933.29	83,199.48	39.9998
				D	3,359.98	7,279.96	87,359.48	41.9998
				E	3,527.98	7,643.96	91,727.48	44.0998
1101	MAYOR		ELECTED		969.24	2,100.02	25,200.24	
3527	MEDIA SERVICES SUPERVISOR		TMMBU Non-Exempt	A	3,484.30	7,549.32	90,591.80	43.5538
				B	3,658.53	7,926.82	95,121.78	45.7316
				C	3,841.44	8,323.12	99,877.44	48.0180
				D	4,033.51	8,739.27	104,871.26	50.4189
				E	4,235.21	9,176.29	110,115.46	52.9401
5531	METER READER		TEAMSTERS	A	1,792.88	3,884.57	46,614.88	22.4110
				B	1,882.51	4,078.77	48,945.26	23.5314
				C	1,976.64	4,282.72	51,392.64	24.7080
				D	2,075.45	4,496.81	53,961.70	25.9431
				E	2,179.23	4,721.67	56,659.98	27.2404
4212	MULTIMEDIA COMMUNICATIONS ASST		TTSSEA	A	2,437.39	5,281.01	63,372.14	30.4674

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				B	2,559.24	5,545.02	66,540.24	31.9905
				C	2,687.21	5,822.29	69,867.46	33.5901
				D	2,821.56	6,113.38	73,360.56	35.2695
				E	2,962.63	6,419.03	77,028.38	37.0329
4210	MULTIMEDIA COMMUNICATIONS COOR		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951
				C	3,199.98	6,933.29	83,199.48	39.9998
				D	3,359.98	7,279.96	87,359.48	41.9998
				E	3,527.98	7,643.96	91,727.48	44.0998
4105	OFFICE ASSISTANT		TTSSEA	A	1,995.78	4,324.19	51,890.28	24.9473
				B	2,095.55	4,540.36	54,484.30	26.1944
				C	2,200.34	4,767.40	57,208.84	27.5043
				D	2,310.37	5,005.80	60,069.62	28.8796
				E	2,425.89	5,256.10	63,073.14	30.3236
3401	OPERATIONS SUPERINTENDENT	Y	TMMBU	A	4,689.30	10,160.15	121,921.80	58.6163
				B	4,923.78	10,668.19	128,018.28	61.5473
				C	5,169.96	11,201.58	134,418.96	64.6245
				D	5,428.47	11,761.69	141,140.22	67.8559
				E	5,699.87	12,349.72	148,196.62	71.2484
3405	OPERATIONS SUPERVISOR	Y	TMMBU	A	3,907.22	8,465.64	101,587.72	48.8403
				B	4,102.56	8,888.88	106,666.56	51.2820
				C	4,307.68	9,333.31	111,999.68	53.8460
				D	4,523.05	9,799.94	117,599.30	56.5381
				E	4,749.20	10,289.93	123,479.20	59.3650
4110	PARALEGAL		CONF Non-Mgmt	A	3,645.61	7,898.82	94,785.86	45.5701
				B	3,827.89	8,293.76	99,525.14	47.8486
				C	4,019.28	8,708.44	104,501.28	50.2410
				D	4,220.25	9,143.88	109,726.50	52.7531
				E	4,431.26	9,601.06	115,212.76	55.3908
1107	PARKS & REC COMMISSIONER					Stipend of \$50.00 per meeting.		
3509	PARKS PLANNING & DEVELOP MGR	Y	TMMBU	A	4,910.00	10,638.33	127,660.00	61.3750
				B	5,155.50	11,170.25	134,043.00	64.4438
				C	5,413.26	11,728.73	140,744.76	67.6658
				D	5,683.94	12,315.20	147,782.44	71.0493
				E	5,968.16	12,931.01	155,172.16	74.6020
3507	PARKS PROJECT COORDINATOR	Y	TMMBU	A	3,880.86	8,408.53	100,902.36	48.5108
				B	4,074.91	8,828.97	105,947.66	50.9364
				C	4,278.67	9,270.45	111,245.42	53.4834
				D	4,492.60	9,733.97	116,807.60	56.1575
				E	4,717.22	10,220.64	122,647.72	58.9653

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3306	PLAN CHECK ENGINEER	Y	TMMBU	A	5,434.17	11,774.04	141,288.42	67.9271
				B	5,705.87	12,362.72	148,352.62	71.3234
				C	5,991.17	12,980.87	155,770.42	74.8896
				D	6,290.74	13,629.94	163,559.24	78.6343
				E	6,605.28	14,311.44	171,737.28	82.5660
5214	PLAN EXAMINER I		TEAMSTERS	A	3,736.61	8,095.99	97,151.86	46.7076
				B	3,923.49	8,500.90	102,010.74	49.0436
				C	4,119.65	8,925.91	107,110.90	51.4956
				D	4,325.61	9,372.16	112,465.86	54.0701
				E	4,541.92	9,840.83	118,089.92	56.7740
5215	PLAN EXAMINER II		TEAMSTERS	A	4,119.72	8,926.06	107,112.72	51.4965
				B	4,325.75	9,372.46	112,469.50	54.0719
				C	4,542.01	9,841.02	118,092.26	56.7751
				D	4,769.10	10,333.05	123,996.60	59.6138
				E	5,007.60	10,849.80	130,197.60	62.5950
1106	PLANNING COMMISSIONER				Stipend of \$50.00 per meeting.			
3517	PLANNING MANAGER	Y	TMMBU	A	5,539.09	12,001.36	144,016.34	69.2386
				B	5,816.04	12,601.42	151,217.04	72.7005
				C	6,106.85	13,231.51	158,778.10	76.3356
				D	6,412.19	13,893.08	166,716.94	80.1524
				E	6,732.81	14,587.76	175,053.06	84.1601
4506	PLANNING TECHNICIAN		TTSSEA	A	3,010.82	6,523.44	78,281.32	37.6353
				B	3,161.38	6,849.66	82,195.88	39.5173
				C	3,319.44	7,192.12	86,305.44	41.4930
				D	3,485.42	7,551.74	90,620.92	43.5678
				E	3,659.71	7,929.37	95,152.46	45.7464
9503	POLICE CADET		LIMITED SERVICE	A				21.4111
				B				22.4872
				C				23.6071
				D				24.7820
				E				26.0227
6212	POLICE CAPTAIN	Y	TPMA	A	7,181.44	15,559.79	186,717.44	89.7680
				B	7,540.53	16,337.82	196,053.78	94.2566
				C	7,917.54	17,154.67	205,856.04	98.9693
				D	8,313.42	18,012.41	216,148.92	103.9178
				E	8,729.13	18,913.12	226,957.38	109.1141
1513	POLICE CHIEF	Y	DEPT HEAD	MIN	9,392.47	20,350.35	244,204.21	117.4059
				MAX	11,416.65	24,736.07	296,832.82	142.7081
4603	POLICE COMM RELATIONS COORD		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951

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			C	3,199.98	6,933.29	83,199.48	39.9998
			D	3,359.98	7,279.96	87,359.48	41.9998
			E	3,527.98	7,643.96	91,727.48	44.0998
6103	POLICE CORPORAL	TPOA	A	4,433.97	9,606.94	115,283.22	55.4246
			B	4,655.68	10,087.31	121,047.68	58.1960
			C	4,888.46	10,591.66	127,099.96	61.1058
			D	5,132.90	11,121.28	133,455.40	64.1613
			E	5,389.56	11,677.38	140,128.56	67.3695
4604	POLICE HOMELESS OUTREACH COORD	TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
			B	3,047.61	6,603.16	79,237.86	38.0951
			C	3,199.98	6,933.29	83,199.48	39.9998
			D	3,359.98	7,279.96	87,359.48	41.9998
			E	3,527.98	7,643.96	91,727.48	44.0998
9501	POLICE INTERN/PARKING ENFORCE	LIMITED SERVICE	A				21.4111
			B				22.4872
			C				23.6071
			D				24.7820
			E				26.0227
6211	POLICE LIEUTENANT	Y TPMA	A	6,215.37	13,466.64	161,599.62	77.6921
			B	6,526.13	14,139.95	169,679.38	81.5766
			C	6,852.45	14,846.98	178,163.70	85.6556
			D	7,195.07	15,589.32	187,071.82	89.9384
			E	7,554.82	16,368.78	196,425.32	94.4353
6102	POLICE OFFICER	TPOA	A	4,030.88	8,733.57	104,802.88	50.3860
			B	4,232.43	9,170.27	110,043.18	52.9054
			C	4,444.05	9,628.78	115,545.30	55.5506
			D	4,666.28	10,110.27	121,323.28	58.3285
			E	4,899.59	10,615.78	127,389.34	61.2449
6101	POLICE OFFICER TRAINEE	TPOA	A	3,505.01	7,594.19	91,130.26	43.8126
			B				0.0000
			C				0.0000
			D				0.0000
			E				0.0000
9517	POLICE RANGE MASTER	LIMITED SERVICE	A				34.2249
			B				35.9377
			C				37.7275
			D				39.6160
			E				41.5925
4103	POLICE RECORDS ASSISTANT I	TTSSEA	A	2,474.08	5,360.51	64,326.08	30.9260
			B	2,597.81	5,628.59	67,543.06	32.4726
			C	2,727.70	5,910.02	70,920.20	34.0963

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				D	2,864.05	6,205.44	74,465.30	35.8006
				E	3,007.26	6,515.73	78,188.76	37.5908
4104	POLICE RECORDS ASSISTANT II		TTSSEA	A	2,727.66	5,909.93	70,919.16	34.0958
				B	2,864.05	6,205.44	74,465.30	35.8006
				C	3,007.22	6,515.64	78,187.72	37.5903
				D	3,157.58	6,841.42	82,097.08	39.4698
				E	3,315.48	7,183.54	86,202.48	41.4435
3626	POLICE RECORDS SUPERVISOR	Y	TMMBU	A	3,546.21	7,683.46	92,201.46	44.3276
				B	3,723.53	8,067.65	96,811.78	46.5441
				C	3,909.70	8,471.02	101,652.20	48.8713
				D	4,105.19	8,894.58	106,734.94	51.3149
				E	4,310.43	9,339.27	112,071.18	53.8804
9551	POLICE RESERVE OFFICER		LIMITED SERVICE	A				44.5242
6105	POLICE SERGEANT		TPOA	A	4,981.78	10,793.86	129,526.28	62.2723
				B	5,230.89	11,333.60	136,003.14	65.3861
				C	5,492.46	11,900.33	142,803.96	68.6558
				D	5,767.07	12,495.32	149,943.82	72.0884
				E	6,055.41	13,120.06	157,440.66	75.6926
2712	POLICE SUPPORT OPERATIONS MGR	Y	CONF	A	6,298.32	13,646.36	163,756.32	78.7290
				B	6,613.25	14,328.71	171,944.50	82.6656
				C	6,943.89	15,045.10	180,541.14	86.7986
				D	7,291.08	15,797.34	189,568.08	91.1385
				E	7,655.64	16,587.22	199,046.64	95.6955
4701	POLICE SUPPORT SERVICES TECH		TTSSEA	A	3,010.82	6,523.44	78,281.32	37.6353
				B	3,161.38	6,849.66	82,195.88	39.5173
				C	3,319.44	7,192.12	86,305.44	41.4930
				D	3,485.42	7,551.74	90,620.92	43.5678
				E	3,659.71	7,929.37	95,152.46	45.7464
9638	POOL MANAGER		LIMITED SERVICE	A				23.3986
				B				24.5734
				C				25.7922
				D				27.0879
				E				28.4383
9533	PROFESS STANDARDS OFFICER		LIMITED SERVICE	A				57.0415
				B				59.8963
				C				62.8938
				D				66.0341
				E				69.3391
9110	PROGRAM ASSISTANT		LIMITED SERVICE	MIN				17.0191
				MAX				28.3505

9231	PROJECT SPECIALIST I		LIMITED SERVICE	MIN MAX				17.0191 54.9113
9232	PROJECT SPECIALIST II		LIMITED SERVICE	MIN MAX				54.9223 154.8079
5518	PROPERTY & EVIDENCE TECHNICIAN		TEAMSTERS	A	2,668.20	5,781.10	69,373.20	33.3525
				B	2,801.60	6,070.13	72,841.60	35.0200
				C	2,941.69	6,373.66	76,483.94	36.7711
				D	3,088.77	6,692.34	80,308.02	38.6096
				E	3,243.20	7,026.93	84,323.20	40.5400
2585	PUBLIC INFORMATION OFFICER	Y	CONF	A	4,362.25	9,451.54	113,418.50	54.5281
				B	4,580.37	9,924.14	119,089.62	57.2546
				C	4,809.37	10,420.30	125,043.62	60.1171
				D	5,049.86	10,941.36	131,296.36	63.1233
				E	5,302.36	11,488.45	137,861.36	66.2795
3623	PUBLIC SAFETY DISPATCH SUPER	Y	TMMBU	A	4,115.19	8,916.25	106,994.94	51.4399
				B	4,320.95	9,362.06	112,344.70	54.0119
				C	4,537.02	9,830.21	117,962.52	56.7128
				D	4,763.86	10,321.70	123,860.36	59.5483
				E	5,002.06	10,837.80	130,053.56	62.5258
5502	PUBLIC SAFETY DISPATCHER I		TEAMSTERS	A	3,082.55	6,678.86	80,146.30	38.5319
				B	3,236.66	7,012.76	84,153.16	40.4583
				C	3,398.48	7,363.37	88,360.48	42.4810
				D	3,568.40	7,731.53	92,778.40	44.6050
				E	3,746.85	8,118.18	97,418.10	46.8356
5503	PUBLIC SAFETY DISPATCHER II		TEAMSTERS	A	3,391.61	7,348.49	88,181.86	42.3951
				B	3,561.17	7,715.87	92,590.42	44.5146
				C	3,739.24	8,101.69	97,220.24	46.7405
				D	3,926.19	8,506.75	102,080.94	49.0774
				E	4,122.51	8,932.11	107,185.26	51.5314
9512	PUBLIC SAFETY DISPATCH-PERDIEM		LIMITED SERVICE	A B C D E				36.3550 38.1777 40.0883 42.0866 44.1948
3214	REAL PROPERTY AGENT	Y	TMMBU	A	3,880.86	8,408.53	100,902.36	48.5108
				B	4,074.91	8,828.97	105,947.66	50.9364
				C	4,278.67	9,270.45	111,245.42	53.4834
				D	4,492.60	9,733.97	116,807.60	56.1575
				E	4,717.22	10,220.64	122,647.72	58.9653

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9631	RECREATION LEADER I			LIMITED	A				17.0191
				SERVICE	B				17.8701
					C				18.7637
					D				19.7017
					E				20.6868
9632	RECREATION LEADER II			LIMITED	A				20.6316
				SERVICE	B				21.6637
					C				22.7507
					D				23.8817
					E				25.0785
9633	RECREATION LEADER III			LIMITED	A				23.3986
				SERVICE	B				24.5734
					C				25.7922
					D				27.0879
					E				28.4383
4401	RECREATION PROGRAM COORD		TTSSEA		A	2,902.48	6,288.71	75,464.48	36.2810
					B	3,047.61	6,603.16	79,237.86	38.0951
					C	3,199.98	6,933.29	83,199.48	39.9998
					D	3,359.98	7,279.96	87,359.48	41.9998
					E	3,527.98	7,643.96	91,727.48	44.0998
3513	RECREATION SERVICES MANAGER	Y	TMMBU		A	4,616.86	10,003.20	120,038.36	57.7108
					B	4,847.73	10,503.42	126,040.98	60.5966
					C	5,090.11	11,028.57	132,342.86	63.6264
					D	5,344.63	11,580.03	138,960.38	66.8079
					E	5,611.85	12,159.01	145,908.10	70.1481
3505	RECREATION SERVICES SUPERVISOR	Y	TMMBU		A	4,197.17	9,093.87	109,126.42	52.4646
					B	4,407.03	9,548.57	114,582.78	55.0879
					C	4,627.39	10,026.01	120,312.14	57.8424
					D	4,858.75	10,527.29	126,327.50	60.7344
					E	5,101.69	11,053.66	132,643.94	63.7711
9626	RECREATION SPECIALIZED INSTR			LIMITED	MIN				17.0191
				SERVICE	MAX				58.4249
4113	SENIOR ACCOUNT CLERK		TTSSEA		A	2,698.49	5,846.73	70,160.74	33.7311
					B	2,833.40	6,139.03	73,668.40	35.4175
					C	2,975.09	6,446.03	77,352.34	37.1886
					D	3,123.84	6,768.32	81,219.84	39.0480
					E	3,280.02	7,106.71	85,280.52	41.0003
3105	SENIOR ACCOUNTANT	Y	TMMBU		A	4,361.63	9,450.20	113,402.38	54.5204
					B	4,579.73	9,922.75	119,072.98	57.2466
					C	4,808.71	10,418.87	125,026.46	60.1089
					D	5,049.15	10,939.83	131,277.90	63.1144

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			E	5,301.61	11,486.82	137,841.86	66.2701	
4202	SENIOR ACCOUNTING TECHNICIAN	TTSSEA	A	3,499.13	7,581.45	90,977.38	43.7391	
			B	3,674.10	7,960.55	95,526.60	45.9263	
			C	3,857.82	8,358.61	100,303.32	48.2228	
			D	4,050.71	8,776.54	105,318.46	50.6339	
			E	4,253.26	9,215.40	110,584.76	53.1658	
5525	SENIOR ANIMAL SERVICES OFFICER	TEAMSTERS	A	2,814.17	6,097.37	73,168.42	35.1771	
			B	2,954.89	6,402.26	76,827.14	36.9361	
			C	3,102.62	6,722.34	80,668.12	38.7828	
			D	3,257.76	7,058.48	84,701.76	40.7220	
			E	3,420.66	7,411.43	88,937.16	42.7583	
5323	SENIOR BLDG MAINT WORKER	TEAMSTERS	A	3,092.40	6,700.20	80,402.40	38.6550	
			B	3,247.00	7,035.17	84,422.00	40.5875	
			C	3,409.34	7,386.90	88,642.84	42.6168	
			D	3,579.83	7,756.30	93,075.58	44.7479	
			E	3,758.84	8,144.15	97,729.84	46.9855	
3304	SENIOR CIVIL ENGINEER	Y	TMMBU	A	5,434.32	11,774.36	141,292.32	67.9290
				B	5,706.03	12,363.07	148,356.78	71.3254
				C	5,991.34	12,981.24	155,774.84	74.8918
				D	6,290.91	13,630.31	163,563.66	78.6364
				E	6,605.46	14,311.83	171,741.96	82.5683
5228	SENIOR CONSTRUCTION INSPECTOR	TEAMSTERS	A	4,214.30	9,130.98	109,571.80	52.6788	
			B	4,425.02	9,587.54	115,050.52	55.3128	
			C	4,646.27	10,066.92	120,803.02	58.0784	
			D	4,878.58	10,570.26	126,843.08	60.9823	
			E	5,122.51	11,098.77	133,185.26	64.0314	
5315	SENIOR EQUIPMENT MECHANIC	TEAMSTERS	A	3,409.30	7,386.82	88,641.80	42.6163	
			B	3,579.74	7,756.10	93,073.24	44.7468	
			C	3,758.73	8,143.92	97,726.98	46.9841	
			D	3,946.67	8,551.12	102,613.42	49.3334	
			E	4,143.99	8,978.65	107,743.74	51.7999	
4208	SENIOR INFO SYSTEMS TECHNICIAN	TTSSEA	A	3,613.34	7,828.90	93,946.84	45.1668	
			B	3,794.02	8,220.38	98,644.52	47.4253	
			C	3,983.72	8,631.39	103,576.72	49.7965	
			D	4,182.92	9,062.99	108,755.92	52.2865	
			E	4,392.05	9,516.11	114,193.30	54.9006	
5428	SENIOR LABORATORY TECHNICIAN	TEAMSTERS	A	3,366.30	7,293.65	87,523.80	42.0788	
			B	3,534.61	7,658.32	91,899.86	44.1826	
			C	3,711.34	8,041.24	96,494.84	46.3918	
			D	3,896.91	8,443.31	101,319.66	48.7114	
			E	4,091.76	8,865.48	106,385.76	51.1470	

9637	SENIOR LIFEGUARD		LIMITED SERVICE	A				20.6316
				B				21.6637
				C				22.7507
				D				23.8817
				E				25.0785
5305	SENIOR MAINTENANCE WORKER		TEAMSTERS	A	2,893.36	6,268.95	75,227.36	36.1670
				B	3,038.01	6,582.36	78,988.26	37.9751
				C	3,189.91	6,911.47	82,937.66	39.8739
				D	3,349.42	7,257.08	87,084.92	41.8678
				E	3,516.87	7,619.89	91,438.62	43.9609
3203	SENIOR PLANNER	Y	TMMBU	A	4,658.47	10,093.35	121,120.22	58.2309
				B	4,891.39	10,598.01	127,176.14	61.1424
				C	5,135.98	11,127.96	133,535.48	64.1998
				D	5,392.78	11,684.36	140,212.28	67.4098
				E	5,662.41	12,268.56	147,222.66	70.7801
4410	SENIOR POLICE RECORDS ASSNT		TTSSEA	A	3,007.27	6,515.75	78,189.02	37.5909
				B	3,157.68	6,841.64	82,099.68	39.4710
				C	3,315.51	7,183.61	86,203.26	41.4439
				D	3,481.30	7,542.82	90,513.80	43.5163
				E	3,655.34	7,919.90	95,038.84	45.6918
5520	SENIOR PROP & EVIDENCE TECH		TEAMSTERS	A	2,935.01	6,359.19	76,310.26	36.6876
				B	3,081.76	6,677.15	80,125.76	38.5220
				C	3,235.85	7,011.01	84,132.10	40.4481
				D	3,397.63	7,361.53	88,338.38	42.4704
				E	3,567.52	7,729.63	92,755.52	44.5940
5504	SENIOR PUBLIC SAFETY DISPATCH		TEAMSTERS	A	3,739.07	8,101.32	97,215.82	46.7384
				B	3,926.03	8,506.40	102,076.78	49.0754
				C	4,122.32	8,931.69	107,180.32	51.5290
				D	4,328.45	9,378.31	112,539.70	54.1056
				E	4,544.89	9,847.26	118,167.14	56.8111
5416	SENIOR UT MECHANIC		TEAMSTERS	A	3,939.51	8,535.61	102,427.26	49.2439
				B	4,136.49	8,962.40	107,548.74	51.7061
				C	4,343.31	9,410.51	112,926.06	54.2914
				D	4,560.48	9,881.04	118,572.48	57.0060
				E	4,788.50	10,375.08	124,501.00	59.8563
5356	SENIOR UTILITIES WORKER		TEAMSTERS	A	3,038.57	6,583.57	79,002.82	37.9821
				B	3,190.36	6,912.45	82,949.36	39.8795
				C	3,349.79	7,257.88	87,094.54	41.8724
				D	3,517.79	7,621.88	91,462.54	43.9724
				E	3,692.50	8,000.42	96,005.00	46.1563

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9109	SUMMER STUDENT INTERN		LIMITED SERVICE	A				17.0191
3343	SUPERVISING BUILDING INSP	Y	TMMBU	A	4,463.66	9,671.26	116,055.16	55.7958
				B	4,686.81	10,154.76	121,857.06	58.5851
				C	4,921.15	10,662.49	127,949.90	61.5144
				D	5,167.22	11,195.64	134,347.72	64.5903
				E	5,425.60	11,755.47	141,065.60	67.8200
3345	SUPERVISING CONSTRUCTION INSP	Y	TMMBU	A	4,635.73	10,044.08	120,528.98	57.9466
				B	4,867.51	10,546.27	126,555.26	60.8439
				C	5,110.89	11,073.60	132,883.14	63.8861
				D	5,366.43	11,627.27	139,527.18	67.0804
				E	5,634.75	12,208.63	146,503.50	70.4344
3117	SYSTEM ADMINISTRATOR	Y	TMMBU	A	4,057.86	8,792.03	105,504.36	50.7233
				B	4,260.74	9,231.60	110,779.24	53.2593
				C	4,473.78	9,693.19	116,318.28	55.9223
				D	4,697.48	10,177.87	122,134.48	58.7185
				E	4,932.35	10,686.76	128,241.10	61.6544
9361	THEATRE TECHNICIAN (H)		LIMITED SERVICE	A				32.6218
				B				34.2469
				C				35.9598
				D				37.7605
				E				39.6491
4420	TRANSIT COORDINATOR		TTSSEA	A	2,902.48	6,288.71	75,464.48	36.2810
				B	3,047.61	6,603.16	79,237.86	38.0951
				C	3,199.98	6,933.29	83,199.48	39.9998
				D	3,359.98	7,279.96	87,359.48	41.9998
				E	3,527.98	7,643.96	91,727.48	44.0998
3515	TRANSIT MANAGER	Y	TMMBU	A	4,520.53	9,794.48	117,533.78	56.5066
				B	4,746.54	10,284.17	123,410.04	59.3318
				C	4,983.88	10,798.41	129,580.88	62.2985
				D	5,233.06	11,338.30	136,059.56	65.4133
				E	5,494.70	11,905.18	142,862.20	68.6838
1109	TRANSPORT COMMISSIONER					Stipend of \$50.00 per meeting.		
3426	UTILITIES LABORATORY SUPTNDT	Y	TMMBU	A	4,689.30	10,160.15	121,921.80	58.6163
				B	4,923.78	10,668.19	128,018.28	61.5473
				C	5,169.96	11,201.58	134,418.96	64.6245
				D	5,428.47	11,761.69	141,140.22	67.8559
				E	5,699.87	12,349.72	148,196.62	71.2484
3417	UTILITIES LABORATORY SUPV	Y	TMMBU	A	4,135.12	8,959.43	107,513.12	51.6890
				B	4,341.87	9,407.39	112,888.62	54.2734
				C	4,558.97	9,877.77	118,533.22	56.9871

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				D	4,786.92	10,371.66	124,459.92	59.8365
				E	5,026.27	10,890.25	130,683.02	62.8284
3403	UTILITIES LINE MAINT SPRNTNDNT	Y	TMMBU	A	4,777.77	10,351.84	124,222.02	59.7221
				B	5,016.65	10,869.41	130,432.90	62.7081
				C	5,267.49	11,412.90	136,954.74	65.8436
				D	5,530.85	11,983.51	143,802.10	69.1356
				E	5,807.39	12,582.68	150,992.14	72.5924
5350	UTILITIES WORKER I		TEAMSTERS	A	2,171.78	4,705.52	56,466.28	27.1473
				B	2,280.62	4,941.34	59,296.12	28.5078
				C	2,394.21	5,187.46	62,249.46	29.9276
				D	2,514.49	5,448.06	65,376.74	31.4311
				E	2,641.45	5,723.14	68,677.70	33.0181
5353	UTILITIES WORKER II		TEAMSTERS	A	2,758.88	5,977.57	71,730.88	34.4860
				B	2,897.31	6,277.51	75,330.06	36.2164
				C	3,041.44	6,589.79	79,077.44	38.0180
				D	3,194.17	6,920.70	83,048.42	39.9271
				E	3,353.61	7,266.16	87,193.86	41.9201
3423	UTILITY MAINTAINANCE SPRNTNDNT	Y	TMMBU	A	4,866.20	10,543.43	126,521.20	60.8275
				B	5,109.51	11,070.61	132,847.26	63.8689
				C	5,364.99	11,624.15	139,489.74	67.0624
				D	5,633.23	12,205.33	146,463.98	70.4154
				E	5,914.89	12,815.60	153,787.14	73.9361
3419	UTILITY MAINTENANCE SUPERVISOR	Y	TMMBU	A	4,333.47	9,389.19	112,670.22	54.1684
				B	4,550.13	9,858.62	118,303.38	56.8766
				C	4,777.65	10,351.58	124,218.90	59.7206
				D	5,016.52	10,869.13	130,429.52	62.7065
				E	5,267.36	11,412.61	136,951.36	65.8420
5411	UTILITY MECHANIC I		TEAMSTERS	A	3,250.28	7,042.27	84,507.28	40.6285
				B	3,412.78	7,394.36	88,732.28	42.6598
				C	3,583.42	7,764.08	93,168.92	44.7928
				D	3,762.59	8,152.28	97,827.34	47.0324
				E	3,950.71	8,559.87	102,718.46	49.3839
5412	UTILITY MECHANIC II		TEAMSTERS	A	3,581.36	7,759.61	93,115.36	44.7670
				B	3,760.44	8,147.62	97,771.44	47.0055
				C	3,948.45	8,554.98	102,659.70	49.3556
				D	4,145.88	8,982.74	107,792.88	51.8235
				E	4,353.18	9,431.89	113,182.68	54.4148
5404	UTILITY OPERATOR		TEAMSTERS	A	4,382.04	9,494.42	113,933.04	54.7755
				B	4,601.09	9,969.03	119,628.34	57.5136
				C	4,831.16	10,467.51	125,610.16	60.3895
				D	5,072.73	10,990.92	131,890.98	63.4091

City of Tracy
Master Salary Schedule

Effective 10/05/2025

				E	5,326.36	11,540.45	138,485.36	66.5795
3422	WASTEWATER OP SUPERINTENDENT	Y	TMMBU	A	4,866.20	10,543.43	126,521.20	60.8275
				B	5,109.51	11,070.61	132,847.26	63.8689
				C	5,364.99	11,624.15	139,489.74	67.0624
				D	5,633.23	12,205.33	146,463.98	70.4154
				E	5,914.89	12,815.60	153,787.14	73.9361
5405	WASTEWATER TREAT PLANT OP I		TEAMSTERS	A	3,080.45	6,674.31	80,091.70	38.5056
				B	3,234.46	7,008.00	84,095.96	40.4308
				C	3,396.18	7,358.39	88,300.68	42.4523
				D	3,566.00	7,726.33	92,716.00	44.5750
				E	3,744.31	8,112.67	97,352.06	46.8039
5406	WASTEWATER TREAT PLANT OP II		TEAMSTERS	A	3,396.29	7,358.63	88,303.54	42.4536
				B	3,566.07	7,726.49	92,717.82	44.5759
				C	3,744.37	8,112.80	97,353.62	46.8046
				D	3,931.62	8,518.51	102,222.12	49.1453
				E	4,128.21	8,944.46	107,333.46	51.6026
5407	WASTEWATER TREAT PLANT OP III		TEAMSTERS	A	3,737.52	8,097.96	97,175.52	46.7190
				B	3,924.34	8,502.74	102,032.84	49.0543
				C	4,120.58	8,927.92	107,135.08	51.5073
				D	4,326.63	9,374.37	112,492.38	54.0829
				E	4,542.95	9,843.06	118,116.70	56.7869
3421	WATER OPS SUPERINTENDENT	Y	TMMBU	A	4,824.12	10,452.26	125,427.12	60.3015
				B	5,065.31	10,974.84	131,698.06	63.3164
				C	5,318.59	11,523.61	138,283.34	66.4824
				D	5,584.51	12,099.77	145,197.26	69.8064
				E	5,863.73	12,704.75	152,456.98	73.2966
9351	WATER PATROL AIDE (H)		LIMITED SERVICE	A				19.4347
				B				20.4120
				C				21.4222
				D				22.4982
				E				23.6182
3415	WATER RESOURCES&COMPLIANCE MGR	Y	TMMBU	A	4,520.53	9,794.48	117,533.78	56.5066
				B	4,746.54	10,284.17	123,410.04	59.3318
				C	4,983.88	10,798.41	129,580.88	62.2985
				D	5,233.06	11,338.30	136,059.56	65.4133
				E	5,494.70	11,905.18	142,862.20	68.6838
5401	WATER TREATMENT PLANT OPER I		TEAMSTERS	A	3,281.99	7,110.98	85,331.74	41.0249
				B	3,446.09	7,466.53	89,598.34	43.0761
				C	3,618.38	7,839.82	94,077.88	45.2298
				D	3,799.30	8,231.82	98,781.80	47.4913
				E	3,989.25	8,643.38	103,720.50	49.8656

City of Tracy
Master Salary Schedule

Attachment B

Effective 10/05/2025

5402	WATER TREATMENT PLANT OPER II	TEAMSTERS	A	3,618.48	7,840.04	94,080.48	45.2310
			B	3,799.40	8,232.03	98,784.40	47.4925
			C	3,989.38	8,643.66	103,723.88	49.8673
			D	4,188.83	9,075.80	108,909.58	52.3604
			E	4,398.27	9,529.59	114,355.02	54.9784
5403	WATER TREATMENT PLANT OPER III	TEAMSTERS	A	3,982.02	8,627.71	103,532.52	49.7753
			B	4,181.12	9,059.09	108,709.12	52.2640
			C	4,390.19	9,512.08	114,144.94	54.8774
			D	4,609.69	9,987.66	119,851.94	57.6211
			E	4,840.16	10,487.01	125,844.16	60.5020

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

1) APPROVING THE COMPENSATION AND BENEFIT PLAN FOR THE LIMITED SERVICES EMPLOYEES, AND 2) AUTHORIZING AN AMENDMENT OF THE CITY'S MASTER SALARY SCHEDULE TO REFLECT THE TERMS OF THE AGREEMENTS

WHEREAS, The Compensation and Benefit Plans for the Limited Services Employees (LSE) expires on September 30, 2025; and

WHEREAS, The successor Compensation and Benefit Plans for the Limited Services Employees has been updated covering the period of October 1, 2025 through September 30, 2029; now, therefore, be it

RESOLVED: That the City Council and the City of Tracy hereby approves a new Compensation and Benefit Plan for the Limited Services Employees for the period of October 1, 2025 through September 30, 2029; and be it further

RESOLVED: That the City Council implements the provisions of the Agreements and actions approved by this Resolution; and be it further

RESOLVED: That the City Council authorizes amendments to the City's Master Salary Schedule, to reflect the terms of the new Agreements.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.N

RECOMMENDATION

Staff recommends that the City Council, by resolution, (1) accept public improvements for Ellis Phase 3 Town and Country, Tract 4007, constructed by LS-Tracy, LLC, a Delaware Limited Liability Company, and assume responsibility for the future maintenance and repair, subject to the completion of outstanding deficiency list work, (2) authorize the office of the City Engineer to release the Developer furnished bonds in accordance with the Subdivision Improvement Agreement, and (3) authorize the City Clerk to file Notice of Completion with the San Joaquin County Recorder's Office.

EXECUTIVE SUMMARY

LS-Tracy, LLC, a Delaware Limited Liability Company (Developer), has completed public improvements for Ellis Phase 3 Town and Country, Tract 4007 (Project) containing 308 single-family dwelling lots, two neighborhood park sites, and four public landscaping parcels in accordance with the Subdivision Improvement Agreement, project plans and specifications. The Project is located along Ellis Town Drive, east of Lammers Road, as shown in Attachment A. Staff recommends City Council accept the public improvements as completed, subject to the completion of outstanding deficiency list work, authorize City Clerk to file Notice of Completion, and authorize the City Engineer to release Developer's bonds. Construction Management staff will notify the City Clerk upon completion of improvements in order to initiate the recordation of the Notice of Completion.

BACKGROUND AND LEGISLATIVE HISTORY

On May 8, 2019, by Resolution 2019-012, Planning Commission approved the Tentative Map for the Project, subject to certain Conditions of Approval which, among other things, described required public improvements for the Project.

On March 5, 2021, pursuant to Urgency Ordinance No. 1285, City Manager approved an Inspection and Improvement Agreement with Subdivider, allowing construction of public improvements to proceed.

On June 1, 2021, by Resolution 2021-068, City Council approved the Subdivision Improvement Agreement (Agreement) and Final Subdivision Map for Ellis Phase 3 Subdivision Tract 4007, thereby superseding the previous Inspection Improvement Agreement. The Agreement required Developer to perform the work defined in the approved plan sets, which incorporated the required Conditions of Approval and are on file in the office of the City Engineer.

On September 1, 2015, by Resolution 2015-143, City Council approved a Final Map and Subdivision Improvement Agreement for Ellis Phase 1A, Tract 3764, which allowed, among other things, construction of a temporary retention basin, which is used for stormwater discharge from the Project.

ANALYSIS

The Developer has completed all the work required to be done in accordance with the Agreement and has requested acceptance of the public improvements. The City Engineering Construction Management division has inspected the completed work and confirmed that the

improvements conform to the Agreement and City plans and specifications. The deficiency list is currently being addressed and expected to be completed. The estimated cost of the public improvements is as follows:

<u>Cost Breakdown:</u>	
Roadway Improvements	\$ 6,300,525
Water	\$ 1,231,091
Recycled Water	\$ 82,082
Storm Drainage	\$ 1,309,253
Sanitary Sewer	\$ 1,024,321
Street Lighting	\$ 4,856,018
Landscaping	\$ 2,554,002
Total	\$17,357,292

Bonds were provided by Developer as required by the Agreement in amounts as follows:

Bond Type	Agreement
Faithful Performance	\$18,860,000
Labor and Material	\$18,860,000
Warranty	\$1,886,000
Monumentation	\$51,000

Faithful Performance bonds may be released upon acceptance of improvements by the City. Labor and Material bonds may be released six months after the recordation of the Notice of Completion as the statute of limitations period expires in accordance with Tracy Municipal Code and Civil Code §9356. Warranty bond may be released one year after City acceptance of improvements and warranty work is completed. Monumentation bond may be released upon City receipt of a letter from the project surveyor stating full payment has been received for the installation of monumentation, per Government Code Section 66496. The City is now in receipt of said letter.

A total of 24.48 acres has been dedicated as public right-of-way on the Final Map for Ellis Phase 3 Town and Country, Tract 4007, and accepted by the City Clerk, subject to satisfactory completion of improvements thereon. The land value is estimated at \$2,448,000. Filing of Notice of Completion by the City Clerk will memorialize satisfactory completion of improvements per Tracy Municipal Code 12.36.110.

Improvements on Parcels E and F, which are lands dedicated for the purpose of Western and Orchard Parks, respectively, were previously accepted by the City Council.

FISCAL IMPACT

All improvements under this partial acceptance were completed by the Developer in accordance with the Offsite Improvement Agreement, and there is no fiscal impact associated with this action. The values of accepted improvements are as follows:

<u>Cost Breakdown:</u>	
Roadway Improvements	\$ 6,300,525
Water	\$ 1,231,091
Recycled Water	\$ 82,082
Storm Drainage	\$ 1,309,253

Sanitary Sewer	\$ 1,024,321
Street Lighting	\$ 4,856,018
Landscaping	<u>\$ 2,554,002</u>
Total	\$17,357,292
Dedicated Land Value	\$ 2,448,000

PUBLIC OUTREACH / INTEREST

Not applicable

COORDINATION

Project construction activities were coordinated with the City of Tracy Public Works and Utilities Department.

CEQA DETERMINATION

The recommended actions were adequately analyzed by that certain Environmental Impact Report for the Modified Ellis Project, State Clearinghouse Number 2012022023, certified by City Council Resolution No. 2013-011.

STRATEGIC PLAN

This agenda item is consistent with the Council approved Economic Development Strategy to ensure physical infrastructure necessary for development.

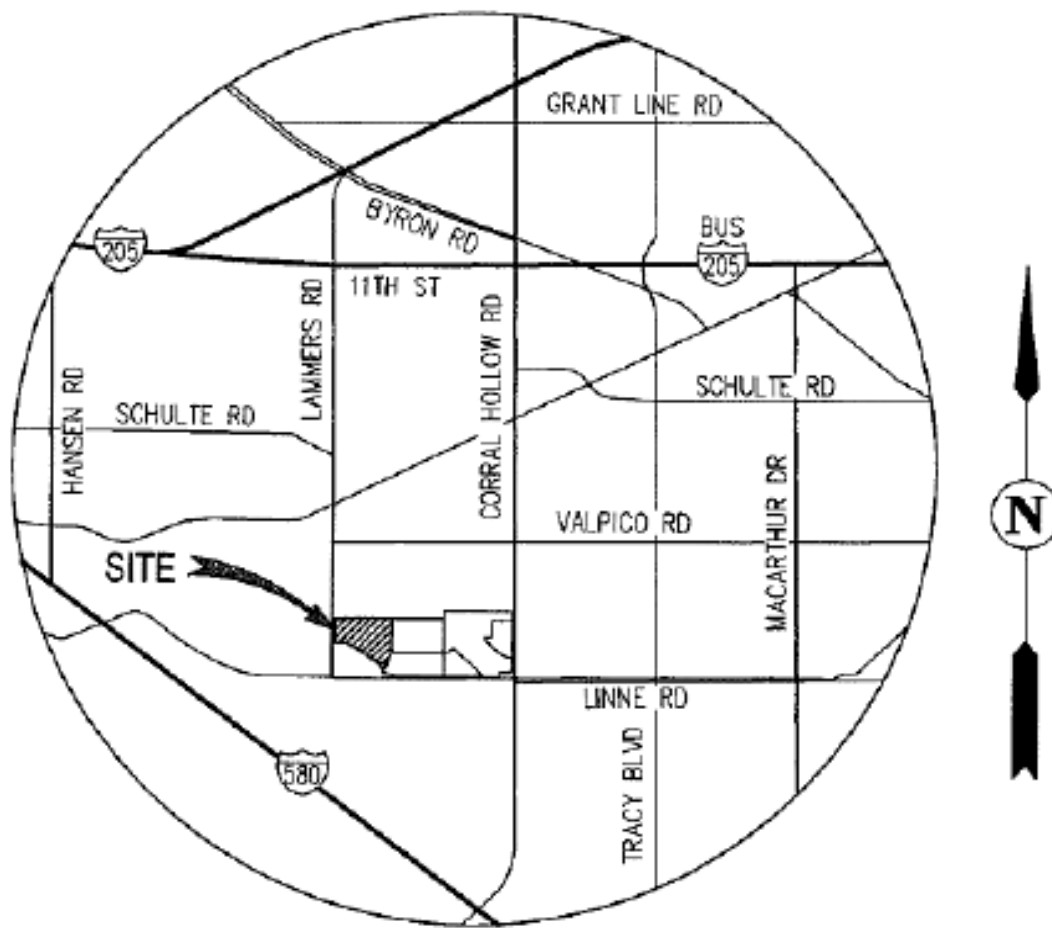
ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council, by resolution, (1) accept public improvements for Ellis Phase 3 Town and Country, Tract 4007, constructed by LS-Tracy, LLC, a Delaware Limited Liability Company, and assume responsibility for the future maintenance and repair, subject to the completion of outstanding deficiency list work, (2) authorize the office of the City Engineer to release the Developer furnished bonds in accordance with the Subdivision Improvement Agreement, and (3) authorize the City Clerk to file Notice of Completion with the San Joaquin County Recorder's Office.

Prepared by: Miguel Hernandez, Construction Manager

Reviewed by: Even Marcelo, PE, City Engineer
Anush Nejad, PE, Public Works Director
Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager



VICINITY MAP
NOT TO SCALE

ATTACHMENT A

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

(1) ACCEPT PUBLIC IMPROVEMENTS FOR ELLIS PHASE 3 TOWN AND COUNTRY, TRACT 4007, AND ASSUME RESPONSIBILITY FOR THE FUTURE MAINTENANCE AND REPAIR, SUBJECT TO THE COMPLETION OF OUTSTANDING DEFICIENCY LIST WORK; AND

(2) AUTHORIZE THE OFFICE OF THE CITY ENGINEER TO RELEASE THE DEVELOPER FURNISHED BONDS IN ACCORDANCE WITH THE SUBDIVISION IMPROVEMENT AGREEMENT; AND

(3) AUTHORIZE THE CITY CLERK TO FILE A NOTICE OF COMPLETION WITH THE SAN JOAQUIN COUNTY RECORDER'S OFFICE.

WHEREAS, on May 8, 2019, by Resolution 2019-012, Planning Commission approved the Tentative Map for the Ellis Phase 3 Town and Country, Tract 4007 (Project), subject to certain Conditions of Approval which, among other things, described required public improvements for the Project, and

WHEREAS, On March 5, 2021, pursuant to Urgency Ordinance No. 1285, City Manager approved an Inspection and Improvement Agreement with LS-Tracy, LLC, a Delaware Limited Liability Company (Developer), allowing construction of public improvements to proceed, and

WHEREAS, On June 1, 2021, by Resolution 2021-068, City Council approved the Subdivision Improvement Agreement (Agreement) and Final Subdivision Map for Ellis Phase 3 Subdivision Tract 4007 (Final Map), thereby superseding the previous Inspection Improvement Agreement, and

WHEREAS, the City Engineer has inspected the completed work, found it to be in compliance with the Subdivision Improvement Agreement, and recommends acceptance by City Council; and

WHEREAS, Developer furnished performance, payment, warranty, and monumentation bonds assuring completion of the work and the estimated cost of the improvements is as follows:

Cost Breakdown:

Roadway Improvements	\$ 6,300,525
Water	\$ 1,231,091
Recycled Water	\$ 82,082
Storm Drainage	\$ 1,309,253
Sanitary Sewer	\$ 1,024,321
Street Lighting	\$ 4,856,018
Landscaping	\$ 2,554,002
Total	\$ 17,357,292

; and

WHEREAS, 24.48 acres, valued at \$2,448,000 has been dedicated as public right-of-way on the Final Map for Ellis Phase 3 Town and Country, Tract 4007, and accepted by the City Clerk subject to satisfactory completion of improvements thereon; and be it,

RESOLVED that City Council hereby accepts public improvements for Ellis Phase 3 Town and Country, Tract 4007, constructed by LS-Tracy, LLC, a Delaware Limited Liability Company, and assume responsibility for the future maintenance and repair, subject to the completion of outstanding punch list work; and be it

FURTHER RESOLVED: that the City Council authorizes the City Engineer to release the Developer furnished bonds in accordance with the Subdivision Improvement Agreement; and be it

FURTHER RESOLVED: that City Council authorizes the City Clerk to file Notice of Completion with the San Joaquin County Recorder's Office.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September, 2025, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:

APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.O

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution approving a Purchase Agreement for goods, commodities and ancillary services with Terrapin Technology Group, Inc., utilizing OMNIA Partners cooperative purchase agreement for Purchase and installation of Verkada Cameras, Access Control and related Equipment, incorporating by reference contract Region 4 Educational Service Center contract R250206 with a not to exceed amount of \$1,500,000 per calendar year and the term ending on April 1, 2032.

EXECUTIVE SUMMARY

This item seeks City Council approval to leverage a competitively bid OMNIA Partners cooperative contract (Region 4 ESC R250206) and to enter into a General Services Agreement with Terrapin for the delivery and installation of Verkada security technology Citywide. The agreement will enable the City to modernize and expand physical security (video, access control, intercom, and environmental sensors) across City facilities through a single, competitively priced contract. Approval will streamline procurement, accelerate deployment, lock in favorable pricing, and reduce repetitive staff workload associated with multiple individual procurements. The requested authority is capped at \$1.5 million per calendar year and purchases will only occur within funds appropriated by the City Council in the annual budget.

Importantly, this request carries no additional budgetary implications. Each purchase made under this contract remains subject to the department-specific budgetary authority granted by the City Council through the annual fiscal year budgetary approval process.

BACKGROUND AND LEGISLATIVE HISTORY

The City operates a broad network of facilities—including civic, public safety, utilities, transit, airport, cultural, and parks sites—that require reliable, modern physical security systems. The City has historically utilized cooperative purchasing agreements (consistent with Tracy Municipal Code 2.20.220) to obtain best-value pricing and reduce procurement cycle time for technology goods and services.

OMNIA Partners (Region 4 ESC) competitively solicited and awarded contract R250206 that includes Verkada hardware, software subscriptions, and related services. Terrapin Technology Group, Inc. is a California-based, Verkada-authorized reseller capable of furnishing equipment and turnkey installation services pursuant to this cooperative contract.

To facilitate efficient Citywide deployment and lifecycle support of Verkada solutions, staff requests approval of the attached GSA with Terrapin and authority to use OMNIA R250206 for annual purchases and installations up to \$1.5 million per calendar year.

Utilizing a competitive cooperative agreement from a reputable vendor for routine purchases ensures cost effective pricing and the timely availability of technology that meet the City's needs.

ANALYSIS

Staff is recommending to use a 'dual-vendor' approach. Meaning that we want the choice to have cameras and access controls installed by 2 vendors. This ensures operational resilience; staff intends to maintain a non-exclusive bench of qualified integrators – including Terrapin and PointOne for the same Verkada scope of work. Key benefits include:

- Business continuity and availability improves. It avoids a single point of failure if one vendor is capacity constrained or experiencing staffing turnover.
- Competitive tension at the task-order level. Even under cooperative pricing, obtaining quotes from multiple vendors helps validate pricing, time of install and lead times. This ensures vendors focus on quality or they will not be competitive.
- Surge capacity of parallel projects. The city has multiple projects already today that require Verkada equipment to be installed, including the Multi-Gen Rec Center as well as the Temporary Emergency Housing Facility (TEHF). We expect multiple parallel projects to continue as the Police Department, the Transit Division and Water Treatment, Wastewater and the Airport have already expressed a need to update the equipment.
- Risk Management and performance assurance. If performance issues arise on a given task, the City can rebalance future work to the other integrator, allowing installs to continue as the performance issues are addressed.
- Supply-chain resilience. Dual sourcing reduces exposure to back-orders for specific items, such as mounts, cabling, etc.

Citywide there is a need for security modernization. Many existing sites rely on end-of-life cameras and disparate access systems that are costly to maintain and lack unified management, remote access, modern analytics, and cyber-secure architectures. A standardized Verkada platform will deliver:

- Unified, cloud-managed video, access control, intercoms, environmental sensors, and alarms
- Centralized administration (single pane of glass), role-based access, audit trails
- Improved reliability, encrypted-by-default architecture, and simplified compliance reporting
- Faster investigations and incident response for Police and City departments
- Scalable coverage for new facilities, tenant improvements, and capital projects

Scope of Work (Representative). Under the GSA, Terrapin will furnish and install, on an as-needed, as-funded basis:

- Verkada cameras (indoor/outdoor, fixed and panoramic), door controllers, readers, intercoms, environmental sensors (air quality, vape, temperature/humidity), and necessary licenses
- Network cabling, low-voltage electrical, equipment mounting, weatherproofing, and pathway remediation

- System configuration, integrations with City identity/security systems, acceptance testing, and documentation (as-builts, asset inventory)
- Warranty facilitation and post-installation support

Procurement Method and Compliance. Using the OMNIA cooperative agreement (Region 4 ESC R250206) satisfies competitive procurement requirements and enables the City to leverage national volume pricing, standardized terms, and shorter lead times. Staff will continue to follow City purchasing policies, including issuance of purchase orders under the approved NTE and verification of pricing against the cooperative schedule.

Vendor Qualifications. Terrapin is a Verkada-authorized reseller with the ability to deliver complete, turnkey projects with certified installation crews and manufacturer support. Leveraging an authorized partner ensures proper design, installation quality, and access to manufacturer warranties and escalation pathways.

Implementation and Governance. Deployments will be phased by risk and readiness, with initial focus on:

- Public safety facilities and high-traffic civic locations
- Critical infrastructure (water, wastewater, transit, and airport)
- Sites with end-of-life systems or coverage gaps

The authority to utilize the OMNIA Partners cooperative agreement (Region 4 ESC R250206) and the General Services Agreement with Terrapin is Citywide and non-exclusive. Any City department may initiate purchases and projects under this vehicle, as operational needs arise, to upgrade or expand video cameras, door access control, intercoms, environmental sensors, and related security technologies at their facilities. Departments will coordinate scope and funding with the Innovation & Technology Department and Finance, and work orders will be issued in accordance with the City's purchasing policies and adopted budgets. Projects will be coordinated with all City Departments involved. The Innovation & Technology (I&T) Department will maintain governance standards for device hardening, role-based access, retention settings, and audit logging.

Cybersecurity and Privacy. The Verkada platform will be configured to meet City cybersecurity standards (network segmentation, MFA/SSO, least-privilege roles, encryption) and to align with applicable privacy and records retention requirements, including department SOPs for video access and release.

FISCAL IMPACT

This request carries no additional budgetary implications. Each purchase made under this contract remains subject to the department-specific budgetary authority granted by the City Council through the annual fiscal year budgetary approval process.

This action does not appropriate new funds. All purchases will be made within budgets previously adopted by the City Council in the applicable fiscal year (e.g., department operating budgets and capital project appropriations). Approval of this item authorizes the City Manager to execute purchases and task orders under the OMNIA cooperative agreement and the GSA with Terrapin. Expenditures will vary annually based on project prioritization, budget availability, and lifecycle replacement needs.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the City Council's Strategic plans.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt a Resolution approving a Purchase Agreement for goods, commodities and ancillary services with Terrapin Technology Group, Inc., utilizing OMNIA Partners cooperative purchase agreement for Purchase and installation of Verkada Cameras, Access Control and related Equipment, incorporating by reference contract Region 4 Educational Service Center contract R250206 with a not to exceed amount of \$1,500,000 per calendar year and the term ending on April 1, 2032.

Prepared by: Norbert Ruijling, Chief Innovation Officer

Reviewed by: Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

Exhibit A: General Services Agreement
Exhibit B: Master Intergovernmental Cooperative Agreement
Exhibit C: Authorized Reseller Letter

**CITY OF TRACY
GENERAL SERVICES AGREEMENT**

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Terrapin Technology Group, Inc., a California Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

- A. City desires to retain Contractor to provide and install camera equipment throughout the City of Tracy campuses.
- B. Pursuant to Tracy Municipal Code 2.20.220, the City is utilizing a cooperative purchasing agreement to purchase the Equipment. All formal contract and bidding procedures to be followed in such cases shall be those specifically enumerated in the voluntary cooperative purchasing agreement or program.
- C. The City is utilizing OMNIA Partners Cooperative (OMNIA) purchasing agreement to procure Information Technology Solutions and Services. OMNIA Partners, Public Sector is a cooperative purchasing organization established for public agencies across the United States with the specific purpose of reducing procurement costs by leveraging group volume. OMNIA and the Vendor entered into an agreement for the purchase of technology products and ancillary services related to said good in accordance with the cooperative agreement, more particularly described as the Region 4 Education Service center (ESC) Contract No R250206 as established by OMNIA partners formerly known as NIPA (Contract). (Exhibit A)
- D. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- E. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on September 16, 2025.

Now therefore, the Parties mutually agree as follows:

1. **Scope of Work.** Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Benjamin Wadsworth. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.
2. **Time of Performance.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of

the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on April 1, 2025, and end on April 1, 2032, unless terminated in accordance with Section 6.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "A," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed \$1,500,000 (one million five hundred thousand dollars per calendar year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on “public works” and “maintenance” projects. The services being performed under this Agreement are part of a “public works” or “maintenance” project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor’s services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City’s prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City’s employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor’s conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Norbert Ruijling, CIO
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
Terrapin Technology Group, Inc.
Attn: Benjamin Wadsworth
1501 Sports Drive, Suite B
Sacramento, CA 95834

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

City of Tracy – General Services Agreement with Terrapin Technology Group, Inc.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

April A.B. Quintanilla, City Clerk

Approved as to form:

L. David Neufosse, City Attorney

Signed by:
Contractor
Nathan Johanson
A787C04B3710485...
By: Nathan Johanson
Title: President
Date: 8/25/2025 | 3:33 PM PDT

Federal Employer Tax ID No. 26-3212825

Signed by:
Charles Tim Raney
BEE08F36341942D...
By: Charles Tim Raney
Title: Treasurer
Date: 8/25/2025 | 5:34 PM CDT

Exhibits:

- A Master Intergovernmental Cooperative Agreement
- B Authorized Vendor of Verkada Products Letter

City of Tracy – General Services Agreement with Terrapin Technology Group, Inc.

EXHIBIT A - Master Intergovernmental Cooperative Agreement

OMNIA Contract #R250206

EXHIBIT B – Authorized Vendor of Verkada Products Letter

Exhibit B

Region 4 Education Service Center (ESC)

Contract # R250206

for

Weapons and Threat Detection Equipment, Services, and Other
Solutions

with

Verkada, Inc.

Effective: April 1, 2025

The following documents comprise the executed contract between the Region 4 Education Service Center and Verkada, Inc., effective April 1, 2025:

- I. Vendor Contract and Signature Form
- II. Supplier's Response to the RFP, incorporated by reference



DRAFT CONTRACT

*This Contract ("**Contract**") is made as of April 1, 2025 by and between **Verkada, Inc.** ("**Contractor**") and Region 4 Education Service Center ("**Region 4 ESC**") for the purchase of **Weapons and Threat Detection Equipment, Services, and Other Solutions** (the products and services").*

RECITALS

WHEREAS, Region 4 ESC issued Request for Proposals Number 25-02 for Weapons and Threat Detection Equipment, Services, and Other Solutions ("RFP"), to which Contractor provided a response ("**Proposal**"); and

WHEREAS, Region 4 ESC selected Contractor's Proposal and wishes to engage Contractor in providing the services/materials described in the RFP and Proposal;

WHEREAS, both parties agree and understand the following pages will constitute the Contract between the Contractor and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Contractor included, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations are incorporated into the Contract.

WHEREAS, this Contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Contract will provide that any state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("**Public Agencies**") may purchase products and services at prices indicated in the Contract upon the Public Agency's registration with OMNIA Partners.

- 1) **Term of agreement.** The initial term of the Contract is for a period of three (3) years unless terminated, canceled or extended as otherwise provided herein. Region 4 ESC shall have the right in its sole discretion to renew the Contract for an additional term of up to two (2) years or for a lesser period of time as determined by Region 4 ESC by providing written notice to the Contractor of Region 4 ESC's intent to renew thirty (30) days prior to the expiration of the original term. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Contract. Notwithstanding the forgoing paragraph, the term of the Contract, including any extension of the original term, shall be further extended until the expiration of any Purchase Order issued under the Contract for a period of up to one year beyond the Contract term.

The anticipated full term of the contract is five (5) years. The Successful Offeror(s) shall have the right to enter local "service" agreements with Participating Public Agencies accessing the

CONTRACT

contract through OMNIA Partners, so long as the effective date of such agreement is prior to the expiration of the Contract. All local agreements may have a full potential term (any combination of initial and renewal periods) not to exceed five years. Any local agreements, job orders, project agreements or maintenance agreements executed against this Master Agreement during the effective term may survive beyond the expiration of the Master Agreement as established and agreed to by both parties.

- 2) Scope: Contractor shall perform all duties, responsibilities and obligations, set forth in this agreement, and described in the RFP, incorporated herein by reference as though fully set forth herein.
- 3) Form of Contract. The form of Contract shall be the RFP, the Offeror's proposal and Best and Final Offer(s).
- 4) Order of Precedence. In the event of a conflict in the provisions of the Contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
 - i. This Contract
 - ii. Offeror's Best and Final Offer
 - iii. Offeror's proposal
 - iv. RFP and any addenda
 - v. Verkada's End User Agreement, including the Data Processing Addendum and Verkada's Security Terms
- 5) Commencement of Work. The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives a purchase order for such work or is otherwise directed to do so in writing by Region 4 ESC.
- 6) Entire Agreement (Parol evidence). The Contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 7) Assignment of Contract. No assignment of Contract may be made without the prior written approval of Region 4 ESC. Contractor is required to notify Region 4 ESC when any material change in operations is made (i.e., bankruptcy, change of ownership, merger, etc.).
- 8) Novation. If Contractor sells or transfers all assets or the entire portion of the assets used to perform this Contract, a successor in interest must guarantee to perform all obligations under this Contract. Region 4 ESC reserves the right to accept or reject any new party. A change of name agreement will not change the contractual obligations of Contractor.
- 9) Contract Alterations. No alterations to the terms of this Contract shall be valid or binding unless authorized and signed by Region 4 ESC.
- 10) Adding Authorized Distributors/Dealers. Contractor is prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under the Contract without notification and prior written approval from Region 4 ESC. Contractor must notify Region 4 ESC each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to the Contractor unless otherwise approved by Region 4 ESC. Pricing provided to members by added distributors or dealers must also be less than or equal to the Contractor's pricing

11) TERMINATION OF CONTRACT

- a) Cancellation for Non-Performance or Contractor Deficiency. Region 4 ESC may terminate the Contract if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this Contract due to failure by Contractor to carry out any obligation, term or condition of the contract. Region 4 ESC may issue a written deficiency notice to Contractor for acting or failing to act in any of the following:
- i. Providing material that does not meet the specifications of the Contract;
 - ii. Providing work or material was not awarded under the Contract;
 - iii. Failing to adequately perform the services set forth in the scope of work and specifications;
 - iv. Failing to complete required work or furnish required materials within a reasonable amount of time;
 - v. Failing to make progress in performance of the Contract or giving Region 4 ESC reason to believe Contractor will not or cannot perform the requirements of the Contract; or
 - vi. Performing work or providing services under the Contract prior to receiving an authorized purchase order.

Upon receipt of a written deficiency notice, Contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in Contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by Contractor under the Contract shall immediately become the property of Region 4 ESC.

- b) Termination for Cause. If, for any reason, Contractor fails to fulfill its obligation in a timely manner, or Contractor violates any of the covenants, agreements, or stipulations of this Contract Region 4 ESC reserves the right to terminate the Contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the Contractor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by Contractor will become the property of the Region 4 ESC. If such event does occur, Contractor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.
- c) Delivery/Service Failures. Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the Contract to be terminated.
- d) Force Majeure. If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably

within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

- e) Standard Cancellation. Region 4 ESC may cancel this Contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.
- 12) Licenses. Contractor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by Contractor. Contractor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the Contract. Region 4 ESC reserves the right to stop work and/or cancel the Contract if Contractor's license(s) expire, lapse, are suspended or terminated.
- 13) Survival Clause. All applicable software license agreements, warranties or service agreements that are entered into between Contractor and Region 4 ESC under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Contractor shall survive expiration or termination of the Contract for a period of up to one year beyond the term of the Contract.
- 14) Delivery. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period, the Contractor must receive authorization for the delayed delivery. The order may be canceled if the estimated shipping time is not acceptable. All deliveries shall be freight prepaid, F.O.B. Destination and shall be included in all pricing offered unless otherwise clearly stated in writing.
- 15) Inspection & Acceptance. If defective or incorrect material is delivered, Region 4 ESC may make the determination to return the material to the Contractor at no cost to Region 4 ESC. The Contractor agrees to pay all shipping costs for the return shipment. Contractor shall be responsible for arranging the return of the defective or incorrect material.
- 16) Payments. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 17) Price Adjustments. Should it become necessary or proper during the term of this Contract to make any change in design or any alterations that will increase price, Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the Contract shall be paid without prior approval. All price increases must be supported by manufacturer documentation, or a formal cost justification letter. Contractor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC. It is the Contractor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was provided and accepted in the Contractor's proposal.

Price reductions may be offered at any time during Contract. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all users equally; 2) reduction is for a specific period, normally not less than thirty (30) days; and 3) original price

is not exceeded after the time-limit. Contractor shall offer Region 4 ESC any published price reduction during the Contract term.

- 18) Audit Rights. Contractor shall, at its sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Contract. Region 4 ESC reserves the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. Region 4 ESC shall have the authority to conduct random audits of Contractor's pricing at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Contractor's pricing at Contractor's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC.
- 19) Discontinued Products. If a product or model is discontinued by the manufacturer, Contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 20) New Products/Services. New products and/or services that meet the scope of work may be added to the Contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines if the line is replacing or supplementing products, is equal or superior to the original products, is discounted similarly or greater than the original discount, and if the products meet the requirements of the Contract. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 21) Options. Optional equipment for products under Contract may be added to the Contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 22) Warranty Conditions. All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 23) Funding Out Clause. A Contract for the acquisition, including lease, of real or personal property is a commitment of Region 4 ESC's current revenue only. Region 4 ESC retains the right to terminate the Contract at the expiration of each budget period during the term of the Contract and is conditioned on a best effort attempt by Region 4 ESC to obtain appropriate funds for payment of the contract.
- 24) Indemnity. Contractor shall protect, indemnify, and hold harmless both Region 4 ESC and its administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Contractor, Contractor employees or subcontractors in the preparation of the solicitation and the later execution of the Contract.

Any litigation involving either Region 4 ESC, its administrators and employees and agents will be in Harris County, Texas.

- 25) Marketing. Contractor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this Contract by Contractor must have prior approval from Region 4 ESC.
- 26) Certificates of Insurance. Certificates of insurance shall be delivered to the Region 4 ESC prior to commencement of work. The Contractor shall give Region 4 ESC a minimum of ten (10) days' notice prior to any modifications or cancellation of policies. The Contractor shall require all subcontractors performing any work to maintain coverage as specified.
- 27) Legal Obligations. It is Contractor's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services and shall comply with all laws while fulfilling the Contract. Applicable laws and regulation must be followed even if not specifically identified herein.

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Verkada, Inc.

Address 406 E. 3rd Ave

City/State/Zip San Mateo, CA 94401

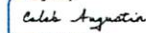
Telephone No. 650-514-2682

Email Address caleb.augustin@verkada.com

Printed Name Caleb Augustin

Title Director of Global Channel


Authorized signature

Signed by:

45/11972A132E4F8

Accepted by Region 4 ESC:

Contract No. _R250206

Initial Contract Term 4/1/2025 to 3/31/2028



Region 4 ESC Authorized Board Member

2/25/2025

Date

Linda Tinnerman

Print Name



Region 4 ESC Authorized Board Member

2/25/2025

Date

Victor E. White

Print Name

Appendix B**TERMS & CONDITIONS ACCEPTANCE FORM**

Signature on the Offer and Contract Signature form certifies complete acceptance of the terms and conditions in this solicitation and draft Contract except as noted below with proposed substitute language (additional pages may be attached, if necessary). The provisions of the RFP cannot be modified without the express written approval of Region 4 ESC. If a proposal is returned with modifications to the draft Contract provisions that are not expressly approved in writing by Region 4 ESC, the Contract provisions contained in the RFP shall prevail.

Check one of the following responses:

- ☐ Offeror takes no exceptions to the terms and conditions of the RFP and draft Contract.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- ☒ Offeror takes the following exceptions to the RFP and draft Contract. All exceptions must be clearly explained, reference the corresponding term to which Offeror is taking exception and clearly state any proposed modified language, proposed additional terms to the RFP and draft Contract must be included:

(Note: Unacceptable exceptions may remove Offeror's proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions and modifications and the decision shall be final.)

If an offer is made with modifications to the contract provisions that are not expressly approved in writing, the contract provisions contained in the RFP shall prevail.)

Section/Page	Term, Condition, or Specification	Exception/Proposed Modification	Accepted (For Region 4 ESC's use)
Section 4	Order of Precedence	As discussed in more detail in our letter, given the unique nature of our products our terms should be incorporated by reference.	<input checked="" type="checkbox"/>
Section 11(c)	Cost to Cover	Deletion of last sentence of the section.	<input checked="" type="checkbox"/>
Section 13	Survival of Terms	To be properly scoped based on the products provided under the Agreement	<input checked="" type="checkbox"/>
Sections 23-28	On-site Terms	To be deleted - not applicable as Verkada will not be on-site and does not provide any on-site services. These terms would be between customer and their selected installation partner.	<input checked="" type="checkbox"/>
Section 30	Indemnity	To be properly scoped based on what Verkada is providing under the Agreement.	<input checked="" type="checkbox"/>

OMNIA Colleagues,

Thank you for providing your Administration Agreement and Sample Draft Contract (collectively, "Agreements") for review. We understand that your Agreements are drafted to cover a broad range of vendors and providers, however the Verkada products are not your typical enterprise SaaS and have a unique structure which involves hardware, downloaded software, and cloud hosted software, all sold through the channel. This approach is reflected in our agreements:

- EUA: this is our End User Agreement that governs the purchase and use of our hardware and software. This EUA reflects our unique licensing regime with co-termination, RMA rules, the 30-day return period, SLA and support terms, and the fact that all our sales go through our channel partners. These terms reflect how the product and related business processes work at Verkada, which are standardized across our customer base.
 - Alarms Addendum (if applicable): this addendum is specific to the purchase and use of our Alarms products and services and reflects the industry standard approach for alarm system vendors.
- DPA: the Data Processing Addendum is made part of the EUA and reflects how our offering processes Personal Data in accordance with Data Protection Laws.
- Security Terms: Verkada's Security Controls are integrated into the EUA and reflect our applicable administrative, technical, physical, and procedural security measures. Additionally, if more detailed information is needed (e.g. recent SOC 2 or ISO reports), end-customers can submit a request with our security team.

In the event Verkada is awarded this opportunity, we believe that it would be most efficient for the parties to incorporate the Verkada agreements as part of the negotiated Agreements. Additionally, we will work in good faith on mutually agreeable revisions to the Agreements regarding some of the high-level issues that we have identified (e.g. scope of indemnity, order of precedence, clarifications on inapplicable provisions due to the nature of Verkada products). We look forward to your decision and are happy to answer any questions you may have in the meantime.

Thank you,

Verkada Legal Team



Proposal Response for Region 4 Education Service Center & OMNIA Partners

25-02 Weapons Threat Detection Equipment, Services, and Other Solutions

November 20, 2024

Submitted by: Verkada, Inc | 406 E. 3rd Ave. San Mateo, CA 94401

Point of Contact: Kayla Medina | Program Manager, Government Contracts | (801) 793-2634 | kayla.medina@verkada.com

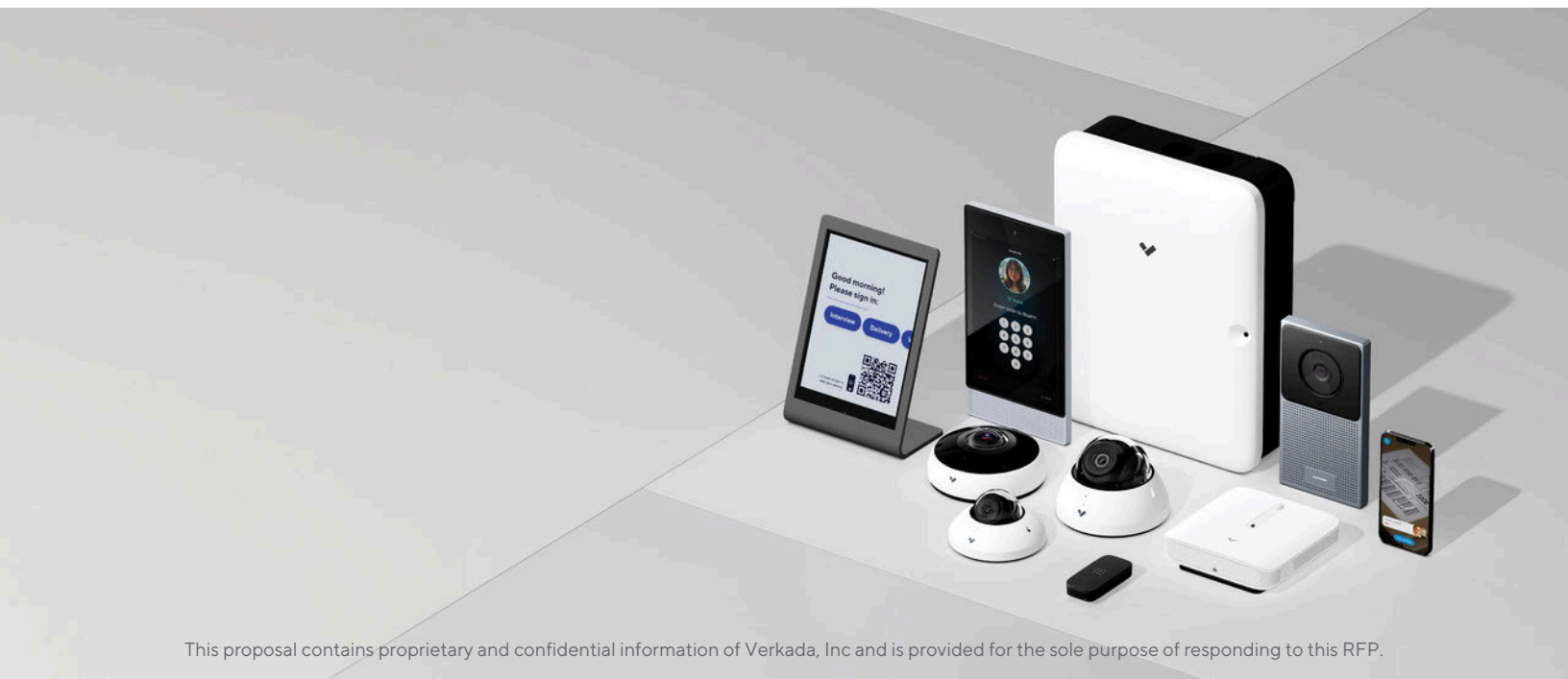


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11/9/2024

Region 4 Education Service Center
7145 West Tidwell Road
Houston, Texas 77092-2096

Ref: Weapons and Threat Detection Equipment RFP #25-02

Dear Region 4 Education Service Center,

Verkada is pleased to present our proposal to provide Threat Detection and Related Services to the Region 4 Education Service Center and Participating Public Agencies.

Included in Verkada's proposal is our complete product line of physical security solutions, all seamlessly integrated through a single, cloud-based software platform. Designed with simplicity in mind, Verkada's six product lines—video security cameras, access control, environmental sensors, alarms, visitor management, and mailroom management—deliver unparalleled visibility into building security.


With over 22,000 customers across 70 countries, supported by a team of 1,800 employees in 16 global offices, Verkada is trusted by organizations in every industry. Our solutions protect people where they visit, work, and live.

Verkada is committed to building a strong and collaborative partnership with Region 4/OMNIA Partners to provide streamlined procurement and exceptional value to the public sector. With our emphasis on serving state, local, and educational entities, Verkada is uniquely positioned to meet the specific needs of your organization while maintaining the highest standards of integrity and performance.


Kayla Medina will serve as Verkada's primary contact during clarifications or negotiations with Region 4 and/or OMNIA Partners. We look forward to the opportunity to partner with you and deliver the innovative solutions needed to protect the communities you serve.

We look forward to your response.

Sincerely,

DocuSigned by:

DEFA1C5862DC40C...

Kayla Medina
Program Manager, Government Contracts
kayla.medina@verkada.com

Signed by:

2F0B9C01DEC6499...

Phuong Tran
Sr. Director, Sales Strategy & Operations
phuong.tran@verkada.com

1. CONTRACT DURATION The initial term of the Contract is for a period of three (3) years unless terminated, canceled, or extended as otherwise provided herein. Region 4 ESC shall have the right in its sole discretion to renew the Contract for additional terms up to two (2) years after the end of the initial term or for a lesser period of time as determined by Region 4 ESC by providing written notice to the Contractor of Region 4 ESC's intent to renew thirty (30) days prior to the expiration of the original term. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Contract. In the event the proposal term, including renewals, ends before another proposal is executed, proposal prices and discounts may be extended on a month-to-month basis by mutual consent. Extensions are limited to the lesser of: a) six (6) additional monthly terms, or b) the time which is required to complete a new solicitation for the goods and services provided for in this solicitation. Notwithstanding the foregoing paragraph, the term of the Contract, including any extension of the original term, shall be further extended until the expiration of any Purchase Order issued within the Contract term for a period of up to one year beyond the Contract term.

I certify compliance with this attribute.

YES

2. NAME OF INDIVIDUAL COMPLETING THIS PROPOSAL

Kayla Medina

kayla.medina@verkada.com

Program Manager, Government Contracts

801-793-2634

3. HOW MANY YEARS HAS YOUR BUSINESS OPERATED UNDER ITS PRESENT NAME

8

4. WHAT IS YOUR CURRENT NUMBER OF CUSTOMER ACCOUNTS?

██████

5. WHAT ARE YOUR BUSINESS HOURS?

Verkada's standard hours of operation are Monday through Friday, 8am to 5pm U.S. Pacific Time. Local offices operate during standard business hours in their respective time zones to ensure regional accessibility and support.

For technical support matters, Verkada's support team is available 24/7/365 via chat, email, and phone. For all other inquiries, customers may reach out to their account executive or reseller partner for assistance.

6. IS 30 DAYS AFTER RECEIPT OF INVOICE AN ACCEPTABLE PAYMENT SCHEDULE FOR YOUR BUSINESS?

Yes

7. WHAT IS THE STANDARD LEAD TIME FOR RECEIPT OF PRODUCTS AFTER ORDER IS RECEIVED (ARO), IN DAYS? Provide your answer in number of DAYS after receipt of order (ARO).

[REDACTED]

8. ACCOUNT MANAGER NAME

Kayla Medina

9. ACCOUNT MANAGER EMAIL

kayla.medina@verkada.com

10. ACCOUNT MANAGER PHONE

(801) 793-2634

11. PAYMENT REMITTANCE ADDRESS

406 E 3rd Ave, San Mateo, CA 94401

12. PAYMENT REMITTANCE PHONE

(650) 514-2500

13. CONTRACT/PURCHASE ORDER/QUOTE EMAIL

Vendors may choose to have purchase orders emailed to them in PDF format in lieu of having them faxed or mailed. To elect this option, please offer the preferred email address in the accompanying field. This email address will apply to any purchases from your company, so the use of a generic email address is suggested, such as bids@companyname.com or purchaseorders@businessname.com.
govcontracts@verkada.com

14. CONTRACT/PURCHASE ORDER/QUOTE FAX NUMBER, IF APPLICABLE

If applicable, please provide a fax number to send orders and quote requests.

N/A

15. REQUIRED REFERENCE QUOTE OR CONTRACT NUMBER, IF APPLICABLE Enter your quote or contract number and/or any other information our staff would need to provide on the face of purchase orders in order to receive discount percentages and contract pricing.

Upon assignment of the awarded contract, Verkada requires that all orders include the names of the eligible entity, reseller partner, and Verkada, along with the "OMNIA Contract Number" on all quotes, purchase orders, proposals, and related documentation. Additionally, Verkada requires that all orders under this agreement, regardless of reseller partner, include govcontracts@verkada.com.

16. COMPANY WEBSITE ADDRESS, IF APPLICABLE

<https://www.verkada.com/>

17. HOW WERE YOU NOTIFIED OF THIS BID OPPORTUNITY?

In order to verify the efficiency of communication tools used to notify vendors of bidding opportunities, we ask that you provide us with the manner in which you received notification of this request for bid/proposal.

We were notified of this bid opportunity via email through our lonwave account. Additionally, we have been proactively tracking OMNIA solicitations, viewing OMNIA as a strategic partnership we planned to pursue.

18. REFERENCE 1

Please provide the reference of a school and/or business who have utilized the same equipment/products within the last two years. Include Company/Government name, address, contact name, and contact phone number.

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

19. REFERENCE 1 EMAIL

[REDACTED]

20. REFERENCE 2

Please provide the reference of a school and/or business who have utilized the same equipment/products within the last two years. Include Company/Government name, address, contact name, and contact phone number.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

21. REFERENCE 2 EMAIL

[REDACTED]

22. REFERENCE 3

Please provide the reference of a school and/or business who have utilized the same equipment/products within the last two years. Include Company/Government name, address, contact name, and contact phone number.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

23. REFERENCE 3 EMAIL

[REDACTED]

24. THE U.S. STATE YOUR PRINCIPAL PLACE OF BUSINESS IS LOCATED.

[REDACTED]

25. RECIPROCITY

For Businesses not located in Texas: Does your state of residence or incorporation require out-of-state bidders to underbid vendors residing in your state by a prescribed amount or percentage to receive a comparable contract? If Yes, please input that percentage; If No, please leave the adjacent field blank.

No. State of Residence CA/State of Incorporation DE: To our best knowledge, California and Delaware do not have a specific statute requiring out-of-state bidders to underbid in-state vendors by a prescribed amount or percentage to secure comparable contracts.

26. PARTIAL AWARD ACCEPTANCE

REGION 4 ESC retains the right to award this contract in such a manner that it receives the best overall value for the goods and/or services requested in this request for proposal or bid, which may include awarding to multiple vendors.

[I understand.](#)

27. PURCHASE ORDER POLICY

REGION 4 ESC purchases tangible goods and services through the use of approved Purchase Orders. Vendors are highly discouraged from sending products, and/or performing services without prior receipt of an approved District Purchase Order. While campuses and departments may call for quotes and information, please be advised the District is not obligated to pay for any services and/or products ordered via telephone or email without the presence of a properly executed Purchase Order.

[I understand.](#)

28. ADDENDA NOTIFICATIONS

Any addenda to this proposal will be issued electronically through this system. It is vendor's responsibility to review addenda upon e-mailed notice and retract/amend their submission as deemed necessary. REGION 4 ESC may choose to mark a proposal received prior to the issuance of an addendum as non-responsive should REGION 4 ESC, in its sole determination, finds the addendum to be of such material change that it warrants such determination. If such proposal is found non-responsive, REGION 4 ESC will not consider the proposal for evaluation or further consideration.

[I understand.](#)

29. Provide equipment manufacturer, equipment types and discounts off published list price. Verkada is the original equipment manufacturer for our range of security and workplace solutions. Our product offerings include:

- [Cameras](#)
- [Connectivity](#)
- [Command Connector](#)
- [Access Control](#)

- Air Quality Sensors
- Intercom
- Alarms
- Workplace

Each of these product lines integrates seamlessly under command, a single cloud based platform.

We offer competitive discounts off our published list prices, which can vary based on product type and volume purchased. For OMNIA specific discount rates, please refer to Products and Pricing Attachment #1.

30. Define any freight charges.

Verkada does not charge freight fees. Shipping fees are detailed in Attribute #55 for your reference.

31. Describe how Offeror responds to emergency orders.

Verkada processes emergency orders based on the shipping method specified in the reseller partner purchase order, shipping directly to the designated address provided. Reseller partners can work with their Verkada representative and the orders team at orders@verkada.com to request various service levels, including next-day shipping, to meet urgent delivery needs.

32. What is Offeror's average Fill Rate?

[REDACTED]

33. What is Offeror's average on time delivery rate? Describe Offeror's history of meeting the shipping and delivery timelines

[REDACTED]

34. Describe Offeror's return and restocking policy.

Verkada is committed to customer satisfaction, and our return policy reflects that. Customers can easily return products up to a total net value of \$250,000 for any reason within 30 days of shipment.

Customers simply need to send a request by email within this 30-day period, including the serial numbers of the products they wish to return. Requests can be directed to either the Partner who submitted the purchase order or the Verkada sales representative assigned to the account.

For additional terms governing returns, please refer to our [End User Agreement](https://legal.verkada.com/) at <https://legal.verkada.com/>

35. Describe Offeror's ability to meet service and warranty needs.

Verkada's global technical support team, headquartered in the U.S, is dedicated to meeting the service and warranty needs of our partners and customers.

To initiate a warranty return, email support@verkada.com with purchase details, serial numbers, reason for return, and contact information. Once reviewed and approved, Verkada will issue a Return Materials Authorization (RMA) along with a prepaid shipping label. The hardware should be returned within 14 days of receiving the RMA. This straightforward approach reflects our commitment to reliable, responsive support worldwide.

For additional terms governing warranty, please refer to our [End User Agreement](https://legal.verkada.com/) at <https://legal.verkada.com/>

36. Describe Offeror's customer service/problem resolution process. Include hours of operation, number of services, etc.

One of the many reasons customers choose Verkada is our 24/7/365 technical support.

Whenever you face an issue, our team is just a message away. You can reach out to Verkada via live chat in command, email support@verkada.com/escalations@verkada.com, or phone (650) 514-2500 at any time weekends and holidays included. Our support staff typically responds within minutes, and you'll often find our phone line has minimal to no hold times. This service is provided at no charge.

We proudly maintain an average chat response time of 30 seconds and a phone response time of just 15 seconds. Our commitment to customer satisfaction is evident, with over 83,000 support tickets successfully resolved in the past 12 months and an impressive Net Promoter Score (NPS) of 45. The support team is primarily located in San Mateo, CA at Verkada HQ.

For live insights into our response times, please visit <https://www.verkada.com/support-stats/>.

37. Describe Offeror's invoicing process. Include payment terms and acceptable methods of payments. Offerors shall describe any associated fees pertaining to credit cards/p-cards. Verkada exclusively sells through our network of reseller partners. The invoicing process, payment terms, and acceptable methods of payment are determined by each reseller partner. Our resellers often work directly with government entities and are familiar with the unique requirements of public sector procurement. This experience allows them to offer flexible payment options that align with standard government purchasing methods, including credit cards, p-cards, and other forms of payment.

Any associated fees, such as those for credit card or p-card transactions, are also managed by the reseller partner, and customers are encouraged to discuss these details directly with them to ensure alignment with their financial processes. This approach allows our partners to provide tailored solutions, aligning with the procurement and payment requirements of various public sector customers.

38. Describe Offeror's contract implementation/customer transition plan.

Verkada's plan focuses on streamlining government access to our products via the Master Agreement. We plan to maintain regular contact with Region 4 and OMNIA Partners to drive adoption and continually refine the process.

Internally, Verkada will conduct training sessions covering the Master Agreement's scope, eligible agencies, and procurement benefits. Sales, support teams, and reseller partner teams will gain working knowledge of the solicitation process within the sales motion and cooperative contract advantages. Materials such as customer guides, FAQs, and outreach templates will be created to support consistent and accurate communication.

Externally, in cadence with marketing efforts, Verkada will proactively reach out to public sector customers, educating them on how the contract streamlines their procurement process and reduces administrative burdens. Existing customers on alternative procurement paths will be guided toward using the Master Agreement.

39. Describe the financial condition of Offeror.

Verkada continues to expand and remains financially secure, detailed financial information is not publicly available due to our privately owned status. Should Region 4 need detailed financial information, we can provide this upon request.

Verkada recently closed a Series D fundraising round in October 2023, securing \$305 million in capital. This round included contributions from Alkeon Capital and Lightspeed Venture Partners, with the funds aimed at supporting Verkada's expansion plans, developing new products, and enhancing its existing offerings. This successful fundraising highlights Verkada's solid financial position and ongoing growth.

40. Provide a website link in order to review website ease of use, availability, and capabilities related to ordering, returns and reporting. Describe the website's capabilities and functionality. You can access Verkada's website at www.verkada.com. The site is designed with users in mind, offering intuitive navigation and a responsive, mobile optimized interface for a seamless experience across both desktop and mobile devices. Key functions like ordering, returns, and quotes are detailed below, but the overall website also offers a wealth of information on our products, solutions, customers, resources, and partners.

For ordering, customers can visit the Quote page at www.verkada.com/quote, where they can request product quotes.. For returns, the returns portal at returns.verkada.com/app/home provides clear instructions on how to initiate and manage return requests.

Reporting will be handled by our contract team, and customers can reach out directly to orders@verkada.com or govcontracts@verkada.com for assistance with order histories and tracking information.

41. Describe the Offeror's safety record.

Verkada does not provide direct installations and, therefore, does not maintain an on site safety record. However, our vetted contract reseller partners can provide their safety records upon request. We ensure that all installation partners are committed to adhering to the highest safety standards relevant local, state, and federal regulations. Additionally, our reseller partners have the opportunity to become Verkada Certified Engineers, ensuring they have the expertise to perform safe and effective installations.

42. Provide a brief history of the Offeror, including the year it was established and corporate office location.

Verkada was founded in 2016 by Filip Kaliszan and co-founders James Ren, Benjamin Bercovitz, and Hans Robertson. The company is headquartered in San Mateo, California, with additional offices in Texas, Utah, Florida, Arizona, Pennsylvania, and New York. Internationally, Verkada operates in the United Kingdom, Poland, Mexico, Australia, Taiwan, Japan, South Korea, and Singapore. Today, Verkada is a leading physical security platform, providing integrated cloud based solutions such as video security cameras, access control, environmental sensors, alarms, visitor management, and mailroom management. Verkada recently secured \$305M in Series D funding, bringing its valuation to \$3.2B double its valuation from two years ago. Despite a challenging market, Verkada's strong growth and investor confidence demonstrate the company's ongoing success and expansion. Verkada protects over 20,000 organizations worldwide, modernizing physical security with scalable, easy to manage solutions.

43. Describe Offeror's reputation in the marketplace.

At Verkada, we've earned a strong reputation in the marketplace for our innovative cloud-based physical security solutions. We stand out for our ease of use, seamless integration, and reliable performance. Customers, including those in education and public safety, praise our ability to simplify security management through our intuitive platform, providing actionable insights and real-time monitoring across various devices.

We've earned multiple awards for our innovation and design excellence, including the Red Dot Design Award for several product lines and the iF Design Award for our access control products. We've also received recognition such as Security Today's 2024 New Product of the Year in AI and the AI Excellence Award 2024. Verkada was named one of Selling Power's 60 Best Companies to Sell for in 2024 and recognized as one of the Best Places to Work in the Bay Area and Built In's 2023 Best Places to Work across five categories.

www.verkada.com/newsroom/awards/

44. Describe Offeror's reputation of products and services in the marketplace.

At Verkada, we're highly regarded for our innovative approach to building management, offering cloud-based solutions that seamlessly integrate with modern technology. Known for our user-friendly interface, we make security management easy and accessible, even for those with minimal technical expertise. Our use of cutting edge AI and machine learning enhances video surveillance with smart analytics like motion detection and person recognition, setting us apart as a leader in innovation. These devices continuously receive

updates and improvements without the need for new hardware, ensuring our customers always have access to the latest features. Our systems are praised for their scalability, allowing businesses of all sizes to effortlessly expand and manage their security needs. We deliver a forward-thinking solution that prioritizes user experience and security, making Verkada a standout in the industry.

45. Describe if distributors/dealers/resellers/subsidiaries/partners ("affiliates") will be used to fulfill the contract. Submit a list of those affiliates authorized to sell under the proposed contract. Where and how does Offeror propose to maintain an authorized affiliate list so it may be accessed by Participating Agencies? How often does the supplier propose to update the affiliate list?

Verkada operates through a channel distribution model, exclusively working with a network of authorized resellers and partners. To ensure transparency and access, we maintain a dynamic list of all our authorized resellers on our website at <https://www.verkada.com/find-partners/>

[REDACTED]

[REDACTED]

At Verkada, we recognize that government agencies have unique needs. To ensure our products are delivered with the highest level of quality and support, we'll maintain an OMNIA specific list of authorized resellers. This list will include partners who meet our strict standards for performance, reliability, and service. This OMNIA-specific list of authorized resellers will be included as an attachment on our OMNIA award landing page for easy reference. We will update the list as needed to ensure that customers can work with their preferred resellers,

while also ensuring they are receiving top quality service. We commit to updating the list on a quarterly basis at minimum, but expect a more frequent cadence to meet customer needs. We look forward to discussing these points further to ensure alignment. Based on this, we will provide our finalized list of authorized resellers upon award.

46. Describe the experience and qualifications of key employees.

Kayla Medina – Kayla has led government contract efforts at Verkada since 2021. With prior experience as a Contract Analyst for the State of Utah, Kayla possesses a deep understanding of public procurement and a strategic approach to maximizing contract opportunities for business growth.

Phuong Tran – Phuong Tran has been at Verkada since 2020. She leads centralized Sales Strategy and Operations at Verkada, overseeing strategies, policies and processes that impact the performance of the overall go to market function. She holds an MBA from the Stanford Graduate School of Business.

Mimi Yu – Mimi has been with Verkada since 2020, bringing a strong expertise in CRM tools, compliance, data management, and auditing. Mimi manages contract training, deal management, reporting, and system implementation, ensuring smooth operations and effective processes across these areas.

Executive Support: Anthony Cavallio – VP of Enterprise Sales and Caleb Augustin – Director of Global Channel

47. Describe Offeror's experience working with the government sector.

Verkada has extensive experience delivering innovative security solutions to government agencies, which have been a foundational part of our business since 2016. Our solutions have been successfully implemented across a broad range of sectors, including education, law enforcement, municipalities, county, federal, and state organizations.

Today, our solutions are trusted by over 2,000 public administration clients and safeguard the over 10 million elementary school students and 3 million college and university students, ensuring secure environments for learning and public service.

[REDACTED]

[REDACTED]

[REDACTED]

48. Describe past litigation, bankruptcy, reorganization, state investigations of entity or current officers and directors.

Verkada is not subject to any final litigation or investigations that would materially impact the delivery of our products. Should Region 4 require further details, we can provide them upon request.

49. Provide Offeror's expertise in working with the public sector and understanding of the unique technical regulatory requirements.

Our solutions have undergone rigorous security assessments to meet FedRAMP Ready at the Moderate impact level, FIPS 140-2 validation, and are fully compliant with TAA and FY 2019 NDAA requirements.

For our government customers with unique security and compliance needs, Verkada offers government-grade solutions designed to meet the highest standards of protection. This includes the option of hosting the Verkada Command platform in AWS GovCloud, which supports our FIPS-validated models and provides an additional layer of security for sensitive government data.

50. Indicate if Offeror is licensed to do business in all 50 states.

Yes. While our various reseller partners are licensed to do business in all 50 states, [REDACTED]

[REDACTED]

51. Value Add - Provide any additional information related to products and services Offeror proposes to enhance and add value to the Contract.

Verkada and our reseller partner offer a comprehensive range of value added services designed to complement our solutions. These value added services are offered at the same pricing structure as our core products outlined in Attachment #1 Products and Pricing. By combining these specialized services with Verkada's advanced technologies, Verkada and our reseller partners can help maximize the return on investment for government clients while providing tailored, scalable solutions. Verkada provides several support and service SKUs included in our price list that can be customized based on the specific needs of our

customers. Other value added services include, but are not limited to: Deployment Project Management, Setup/Configuration/Training, and Software Engineering/API Build.

[REDACTED]

[REDACTED]

A detailed breakdown of our value added services can be found in Attachment #2 Valued Added Services.

52. Include a per diem rate.

\$309/Day

53. For Non-Normal Working Hours, indicate if there is a minimum charge of hours and what the number of hours is.

The minimum charge (if any) for non-normal working hours is at the discretion of our partners, as determined by their individual installation and maintenance agreements. These charges will not exceed rates as proposed in our pricing structure.

54. Is pricing available for all products and services?

Yes, please see Products & Pricing Attachment #1

55. Describe any shipping charges (where applicable).

Verkada applies a tiered flat rate shipping model for reseller partners, with charges structured by delivery timeline including ground, two day, and next day shipping. This tiered system

ensures freight costs are predictable and aligned with different delivery needs, making it easier for resellers to provide accurate shipping costs upfront.



[Redacted]			
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

56. Provide pricing for warranties on all products and services.

Verkada does not impose any fees for warranties on our products and services.

57. Describe any return or restocking fees.

Verkada does not charge return or restocking fees.

58. Describe any additional discounts or rebates available. Additional discounts or rebates may be offered for large quantity orders, single ship to location, growth, annual spend, guaranteed quantity, etc.

While additional discounts and rebates are not guaranteed, they may be provided at the discretion of our reseller partners, particularly for large quantity orders, single shipment locations, or other qualifying conditions. As a manufacturer, we periodically extend discounts on select product lines being phased out or on surplus inventory. We encourage our customers to consult directly with their reseller for further details on eligibility and specific discount opportunities.

59. Describe how customers verify they are receiving Contract pricing.

Customers can verify OMNIA contract pricing on the OMNIA and or Verkada website, or conduct contract quote reviews with our contracts team at govcontracts@verkada.com.

As the sole manufacturer and supplier of its products, Verkada ensures that all purchases are made exclusively through authorized reseller partners who are required to adhere to master agreement pricing. Verkada products are not available for direct purchase, retail, or in-store locations, ensuring pricing compliance through authorized channels.

To further maintain pricing integrity, partners requesting authorization under this agreement will undergo a selection process based on agreed upon standards. Approved partners will be trained on contract ordering policies, agree to adhere to contract pricing terms, and be subject to monitoring and transaction audits by Verkada's sales and contract management teams.

60. Propose the frequency of updates to the Offeror's pricing structure. Describe any proposed indices to guide price adjustments. If offering a catalog contract with discounts by category, while changes in individual pricing may change, the category discounts should not change over the term of the Contract.

Verkada does not anticipate nor propose updates to our pricing structure throughout the duration of this contract. Should any extreme price adjustments be necessary due to significant industry changes, we will provide supporting data from reputable sources, such as the U.S. Bureau of Labor Statistics (<https://www.bls.gov/data/>).

Verkada maintains a comprehensive MSRP list which is regularly updated alongside any product pricing revisions. This full MSRP list is readily accessible for download on our website at <https://www.verkada.com/pricing/>. We encourage our partners and customers to refer to this resource for the most current pricing information, ensuring transparency.

Verkada's proposed contract price structure is an indefinite quantity blanket discount off MSRP. Verkada agrees that this set pricing discount will not change over time, and any additional hardware, software, or services will align with our price structure as outlined in Products and Pricing Attachment #1.

61. Describe how future product introductions will be priced and align with Contract pricing proposed.

Verkada is consistently looking to expand our product line and anticipate new product introductions during the term of this agreement. New SKUs on Verkada's price list will follow our set discount off MSRP as outlined in Products and Pricing Attachment 1.

62. Describe any diversity programs or partners supplier does business with and how Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program. If there are any diversity programs, provide a list of diversity alliances and a copy of their certifications. Verkada does not have a formalized reseller diversity program today. However, with our broad network of reseller partners, participating agencies have a wide variety of diverse partners they can select to align with their specific requirements.

Pricing remains consistent regardless of the diversity program or partner selected, as pricing under the Master Agreement is standardized for all transactions.

To learn more about diversity at Verkada, we encourage you to review our 2024 Impact Report, available here: <https://docs.verkada.com/docs/2024-Impact-Report.pdf>.

63. Minority Women Business Enterprise Certification. If yes, list certifying agency. Verkada is not certified as an MWBE. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

64. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE) Certification. If yes, list certifying agency. Verkada is not certified as an SBE or DBE. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

65. Historically Underutilized Business (HUB) Certification. If yes, list certifying agency. Verkada is not certified as an HUB. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

66. Historically Underutilized Business Zone Enterprise (HUBZone) Certification. If yes, list certifying agency. Verkada is not certified as an HUBZone. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

67. Other recognized diversity certificate holder. If yes, list certifying agency
N/A

68. Describe how Supplier will transition any existing Public Agency customers' accounts to the Master Agreement available nationally through OMNIA Partners. Include a list of current cooperative contracts (regional and national) Offeror holds and describe how the Master Agreement will be positioned among the other cooperative agreements.

OMNIA and Region 4 will be established as our primary contract for public agencies nationwide upon award.

[REDACTED]

[REDACTED]

[REDACTED]

69 Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners logo will require permission for reproduction, as well.

Yes

70. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners. All sales materials are to use the OMNIA Partners logo. At a minimum, the Offeror's sales initiatives should communicate:

- Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency
- Best government pricing
- No cost to participate
- Non-exclusive

Yes

71. Confirm Offeror will train its national sales force on the Master Agreement. At a minimum, sales training should include:

- Key features of Master Agreement
- Working knowledge of the solicitation process
- Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners
- Knowledge of benefits of the use of cooperative contracts

Yes

72. Provide the name, title, email and phone number for the person(s), who will be responsible for:

Executive Support: Phuong Tran, Director, Sales Strategy & Operations,

[REDACTED] & Tony Cavallio, VP of Enterprise Sales (Public Sector) [REDACTED] Caleb Augustin, Director of Global Channel, [REDACTED]

Marketing: Federico Mobilia, Growth Manager, [REDACTED]

Sales: Anthony Cavallio, VP of Enterprise Sales, [REDACTED]

Sales Support: Kayla Medina & Mimi Yu, Government Contracts Team, govcontracts@verkada.com, 801-793-2634 & John Rowe, Sales Enablement Manager, [REDACTED]

Financial Reporting: Mimi Yu, Sales Strategy & Operations Sr. Specialist, [REDACTED]
[REDACTED] & Rimsha Ahmed, Sr Accounts Receivable Specialist,
[REDACTED]

Accounts Payable: Kevin Marcotte, Manager FinOps & Revenue, [REDACTED]
[REDACTED]

Contracts: Kayla Medina, Program Manager Government Contracts,
kayla.medina@verkada.com, 801-793-2634

73. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team.

At Verkada, we follow a fairly traditional sales structure with some modern adaptations. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

74. Explain in detail how the sales teams will work with the OMNIA Partners team to implement, grow and service the national program.

Our sales teams will work closely utilizing OMNIA resources and tools to ensure the successful implementation, growth, and servicing of the national program. The process will start with onboarding and training, so our sales teams and reseller partners fully understand how OMNIA Partners' program fits with Verkada's products and services. Our sales teams will be trained on OMNIA Partners as the default public sector buying vehicle

In addition to internal efforts, if awarded, Verkada seeks to host an OMNIA representative for a dedicated sales training session with our team and a separate dedicated reseller sales training. This training will provide valuable insights into optimizing our sales strategies and leveraging OMNIA procurement solutions.

Ongoing communication will be a key component of our partnership. Our teams will regularly touch base to ensure we're aligned on program updates, customer feedback, and any shifts in market needs. Together, we will develop joint sales strategies tailored to the national program, which will include collaborative marketing efforts, outreach, and lead generation initiatives..

In addition to the above, we are open to exploring any other methods or support that can further enhance our team's ability to effectively navigate the OMNIA partnership and drive success with this cooperative contract. We are eager to collaborate on this opportunity to strengthen our collective capabilities.

75. Explain in detail how Offeror will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc.

Our approach to managing this master agreement is driven by strong internal alignment across key functions. This collaborative approach brings together our demand generation, sales, sales strategy, sales enablement, legal, orders, channel, finance, deal desk, and other stakeholders enabling us to respond quickly and effectively to the needs of participating agencies. We view this opportunity with OMNIA/Region 4 as the potential for a strong partnership, built on collaboration and shared goals.

At Verkada, we have a dedicated government contract team solely focused on training, compliance, and support of our government cooperative contracts. This team provides

tailored training programs for internal teams and reseller partners to navigate government procurement processes effectively. We are readily available to address any questions related to cooperative contracts, ensuring all stakeholders have the support needed for successful program implementation.

Throughout the program, we will monitor performance through regular audits, reporting, and feedback loops, ensuring smooth operations and identifying areas for improvement. This ongoing coordination allows us to make adjustments as necessary and continuously deliver the best experience for customers and reseller partners.

76. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.

Please note that the amounts below reflect the total purchases from the reseller partner to Verkada. [REDACTED]



You can learn more about our customers and various use cases at <https://www.verkada.com/customers/>

77. Year 1 – Provide the Contract Sales (as defined in Section 12 of OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement ("Guaranteed Contract Sales"). To the extent Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

While we do not guarantee any number of sales through our contract, based on conservative estimates, we expect to see up to [REDACTED] during Year 1. This projection accounts for the extended government sales cycle and the time required to introduce the new award.

78. Year 2 – Provide the Contract Sales (as defined in Section 12 of OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement. To the extent Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

While we do not guarantee any number of sales through our contract, based on conservative estimates, we expect to see [REDACTED] during Year 2.

79. Year 3 – Provide the Contract Sales (as defined in Section 12 of OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement

To the extent the Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

While we do not guarantee any number of sales through our contract, based on conservative estimates, we expect to see [REDACTED] during Year 3.

80. Please download and thoroughly review the Scope of Work, located on the Attachments Tab. Indicate your review and acceptance.

Yes

81. Oral Communications concerning this RFP shall not be binding and shall in no way excuse an Offeror of the obligations set forth in this proposal.

Yes

82. Please download and thoroughly review the Terms and Conditions, located on the Attachments Tab. Indicate your review and acceptance.

Yes

83. Products/Pricing – Upload on Response Attachments Tab

Attached

84. Not to Exceed Pricing

Region 4 ESC requests pricing be submitted as not to exceed pricing. Unlike fixed pricing, the Contractor can adjust submitted pricing lower if needed but, cannot exceed original pricing submitted. Contractor must allow for lower pricing to be available for similar product and service purchases. Cost plus pricing as a primary pricing structure is not acceptable.

Verkada agrees with Region 4 ESC not to exceed pricing requirements. We confirm that all our cooperative government contract pricing structures today align with this approach, allowing for pricing adjustments downward when needed while ensuring the original submitted price remains the maximum.

Confirmed and agreed. Verkada's proposed contract pricing is structured as an indefinite quantity blanket discount off MSRP.

85. Provide the number, size and location of Supplier's distribution facilities, warehouses and retail network as applicable.

Verkada partners with several distribution facilities to handle both national and international deliveries. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]. More details can be provided upon request.

86. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide, to include, but not limited to:

i. Executive leadership endorsement and sponsorship of the award as the public sector go-to-market strategy within first 10 days

ii. Training and education of Supplier's national sales force with participation from the Supplier's executive leadership, along with the OMNIA Partners team within the first 90 days.

The first 30 days will focus on internal alignment and training. Verkada will distribute an internal announcement, introducing the Master Agreement as our primary cooperative contract. Live training sessions will be conducted for all government sales teams nationwide, with participation from executive leadership and OMNIA partners to ensure the strategic importance is communicated across the organization. In parallel, we will develop and distribute internal training materials, including FAQs, competitive positioning documents, and sales enablement guides, to ensure our teams are fully equipped to drive success.

In the next 30 days, we will conduct follow-up sessions and Q&A to address any questions from the field and share early success stories. Internal benchmarks will be established, and we will refine our reporting processes to track contract adoption and measure performance. Additionally, reseller partner training materials, including FAQs, competitive positioning, and ordering/compliance guides, will be developed and distributed to ensure our partners are aligned with the new go-to-market strategy.

By day 90, Verkada will conduct targeted regional and segment-specific training sessions to address any unique needs or opportunities. We will gather feedback through surveys and discussion groups with sales reps, evaluating the effectiveness of the training, resources, and

reseller engagement. Internal alignment will be strengthened to ensure deliverables and processes are optimized and any areas for improvement are addressed.

As the Master Agreement becomes fully integrated into our public go to market strategy, Verkada will maintain ongoing training with sales teams, emphasizing best practices, wins, and continued executive leadership support. Resources will be continually allocated for training and support, and we will monitor feedback from reseller partners and the competitive landscape to adjust our approach as needed. We expect strong alignment with OMNIA throughout this process to ensure a successful implementation.

GTM Overview

- | | |
|-------------------|---|
| Days 1-30 | <ul style="list-style-type: none">-Distribute an internal announcement introducing the agreement as our primary cooperative contract.-Conduct live training sessions for all government sales teams nationwide with executive leadership.-Develop and distribute internal training materials, including FAQs, competitive positioning, and sales enablement guides. |
| Days 30-60 | <ul style="list-style-type: none">- Schedule follow up and Q&A sessions to address field questions and early success stories.-Establish internal benchmarks and refine reporting processes with our division to track contract adoption.-Develop and distribute reseller partner training materials, including FAQs, competitive positioning, ordering/compliance guides. |
| Days 60-90 | <ul style="list-style-type: none">- Conduct targeted training for sales teams by region and segment.-Facilitate surveys and discussion groups with sales reps to gather feedback on training, resources, and reseller engagement.- Align with internal stakeholders on deliverables, processes, and areas for improvement. |

- Ongoing**
- Maintain regular training with sales teams emphasizing best practices, wins, and leadership support.
 - Continue to allocate resources for training and support.
 - Monitor contract feedback and competitive landscape from reseller partners.

87. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award.

Upon award of the OMNIA Master Agreement, Verkada will execute a robust marketing and communication strategy across public-facing, digital, and internal channels to drive early awareness and participation from both existing and prospective public agency customers. Within the first 10 days, we will work with OMNIA to develop co-branded materials, including a press release and social media collateral, to announce the award across our public channels. This press release will be distributed to relevant trade publications, and additional promotional materials will be shared with OMNIA to help amplify the news through their networks. Verkada will also propose joint opportunities to further raise the profile of our partnership, such as pitching to targeted trade media and exploring other collaborative PR engagements.

Within the first 30 days, Verkada will publish Master Agreement details and contact information on a dedicated webpage, including links to key documents, product summaries, pricing, and OMNIA's registration page. A toll-free number and dedicated email address will be available to ensure easy access for potential agency customers. In parallel, we'll initiate email campaigns targeting current customers and partners, sharing co-branded marketing collateral to introduce them to the OMNIA Master Agreement's benefits.

In the next 30 days, Verkada will expand this outreach through co-branded digital campaigns, including social media and email, to engage prospective customers and partners who may not yet be familiar with the agreement. Additionally, Verkada will organize and host three webinars tailored to different segments: one for our current customers and partners, one for OMNIA Partners' Participating Public Agencies, and one for potential customers outside the agreement, to provide a comprehensive overview of the new contract and its offerings.

By day 90, Verkada will launch a national and regional advertising campaign in trade publications, with co-branded materials emphasizing the partnership's benefits. Verkada will also attend and actively participate in key industry events, such as the NIGP Annual Forum, in

coordination with OMNIA Partners, to continue promoting the agreement directly to relevant agencies. Throughout the term of the Master Agreement, Verkada will sustain ongoing marketing through case studies, targeted promotions, and a steady presence at trade shows, events, and in industry publications, continually adapting our resources and communication to support the partnership's growth and reach.

Verkada views this as a long-term strategic partnership and is committed to providing ongoing support and maintenance to maximize the agreement's impact. We will allocate dedicated resources from our creative, demand generation, and contract management teams to ensure continuous promotion, alignment, and responsiveness to OMNIA's needs. Periodic reviews with OMNIA will help us evaluate engagement, share insights, and adapt strategies to strengthen our joint approach, ensuring the OMNIA Master Agreement remains impactful and relevant across changing public sector landscapes.

Marketing GTM Overview

- | | |
|------------------|---|
| Days 1-30 | <ul style="list-style-type: none"> - Develop and distribute co-branded press releases and social media content. - Publish Master Agreement details on Verkada's website with contact info. - Launch internal announcements and training sessions. - Provide internal contract guides and resources for sales teams. - Start email campaigns introducing the agreement to current customers and partners. |
|------------------|---|

- | | |
|-------------------|--|
| Days 30-60 | <ul style="list-style-type: none"> - Run co-branded marketing campaigns on social media, email, and direct mail targeting prospective customers. - Host webinar targeting existing Verkada customers, OMNIA agencies, and prospective customers. |
|-------------------|--|

- | | |
|-------------------|--|
| Days 60-90 | <ul style="list-style-type: none"> - Launch advertising in national and regional trade publications. - Publish additional marketing collateral, such as case studies and event promotions. |
|-------------------|--|

- Ongoing**
- Conduct regular reviews with OMNIA to gather feedback and adjust strategy as needed.
 - Attend and participate in industry events, including the NIGP Annual Forum, in partnership with OMNIA.
 - Maintain continuous marketing support through targeted campaigns.
 - Dedicate resources to optimize and adapt promotional activities to ensure sustained impact and growth of the partnership.

88. GENERAL TERMS AND CONDITIONS

Respondent agrees to comply with the Contract and General Terms and Conditions provided as an attachment to this online bid event. Any deviations to the Contract and General Terms and Conditions may be provided using the procedures set forth in the attribute pertaining to deviations.

[I certify compliance with this attribute](#)

89. DEVIATIONS TO TERMS AND CONDITIONS

Any Deviation from the RFP documents, including the General Terms and Conditions, Notice to Offeror, or any other document presented with terms for consideration by the proposer MUST be documented and presented on the Deviation Form and attached to this electronic bid event via an electronic upload to the "Response Attachments" tab. In addition to indicating the requested deviations on the form, additional pages may be provided to more thoroughly explain each deviation listed on the Deviation Form.

[I certify compliance with this attribute](#)

90. FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1 Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into an agreement with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate the agreement with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a), or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract".

Subsection (c) states "this section does not apply to a publicly held corporation".

Use the list of values associated with this item to identify your status as it relates to this legal requirement.

[Person/owner IS NOT a convicted felon](#)

91. NAME OF FELON AND NATURE OF FELONY, IF APPLICABLE

If the response to the previous attribute was "Felon - person/owner IS a convicted felon", the vendor shall give the name of the felon and details of conviction.

[N/A](#)

92. CRIMINAL HISTORY RECORDS REVIEW OF CERTAIN CONTRACT EMPLOYEES

Texas Education Code Chapter §22.0834 requires that criminal history records be obtained regarding covered employees of entities that contract with a school entity in Texas to provide services for that school entity ("Contractors") and entities that contract with school entity contractors ("Subcontractors"). Covered employees with disqualifying criminal histories are prohibited from serving at a school entity. Contractors/Subcontractors contracting with a school entity shall (1) maintain compliance with the requirements of Texas Education Code Chapter 22 to the school entity; and (2) require that each of their subcontractors complies with the requirements of Texas Education Code Chapter 22. Contractors performing work at a school entity in Texas must comply with these statutes.

Compliance includes providing or causing employees and sub-contractor employees to provide requested information and fingerprinting upon request.

Covered employees: Employees of a Contractor/Subcontractor who have or will have continuing duties related to the service to be performed at a school entity and have or will have direct contact with students. The school entity will be the final arbiter of what constitutes continuing duties and direct contact with students at their school.

[I certify compliance with this attribute.](#)

[Per Exhibit B adjustment in executed agreement requested to reflect reseller partner involvement with on site installation.](#)

93. HISTORICALLY UNDERUTILIZED BUSINESS (HUB) CERTIFICATION

Businesses that have been certified by the Texas Building and Procurement Commission (TBPC) or other qualified agency as Historically Underutilized Business (HUB) entities are encouraged to indicate their HUB status when responding to this proposal invitation. The electronic catalogs will indicate HUB certifications for vendors that properly indicate and document their HUB certification on this form.

[My business has NOT been certified as HUB.](#)

94. DISCLOSURE OF INTERESTED PARTIES

Texas state law requires the Disclosure of Interested Parties be filed with a public entity, including regional service centers and school districts, for any contract which:

- (1) requires an action or vote by the governing body; or
- (2) has a value of \$1 million or more; or
- (3) for any services provided that would require an individual to register as a lobbyist under TX Gov't Code Chapter 305.

NOTE: This form is not required if the vendor is a publicly-traded business entity, including a wholly-owned subsidiary of the business entity (a company in which ownership is dispersed among the general public via shares of stock which are traded via at least one stock exchange or over-the-counter market).

If you are required by law to submit this form, it must be completed online at the Texas Ethics Commission website. Obtain a numbered certificate and click the link below to access the instructions and to complete this required form. Upon completion, vendors required to submit the form must attach it to the proposal via the "Response Attachments" Tab.

[Click here to complete the form on the Texas Ethic Commission's 1295 Form webpage.](#)

Please note: The District must verify receipt of all required 1295 forms received within 30 days on the Texas Ethics Commission website. This verification does not indicate a contract award. Contract awards will be issued via direct communication from the AISD Purchasing Department. A contract requiring a Disclosure of Interested Parties form is voidable at any time if:

- (1) the governmental entity or state agency submits to the business entity written notice of the business entity's failure to provide the required disclosure; and

(2) the business entity fails to submit to the governmental entity or state agency the required disclosure on or before the 10th business day after the date the business entity receives the written notice.

IF UNDER LAW YOU ARE EXEMPT FROM SUBMITTING THIS 1295 FORM, PROPOSERS MUST SUBMIT A DOCUMENT THAT SHOWS PROOF OR PROVIDES EXPLANATION OF THIS EXEMPTION.

THE FOLLOWING CONTRACTS ARE EXEMPT FROM THE REQUIREMENTS OF TEXAS DISCLOSURE OF INTERESTED PARTIES LAWS:

- a sponsored research contract of an institution of higher education;
- an interagency contract of a state agency or an institution of higher education;
- a contract related to health and human services if:
- the value of the contract cannot be determined at the time the contract is executed; and
- any qualified vendor is eligible for the contract;
- a contract with a publicly traded business entity, including a wholly owned subsidiary of the business entity;
- a contract with an electric utility, as that term is defined by Section 31.002, Utilities Code; or
- a contract with a gas utility, as that term is defined by Section 121.001, Utilities Code.

[I certify compliance with this attribute.](#)

95. CONFLICT OF INTEREST QUESTIONNAIRE

Region 4 Education Service Center (Region 4) is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. House Bill 23 significantly changed Chapter 176 as well as the required disclosures and the corresponding forms. As of September 1, 2015, any vendor who does business with Region 4 or who seeks to do business with Region 4 must fill out the new Conflict of Interest Questionnaire (CIQ) if a conflict of interest exists. A conflict of interest exists in the following situations:

- 1) If the vendor has an employment or other business relationship with a local government officer of Region 4 or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
- 2) If the vendor has given a local government officer of Region 4, or a family member of the officer, one or more gifts with the aggregate value of \$100, excluding any gift accepted by the

officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or

3) If the vendor has a family relationship with a local government officer of Region 4.

“Vendor” means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. Texas Local Government Code 176.001(7).

“Business relationship” means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on: (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity; (B) a transaction conducted at a price and subject to terms available to the public; or (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency. Texas Local Government Code 176.001(3).

“Family relationship” means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code. Texas Local Government Code 176.001(2-a).

“Local government officer” means: (A) a member of the governing body of a local governmental entity; (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. Texas Local Government Code 176.001(4).

Individuals serving as a Member of the Board of Directors, the Executive Director, Cabinet Members, and other local government officers may be found at:

<https://www.esc4.net/about/about-region-4>.

For additional information on Conflict of Interest Questionnaire, and the statutes that mandate it, please visit the following links:

Texas Local Government Code, Section 176

Texas House Bill 23

A blank Conflict of Interest Questionnaire is available by clicking:

<https://www.ethics.state.tx.us/data/forms/conflict/CIQ.pdf>.

If your firm is required to return a completed Conflict of Interest Questionnaire with your proposal submission, use the "Response Attachments" Tab to upload the completed document.

[I certify compliance with this attribute.](#)

96. ENTITIES THAT BOYCOTT ISRAEL Pursuant to Chapter 2271 of the Texas Government Code, the Respondent hereby certifies and verifies that neither the Respondent , nor any affiliate, subsidiary, or parent company of the Respondent , if any (the "Respondent Companies"), boycotts Israel, and the Respondent agrees that the Respondent and Respondent Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

EXCEPTIONS: Clause only applies to contracts and contractors that meet the following criteria: (i) Respondent is not a sole proprietorship; (ii) with 10 or more full-time employees; and (iii) with a contract to be paid a value of \$100,000 or more wholly or partially from public funds of the governmental entity.

[I certify compliance with this attribute.](#)

97. FOREIGN TERRORIST ORGANIZATIONS

Section 2252.152 of the Texas Government Code prohibits Region 4 ESC from awarding a contract to any person who does business with Iran, Sudan, or a foreign terrorist organization as defined in Section 2252.151 of the Texas Government Code. Respondent certifies that it not ineligible to receive the contract.

[I certify compliance with this attribute.](#)

98. FIREARMS ENTITIES AND TRADE ASSOCIATIONS DISCRIMINATION

Respondent verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Respondent shall promptly notify Region 4 ESC.

APPLICABILITY: This clause applies only to a contract that: (1) is between a governmental entity and a company with at least 10 full-time employees; and (2) has a value of at least \$100,000 that is paid wholly or partly from public funds of the governmental entity.

EXCEPTIONS: This clause is not required when a state Agency: (1) contracts with a sole-source provider; or (2) does not receive any bids from a company that is able to provide the written verification required by Section 2274.002(b) of the Texas Government Code.

[I certify compliance with this attribute.](#)

99. ENERGY COMPANY BOYCOTT PROHIBITED

Respondent represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Respondent shall promptly notify Region 4 ESC.

EXCEPTIONS: Clause only applies to contracts and contractors that meet the following criteria: (i) a "company" within the definitions of Section 2274.001(2) of the Tex. Gov't Code; (ii) with 10 or more full-time employees; and (iii) with a contract to be paid a value of \$100,000 or more wholly or partially from public funds of the governmental entity.

[I certify compliance with this attribute.](#)

100. CRITICAL INFRASTRUCTURE AFFIRMATION

Pursuant to Government Code Section 2274.0102, Respondent certifies that neither it nor its parent company, nor any affiliate of Respondent or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.

EXCEPTION: Clause only applies to solicitations and contracts in which the contractor would be granted direct or remote access to or control of critical infrastructure, as defined by Section 2274.0101 of the Texas Government Code, in this state, other than access specifically allowed for product warranty and support purposes.

The Governor of the State of Texas may designate countries as a threat to critical infrastructure under Section 2274.0103 of the Texas Government Code. Agencies should promptly add any country that is designated by the Governor to this clause.”

[I certify compliance with this attribute.](#)

101. OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

[OPTION B: We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act and these requested exemptions are uploaded into the "Response Attachments" Tab located in this online bidding event. Information is included as attachment.](#)

102. CONSENT TO RELEASE PROPOSAL TABULATION

Notwithstanding anything explicitly and properly declared as Confidential or Proprietary Information to the contrary, by submitting a Proposal, Vendor consents and agrees that, upon Contract award, the District may publicly release, including posting on the public Region 4 ESC and/or OMNIA Partners website(s), a copy of the proposal tabulation for the Contract including Vendor name; proposed catalog/pricelist name(s); proposed percentage discount(s), unit price(s), hourly labor rate(s), or other specified pricing; and Vendor award notice information.

[I certify compliance with this attribute.](#)

103. CONTRACTING INFORMATION

If Vendor is not a governmental body and

- (a) this Agreement has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by REGION 4 ESC; or
- (b) this Agreement results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by REGION 4 ESC in a fiscal year of REGION 4 ESC, the following certification shall apply; otherwise, this certification is not required.

As required by Tex. Gov't Code § 552.374(b), the following statement is included in the RFP and the Agreement (unless the Agreement is

- (1) related to the purchase or underwriting of a public security;
- (2) is or may be used as collateral on a loan; or
- (3) proceeds from which are used to pay debt service of a public security of loan):

"The requirements of Subchapter J, Chapter 552, Government Code, may apply to this RFP and Agreement and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter."

Pursuant to Subchapter J, Chapter 552, Texas Government Code, the Vendor hereby certifies and agrees to

- (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to REGION 4 ESC for the duration of the Agreement;
- (2) promptly provide to REGION 4 ESC any contracting information related to the Agreement that is in the custody or possession of the Vendor on request of REGION 4 ESC; and
- (3) on completion of the Agreement, either
 - (a) provide at no cost to AISD all contracting information related to the Agreement that is in the custody or possession of Vendor, or

(b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to REGION 4 ESC.

[I certify compliance with this attribute.](#)

104. ANTI-TRUST CERTIFICATION STATEMENT

Vendor affirms under penalty of perjury of the laws of the State of Texas that:

- (1) I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
- (2) In connection with this bid, neither I nor any representative of the Company have violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
- (3) In connection with this bid, neither I nor any representative of the Company have violated any federal antitrust law; and
- (4) Neither I nor any representative of the Company have directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

[I certify compliance with this attribute.](#)

105. FEDERAL RULE (A) – CONTRACT TERM VIOLATIONS

(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000 (2 CFR §200.320), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by Region 4 ESC, Region 4 ESC reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

[To the extent mandatory by law and applicable to the agreement between Verkada and the Participating Entity, we comply.](#)

106. FEDERAL RULE (B) – TERMINATION CONDITIONS

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by REGION 4 ESC, REGION 4 ESC reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation; (4) to the greatest extent authorized by law, if an award no longer effectuates the program goals or priorities of the Federal awarding agency or REGION 4 ESC. REGION 4 ESC also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if REGION 4 ESC believes, in its sole discretion that it is in the best interest of REGION 4 ESC to do so. The vendor will be compensated for work performed and accepted and goods accepted by REGION 4 ESC as of the termination date if the contract is terminated for convenience of REGION 4 ESC. Any award under this procurement process is not exclusive and REGION 4 ESC reserves the right to purchase goods and services from other vendors when it is in the best interest of REGION 4 ESC.

[To the extent mandatory by law and applicable to the agreement between Verkada and the Participating Entity, we comply.](#)

107. FEDERAL RULE (C) – EQUAL EMPLOYMENT OPPORTUNITY

(C) Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

It is the policy of REGION 4 ESC not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or disabling conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of

employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Pursuant to Federal Rule (C) and the requirements stated above, when federal funds are expended by REGION 4 ESC on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

[Not applicable as this is not a construction contract.](#)

108. FEDERAL RULE (D) – DAVIS BACON ACT/COPELAND ACT

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146- 3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by REGION4 ESC, during the term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

[Not applicable as this is a construction contract.](#)

109. FEDERAL RULE (E) – CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(E) (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

[Not applicable as this is a construction contract.](#)

110. FEDERAL RULE (F) – RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

(F) If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Not applicable as Verkada is providing off the shelf hardware and SaaS only.

III. FEDERAL RULE (G) – CLEAN AIR ACT/FEDERAL WATER POLLUTION CONTROL ACT

(G) The Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251- 1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When federal funds are expended by REGION 4 ESC for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

When federal funds are expended by REGION 4 ESC for any contract resulting from this procurement process in excess of \$100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Pursuant to Federal Rule (G) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Not applicable as Verkada is providing off the shelf hardware and SaaS only.

112. FEDERAL RULE (H) – DEBARMENT AND SUSPENSION

(H) (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Vendor shall immediately provide written notice to REGION 4 ESC if at any time the vendor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. REGION 4 ESC may rely upon a certification of a vendor that the vendor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless REGION 4 ESC knows the certification is erroneous.

[I certify compliance with this attribute.](#)

113. FEDERAL RULE (I) – BYRD ANTI-LOBBYING AMENDMENT

(I) (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term and after the awarded term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certificate is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

[I certify compliance with this attribute.](#)

114. FEDERAL RULE (J) – PROCUREMENT OF RECOVERED MATERIALS

(J) When federal funds are expended by REGION 4 ESC, REGION 4 ESC and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include: (1) procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Pursuant to Federal Rule (J) above, when federal funds are expended REGION 4 ESC, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements.

[Not applicable as Verkada is providing off the shelf hardware and SaaS only.](#)

115. FEDERAL RULE (K) – PROHIBITION ON CERTAIN TELECOM AND SURVEILLANCE SERVICE AND EQUIPMENT

(K) Region 4 ESC, as a non-federal entity, is prohibited from obligating or expending Federal financial assistance, to include loan or grant funds, to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain, equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. Covered telecommunications equipment is telecommunications equipment produced Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and physical security surveillance of critical infrastructure and other national security purposes, and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) for the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes detailed in 2 CFR § 200.216.

The Respondent certifies that it will not purchase equipment, services, or systems that use covered telecommunications, as defined herein, as a substantial or essential component of any system, or as critical technology as part of any system.

[I certify compliance with this attribute.](#)

116. FEDERAL RULE (L) – BUY AMERICAN PROVISIONS

(L) As appropriate and to the extent consistent with law, REGION 4 ESC has a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, including but not limited to iron, aluminum, steel, cement, and other manufactured products, when spending federal funds. Vendor agrees that the requirements of this section will be

included in all subawards including all contracts and purchase orders for work or products under this award, to the greatest extent practicable under a Federal award. Purchases that are made with non-federal funds or grants are excluded from the Buy American Act.

Vendor certifies that it is in compliance with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must still follow the applicable procurement rules calling for free and open competition.

"Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

[Most of Verkada's products and services are exempt because they are commercial electronics or information technology that is a commercial product.](#)

117. FEDERAL RULE – REQUIRED AFFIRMATIVE STEPS FOR SMALL, MINORITY, AND WOMEN-OWNED FIRMS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS

When federal funds are expended by REGION 4 ESC, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities on the project, including:

- 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
- 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

[I certify compliance with this attribute.](#)

118. FEDERAL RULE – FEDERAL RECORD RETENTION

When federal funds are expended by REGION 4 ESC for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR §200.334. The vendor further certifies that vendor will retain all records as required by 2 CFR §200.334 for a period of five (5) years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Vendor agrees that REGION 4 ESC, Inspector General, Department of Homeland Security, FEMA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor, and its successors, transferees, assignees, and subcontractors that are directly pertinent to the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents. Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Vendor agrees to provide the FEMA Administrator or his authorized representative access to construction or other work sites pertaining to the work being completed under the Contract.

[I certify compliance with this attribute.](#)

119. FEDERAL RULE – PROFIT NEGOTIATION

For purchases using Federal funds in excess of \$250,000, REGION 4 ESC may be required to negotiate profit as a separate element of the price. (See 2 CFR 200.324(b)).

When required by REGION 4 ESC, Vendor agrees to provide information relating to profitability of the given transaction and itemize the profit margin as a separate element of the price.

[I certify compliance with this attribute.](#)

120. FEDERAL RULE – SOLID WASTE DISPOSAL ACT

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of

the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceed \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. (78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014.)

Pursuant to this federal rule, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of all contracts resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in this paragraph.

[Not applicable as Verkada is providing off the shelf hardware and SaaS only.](#)

121. APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to this procurement action shall be bound by the terms and conditions of this procurement action.

[I certify compliance with this attribute.](#)

122. COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When REGION 4 ESC expends federal funds for any contract resulting from this procurement process, Vendor certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

[I certify compliance with this attribute.](#)

123. INDEMNIFICATION

Acts or Omissions

Vendor shall indemnify and hold harmless Region 4, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract.

Infringements

a) Vendor shall indemnify and hold harmless Region 4 and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any

and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense; (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

Taxes/Workers' Compensation/Unemployment Insurance – Including Indemnity

a) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR REGION 4 SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

b) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, REGION 4 AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT, VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES.

[This has been addressed in Exhibit B and the Verkada Legal Cover Letter.](#)

124. EXCESS OBLIGATIONS PROHIBITED

Proposer understands that all obligations of Region 4 ESC under the contract are subject to the availability of state funds. If such funds are not appropriated or become unavailable, the contract may be terminated by Region 4 ESC.

[I certify compliance with this attribute.](#)

125. SUSPENSION AND DEBARMENT

Respondent certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the contract by any state or federal agency.

[I certify compliance with this attribute.](#)

126. CHANGE IN LAW AND COMPLIANCE WITH LAWS

Proposer shall comply with all laws, regulations, requirements and guidelines applicable to a vendor providing services and products required by the contract to the Region 4 ESC, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the contract. Region 4 ESC reserves the right, in its sole discretion, to unilaterally amend the contract prior to award and throughout the term of the contract to incorporate any modifications necessary for compliance with all applicable state and federal laws, regulations, requirements and guidelines.

[Verkada shall comply with all laws, regulations, requirements and guidelines applicable to the services and products required by the contract to the Region 4 ESC, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the contract, provided that the parties shall negotiate in good faith to mutually agreeable amendments to the contract throughout the term of the contract to incorporate any modifications necessary for compliance with all applicable state and federal laws, regulations, requirements and guidelines.](#)

Pricing Structure

Verkada's proposed contract price structure is an indefinite quantity blanket discount off MSRP. Verkada agrees that this set pricing discount will not change over time, and any additional hardware, software, or services will align with our price structure as outlined in Products and Pricing Attachment #1.

Verkada maintains a comprehensive MSRP list which is regularly updated alongside any product pricing revisions. This full MSRP list is readily accessible for download on our website at <https://www.verkada.com/pricing/>. We encourage our partners and customers to refer to this resource for the most current pricing information, ensuring transparency.

Hardware & Software

Category	Description/Equipment Type	Discount off MSRP
Verkada Price List https://www.verkada.com/pricing/	Cameras Connectivity Command Connector Access Control Air Quality Sensors Intercom Alarms Workplace	12%
Non-Verkada	Branded products with specific OEM discounting limitations including Apple, Epson, and Brother.	0%
PSV & SPT SKUs	Named Support Contact & Custom SKUs	0%

The discounts listed above represent the minimum off Verkada's list price. Actual discounts may be higher, depending on the size and scope of the transaction, at the discretion of our reseller partners.

Services

Category	Description	Pricing Not to Exceed (\$/hour)
Labor Rate/Hr	Install work performed in relation to Verkada products and services	\$200.00
Structured Cable	Install work performed (installation, maintenance, or repair) of structured cabling systems in relation to Verkada products and services	\$225.00

Configuration	Technical work performed including planning, designing, and customizing Verkada solutions	\$150.00
Per Diem	Daily allowance for lodging, meals, and incidental expenses	\$309
Value Add Services	See Attachment #2	See Attachment #2

The rates outlined above represent the maximum charge per hour nationwide based on pricing in the highest cost regions or states allowing room for prevailing wage requirements when applicable. Actual rates may vary, typically reflecting competitive local rates at the discretion of our reseller partners.

Freight/Shipping Charges

Verkada does not charge freight fees.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Other

Our proposed pricing structure ensures compliance with federal funding requirements by maintaining a consistent ceiling price. Cost plus a percentage of cost or pricing based on time and materials is not applicable in this proposed pricing structure. Reseller partners utilizing our agreement will be required to acknowledge and meet all federal funding requirements, as they directly transact with and receive payment from end customers.

Value Added Services

Verkada and our reseller partner offer a comprehensive range of value added services designed to complement our solutions. These value added services are offered at the same pricing structure as our core products outlined in Attachment #1 Products and Pricing. By combining these specialized services with Verkada's advanced technologies, Verkada and our reseller partners can help maximize the return on investment for government clients while providing tailored, scalable solutions.

Support/Services

The following support and service SKUs are included in our price list and can be customized based on the specific needs of our customers.

SKU	Description
PSV-CUSTOM	Verkada Professional Services
SPT-NSC-1Y	Verkada Named Support Contact (1 Year)
SPT-NSC-3Y	Verkada Named Support Contact (3 Years)
SPT-NSC-5Y	Verkada Named Support Contact (5 Years)
SPT-NSC-10Y	Verkada Named Support Contact (10 Years)

Deployment Project Management

Our Deployment Project Management service offers full scale project management, configuration, and training for large customers, including purchase orders and deployments. This includes weekly deployment coordination, partner and internal project management, setup and configuration through Verkada Command, project preparation with custom documentation, scheduled training sessions, partner review and onboarding, and global logistics coordination to ensure seamless deployment and integration.

Setup/Configuration/Training

Tailored configuration and training services are available for all customer types, providing specialized support for smaller scale deployments and ensuring a smooth implementation process.

Software Engineering/API Build

Custom software engineering services are available, including integrations with Helix, AC migration, and other software builds to address specific customer requirements.

Reseller Partner Value-Add

Our reseller partners provide a wide variety of value added services that enhance the offerings of our products. These services go beyond simple reselling, adding significant value by tailoring solutions to meet specific government needs. Resellers can integrate our products into existing government systems, customizing configurations to ensure seamless operation within the client's infrastructure. Many of these partners offer consultative support, guiding customers through the selection process and providing ongoing assistance with system setup, training, and troubleshooting. This ensures government clients maximize the value of our products.

Some resellers also offer unique applications and custom solutions, to meet specific compliance and operational needs. Verkada's flexible solutions enable partners to support less traditional implementations. These solutions can include cellular or Starlink satellite connectivity, solar power, and off-the-grid setups, ensuring reliable video security even in challenging environments like a school bus or remote site.

Installation Related Materials

Physical installation is critical to the performance of Verkada's products. Under our contract reseller partners may provide necessary installation materials such as Cat-6 cabling, lifts, and other equipment, all priced according to Verkada's standard price structure.

Integrations

Verkada offers several integrations to connect their security systems with leading enterprise tools, ensuring seamless workflows and enhanced operational efficiency. From identity management and access control to communication platforms and building automation, Verkada integrates with trusted partners like Okta, Microsoft Teams, Splunk, and more. Visit our integrations page at <https://www.verkada.com/integrations/partners/> for more details.

Comprehensive Service Menu

Needs	Service Mapping	Example Customer
Full Implementation/Deployment	Deployment Project Management	Global customer with 30+ locations, buying and deploying in the next 12-18 months; Need PM, config, training
Configuration (All Sites)	Deployment Project Management (Config)	Global customer with 30+ locations, buying and deploying in the next 12-18 months; Need config for all sites

	Focused)	
Configuration	FastTrack Standard	New customer that bought Verkada for 1-2 locations, want to make sure devices are set up properly
Configuration	FastTrack Basic	New customer that bought Verkada for 1 location, want to make sure devices are set up properly
Access Control Integration and Automation	Custom Solution Development	Customer wants a software that automates user syncing between Workday and Verkada Command Access Control
API and Software Build	Currently not offered	Upon Request
Command Org Migration	Org Migration	Upon Request
Other	Depends on need	Upon Request

A Smarter Way to Secure Your Space

Verkada is a fully integrated hardware and software solution that strengthens safety while simplifying ownership. Designed with ease of use at top of mind, Verkada's six product lines provide unparalleled visibility through a single pane of glass.



Command Platform

Manage devices, users and sites from a single pane of glass — accessible from a simple web browser or mobile app.

- Unlimited user seats and cloud archiving
- Remote access from any browser or mobile device
- Customizable level of site permissions
- Automatic updates and new features
- Leverage AI-powered search capabilities
- Access to top-rated mobile app
- 24/7 worldwide technical support

Video Security

Hybrid cloud cameras offer onboard storage and edge-based processing to reliably to deliver AI-powered insights in real-time.

Air Quality Sensors

Monitor environments for air quality, temperature, humidity, motion, noise, smoke and vape emissions.

Intercom

Answer calls from anywhere with sharp intercom video, clear audio and four smart receiver methods.

Access Control

Easily manage doors and credentials across departments with Global Access and Active Directory integrations.

Alarms

Catch and respond to break-ins with cloud-managed intrusion detection and 24/7 professional monitoring.

Workplace

Manage visitors and deliveries with guest and mailroom software, enhancing security along with workplace operations.



Why Verkada?



No NVRs or DVRs
– up to 365 days of
onboard storage



Unlimited user seats
and cloud archiving



Up to 10-year warranty
and predictable
renewal costs



24/7 technical support
via email, phone
or live chat



**Easy multi-site
management**
with cloud-based
software



Automatic updates
to unlock features and
maintain security

Command Platform

Manage devices, users and sites from a single pane of glass — accessible from a simple web browser or mobile app.

Guest

Personalize the check-in experience with custom sign-in flows, complete with security and health screens.

Mailroom

Streamline mailroom management and safeguard assets with native camera integration.

Video Security

Hybrid cloud cameras offer onboard storage and edge-based processing to deliver actionable insights in real-time.

Air Quality Sensors

Monitor environments for air quality, temperature, humidity, motion, noise, smoke and vape emissions.

Intercom

Answer calls from anywhere with sharp intercom video, clear audio and four smart receiver methods.

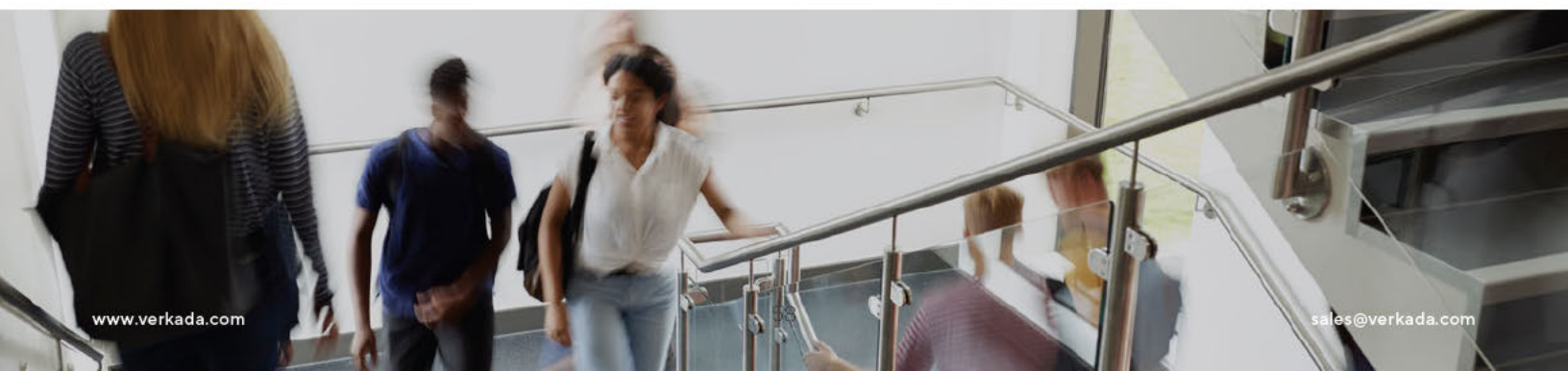
Access Control

Easily manage doors and credentials across campuses with Global Access and Active Directory integrations.

Alarms

Catch and respond to break-ins with cloud-managed intrusion detection and 24/7 professional monitoring.

Contact sales@verkada.com
to learn more.



The Power of the Verkada Platform for Government Organizations

Verkada's government-grade offerings are designed to help government organizations and their partners take a proactive, simple, and scalable approach to physical security, alongside numerous security enhancements that are critical for certain government users.

FedRAMP Ready at the Moderate Impact Level

Our solutions have undertaken rigorous security assessments like FedRAMP (FedRAMP Ready at the Moderate impact level), FIPS 140-2 validation, and TAA and FY 2019 NDAA compliance across three product lines.

Security and Compliance*



Government-grade physical security solutions

Command in AWS GovCloud

Government customers in the United States can choose to use Verkada Command hosted in AWS GovCloud, which gives them the flexibility to use our secure cloud solutions on top of the additional stringent security controls provided by AWS GovCloud. Command in AWS GovCloud supports our FIPS-validated camera models and Verkada Guest.

FIPS-Validated Cameras

Verkada's [FIPS-validated cameras](#) incorporate encryption that meets the FIPS 140-2 and FedRAMP Ready (Moderate) standards. They have durable, vandal-resistant designs, advanced computer vision features, and are TAA and FY 2019 NDAA compliant.

Verkada Guest

Verkada Guest is a visitor management solution that allows government organizations to streamline check-in and provide a more welcoming experience for their visitors. Native camera integration helps organizations increase security by enabling them to immediately find footage of visitors as they move throughout the facilities.

Why Verkada



Proactive security

Increase security and visibility with real-time alerts, the ability to share live links with authorities, and more.



Manage site from anywhere

Verkada lets you easily manage sites remotely from our intuitive Command mobile app - no port-forwarding or VPNs.



Protect privacy

Maintain security while protecting privacy with granular permissions, face blurring, privacy regions, and more.



Receive dedicated support

Our team can provide one-on-one support for system design, pricing, installation, integration, onboarding, and training

Learn more

To learn more about Verkada for government-grade deployments, visit our site or email government@verkada.com.

*Not applicable to all products and models. Contact sales to inquire about the security and compliance features of individual product models.



11/07/2024

Region 4 Education Service Center
7145 West Tidwell Road
Houston, Texas, 77092-2096

Ref: Executive Channel Partner Leadership Endorsement - Region 4/OMNIA Bid #25-02 Weapons and Threat Detection Equipment

To Whom It May Concern,

As Senior Vice President of Global Channel at Verkada, I fully support Verkada's bid submission to Region 4/OMNIA Partners. Since leading our sales organization starting in 2019, and now overseeing the channel partner team, I've witnessed our commitment to delivering value to government sector clients. If awarded, our Channel Leadership Team will prioritize and support Region 4/OMNIA Partners as a cooperative contract within the public sector.

Sincerely,

Signed by:

CD36A17686E84D2...

Ryan Bettencourt
Senior Vice President of Global Channel
406 E. 3rd Ave
San Mateo, CA 94401
ryan.bettencourt@verkada.com



11/07/2024

Region 4 Education Service Center
7145 West Tidwell Road
Houston, Texas, 77092-2096

Ref: Executive Sales Leadership Endorsement - Region 4/OMNIA Bid #25-02 Weapons and Threat Detection Equipment

To Whom It May Concern,

As Vice President of Enterprise Sales at Verkada, I fully support Verkada's bid submission to Region 4/OMNIA Partners. As a leader within our sales organization, I've witnessed our commitment to delivering value to government sector clients. If awarded, our Sales Leadership Team will prioritize and support Region 4/OMNIA Partners as a cooperative contract within the public sector.

Sincerely,

Signed by:


A310FAAB72664F4...

Anthony Cavallio
Vice President of Enterprise Sales
406 E. 3rd Ave
San Mateo, CA 94401
anthony.cavallio@verkada.com

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name	Verkada Inc
Address	406 E. 3rd Ave
City/State/Zip	San Mateo, CA 94401
Telephone No.	650-514-2682
Email Address	caleb.augustin@verkada.com
Printed Name	Caleb Augustin
Title	Director of Global Channel
Authorized signature	<div><div>Signed by:  4571F72A132E4F6...</div></div>

Accepted by Region 4 ESC:

Contract No. _____

Initial Contract Term _____ to _____

_____	_____
Region 4 ESC Authorized Board Member	Date

Print Name

_____	_____
Region 4 ESC Authorized Board Member	Date

Print Name

This attachment is executed in good faith, provided that in the event Verkada is awarded this opportunity, the parties will negotiate in good faith and execute a mutually agreeable contract.

Appendix C, Doc #1

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- ☐ We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.
- ☐ We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must include detailed reasons to substantiate the exemption(s). Price is not confidential and will not be withheld. All information believed to be a trade secret or proprietary must be listed. It is further understood that failure to identify such information, in strict accordance with the instructions, will result in that information being considered public information and released, if requested under the Public Information Act.)

11/18/2024

Date

Signed by:

4571F72A132E4F6...
Authorized Signature & Title

Appendix C, Doc #2

ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)
 Attorney General Form

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this Contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company

Verkada Inc

Contact

DocuSigned by:

Kayla Medina

DEFA1C5862DC40C...

Signature

Kayla Medina

Printed Name

Program Manager, Government Contracts

Position with Company

Address

406 E 3rd Ave. San Mateo, CA 94401

**Official
Authorizing
Proposal**

Signed by:

Caleb Augustin

4571F72A132E4F6...

Signature

Caleb Augustin

Printed Name

Director of Global Channel

Position with Company

Phone

801-793-2634

Fax

7. Attachment A - End User Agreement

Propose changes

Click above to sign or propose changes

This End User Agreement (“**Agreement**”) is entered into by and between Verkada Inc. (“**Verkada**”) and and you, the end customer and user (“**Customer**”) Products (as defined below), either in connection with a purchase of the Products or use of the Products for evaluation purposes as part of a trial. Customer is under no obligation to purchase the evaluation Products used in a trial but will be invoiced for Products not purchased or returned following the expiration of the trial period.

By accepting this Agreement, whether by clicking a box indicating its acceptance, navigating through a login page where a link to this Agreement is provided, executing a Purchase Order that references this Agreement, or providing another form of electronic acceptance, Customer agrees to be bound by its terms. If Customer and Verkada have executed a written agreement governing Customer’s access to and use of the Products, then the terms of such signed agreement will govern and will supersede this Agreement.

This Agreement is effective between Verkada and the Customer as of the earlier of the date that Customer accepts the terms of this Agreement as indicated above or first accesses or uses any of the Products (the “**Effective Date**”). Verkada reserves the right to modify or update the terms of this Agreement in its discretion, the effective date of which will be the earlier of (i) 30 days from the date of such update or modification and (ii) Customer’s continued use of the Products.

Verkada and Customer hereby agree as follows.

1. DEFINITIONS

The definitions of certain capitalized terms used in this Agreement are set forth below. Others are defined in the body of the Agreement.

“Customer Data” means all data provided by Customer to Verkada by means of the Products. Customer Data does not include System Data (defined below).

“Documentation” means the online documentation regarding the Hardware, available at www.verkada.com/docs/ or as otherwise provided within the Hosted Software.

“DPA” means the Data Processing Addendum available at www.verkada.com/support/dpa or other negotiated data protection agreement, entered into between Verkada and Customer.

“Firmware” means the software developed and maintained by Verkada that is stored on the Hardware and enables the basic functioning of the Hardware and its communication with the Hosted Software.

“Hardware” means the Verkada hardware products, including security cameras, access control units, alarm units, and environmental sensors.

“Hosted Software” means Verkada’s Software-as-a-Service system, currently known as “Command,” and related infrastructure made available to Customer to manage and configure the Hardware.

“License” has the meaning ascribed to it in **Section 2.1**.

“License Term” means the length of time indicated in the License SKU set forth on the applicable Purchase Order.

“Partner” means a third-party authorized by Verkada to resell the Products, to whom Customer has delivered an ordering document for such Products.

“Product Feature(s)” means a unique feature set within the Hosted Software that is identified by a particular stock keeping unit (SKU) on a Purchase Order.

“Products” means, collectively, the Software, Hardware, Product Features, Documentation, and all modifications, updates, and upgrades thereto and derivative

works thereof.

“Purchase Order” means each order document submitted to Verkada by a Partner on behalf of Customer, and accepted by Verkada, indicating Partner’s firm commitment to purchase the Products and for the prices set forth thereon.

“Service Level Agreement” means the Service Level Agreement set forth on **Exhibit A** hereto.

“Software” means the Firmware and Hosted Software.

“Support” means the technical support services and resources available at www.verkada.com/support.

“System Data” means configuration information, log and event data, Product performance data, and statistics regarding Customer’s use of the Products.

“Users” means employees of Customer, or other third parties, each of whom are authorized by Customer to use the Products on Customer’s behalf.

2. LICENSE AND RESTRICTIONS

2.1. License to Customer. Subject to the terms of this Agreement, Verkada grants Customer a royalty-free, nonexclusive, transferable (subject to Section 12) worldwide right during each License Term to use the Software, subject to the terms of this Agreement (**“License”**). Customer must purchase one or more Licenses to use the Software for at least the number and type of Hardware units and/or Product Features that the Customer manages by means of the Software (collectively, **“Valid Licensing”**); however, Customer may authorize an unlimited number of Users to access and use the Software. If Customer purchases additional Licenses, either in connection with the purchase of additional Hardware units or renewal of Licenses for existing Hardware units, the overall License Term will be modified such that the License Term for all Licenses purchased will expire and terminate on the same date. If Customer does not maintain Valid Licensing, then (i) Customer will have limited or no access to Customer

Data, Product Features, and the Software, and (ii) the Hardware will not function as designed. If Customer purchases the Monitoring Services (as defined on Exhibit B, the “**Alarms Addendum**”), the use of the Products in connection with the Monitoring Services will be subject to the terms of the Alarms Addendum.

2.2. License to Verkada. During the License Term, Customer will transfer Customer Data to Verkada while using the Products. Customer grants Verkada a non-exclusive right and license to use, reproduce, modify, store, and process Customer Data solely to maintain the Products and provide them to Customer. Customer represents and warrants that it possesses the necessary rights and authority to grant Verkada the rights set forth in this Section 2.2 with respect to Customer Data.

2.3. Restrictions. Customer will not: (i) use (or allow a third party to use) the Products for any competitive purposes (other than for routine product comparison purposes), including monitoring or testing their availability, security, performance, or functionality, in each case without Verkada’s express written consent; (ii) market, sublicense, resell, lease, loan, transfer, or otherwise commercially exploit the Products; (iii) modify, create derivative works, decompile, reverse engineer, attempt to gain access to the source code, tamper with the Hardware, or copy the Products or any of their components; or (iv) use the Products to conduct any fraudulent, malicious, or illegal activities or otherwise in contravention of any applicable laws or regulations (each of (i) through (iv), a “**Prohibited Use**”).

3. COURTESY RETURNS; HARDWARE WARRANTY AND WARRANTY RETURNS

3.1. Courtesy Returns. Customer may return up to \$250,000 worth of Products (as reflected in the net price set forth on one or more Purchase Order(s)) for any reason within the 30-day period starting on the shipment date of such Products (a “**Courtesy Return**”). To initiate a Courtesy Return, Customer must send a request for a Courtesy Return by email within such 30-day period either to (a) the Partner that submitted the

Purchase Order(s) for the Products to be returned or (b) the Verkada sales representative responsible for Customer's account, and include the serial numbers of the Products to be returned.

3.2. Hardware Warranty. Verkada represents to the original purchaser and user of the Hardware that, for the period set forth in the applicable Documentation from the date of shipment to the location specified on the Purchase Order, the Hardware will be substantially free of defects in materials and workmanship ("**Hardware Warranty**").

3.3. Remedy for Breach of Hardware Warranty. Customer's sole and exclusive remedy and Verkada's (and its suppliers' and licensors') sole and exclusive liability for a breach of the Hardware Warranty will be, in Verkada's sole discretion, to replace the non-conforming Hardware. Replacement may be made with a new or refurbished product or components. If the Hardware or a component within it is no longer available, then Verkada may replace the Hardware unit with a similar product of similar function. Any Hardware unit that has been replaced under the Hardware Warranty will be covered by the terms of the Hardware Warranty for the longer of (a) 90 days from the date of the delivery, or (b) the remainder of the original Hardware Warranty period. Customer's engaging in a Prohibited Use serves to void the Hardware Warranty.

3.4. Warranty Returns. To request a return under the Hardware Warranty, Customer must notify Verkada or the Partner within the Hardware Warranty period. To initiate a return directly to Verkada, Customer must send a return request to Verkada at support@verkada.com and clearly state details on where and when Customer purchased the Hardware, the serial numbers of the applicable Hardware unit(s), Customer's reason for returning the Hardware, and Customer's name, mailing address, email address, and daytime phone number. If approved, Verkada will provide Customer with a Return Materials Authorization ("**RMA**") and prepaid shipping label via email that must be included with Customer's return shipment to Verkada. Customer must return the Hardware unit(s) listed in the RMA with all included accessories with the RMA within the 14 days following the day on which Verkada issued the RMA.

4. VERKADA OBLIGATIONS

4.1. General. Verkada is responsible for providing the Products in conformance with this Agreement, the Purchase Order(s), and applicable Documentation.

4.2. Availability. Verkada uses its best efforts to ensure that the Hosted Software is available in accordance with the terms of the Service Level Agreement, which sets forth Customer's remedies for any interruptions in the availability of the Hosted Software.

4.3. Support. If Customer experiences any errors, bugs, or other issues in its use of the Products, then Verkada will provide Support in order to resolve the issue or provide a suitable workaround. The fee for Support is included in the cost of the License. As part of a Support case, Customer may grant access, in its sole discretion, to a member of Verkada's Support team through functionality provided in the Hosted Software for a length of time determined by Customer.

4.4. Maintenance. Verkada will use commercially reasonable efforts to maintain the Products and implement updates, upgrades, and fixes as necessary to meet its obligations under this Agreement.

5. CUSTOMER OBLIGATIONS

5.1. Payment; Compliance. Customer is responsible for paying Partner for the Products pursuant to Partner's invoice(s). In the event Customer is delinquent on fees, Verkada may pursue payment directly from Customer if Partner is unable to or chooses not to pursue such fees itself. Customer will use the Products only in accordance with the Documentation and in compliance with all applicable laws, including procurement and maintenance of any applicable licenses and permits. Customer will ensure that none of the Products are directly or indirectly exported, re-exported, or used to provide services in violation of the export laws and regulations of the United States or any other country. If Customer operates in a regulated industry,

Customer represents that it has obtained all necessary local and state licenses and/or permits necessary to operate its business and is in compliance (and will use its best efforts to remain in compliance) with all local, state, and (if applicable) federal regulations regarding the conduct of its business. Verkada reserves the right to suspend use of any Products operating in violation of the obligations of this [Section 5.1](#), following written notice to Customer.

5.2. [Account Administration](#). Customer is responsible for identifying one or more individuals within Customer's organization who will act as administrator(s) of Customer's account. Such person(s) will be responsible for, among other things, monitoring and managing access privileges of other Users. Customer is also responsible for verifying, including ensuring that any third-party installer verify, that all Hardware Products purchased are properly claimed into Customer's account within the Hosted Software prior to installation, as more fully set forth in the Documentation.

6. TERM AND TERMINATION

6.1. [Term](#). The term of this Agreement will commence on the Effective Date and will continue for so long as Customer maintains any active Licenses.

6.2. [Termination or Suspension for Cause](#). Either party may terminate this Agreement, and Verkada may suspend Customer's access to the Hosted Software, for cause (i) upon 30 days written notice to the other party of a material breach if such breach remains uncured at the expiration of the 30-day period, or (ii) if the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. For purposes of clarity, a material breach of the Agreement includes Customer's failure to purchase and/or maintain a sufficient number of Licenses, as required by [Section 2.1](#).

6.3. [Effect of Termination](#). If Customer terminates this Agreement in accordance with [Section 6.2](#), then Verkada will refund Customer a pro rata portion of any prepaid fees

allocable to the remaining License Term. The following provisions will survive any expiration or termination of the Agreement: Sections 7, 9, 10, 11, and 12, and any other provisions that, by their nature, would reasonably be considered intended to survive.

7. CONFIDENTIALITY

7.1. Confidential Information. Except as explicitly excluded below, any information of a confidential or proprietary nature provided by a party ("**Disclosing Party**") to the other party ("**Receiving Party**") constitutes the Disclosing Party's confidential and proprietary information ("**Confidential Information**"). Verkada's Confidential Information includes the Products and any information conveyed to Customer in connection with Support. Customer's Confidential Information includes Customer Data. Confidential Information does not include information which is: (i) already known by the receiving party without an obligation of confidentiality other than pursuant to this Agreement; (ii) publicly known or becomes publicly known through no unauthorized act of the Receiving Party; (iii) rightfully received from a third party without a confidentiality obligation to the Disclosing Party; or (iv) independently developed by the Receiving Party without access to the Disclosing Party's Confidential Information.

7.2. Confidentiality Obligations. Each party will use the Confidential Information of the other party only as necessary to perform its obligations under this Agreement, will not disclose the Confidential Information to any third party, and will protect the confidentiality of the Disclosing Party's Confidential Information with the same standard of care as the Receiving Party uses or would use to protect its own Confidential Information, but in no event will the Receiving Party use less than a reasonable standard of care. Notwithstanding the foregoing, the Receiving Party may share the other party's Confidential Information with those of its employees, agents and representatives who have a need to know such information and who are bound by confidentiality obligations at least as restrictive as those contained herein (each, a "**Representative**"). Each party shall be responsible for any breach of confidentiality by

any of its Representatives.

7.3. Additional Exclusions. A Receiving Party will not violate its confidentiality obligations if it discloses the Disclosing Party's Confidential Information if required by applicable laws, including by court subpoena or similar instrument so long as the Receiving Party provides the Disclosing Party with written notice of the required disclosure so as to allow the Disclosing Party to contest or seek to limit the disclosure or obtain a protective order. If no protective order or other remedy is obtained, the Receiving Party will furnish only that portion of the Confidential Information that is legally required, and agrees to exercise reasonable efforts to ensure that confidential treatment will be accorded to the Confidential Information so disclosed.

8. DATA PROTECTION

Verkada secures the Software and Customer Data in accordance with the security practices available at www.verkada.com/trust/security-controls. Verkada will process all Customer Data in accordance with the DPA.

9. OWNERSHIP

9.1. Verkada Property. Verkada owns and retains all right, title, and interest in and to the Software, the System Data, and all intellectual property embodied in the Hardware and accessories. Except for the limited license granted to Customer in Section 2.1, Verkada does not by means of this Agreement or otherwise transfer any rights in the Products to Customer, and Customer will take no action inconsistent with Verkada's intellectual property rights in the Products.

9.2. Customer Property. Customer owns and retains all right, title, and interest in and to the Customer Data and does not by means this Agreement or otherwise transfer any rights in the Customer Data to Verkada, except for the limited license set forth in

10. INDEMNIFICATION

10.1. By Verkada. Verkada will indemnify, defend, and hold Customer, its affiliates, and their respective owners, directors, members, officers, and employees (collectively, “**Customer Indemnitees**”) harmless from and against any claim, action, demand, suit or proceeding (each, a “**Claim**”), and the attorneys’ fees and court and investigative costs of Customer Indemnitees, made or brought by a third party against any of the Customer Indemnitees alleging that Customer’s use of the Products infringes or misappropriates any patent, trademark, copyright, or any other intellectual property of such third party.

Verkada will pay any damages finally awarded against any Customer Indemnitees by a court of competent jurisdiction as a result of any such Claim, or any final settlement of such Claim, so long as Customer (i) gives Verkada prompt written notice of the Claim, (ii) gives Verkada sole control of the defense and settlement of the Claim (provided that Verkada may not settle any Claim without the Customer Indemnitee’s written consent, which will not be unreasonably withheld), and (iii) provides to Verkada all reasonable assistance, at Verkada’s request and expense.

If Customer’s right to use the Products hereunder is, or in Verkada’s opinion is likely to be, enjoined as the result of a Claim, then Verkada may, at Verkada’s sole option and expense procure for Customer the right to continue using the Products under the terms of this Agreement, or replace or modify the Products so as to be non-infringing and substantially equivalent in function to the claimed infringing or enjoined Products.

Verkada will have no indemnification obligations under this Section 10.1 to the extent that a Claim is based on or arises from: (a) use of the Products in a manner other than as expressly permitted in this Agreement; (b) any alteration or modification of the Products except as expressly authorized by Verkada; (c) the combination of the Products with any other software, product, or services (to the extent that the alleged

infringement arises from such combination); or (d) where the Claim arises out of specifications provided by Customer. This Section 10.1 sets forth Verkada's sole and exclusive liability, and Customer's exclusive remedies, for any Claim of infringement or misappropriation of intellectual property.

10.2. By Customer. Customer will indemnify, defend, and hold harmless Verkada, its affiliates, and their respective owners, directors, members, officers, and employees (together, the "**Verkada Indemnitees**") from and against any Claim, and the attorneys' fees and court and investigative costs of Verkada Indemnitees, related to: (a) Customer or its Users engaging in a Prohibited Use; and (b) Customer's indemnity obligation under the Alarms Addendum set forth in Exhibit B hereto (if any). Customer will pay any settlement of and any damages finally awarded against any Verkada Indemnatee by a court of competent jurisdiction as a result of any such Claim so long as Verkada (i) gives Customer prompt written notice of the Claim, (ii) gives Customer sole control of the defense and settlement of the Claim (provided that Customer may not settle any Claim without Verkada's prior written consent which will not be unreasonably withheld), and (iii) provides to Customer all reasonable assistance, at Customer's request and expense.

11. LIMITATIONS OF LIABILITY

11.1. Disclaimer. EXCEPT FOR THE WARRANTIES EXPLICITLY SET FORTH IN THIS AGREEMENT, VERKADA MAKES NO WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, REGARDING OR RELATING TO THE PRODUCTS, OR ANY MATERIALS OR SERVICES FURNISHED OR PROVIDED TO CUSTOMER IN CONNECTION WITH THIS AGREEMENT, INCLUDING UPDATES OR SUPPORT. WITHOUT LIMITING THE FOREGOING, VERKADA HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR TITLE. VERKADA DOES NOT WARRANT THAT THE PRODUCTS WILL MEET CUSTOMER'S NEEDS OR EXPECTATIONS, THAT USE OF THE PRODUCTS WILL BE

UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS WILL BE CORRECTED.

11.2. No Consequential Damages. NEITHER PARTY, NOR ITS AFFILIATES, NOR THE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES OF ANY OF THEM, WILL BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE, THAT MAY ARISE OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE OTHER PARTY HAS BEEN NOTIFIED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES OR COSTS OCCURRING AND WHETHER SUCH LIABILITY IS BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHERWISE.

11.3. Direct Damages Cap. EXCEPT WITH RESPECT TO EXCLUDED CLAIMS AND UNCAPPED CLAIMS, IN NO EVENT WILL THE COLLECTIVE LIABILITY OF EITHER PARTY, OR THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS AND REPRESENTATIVES, TO THE OTHER PARTY FOR ANY AND ALL DAMAGES, INJURIES, AND LOSSES ARISING FROM ANY AND ALL CLAIMS AND CAUSES OF ACTION ARISING OUT OF, BASED ON, RESULTING FROM, OR IN ANY WAY RELATED TO THIS AGREEMENT, EXCEED THE TOTAL AMOUNT PAID OR PAYABLE BY CUSTOMER FOR THE USE OF THE PRODUCTS UNDER THIS AGREEMENT DURING THE 24-MONTH PERIOD PRECEDING THE DATE OF THE CLAIM.

THE EXISTENCE OF MULTIPLE CLAIMS OR SUITS UNDER OR RELATED TO THIS AGREEMENT WILL NOT ENLARGE OR EXTEND THE LIMITATION OF MONEY DAMAGES WHICH WILL BE THE CLAIMANT'S SOLE AND EXCLUSIVE REMEDY.

11.4. Excluded Claims Cap. "**Excluded Claims**" means any claim and/or liability associated with: (a) both party's indemnification obligations in Section 10; (b) any breach by Verkada of the DPA, Section 8 (Data Protection), or other data privacy and security obligations. Each party's total, cumulative liability for all Excluded Claims will not exceed two (2) times the total amount paid or payable by Customer for use of the Products under this Agreement during the Term.

11.5 Uncapped Claims. “**Uncapped Claims**” means any claim or liability associated with: (a) Customer’s breach of Section 2.2 (License to Customer Data), Section 5.1 (Compliance), and Section 3 of Exhibit B (Customer Obligations) (if applicable); (b) either Party’s breach of confidentiality (but not relating to any liability associated with Verkada’s security obligations with respect to Customer Data which remains subject to the Excluded Claims cap); or (c) any liability of a Party which cannot be limited under applicable law, including gross negligence, recklessness, or intentional misconduct.

12. MISCELLANEOUS

This Agreement is the entire agreement between Customer and Verkada and supersedes all prior agreements and understandings concerning the subject matter hereof. Customer and Verkada are independent contractors, and this Agreement will not establish any relationship of partnership, joint venture, or agency between Customer and Verkada. Failure to exercise any right under this Agreement will not constitute a waiver. There are no third-party beneficiaries to this Agreement. This Agreement is governed by the laws of California without reference to conflicts of law rules. Any notice provided by one party to the other under this Agreement will be in writing and sent either (i) by overnight courier or certified mail (receipt requested), in the case of Customer to Customer’s address on record in Verkada’s account information and in the case of Verkada, to 406 E. 3rd Ave., San Mateo, CA 94401, or (ii) by electronic mail to Customer’s email address on record in Verkada’s account information or to Verkada at legal@verkada.com. If any provision of this Agreement is found unenforceable, the Agreement will be construed as if such provision had not been included. Neither party may assign this Agreement without the prior, written consent of the other party, except that either party may assign this Agreement without such consent in connection with an acquisition of the assigning party or a sale of all or substantially all of its assets. In the event of an assignment by Customer in connection with an acquisition of Customer or a sale of all or substantially all of Customer’s assets, Customer’s License may be transferred to the party acquiring Customer or

purchasing all or substantially all of its assets, subject to Verkada's prior written consent, such consent not to be unreasonably withheld.

A party will not be liable for any failure to perform caused by circumstances beyond its reasonable control which would otherwise make such performance commercially impractical including, but not limited to, acts of God, fire, flood, acts of war, pandemics, government action, accident, labor difficulties or shortage, inability to obtain materials, equipment or transportation (each, a "**Force Majeure Event**"). If a Force Majeure Event lasts longer than five (5) business days, the parties will meet to determine if performance under the Agreement can resume as agreed. If the parties cannot agree, then Verkada may terminate the applicable Purchase Order or this Agreement.

If any disputes arise, the parties will first attempt to resolve the dispute informally via good faith negotiation. If the dispute has not been resolved after 30 days, the parties will resolve any claim, dispute, or controversy (excluding any claims for injunctive or other equitable relief) by binding arbitration before a single arbitrator administered by JAMS, its successors and assigns, in San Mateo County, California, unless otherwise agreed by the parties in writing, and pursuant to its arbitration rules. Each party will be responsible for paying any arbitration fees in accordance with the foregoing rules, and the award rendered by the arbitrator may include costs of arbitration, reasonable attorneys' fees and reasonable costs for expert and other witnesses. Any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Nothing in this Section shall be deemed to prevent either party from seeking injunctive or other equitable relief from the courts as necessary to prevent the actual or threatened infringement, misappropriation, or violation of its data security, intellectual property rights or other proprietary rights.

EXHIBIT A

The Service Level Agreement is available at <https://www.verkada.com/support/sla/>.

EXHIBIT B

Alarms Addendum

This “**Alarms Addendum**” sets forth the terms applicable to Customer’s use of the Monitoring Services (as defined below).

1. Certain Definitions.

- a. “**Alarm(s)**” means an alarm signal, data, video or audio transmission initiated by the Hardware installed on Customer’s premises signaling a specific type of situation that is transmitted to a Call Center for response via the Hosted Software.
- b. “**Call Center(s)**” means a central monitoring station that receives and responds to an Alarm for Customer as more fully set forth below.
- c. “**Call List**” means the list of names, with corresponding telephone numbers and email addresses, of those persons in the order Customer wishes to receive notification of Alarms which must be created, and updated by Customer from time to time, via the Hosted Software.
- d. “**First Responder(s)**” means the entity (e.g., fire department, police department) that is contacted by the Call Center to respond to an Alarm received at the Call Center.
- e. “**Monitoring Services**” means the automated Alarm transmission functionality enabled by the Software that, when triggered, transmits an Alarm to the Call Center for a response, as more fully described in the Documentation. The Monitoring Services are deemed to be a Product under the Agreement.

2. Monitoring Services.

- a. In order to use the Monitoring Services, Customer must: (i) purchase a License for each location at which Monitoring Services will be provided (a “**Monitoring License**”); and (ii) enable the “Emergency Dispatch” toggle within the Hosted Software, as more fully described in the Documentation.

- b. For each Alarm transmitted through the Hosted Software, the Call Center will respond in accordance with its internal operating procedures, and only if warranted in the sole discretion of the Call Center. Not all Alarms require notification to First Responders. If the video verification settings are set to 'Normal Mode' (as described in the Documentation), the Call Center may not notify the individuals on the Call List if it is unable to determine a threat to person or property, including because Call Center cannot discern a threat from the video provided or it is unable to access video of the trigger event. Once dispatched, the Call Center may be unable to recall First Responders.
- c. In the event of notification to Customer, the Call Center will call the person(s) named in the Call List, in the order set by Customer. Receipt by Customer of any form of notification provided by the Call Center pursuant to the Call List, is deemed compliance with the notification obligation hereunder, which notice may include SMS or voice mail message.
- d. If video or audio Alarms are received at the Call Center, the Call Center will monitor such video or sound in accordance with its internal operating procedures, and for so long as the Call Center, in its sole discretion, deems appropriate.

3. Customer's Obligations.

- a. Customer (or a properly licensed installer selected by Customer) is responsible for installation (including the design of such installation), maintenance, service, repair, inspection and testing of the Products. Once installed, it is Customer's responsibility (or a properly licensed installer selected by Customer) to configure its Products in order to enable the Monitoring Services, including by creating and maintaining appropriate Trigger and Response Actions via the Hosted Software (i.e., by creating an "Alarm Address" within Customer's account in the Hosted Software and configuring it in Customer's discretion). Monitoring Services will be provided only if the Hardware Products have been configured to transmit Alarms to the Call Center by means of the foregoing.

b. Customer is responsible, at Customer's sole expense, for supplying all systems, and incidental functionality (e.g., high-speed Internet access, IP Address and or wireless services, all 110 Volt AC power), necessary to operate the Products at Customer's premises.

c. Once delivered, the Hardware Products are in the possession and control of Customer, and it is Customer's sole responsibility to regularly test the operation of its Products. Verkada does not design installations, install, inspect, maintain, service, repair, or test Products for Customers.

d. Customer is responsible for obtaining and maintaining all licenses, registration and permits for the Products and Monitoring Services, including those required by the Customer's local government, necessary to use the Products as contemplated under this Alarms Addendum in compliance with applicable laws and regulations.

4. Monitoring Services Exclusions.

a. Except for the systems under its control that Verkada uses to make the Hosted Software available, Alarms are transmitted over third party communication networks beyond the control of Verkada and are not maintained by Verkada. Verkada will not be responsible for any failure by such third-party networks which prevents transmission of Alarms from reaching the Call Center or any damages arising therefrom.

b. Verkada will have no liability for permit fees, false alarms, false alarm fines, the manner in which First Responders respond, any response delays caused by the First Responders, the failure of First Responders to respond, or the manner in which Alarms are handled by the Call Centers or First Responders.

c. Verkada makes no representation that any aspect of the Products meets code requirements or constitute an alarm system, burglar alarm system, fire alarm system, CCTV system, access control system or other electronic security system, as those terms are defined under the applicable laws of the jurisdictions in which Customer uses the Products.

d. Verkada is not a Call Center and does not provide the services of a Call Center. Verkada does not respond to an Alarm, notify, or attempt to notify the persons named in the Call List, request dispatch of First Responders, or other agents to Customer's premises to investigate or verify an Alarm. The portion of the Monitoring Services performed by Verkada is strictly limited to Verkada's automated signal and data retransmission software, receivers, and related components, routing Alarms generated from the Products at Customer's premise via a third-party network to a Call Center for response. The Customer is not contracting with Verkada to provide the services of the Call Center. Verkada and the Call Center are independent and unrelated entities, and there is no subcontractor, employer or employee, master or servant, joint venture, partnership, or contractual relationship between them.

5. Suspension & Termination.

Verkada may, without prior notice, suspend or terminate the Monitoring Services, in Verkada's sole discretion, in the event of: (a) a Force Majeure Event which renders any aspect of the Monitoring Services inoperable or impractical; (b) Customer defaults in its performance obligations under the Agreement or use of the Products in a manner that violates any applicable law or any third party right of privacy; (c) Call Center's facilities or communication networks are nonoperational; (d) Customer causes the Products to transmit excessive false alarms, runaway signals, or otherwise unreasonably overburdens either Verkada's systems or the Call Center's systems; or (e) Customer fails to provide accurate information within the Call List or fails to properly update the Call List.

6. No Representations or Warranties.

Verkada makes no representation or warranty, whether express or implied, that the Products including the Monitoring Services will prevent any loss, damage or injury to any person or property, whether by reason of burglary, theft, hold-up, fire or any other cause, or that the Products will in all cases provide the protection for which they are installed or intended. Monitoring Services are not error-free. Verkada is not an insurer,

and Customer assumes all risk for loss or damage to Customer's premises, contents, business interruption, or persons on or around the premises. Customer's sole remedy for Verkada's breach of this Exhibit B is to require Verkada to replace the non-operational Products as set forth in Section 3.2 of the Agreement.

THE ABOVE EXCLUSIONS WILL NOT APPLY, IF THE GOVERNING LAW WHERE THE CUSTOMER'S PREMISE IS LOCATED PROHIBITS THE EXCLUSION OF IMPLIED WARRANTIES.

7. Indemnity.

In addition to Section 10.2 of the Agreement, to the fullest extent permitted by governing law, Customer will indemnify, defend, and hold harmless Verkada Indemnitees from and against any Claim (including reasonable attorney's fees, court costs, fees associated with investigations, or fees or fines relating to permits or false alarms) arising from Customer's use of the Monitoring Services or its performance, or failure to perform, its obligations under this Exhibit B.

8. Exculpatory Clause.

a. To the fullest extent permitted by governing law, Verkada will not be liable for any loss or damage sustained by Customer caused or contributed by the performance, or failure of performance, of the Monitoring Services under this Exhibit B, even if caused or contributed by any negligence of any kind or degree of the Call Center, Verkada, or any other third-party, except for Verkada's gross negligence in states that do not permit the exculpation of liability for gross negligence, recklessness and willful misconduct.

b. IN THE EVENT THAT THE EXCULPATORY CLAUSE IS NOT ENFORCEABLE UNDER THE GOVERNING LAW WHERE THE CUSTOMER'S PREMISES IS LOCATED, THE LIMITATIONS OF LIABILITY IN SECTION 11 OF THE AGREEMENT SHALL GOVERN AND CONTROL.

9. Insurance.

Customer must maintain a policy of General Liability and Property Insurance for liability, casualty, fire, theft, and property damage and, upon request, will ensure that Verkada is named as additional insured, and which shall on a primary and non-contributing basis cover any loss or damage related to Customer's use of the Products. Customer assumes all potential risk and damage that may arise by reason of failure of the Products, and Customer will look to its own insurance carrier for any loss or assume the risk of loss. Verkada will not be responsible for any portion of any loss or damage which is recovered or recoverable by Customer from insurance covering such loss or damage or for such loss or damage against which Customer is indemnified or insured. Customer and all those claiming rights under Customer policies waive all rights against Verkada and its subcontractors for loss or damages caused by perils intended to be detected by the Products or covered by insurance to be obtained by Customer, except such rights as Customer or others may have to the proceeds of insurance.

10. Conflict Resolution.

In the event of any conflict, discrepancy, or inconsistency between the terms of the Agreement and this Exhibit B, the terms of this Exhibit B will govern and control.

7. Attachment B - Business Associate Agreement

Submit

Click above to sign or propose changes (or to upload your own for our review)

This HIPAA Business Associate Agreement (the “**Agreement**”) is made and entered between Verkada Inc., a Delaware corporation (“**Business Associate**”) and you, the party who accepted this Agreement (“**Covered Entity**”) whether by clicking a box indicating acceptance, navigating through a login page where a link to this Agreement is provided, or providing another form of electronic acceptance.

This Agreement is effective between Verkada and the Covered Entity as of the date that Covered Entity accepts the terms of this Agreement as indicated above (the “Effective Date”). Verkada reserves the right to modify or update the terms of this Agreement in its discretion, the effective date of which will be the earlier of (i) 30 days from the date of such update or modification and (ii) to Covered Entity’s continued participation in Verkada’s programs.

1. Covered Entity is or may be subject to the requirements of the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”), the Health Information Technology for Economic and Clinical Health Act (“**HITECH**”) and the implementing regulations thereof (the “**HIPAA Regulations**”). As used herein, “**PHI**” refers to Protected Health Information maintained, transmitted, created or received by Business Associate for or from Covered Entity.
2. Business Associate may maintain, transmit create or receive data for or from Covered Entity that constitutes Protected Health Information (as defined in the HIPAA Regulations) to perform tasks on behalf of Covered Entity;
3. To the extent required by the HIPAA Regulations and applicable state law, Business Associate is or may be directly subject to certain privacy and security obligations and penalty provisions of HIPAA, HITECH, the HIPAA Regulations and state law.

The parties agree as follows:

1. Use and Disclosure. Business Associate may use and disclose PHI only as permitted or required by this Agreement or as required by law. Business Associate may use or disclose PHI as required to perform its obligations under any underlying service agreements or end user agreements entered into between the parties in connection with Covered Entity's purchase of goods and/or services from Business Associate (collectively, "**Service Agreement**") between the parties to perform the services as described in the Service Agreement ("**Services**"), provided that Business Associate shall not use or disclose PHI in any manner that would constitute a violation of the HIPAA Regulations if done by Covered Entity. The Services are not intended to be used as part of any life-saving or emergency systems, and Covered Entity will not use the Services in any such environment. Further, Covered Entity will not manually label, tag, or otherwise associate any PHI with Business Associate's hardware products by means of the Services. To the extent Covered Entity notifies Business Associate of a reasonable restriction request granted by Covered Entity that would limit Business Associate's use or disclosure of PHI, Business Associate will use its commercially reasonable efforts to comply with the restriction. To the extent Business Associate is to carry out an obligation of Covered Entity under the HIPAA Regulations, Business Associate shall comply with the requirements of the HIPAA Regulations that apply to Covered Entity in the performance of such obligation.

2. Appropriate Safeguards. Business Associate agrees to maintain reasonable and appropriate administrative, technical and physical safeguards to protect PHI from uses or disclosures not permitted by this Agreement, including maintaining policies and procedures to detect, prevent or mitigate identity theft based on PHI or information derived from PHI. In addition, Business Associate agrees to comply with the applicable requirements of the HIPAA Regulations with respect to electronic PHI and any guidance issued by the Secretary of the Department of Health and Human Services ("**HHS**").

3. Incident Notification. To the extent Business Associate becomes aware of or discovers (i) any use or disclosure of PHI in violation of this Agreement, (ii) any

Security Incident, or (iii) any Breach of Unsecured Protected Health Information (each as defined in the HIPAA Regulations) related to any individual who is the subject of PHI, Business Associate shall promptly report such use, disclosure, incident, or breach to Covered Entity and shall include the information specified in the HIPAA Regulations. Business Associate shall mitigate, to the extent practicable, any harmful effect known to it of a use or disclosure of PHI by Business Associate not permitted by this Agreement.

4. Subcontractors. In accordance with the HIPAA Regulations, Business Associate shall ensure that each subcontractor or agent that handles PHI on behalf of Business Associate agrees in writing to be bound by the same restrictions, terms and conditions that apply to Business Associate pursuant to this Agreement.

5. Access to Designated Record Sets. Within fifteen (15) days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set (as defined at the HIPAA Regulations), Business Associate shall make available to Covered Entity such PHI in the form requested by Covered Entity. If the requested PHI is maintained electronically, Business Associate shall provide a copy of the PHI in the electronic form and format requested by the individual, if it is readily producible, or, if not, in a readable electronic form and format as agreed to by Covered Entity and the individual. In the event that any individual requests access to PHI directly from Business Associate, Business Associate shall within ten (10) days forward such request to Covered Entity. Any denials of access to the PHI requested shall be the responsibility of Covered Entity.

6. Amendments to Designated Record Sets. Within fifteen (15) days of receipt of a request from Covered Entity for the amendment of an individual's PHI contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI. In the event a request for an amendment is delivered directly to Business Associate, Business Associate shall within ten (10) days of receiving such request forward the request to Covered

Entity.

7. Access to Books and Records. Except for disclosures of PHI by Business Associate that are excluded from the accounting obligation as set forth in the HIPAA Regulations or regulations issued pursuant to HITECH, Business Associate shall record for each disclosure the information required to be recorded by covered entities pursuant to the HIPAA Regulations. Within twenty (20) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity, or the individual (if requested by Covered Entity), the information required to be maintained pursuant to this Section 7. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within ten (10) days forward such request to Covered Entity.

8. Accountings. At Covered Entity's or HHS' request, Business Associate shall make its internal practices, books and records relating to the use and disclosure of PHI available to HHS for purposes of determining compliance with the HIPAA Regulations.

9. Permitted Uses and Disclosures. Business Associate is not authorized to use or disclose PHI in a manner that would violate the HIPAA Regulations if done by Covered Entity, provided that Business Associate may:

- a. use the PHI for its proper management and administration and to carry out its legal responsibilities.
- b. disclose PHI for its proper management and administration and to carry out its legal responsibilities, provided that disclosures do not violate the HIPAA Regulations.
- c. use and disclose PHI to report violations of law to appropriate Federal and State authorities.
- d. aggregate the PHI in its possession with the Protected Health Information of other covered entities that Business Associate has in its possession through its capacity as a business associate to other covered entities, provided that

such aggregation conforms to the requirements of the HIPAA Regulations.

- e. use PHI to create de-identified information, and use such de-identified information for its own purposes, provided that the de-identification and use thereof conforms to the requirements of the HIPAA Regulations.

10. HIPAA Transaction Standards. If Business Associate conducts standard transactions (as defined in the HIPAA Regulations) for or on behalf of Covered Entity, Business Associate will comply and will require by written contract each agent or contractor (including any subcontractor) involved with the conduct of such standard transactions to comply, with each applicable requirement of the HIPAA Regulations. Business Associate will not enter into, or permit its agents or contractors (including subcontractors) to enter into, any trading partner agreement in connection with the conduct of standard transactions for or on behalf of Covered Entity that: (i) changes the definition, data condition, or use of a data element or segment in a standard transaction; (ii) adds any data elements or segments to the maximum defined data set; (iii) uses any code or data element that is marked “not used” in the standard transaction’s implementation specification or is not in the standard transaction’s implementation specification; or (iv) changes the meaning or intent of the standard transaction’s implementation specification. Business Associate agrees to participate in any test modification conducted by Covered Entity in accordance with the HIPAA Regulations.

11. Term and Termination. This Agreement shall remain in effect until the Service Agreement is terminated or expires. Either party may terminate this Agreement and the Service Agreement effective immediately if it determines that the other party has breached a material provision of this Agreement and failed to cure such breach within thirty (30) days of being notified by the other party of the breach. If the non-breaching party determines that cure is not possible, such party may terminate this Agreement and the Service Agreement effective immediately upon written notice to other party.

12. Limitation of Liability. Business Associate’s obligations under this Agreement shall be subject to any limitations of liability set forth in the Service Agreement.

13. Effect of Termination. Upon termination of this Agreement, Business Associate agrees to either return or destroy, at no cost to Covered Entity, all PHI that Business Associate still maintains in any form. Notwithstanding the foregoing, to the extent that it is not feasible to return or destroy such PHI, the terms and provisions of this Agreement shall survive termination of this Agreement, and Business Associate shall only use or disclose such PHI solely for such purpose or purposes which prevented the return or destruction of such PHI.

14. Miscellaneous. Business Associate's liability under this Agreement shall be subject to any limitations of liability set forth in any master service or end user agreement entered into between the parties in connection with Covered Entity's purchase of goods and/or services from Business Associate. Nothing in this Agreement shall be construed to create any rights or remedies in any third parties or any agency relationship between the parties. To the extent Business Associate is acting as a business associate under the HIPAA Regulations, Business Associate shall be subject to the penalty provisions specified in HITECH. Upon the effective date of any final regulation or amendment to final regulations promulgated by HHS with respect to PHI, this Agreement will be deemed to be automatically amended such that the obligations imposed on the parties remain in compliance with such regulations. The terms and conditions of this Agreement shall override and control any conflicting term or condition of any agreement between the parties with respect to the Services Agreement.

7. Attachment C - Data Processing Addendum

Submit

Click above to sign or propose changes (or to upload your own for our review)

This Data Processing Addendum including all of its Annexes (this “**Addendum**”) supplements and forms part of the End User Agreement accepted by Customer on or about the date hereof (the “**Agreement**”) by and between Verkada Inc. (“**Verkada**”) and the Customer identified therein (“**Customer**”, and together with Verkada, the “**Parties**”). All capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the Agreement.

Verkada reserves the right to modify or update the terms of this Addendum in its discretion, the effective date of which will be the earlier of (i) 30 days from the date of such update or modification and (ii) Customer’s continued use of the Products.

Customer has purchased a subscription to the Software pursuant to the Agreement that involves the Processing of Personal Data subject to Data Protection Laws.

In the provision of the Software by Verkada to Customer pursuant to the Agreement, Customer acts as Controller and Verkada acts as Processor or Service Provider with respect to the Personal Data, or, as the case may be, Customer acts as a Processor for its end user customers including such end user customers’ affiliated companies (as ultimate Controllers) and Verkada will act as a sub-Processor acting on the instruction of the Customer vis-a-vis its end user customers.

The parties agree as follows:

1. **Definitions.** Unless otherwise defined in the Agreement, all capitalized terms used in this Addendum will have the meanings given to them herein or in applicable Data Protection Laws.

“**Controller**” means the entity or Business which solely or jointly with other entities determines the purposes and means of the Processing of Personal

Data, and for the purposes of this Addendum means Customer, including when acting on behalf of its own end user customer.

“Data Breach” has the meaning given to it in the Data Protection Laws and for the purpose of this Addendum relates to the personal data Processed by Verkada on behalf of Customer.

“Data Protection Laws” means to the extent applicable to Customer’s use of the Software, all applicable data protection and privacy laws, their implementing regulations, regulatory guidance, and secondary legislation, each as updated or replaced from time to time, including, as they may apply: (i) the General Data Protection Regulation ((EU) 2016/679) (the **“GDPR”**) and any applicable national implementing laws; (ii) the UK General Data Protection Regulation (**“UK GDPR”**) and the UK Data Protection Act 2018; (iii) U.S. legislation (e.g., the California Consumer Privacy Act and the California Privacy Rights Act); and (iv) any other laws that may be applicable.

“Data Subject” means the identified or identifiable person to whom the Personal Data relates, as defined in applicable Data Protection Laws.

“EEA” means the European Economic Area.

“EU Standard Contractual Clauses” or **“EU SCCs”** or **“Clauses”** means the standard data protection clauses for the transfer of Personal Data to processors established in third countries, as described in Article 46 of the EU GDPR pursuant to the European Commission’s decision (C(2010)593) of 5 February 2010 on Standard Contractual Clauses, as approved by the European Commission in the European Commission’s Implementing Decision 2021/914/EU of 4 June 2021, as each may be amended, updated, or replaced from time to time.

“Personal Data” has the meaning given to it in the Data Protection Laws, and for the purpose of this Addendum relates to the personal data Processed by Verkada on behalf of Customer as described in Section 3.

“Processing” has the meaning given to it in the Data Protection Laws and

“process”, “processes” and “processed” will be construed accordingly.

“Processor” means the entity or Service Provider which Processes Personal Data on behalf of the Controller, as defined in applicable Data Protection Laws and for the purposes of this Addendum means Verkada.

2. **Compliance with Laws**. Each party will comply with the Data Protection Laws as applicable to it. In particular, Customer will comply with its obligations as Controller (or on behalf of Controller), and Verkada will comply with its obligations as Processor.

3. **Data Processing**.

- a. **Roles of the Parties**. The Parties acknowledge and agree that with regard to the Processing of Personal Data, where such terms are used by applicable Data Protection Laws, (i) the Customer is the Controller, (ii) Verkada is the Processor or Service Provider and that (iii) the Processor may engage sub-Processors or other Service Providers pursuant to the requirements set forth in Section 10 below.
- b. **Customer Obligations**.
 - i. Customer (as Controller or on behalf of the ultimate Controller) undertakes that all instructions for the Processing of Personal Data under the Agreement or this Addendum or as otherwise agreed will comply with the Data Protection Laws, and such instructions will not in any way cause Verkada to be in breach of any Data Protection Laws.
 - ii. The Customer will have sole responsibility for the means by which the Customer acquired the Personal Data.
- c. **Verkada’s Processing of Personal Data**.
 - i. Verkada will Process Personal Data only in accordance with

Customer's (i) instructions as outlined in the Agreement and this Addendum or (ii) as otherwise documented by Customer, in either event only as permitted by applicable Data Protection Laws and for purpose of providing the Products to Customer in accordance with the terms of the Agreement.

- ii. Unless prohibited by applicable law, Verkada will notify Customer if, in its opinion, an instruction infringes any Data Protection Law to which it is subject, in which case Verkada will be entitled to suspend performance of such instruction without any kind of liability towards the Customer, until Customer confirms in writing that such instruction is valid under such Data Protection Law. Any additional instructions regarding the manner in which Verkada Processes the Personal Data will require prior written agreement between Verkada and Customer.
- iii. Verkada will not be liable in the event of any claim brought by a third party, including, without limitation, a Data Subject, arising from any act or omission of the Processor, to the extent that such act or omission is a result of the Customer's instructions.
- iv. Verkada will not disclose Personal Data to any government, except as necessary to comply with applicable law or a valid and binding order of a law enforcement agency (such as a subpoena or court order). If Verkada receives a binding order from a law enforcement agency for Personal Data, Verkada will notify Customer of the request it has received so long as Verkada is not legally prohibited from doing so.
- v. Where Verkada acts as Customer's Service Provider, Verkada

shall not: (i) sell Personal Data; (ii) collect, retain, use, or disclose Personal Data (a) for any purpose other than providing the Products specified in the Agreement and this Addendum or (b) outside of the direct business relationship between Verkada and Customer; or (iii) combine this Personal Data with Personal Data that Processor obtains from other sources except as permitted by applicable Data Protection Laws. Verkada certifies that it understands the prohibitions outlined in this Section 3(c)(v) and will comply with them.

vi. Verkada will take reasonable steps to ensure that individuals with access to or involved in the Processing of Personal Data are subject to appropriate confidentiality obligations and/or are bound by related obligations under Data Protection Laws or other applicable laws.

d. The duration of the Processing, the nature and specific purposes of the Processing, the types of Personal Data Processed, and categories of Data Subjects under this Addendum are further specified in the Annexes to this Addendum and, on a more general level, in the Agreement.

4. **Transfers of Personal Data**. Verkada shall transfer Personal Data between jurisdictions as a Data Processor in accordance with applicable Data Protection Laws, including as relevant provisions of this Section 4.

a. Transfers of Personal Data Outside the EEA.

i. Transfers to countries that offer adequate level of data protection. Personal Data may be transferred from EEA to other jurisdictions where such jurisdictions are deemed to

provide an adequate level of data protection under applicable Data Protection Laws.

- ii. Transfers to other third countries. If the Processing of Personal Data includes transfers from EEA/EU Member States to countries outside the EEA/EU which have not been deemed adequate under applicable Data Protection Laws, the parties' EU Standard Contractual Clauses are hereby incorporated into and form part of this Addendum. The Parties agree to include the optional Clause 7 (Docking clause) to the EU SCCs incorporated into this Addendum. With regards to clauses 8 to 18 of the EU SCCs, the different modules and options will apply as follows:
 - i. Module Two shall apply.
 - ii. The Option within Clause 11(a) of the EU SCCs, providing for the optional use of an independent dispute resolution body, is not selected.
 - iii. The Options and information required for Clauses 17 and 18 of the EU SCCs, covering governing law and jurisdiction, are outlined in Section 13 of this Addendum.
 - iv. Option 2 within Clause 9(a) of the EU SCCs, covering authorization for sub-processors, is selected, as discussed within Section 10 of this Addendum.
- b. Transfers of Personal Data Outside Switzerland. If Personal Data is transferred from Switzerland in a manner that would trigger obligations under the Federal Act on Data Protection of Switzerland ("**FADP**"), the EU SCCs shall apply to such transfers and shall be

deemed to be modified in a manner to that incorporates relevant references and definitions that would render such EU SCCs an adequate tool for such transfers under the FADP.

- c. Transfers of Personal Data Outside the UK. If Personal Data is transferred in a manner that would trigger obligations under UK GDPR, the parties agree that **Annex IV** shall apply.
- d. Annexes. This Addendum and its Annexes, together with the Agreement, including as relevant applicable Clauses, serve as a binding contract that sets out the subject matter, duration, nature, and purpose of the Processing, the type of Personal Data and categories of data subjects as well as the obligations and rights of the Controller. Verkada may execute relevant contractual addenda, including as relevant the EU SCCs (Module 3) with any relevant Subprocessor (as hereinafter defined, including Affiliates). Unless Verkada notifies Customer to the contrary, if the European Commission subsequently amends the EU SCCs at a later date, such amended terms will supersede and replace any EU SCCs executed between the parties.
- e. Alternative Data Export Solution. The parties agree that the data export solutions identified in this Section 4 will not apply if and to the extent that Customer adopts an alternative data export solution for the lawful transfer of Personal Data (as recognized under applicable Data Protection Laws), in which event, Customer shall reasonably cooperate with Verkada to implement such solution and such alternative data export solution will apply instead (but solely to the extent such alternative data export solution extends to the territories to which Personal Data is transferred under this Addendum).
- f. Customer shall be responsible for obligations corresponding to Data

Controllers under Data Protection Laws

5. **Technical and Organizational Measures**. Verkada will implement appropriate technical and organizational measures to ensure a level of security of Personal Data appropriate to the risk, as further described in **Annex II** to this Addendum. In assessing the appropriate level of security, Verkada will take into account the risks that are presented by Processing, in particular from accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Personal Data transmitted, stored or otherwise Processed.
6. **Data Subjects rights**. Verkada will assist Customer in responding to Data Subjects' requests exercising their rights under the Data Protection Laws. To that effect, Verkada will (i) to the extent permitted by applicable law, promptly notify Customer of any request received directly from Data Subjects to access, correct or delete its Personal Data without responding to that request, and (ii) upon written request from Customer, provide Customer with information that Verkada has available to reasonably assist Customer in fulfilling its obligations to respond to Data Subjects exercising their rights under the Data Protection Laws.
7. **Data Protection Impact Assessments**. If Customer is required under the Data Protection Laws to conduct a Data Protection Impact Assessment, then upon written request from Customer, Verkada will use commercially reasonable efforts to assist in the fulfilment of Customer's obligation as related to its use of the Products, to the extent Customer does not otherwise have access to the relevant information. If required under Data Protection Laws, Verkada will provide reasonable assistance to Customer in the cooperation or prior consultation with Data Protection Authorities in relation to any applicable Data Protection Impact Assessment.
8. **Audit of Technical and Organizational Measures**. Verkada will make available all information necessary to demonstrate its compliance with data protection

policies and procedures implemented as part of the Products. To this end, upon written request (not more than once annually) Customer may, at its sole cost and expense, verify Verkada's compliance with its data protection obligations as specified in this Addendum by: (i) submitting a security assessment questionnaire to Verkada; and (ii) if Customer is not satisfied with Verkada's responses to the questionnaire, then Customer may conduct an audit in the form of meetings with Verkada's information security experts upon a mutually agreeable date. Such interviews will be conducted with a minimum of disruption to Verkada's normal business operations and subject always to Verkada's agreement on scope and timings. Such audit will be performed during normal business hours, in such a manner as not to unreasonably disrupt normal business operations, and in no event will take place over the course of more than two business days. The Customer may perform the verification described above by itself or through a mutually agreed upon third party auditor, so long as Customer or its authorized auditor executes a mutually agreed upon non-disclosure agreement. Customer will be responsible for any actions taken by its authorized auditor. All information disclosed by Verkada under this Section 8 will be deemed Verkada's Confidential Information, and Customer will not disclose any audit report to any third party except as obligated by law, court order or administrative order by a government agency. Verkada will remediate any mutually agreed, material deficiencies in its technical and organizational measures identified by the audit procedures described in this Section 8 within a mutually agreeable timeframe.

9. **Breach notification.** If Verkada becomes aware of a Data Breach, then Verkada will notify the Customer without undue delay after becoming aware of such Data Breach, will co-operate with the Customer, and will take commercially reasonable steps to investigate, mitigate, and remediate such

Data Breach. Verkada will provide all reasonably required support and cooperation necessary to enable Customer to comply with its legal obligations pursuant applicable Data Protection Laws.

10. **Sub-processing.**

- a. Customer agrees that Verkada may engage either Verkada affiliated companies or third-party providers as sub-Processors under the Agreement and this Addendum (“**Subprocessors**”) and hereby authorizes Verkada to engage such Subprocessors in providing the Products to Customer. Verkada will restrict the Processing activities performed by Subprocessors to only what is necessary to provide the Products to Customer pursuant to the Agreement and this Addendum. Verkada will impose appropriate contractual obligations in writing upon the Subprocessors that are no less protective than this Addendum.
- b. Verkada maintains an updated list of all Subprocessors used by Verkada which is available upon written request. Verkada may amend the list of Subprocessors by adding or replacing Subprocessors at any time. Customer will be entitled to object to a new Subprocessor by notifying Verkada in writing the reasons of its objection. Verkada will work in good faith to address Customer’s objections. If Verkada is unable or unwilling to adequately address Customer’s objections to Customer’s reasonable satisfaction, then Customer may terminate this Addendum and the Agreement in accordance with Section 6.2 of the Agreement.

11. **Return or Deletion of Personal Data.** Verkada will delete or return, in Customer’s discretion, Personal Data within a reasonable period of time following the termination or expiration of the Agreement following written request from Customer unless otherwise required by applicable Data

Protection Laws.

12. **Termination**. This Addendum shall automatically terminate upon the termination or expiration of the Agreement. Sections 3(b), 3(c)(iii), and 14 of this Addendum shall survive the termination or expiration of this Addendum for any reason. This Addendum cannot, in principle, be terminated separately to the Agreement, except where the Processing ends before the termination of the Agreement, in which case, this Addendum shall automatically terminate.
13. **Governing Law**. This Addendum shall be governed by and construed in accordance with governing law and jurisdiction provisions in the Agreement, unless required otherwise by applicable Data Protection Laws. For the purposes of Clauses 17 and 18 of the EU SCCs, where applicable, to the extent that the governing law and jurisdiction provisions in the Agreement do not meet the requirements of the EU SCCs, the parties select Option 2 of Clause 17, and agree that the EU SCCs shall be governed by the law of the EU Member State in which the data exporter is established; where such law does not allow for third-party beneficiary rights, the EU SCCs shall be governed by the laws of the country of Ireland. Pursuant to Clause 18, any dispute between the Parties arising from the EU SCCs shall be resolved by the courts of Ireland, and the Parties submit themselves to such jurisdiction. For the purposes of Clause 13 of the GDPR, the Supervisory Authority shall be the data exporter's applicable Supervisory Authority. Data exporter shall notify data importer of the applicable Supervisory Authority by email at legal-notice@verkada.com and shall provide any necessary updates without undue delay.
14. **Entire Agreement; Conflict**. Except as amended by this Addendum, the Agreement will remain in full force and effect. If there is a conflict between the Agreement and this Addendum as to the subject matter herein, the terms of this Addendum will control.

ANNEX I

A. LIST OF PARTIES

Data exporter(s):

Name: The Customer named in the Agreement

Address: The address of the Customer's corporate headquarters

Contact person's name, position and contact details: The primary administrative contact listed in the Hosted Software.

Activities relevant to the data transferred under these Clauses: Purchase of subscription and use of Software under the Agreement

Role (controller/processor): Controller

Data importer(s):

Name: Verkada Inc.

Address: 406 E. 3rd Ave, San Mateo, CA 94401, USA

Contact details Elizabeth Davies, CPO, privacy@verkada.com

Activities relevant to the data transferred under these Clauses: Processing of personal data to provide Products as set forth in the Agreement

Role (controller/processor): Processor

B. DESCRIPTION OF TRANSFER

Categories of data subjects whose personal data is transferred:

Individuals who may appear in the video footage captured by Data Exporter's security cameras and individuals authorized by Data Exporter to use the Software on behalf of Data Exporter or individuals whose personal data the Data Exporter chooses to provide.

Categories of personal data transferred:

- Audio and video data to provide the Services and Products,*
- Contact information, including names, emails and phone number(s), and*
- Personal Data that the Controller chooses to provide at its own direction*

Note: Data Importer does not process sensitive data except at the direction of or as permitted by Data Exporter.

The frequency of the transfer (e.g. whether the data is transferred on a one-off or continuous basis):

Continuous basis during the Term of the Agreement

Nature of the processing:

As specified under the Agreement (i.e., enterprise Software-as-a-Service platform for physical security)

Purpose(s) of the data transfer and further processing:

For the provision of the specific business purpose and services/Products under the Agreement

The period for which the personal data will be retained, or, if that is not possible, the criteria used to determine that period:

During the term of the Agreement and as provided therein.

For transfers to (sub-) processors, also specify subject matter, nature and duration of the processing:

During the Term of the Agreement for the purpose of providing the services/Products.

c. *COMPETENT SUPERVISORY AUTHORITY*

The competent supervisory authority/ies applicable to Data Exporter as notified to Data Importer in accordance with Section 13(a) of the Addendum.

ANNEX II – TECHNICAL AND ORGANISATIONAL MEASURES INCLUDING TECHNICAL AND ORGANISATIONAL MEASURES TO ENSURE THE SECURITY OF THE DATA

Data Importer (also referred to as Verkada below) has taken and will maintain appropriate administrative, technical, physical and procedural security measures, for the protection of the Personal Data, with such measures located here:

ANNEX III – LIST OF SUB-PROCESSORS

To view Data Importer’s list of sub-processors, please submit your request at:
<https://my.pima.app/p/verkada/verkada-subprocessors>

ANNEX IV

UK ADDENDUM TO EU STANDARD CONTRACTUAL CLAUSES

PART 1: TABLES

Table 1: Parties

Start date	Effective the date of the execution of the Addendum	
The Parties	Exporter (who sends the Restricted Transfer) As listed in Annex I	Importer (who receives the Restricted Transfer) As listed in Annex I
Parties’ Details	As listed in Annex I	As listed in Annex I
Key Contacts	As listed in Annex I	As listed in Annex I

Table 2: Selected SCCs, Modules and Selected Clauses

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"Addendum EU SCCs"	The version of the approved EU SCCs agreed to in the Addendum to which this UK Addendum is appended to, including the Appendix Information.
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Table 3: Appendix Information

"Appendix Information" means the information which must be provided for the selected modules as set out in the Appendix of the Approved SCCs (other than the Parties), and which for this UK Addendum is set out in:

Annex 1A: List of Parties: See Annex I
Annex 1B: Description of Transfer: Annex I
Annex II: Technical and organisational measures including technical and organisational measures to ensure the security of the data: Annex II
Annex III: List of Sub processors: Annex III

Table 4: Ending this Addendum when the Approved Addendum Changes

Ending this Addendum when the Approved Addendum changes	Which Parties may end this Addendum: <input type="checkbox"/> Importer
--	---

- | |
|---|
| <input type="checkbox"/> Exporter
<input type="checkbox"/> neither Party |
|---|

PART 2: MANDATORY CLAUSES

"Mandatory Clauses"	Part 2: Mandatory Clauses of the Approved Addendum, being the template Addendum B.1.0 issued by the ICO and laid before Parliament in accordance with s119A of the Data Protection Act 2018 on 2 February 2022, as it is revised under Section 18 of those Mandatory Clauses.
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7. Attachment D - Service Level Agreement

This Service Level Agreement is incorporated by reference into the Terms of Sale between Verkada Inc. (“**Verkada**”) and the customer (the “**Company**”) named therein (the “**Agreement**”). All capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the Agreement

Service Levels

Verkada will use commercially reasonable efforts to make the Platform available 99.99% or more of the time during any calendar month. Subject to the exclusions set forth below, an outage will be defined as any time when the Platform is not available due to a cause within the control of Verkada. The availability standard does not apply to any feature of the Platform that Verkada identifies as a “beta” feature or service.

Service Credits

If Verkada fails to achieve the availability percentage above, Company will be eligible to receive a credit (“**Service Credit**”) calculated as a certain number of days added to the end of Company’s paid Subscription Period. The Service Credits increase is based on the amount of aggregate outage as set forth below.

Service Availability	Service Credit
Less than 99.99%	3 days
Less than 99.9%	7 days
Less than 99%	15 days
Less than 90%	30 days

Service Credits are non-transferable. To receive a Service Credit, Company must

contact Verkada in writing within 30 days following the outage and demonstrate to Verkada's reasonable satisfaction that Company's use of the Platform was adversely affected as a result of the outage.

Exclusions

Verkada does not include in its calculation of downtime any time the Platform is not provided due to:

- Planned maintenance windows where notice of planned unavailability has been given, via the Platform, at least two business days prior to the outage, unless in the case of emergency changes;
- Force Majeure Events;
- Actions or inactions on Company's part;
- Events arising from Company's systems or any Company websites;
- ISP or Internet outages outside of Verkada's control; or
- Outages reasonably deemed necessary by Verkada.

Sole Remedy

Notwithstanding any terms to the contrary in the Terms of Sale, the Service Credits are Company's sole and exclusive remedy for any outage of the Platform.

Appendix C, DOC # 4

Texas Government Code 2270 Verification Form

House Bill 89 (85R Legislative Session), which adds Chapter 2270 to the Texas Government Code, provides that a governmental entity may not enter into a contract with a company without verification that the contracting vendor does not and will not boycott Israel during the term of the contract.

Furthermore, Senate Bill 252 (85R Legislative Session), which amends Chapter 2252 of the Texas Government Code to add Subchapter F, prohibits contracting with a company engaged in business with Iran, Sudan or a foreign terrorist organization identified on a list prepared by the Texas Comptroller.

I, Caleb Augustin, as an authorized representative of
Verkada Inc, a contractor engaged by
Insert Name of Company

Region 4 Education Service Center, 7145 West Tidwell Road, Houston, TX 77092, verify by this writing that the above-named company affirms that it (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future.

Also, our company is not listed on and we do not do business with companies that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>.

I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that the above-named Texas governmental entity will be notified in writing within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall be grounds for immediate contract termination without penalty to the above-named Texas governmental entity.

I swear and affirm that the above is true and correct.

Signed by:

4571F72A132E4F6...
 Signature of Named Authorized Company Representative

11/18/2024

Date

Exhibit F Federal Funds Certifications

FEDERAL CERTIFICATIONS

ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

TO WHOM IT MAY CONCERN:

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.

DEFINITIONS

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

Contractor means an entity that receives a contract as defined in Contract.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302–6305:

- (a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;
- (b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
- (c) The term does not include:
 - (1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
 - (2) An agreement that provides only:
 - (i) Direct United States Government cash assistance to an individual;
 - (ii) A subsidy;
 - (iii) A loan;
 - (iv) A loan guarantee; or
 - (v) Insurance.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

- (a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or
- (2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.
- (b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.
- (c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).
- (d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

Non–Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Obligations means, when used in connection with a non–Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non–Federal entity during the same or a future period.

Pass-through entity means a non–Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Recipient means a non–Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

Simplified acquisition threshold means the dollar amount below which a non–Federal entity may purchase property or services using small purchase methods. Non–Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non–Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Per FAR 52.204-24 and FAR 52.204-25, solicitations and resultant contracts shall contain the following provisions.

52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Oct 2020)

The Offeror shall not complete the representation at paragraph (d)(1) of this provision if the Offeror has represented that it "does not provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument" in paragraph (c)(1) in the provision at 52.204-26, Covered Telecommunications Equipment or Services—Representation, or in paragraph (v)(2)(i) of the provision at 52.212-3, Offeror Representations and Certifications-Commercial Items. The Offeror shall not complete the representation in paragraph (d)(2) of this provision if the Offeror has represented that it "does not use covered telecommunications equipment or services, or any equipment, system, or service that uses covered telecommunications equipment or services" in paragraph (c)(2) of the provision at 52.204-26, or in paragraph (v)(2)(ii) of the provision at 52.212-3.

(a) *Definitions.* As used in this provision—

Backhaul, covered telecommunications equipment or services, critical technology, interconnection arrangements, reasonable inquiry, roaming, and substantial or essential component have the meanings provided in the clause 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

(b) *Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract or extending or renewing a contract with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) *Procedures.* The Offeror shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for "covered telecommunications equipment or services".

(d) *Representation.* The Offeror represents that—

(1) It ☐ will, ☐ will not provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract or other contractual instrument resulting from this solicitation. The Offeror shall provide the additional disclosure information required at paragraph (e)(1) of this section if the Offeror responds "will" in paragraph (d)(1) of this section; and

(2) After conducting a reasonable inquiry, for purposes of this representation, the Offeror represents that—

It ☐ does, ☐ does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. The Offeror shall provide the additional disclosure information required at paragraph (e)(2) of this section if the Offeror responds "does" in paragraph (d)(2) of this section.

(e) *Disclosures.*

(1) Disclosure for the representation in paragraph (d)(1) of this provision. If the Offeror has responded "will" in the representation in paragraph (d)(1) of this provision, the Offeror shall provide the following information as part of the offer.

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the original equipment manufacturer (OEM) or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the Product Service Code (PSC) of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(2) Disclosure for the representation in paragraph (d)(2) of this provision. If the Offeror has responded "does" in the representation in paragraph (d)(2) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the OEM or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the PSC of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020).

(a) *Definitions.* As used in this clause—

Backhaul means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

Covered foreign country means The People's Republic of China.

Covered telecommunications equipment or services means—

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment; or

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Critical technology means—

(1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;

(2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled—

(i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or

(ii) For reasons relating to regional stability or surreptitious listening;

(3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);

(4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);

(5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or

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(6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

Interconnection arrangements means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

Reasonable inquiry means an inquiry designed to uncover any information in the entity's possession about the identity of the producer or provider of covered telecommunications equipment or services used by the entity that excludes the need to include an internal or third-party audit.

Roaming means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

Substantial or essential component means any component necessary for the proper function or performance of a piece of equipment, system, or service.

(b) *Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The Contractor is prohibited from providing to the Government any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

(c) *Exceptions.* This clause does not prohibit contractors from providing—

(1) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements;
or

(2) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) *Reporting requirement.*

(1) In the event the Contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this clause to the Contracting Officer, unless elsewhere in this contract are established procedures for reporting the information; in the case of the Department of Defense, the Contractor shall report to the website at <https://dibnet.dod.mil>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil>.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause

(i) Within one business day from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

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
(e) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (e) and excluding paragraph (b)(2), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial items.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency’s subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200


(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES _____ Initials of Authorized Representative of offeror
N/A as this is not a construction contract

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non - Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work

Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror
N/A as this is not a construction contract

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror
N/A as this is not a construction contract

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror
N/A as Verkada is providing off the shelf hardware and SaaS only.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

In the event Federal Transit Administration (FTA) or Department of Transportation (DOT) funding is used by Participating Public Agency, Offeror also agrees to include Clean Air and Clean Water requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

Version June 26, 2024 N/A as Verkada is providing off the shelf hardware and SaaS only.

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- (3) The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such subrecipients shall certify and disclose accordingly.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES ☒ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES ☒ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition. Additionally:

- (1) The Contractor agrees to comply with 49 USC 5323(j) and 49 CFR Part 661, which provide that federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7.A general public interest waiver from the Buy America requirements applies to microprocessors, computers, microcomputers, software or other such devices, which are used solely for the purpose of processing or storing data. This general waiver does not extend to a product or device that merely contains a microprocessor or microcomputer and is not used solely for the purpose of processing or storing data. Separate requirements for rolling stock are set out at 5323(j)(2)(C) and 49 CFR 661.11.
- (2) A bidder or offeror must submit to the FTA recipient the appropriate Buy America certification with all bids on FTA-funded contracts, except those subject to a general waiver. Bids or offers that are not accompanied by a completed Buy America certification must be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

The following certificates titled FTA and DOT Buy America Certification should be completed and returned with the response as part of FTA and DOT requirements.

FEDERAL TRASIT ADMINISTRATION (FTA) AND DEPARTMENT OF TRANSPORTATION (DOT) - BUY AMERICA: CERTIFICATION REQUIREMENT FOR PROCUREMENT OF ROLLING STOCK

CERTIFICATE OF COMPLIANCE

(select one of the two options, NOT BOTH)

Certificate of Compliance with 49 USC §5323(j)

The proposer hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j), and the applicable regulations of 49 CFR 661.11.

Check for YES: ☐

OR

Certificate of Non-Compliance with 49 USC §5323(j)

The proposer hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but may qualify for an exception to the requirement consistent with 49 U.S.C. 5323(j)(2)(C), and the applicable regulations in 49 CFR 661.7.

Check for YES: ☐ Most of Verkada's products and services are exempt, because they are commercial electronics or information technology that is a commercial product. Will comply where applicable.

**FEDERAL TRASIT ADMINISTRATION (FTA) AND DEPARTMENT OF TRANSPORTATION (DOT) -
BUY AMERICA: CERTIFICATION REQUIREMENT FOR PROCUREMENT OF STEEL OR MANUFACTURED PRODUCTS**

CERTIFICATE OF COMPLIANCE (select one of the two options, NOT BOTH)

Certificate of Compliance with 49 USC §5323(j)(1)

The proposer hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j)(1), and the applicable regulations in 49 CFR part 661.

Check for YES: ☐

OR

Certificate of Non-Compliance with 49 USC §5323(j)(1)

The proposer hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but it may qualify for an exception to the requirement pursuant to 49 U.S.C. 5323(j)(2), as amended, and the applicable regulations in 49 CFR 661.7.

Check for YES: ☐ *Most of Verkada's products and services are exempt, because they are commercial electronics or information technology that is a commercial product*

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

Offeror's Name: Verkada Inc

Address, City, State, and Zip Code: 406 E 3rd Ave. San Mateo, CA 94401

Phone Number: 801-793-2634

Fax Number: _____

Printed Name and Title of Authorized Representative: Caleb Augustin, Director of Global Channel

Email Address: caleb.augustin@verkada.com

Signature of Authorized Representative: _____

Date: 11/18/2024

Signed by:
Caleb Augustin
4571F72A132E4F6...

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

COMMUNITY DEVELOPMENT BLOCK GRANTS

Purchases made under this contract may be partially or fully funded with federal grant funds. Funding for this work may include Federal Funding sources, including Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development. When such funding is provided, Offeror shall comply with all terms, conditions and requirements enumerated by the grant funding source, as well as requirements of the State statutes for which the contract is utilized, whichever is the more restrictive requirement. When using Federal Funding, Offeror shall comply with all wage and latest reporting provisions of the Federal Davis-Bacon Act. HUD-4010 Labor Provisions also applies to this contract.

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further

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acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Offeror's Name: Verkada Inc

Address, City, State, and Zip Code:

406 E 3rd Ave. San Mateo, CA 94401

Phone Number: 801-793-2634

Fax Number:

Printed Name and Title of Authorized Representative:

Caleb Augustin, Director of Global Channel

Email Address: caleb.augustin@verkada.com

Signature of Authorized Representative:
11/18/2024

Signed by:
Caleb Augustin
4571F72A132E4F6...

Date:

FEMA AND ADDITIONAL FEDERAL FUNDING SPECIAL CONDITIONS

Awarded Supplier(s) (also referred to as Contractors) may need to respond to events and losses where products and services are needed for the immediate and initial response to emergency situations such as, but not limited to, water damage, fire damage, vandalism cleanup, biohazard cleanup, sewage decontamination, deodorization, and/or wind damage during a disaster or emergency situation. By submitting a proposal, the Supplier is accepted these FEMA and Additional Federal Funding Special Conditions required by the Federal Emergency Management Agency (FEMA) and other federal entities.

“Contract” in the below pages under FEMA AND ADDITIONAL FEDERAL FUNDING SPECIAL CONDITIONS is also referred to and defined as the “Master Agreement”.

“Contractor” in the below pages under FEMA AND ADDITIONAL FEDERAL FUNDING SPECIAL CONDITIONS is also referred to and defined as “Supplier” or “Awarded Supplier”.

Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3. i. FEMA considers a “financial interest” to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an “apparent” conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of the Participating Public Agency nor the Participating Public Agency (“NFE”) must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE’s may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE’s written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE’s employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

Contractor Integrity

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended, as described in and subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security’s regulations at 2 C.F.R. Part 3000 (Non-procurement Debarment and Suspension), must be rejected and cannot receive contract awards at any level.

Notice of Legal Matters Affecting the Federal Government

In the event FTA or DOT funding is used by Participating Public Agency, Contractor agrees to:

- 1) The Contractor agrees that if a current or prospective legal matter that may affect the Federal Government emerges, the Contractor shall promptly notify the Participating Public Agency of the legal matter in accordance with 2 C.F.R. §§ 180.220 and 1200.220.

- 2) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.
- 3) The Contractor further agrees to include the above clause in each subcontract, at every tier, financed in whole or in part with Federal assistance provided by the FTA.

Public Policy

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

Affirmative Steps

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Prevailing Wage Requirements

When applicable, the awarded Contractor (s) and any and all subcontractor(s) agree to comply with all laws regarding prevailing wage rates including the Davis-Bacon Act, applicable to this solicitation and/or Participating Public Agencies. The Participating Public Agency shall notify the Contractor of the applicable pricing/prevailing wage rates and must apply any local wage rates requested. The Contractor and any subcontractor(s) shall comply with the prevailing wage rates set by the Participating Public Agency.

Federal Requirements

If products and services are issued in response to an emergency or disaster recovery the items below, located in this FEMA Special Conditions section of the Federal Funds Certifications, are activated and required when federal funding may be utilized.

2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses

1. CONTRACT REMEDIES

Contracts for more than the federal simplified acquisition threshold (SAT), the dollar amount below which an NFE may purchase property or services using small purchase methods, currently set at \$250,000 for procurements made on or after June 20, 2018,⁴ must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms and must provide for sanctions and penalties as appropriate.

1.1 Applicability

This contract provision is required for contracts over the SAT, currently set at \$250,000 for procurements made on or after June 20, 2018. Although not required for contracts at or below the SAT, FEMA suggests including a remedies provision.

1.2 Additional Considerations

For FEMA's Assistance to Firefighters Grant (AFG) Program, recipients must include a penalty clause in all contracts for any AFG-funded vehicle, regardless of dollar amount. In that situation, the contract must include a clause addressing that non-delivery by the contract's specified date or other vendor nonperformance will require a penalty of no less than \$100 per day until such time that the vehicle, compliant with the terms of the contract, has been accepted by the recipient. This penalty clause should, however, account for force majeure or acts of God. AFG recipients should refer to the applicable year's Notice of Funding Opportunity (NOFO) for additional information, which can be accessed at FEMA.gov.

2. TERMINATION FOR CAUSE AND CONVENIENCE

- a. Standard. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity, including the manner by which it will be effected and the basis for settlement. See 2 C.F.R. Part 200, Appendix II(B).
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.

3. EQUAL EMPLOYMENT OPPORTUNITY

When applicable:

- a. Standard. Except as otherwise provided under 41 C.F.R. Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, *Equal Employment Opportunity* (30 Fed. Reg. 12319, 12935, 3 C.F.R. Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, *Amending Executive Order 11246 Relating to Equal Employment Opportunity*, and implementing regulations at 41 C.F.R. Part 60 (Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor). See 2 C.F.R. Part 200, Appendix II(C).
- b. Key Definitions.
 - i. Federally Assisted Construction Contract. The regulation at 41 C.F.R. § 60-1.3 defines a "federally assisted construction contract" as any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any Federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the Government for a grant, contract,

loan, insurance, or guarantee under which the applicant itself participates in the construction work.

- ii. Construction Work. The regulation at 41 C.F.R. § 60-1.3 defines “construction work” as the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.
- c. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.
- d. Required Language. The regulation at 41 C.F.R. Part 60-1.4(b) requires the insertion of the following contract clause.

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the

applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

4. DAVIS-BACON ACT

- a. Standard. All prime construction contracts in excess of \$2,000 awarded by non- Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction). See 2 C.F.R. Part 200, Appendix II(D). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.
- b. Applicability. The Davis-Bacon Act applies to the Emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program.
- c. Requirements. If applicable, the non-federal entity must do the following:
 - i. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
 - ii. Additionally, pursuant 2 C.F.R. Part 200, Appendix II(D), contracts subject to the Davis-Bacon Act, must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti- Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.
 - iii. Include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”).

Suggested Language. The following provides a sample contract clause:

Compliance with the Davis-Bacon Act

- a. All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- b. Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- c. Additionally, contractors are required to pay wages not less than once a week.

5. COPELAND ANTI-KICKBACK ACT

- a. Standard. Recipient and subrecipient contracts must include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”).
- b. Applicability. This requirement applies to all contracts for construction or repair work above \$2,000 in situations where the Davis-Bacon Act also applies. It DOES NOT apply to the FEMA Public Assistance Program.
- c. Requirements. If applicable, the non-federal entity must include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). Each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA. Additionally, in accordance with the regulation, each contractor and subcontractor must furnish each week a statement with respect to the wages paid each of its employees engaged in work covered by the Copeland Anti-Kickback Act and the Davis Bacon Act during the preceding weekly payroll period. The report shall be delivered by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency in charge at the site of the building or work.

Sample Language. The following provides a sample contract clause:

Compliance with the Copeland “Anti-Kickback” Act.

- a. Contractor. The contractor shall comply with 18 U.S.C. §874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- b. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts.

The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

- c. Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. §5.12."

6. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

- a. Standard. Where applicable (see 40 U.S.C. §§ 3701-3708), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II(E). Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Further, no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous.
- b. Applicability. This requirement applies to all FEMA contracts awarded by the non- federal entity in excess of \$100,000 under grant and cooperative agreement programs that involve the employment of mechanics or laborers. It is applicable to construction work. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- c. Suggested Language. The regulation at 29 C.F.R. § 5.5(b) provides contract clause language concerning compliance with the Contract Work Hours and Safety Standards Act. FEMA suggests including the following contract clause:

Compliance with the Contract Work Hours and Safety Standards Act.

(1) *Overtime requirements.* No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in suchworkweek.

(2) *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of

\$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages.* The Federal agency or loan/grant recipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) *Subcontracts.* The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

7. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

- a. Standard. If the FEMA award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II(F).
- b. Applicability. This requirement applies to “funding agreements,” but it DOES NOT apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as FEMA awards under these programs do not meet the definition of “funding agreement.”
- c. Funding Agreements Definition. The regulation at 37 C.F.R. § 401.2(a) defines “funding agreement” as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

8. CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT

- a. Standard. If applicable, contracts must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q.) and the Federal Water Pollution Control Act

as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II(G).

- b.** Applicability. This requirement applies to contracts awarded by a non-federal entity of amounts in excess of \$150,000 under a federal grant.
- c.** Suggested Language. The following provides a sample contract clause.

Clean Air Act

1. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The contractor agrees to report each violation to the Participating Public Agency and understands and agrees that the Participating Public Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

1. The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The contractor agrees to report each violation to the Participating Public Agency and understands and agrees that the Participating Public Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

9. DEBARMENT AND SUSPENSION

- a.** Standard. Non-Federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Non-procurement Debarment and Suspension).

- b.** Applicability. This requirement applies to all FEMA grant and cooperative

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agreement programs.

c. Requirements.

- i. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II(H); and 2 C.F.R. § 200.213. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530.
- ii. In general, an “excluded” party cannot receive a Federal grant award or a contract within the meaning of a “covered transaction,” to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a “covered transaction,” which is any non-procurement transaction (unless excepted) at either a “primary” or “secondary” tier. Although “covered transactions” do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS’s implementing regulations, it does include some contracts awarded by recipients and subrecipients.
- iii. Specifically, a covered transaction includes the following contracts for goods or services:
 1. The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
 2. The contract requires the approval of FEMA, regardless of amount.
 3. The contract is for federally-required audit services.
 4. A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
- d. Suggested Language. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified.

Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000,

subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

- (3) This certification is a material representation of fact relied upon by the Participating Public Agency. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Participating Public Agency, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

10. BYRD ANTI-LOBBYING AMENDMENT

- a. Standard. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. FEMA's regulation at 44 C.F.R. Part 18 implements the requirements of 31 U.S.C. § 1352 and provides, in Appendix A to Part 18, a copy of the certification that is required to be completed by each entity as described in 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Federal awarding agency.
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs. Contractors that apply or bid for a contract of \$100,000 or more under a federal grant must file the required certification. See 2 C.F.R. Part 200, Appendix II(I); 31 U.S.C. § 1352; and 44 C.F.R. Part 18.
- c. Suggested Language.

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

- d. Required Certification. If applicable, contractors must sign and submit to the non-federal

entity the following certification.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Verkada Inc, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signed by:
 _____
4571F7DA132E4FE

Signature of Contractor's Authorized Official

Caleb Augustin, Director of Global Channel

Name and Title of Contractor's Authorized Official

11/18/2024

Date

11. PROCUREMENT OF RECOVERED MATERIALS

N/A as Verkada is providing off the shelf hardware and SaaS only.

- a. Standard. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. See 2 C.F.R. Part 200, Appendix II(J); and 2 C.F.R. §200.322.
- b. Applicability. This requirement applies to all contracts awarded by a non- federal entity under FEMA grant and cooperative agreement programs.
- c. Requirements. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. Suggested Language.
 - i. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
 1. Competitively within a timeframe providing for compliance with the contract performance schedule;
 2. Meeting contract performance requirements; or
 3. At a reasonable price.
 - ii. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
 - iii. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.”

12. DOMESTIC PREFERENCES FOR PROCUREMENTS

As appropriate, and to the extent consistent with law, CONTRACTOR should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products or materials produced in the United States. This includes, but is not limited to, iron, aluminum, steel, cement, and other manufactured products.

Applicability For purchases in support of FEMA declarations and awards issued on or after November 12, 2020, all FEMA recipients and subrecipients are required to include in all contracts and purchase orders for work or products a contract provision encouraging domestic preference for procurements.

Domestic Preference for Procurements As appropriate, and to the extent consistent with law, the contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. For purposes of this clause: Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. Manufactured products mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.”

13. ACCESS TO RECORDS

- a. Standard. All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff. Recipients must give DHS/FEMA access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations *and* other applicable laws or program guidance. See DHS Standard Terms and Conditions: Version 8.1 (2018). Additionally, Section 1225 of the Disaster Recovery Reform Act of 2018 prohibits FEMA from providing reimbursement to any state, local, tribal, or territorial government, or private non-profit for activities made pursuant to a contract that purports to prohibit audits or internal reviews by the FEMA administrator or Comptroller General.

Access to Records. The following access to records requirements apply to this contract:

- i. The Contractor agrees to provide Participating Public Agency, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- ii. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- iii. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- iv. In compliance with the Disaster Recovery Act of 2018, the Participating Public Agency and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

14. CHANGES

- a. Standard. To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope.
- b. Applicability. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

15. DHS SEAL, LOGO, AND FLAGS

- a. Standard. Recipients must obtain permission prior to using the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials. See DHS Standard Terms and Conditions: Version 8.1 (2018).
- b. Applicability. FEMA recommends that all non-Federal entities place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
- c. "The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

16. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

- a. Standard. The recipient and its contractors are required to comply with all Federal laws, regulations, and executive orders.
- b. Applicability. FEMA recommends that all non-Federal entities place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable Federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- c. "This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives."

17. NO OBLIGATION BY FEDERAL GOVERNMENT

- a. Standard. FEMA is not a party to any transaction between the recipient and its contractor. FEMA is not subject to any obligations or liable to any party for any matter relating to the contract.
- b. Applicability. FEMA recommends that the non-Federal entity include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- c. "The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract."

18. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

- a. Standard. Recipients must comply with the requirements of The False Claims Act (31 U.S.C. §§ 3729-3733) which prohibits the submission of false or fraudulent claims for payment to the federal government. See DHS Standard Terms and Conditions: Version 8.1 (2018); and 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. Applicability. FEMA recommends that the non-Federal entity include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- c. "The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract."
- d. In the event FTA or DOT funding is used by a Participating Public Agency, Contractor further acknowledges U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, and apply to its actions pertaining to this Contract. Upon execution of the underlying Contract, Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Contract or the FTA assisted project for which this Contract Work is being performed.

In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on Contractor to the extent the Federal Government deems appropriate.

Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 (n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

Contractor agrees to include the above clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

Offeror agrees to comply with all terms and conditions outlined in the FEMA Special Conditions section of this solicitation.

Offeror's Name: Verkada Inc

Address, City, State, and Zip Code:
406 E 3rd Ave. San Mateo, CA 94401

Phone Number: 801-793-2634 Fax Number: _____

Printed Name and Title of Authorized Representative:
Caleb Augustin, Director of Global Channel

Email Address: caleb.augustin@verkada.com

Signature of Authorized Representative:  _____
Signed by: Caleb Augustin
4571F72A132E4F8

Date: 11/18/2024

Exhibit G
New Jersey Business Compliance

NEW JERSEY BUSINESS COMPLIANCE

Suppliers intending to do business in the State of New Jersey must comply with policies and procedures required under New Jersey statutes. All offerors submitting proposals must complete the following forms specific to the State of New Jersey. Completed forms should be submitted with the offeror's response to the RFP. Failure to complete the New Jersey packet will impact OMNIA Partners' ability to promote the Master Agreement in the State of New Jersey.

- DOC #1 Ownership Disclosure Form
- DOC #2 Non-Collusion Affidavit
- DOC #3 Affirmative Action Affidavit
- DOC #4 Political Contribution Disclosure Form
- DOC #5 Stockholder Disclosure Certification
- DOC #6 Disclosure of Investment Activities in Iran
- DOC #7 Certification of Non-Involvement in Prohibited Activities in Russia or Belarus
- DOC #8 New Jersey Business Registration Certificate
- DOC #9 EEOAA Evidence
- DOC #10 MacBride Principals Form

New Jersey suppliers are required to comply with the following New Jersey statutes when applicable:

- all anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38;
- Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act;
- Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26; and
- Bid and Performance Security, as required by the applicable municipal or state statutes.

STATEMENT OF OWNERSHIP DISCLOSURE

N.J.S.A. 52:25-24.2 (P.L. 1977, c.33, as amended by P.L. 2016, c.43)

This statement shall be completed, certified to, and included with all bid and proposal submissions. Failure to submit the required information is cause for automatic rejection of the bid or proposal.

Name of Organization: _____

Organization Address: _____

Part I Check the box that represents the type of business organization:

- ☐ Sole Proprietorship (skip Parts II and III, execute certification in Part IV)
- ☐ Non-Profit Corporation (skip Parts II and III, execute certification in Part IV)
- ☐ For-Profit Corporation (any type) ☐ Limited Liability Company (LLC)
- ☐ Partnership ☐ Limited Partnership ☐ Limited Liability Partnership (LLP)
- ☐ Other (be specific): _____

Part II

- ☐ The list below contains the names and addresses of all stockholders in the corporation who own 10 percent or more of its stock, of any class, or of all individual partners in the partnership who own a 10 percent or greater interest therein, or of all members in the limited liability company who own a 10 percent or greater interest therein, as the case may be. **(COMPLETE THE LIST BELOW IN THIS SECTION)**

OR

- ☐ No one stockholder in the corporation owns 10 percent or more of its stock, of any class, or no individual partner in the partnership owns a 10 percent or greater interest therein, or no member in the limited liability company owns a 10 percent or greater interest therein, as the case may be. **(SKIP TO PART IV)**

(Please attach additional sheets if more space is needed):

Name of Individual or Business Entity	Home Address (for Individuals) or Business Address

Part III DISCLOSURE OF 10% OR GREATER OWNERSHIP IN THE STOCKHOLDERS, PARTNERS OR LLC MEMBERS LISTED IN PART II

If a bidder has a direct or indirect parent entity which is publicly traded, and any person holds a 10 percent or greater beneficial interest in the publicly traded parent entity as of the last annual federal Security and Exchange Commission (SEC) or foreign equivalent filing, ownership disclosure can be met by providing links to the website(s) containing the last annual filing(s) with the federal Securities and Exchange Commission (or foreign equivalent) that contain the name and address of each person holding a 10% or greater beneficial interest in the publicly traded parent entity, along with the relevant page numbers of the filing(s) that contain the information on each such person. **Attach additional sheets if more space is needed.**

Website (URL) containing the last annual SEC (or foreign equivalent) filing	Page #'s

Please list the names and addresses of each stockholder, partner or member owning a 10 percent or greater interest in any corresponding corporation, partnership and/or limited liability company (LLC) listed in Part II **other than for any publicly traded parent entities referenced above.** The disclosure shall be continued until names and addresses of every noncorporate stockholder, and individual partner, and member exceeding the 10 percent ownership criteria established pursuant to N.J.S.A. 52:25-24.2 has been listed. **Attach additional sheets if more space is needed.**

Stockholder/Partner/Member and Corresponding Entity Listed in Part II	Home Address (for Individuals) or Business Address

Part IV Certification

I, being duly sworn upon my oath, hereby represent that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge: that I am authorized to execute this certification on behalf of the bidder/proposer; that the **<name of contracting unit>** is relying on the information contained herein and that I am under a continuing obligation from the date of this certification through the completion of any contracts with **<type of contracting unit>** to notify the **<type of contracting unit>** in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I am subject to criminal prosecution under the law and that it will constitute a material breach of my agreement(s) with the, permitting the **<type of contracting unit>** to declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print):		Title:	
Signature:		Date:	

DOC #2

NON-COLLUSION AFFIDAVIT

STANDARD BID DOCUMENT REFERENCE	
	Reference: VII-H
Name of Form:	NON-COLLUSION AFFIDAVIT
Statutory Reference:	No specific statutory reference State Statutory Reference N.J.S.A. 52:34-15
Instructions Reference:	Statutory and Other Requirements VII-H
Description:	The Owner's use of this form is optional. It is used to ensure that the bidder has not participated in any collusion with any other bidder or Owner representative or otherwise taken any action in restraint of free and competitive bidding.

NON-COLLUSION AFFIDAVIT

State of New Jersey
County of _____

ss:

I, _____ residing in _____
(name of affiant) (name of municipality)
in the County of _____ and State of _____ of
full age, being duly sworn according to law on my oath depose and say that:

I am _____ of the firm of _____
(title or position) (name of firm)

_____ the bidder making this Proposal for the bid

entitled _____, and that I executed the said proposal with
(title of bid proposal)

full authority to do so that said bidder has not, directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named project; and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that the _____
(name of contracting unit)

relies upon the truth of the statements contained in said Proposal and in the statements contained in this affidavit in awarding the contract for the said project.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by _____.

Subscribed and sworn to

before me this day

Signature

_____, 2____

(Type or print name of affiant under signature)

Notary public of

My Commission expires _____

(Seal)

**AFFIRMATIVE ACTION AFFIDAVIT
(P.L. 1975, C.127)**

Company Name: _____

Street: _____

City, State, Zip Code: _____

Proposal Certification:

Indicate below company's compliance with New Jersey Affirmative Action regulations. Company's proposal will be accepted even if company is not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

1. A photocopy of a valid letter that the contractor is operating under an existing Federally approved or sanctioned affirmative action program (good for one year from the date of the letter);

OR

2. A photocopy of a Certificate of Employee Information Report approval, issued in accordance with N.J.A.C. 17:27-4;

OR

3. A photocopy of an Employee Information Report (Form AA302) provided by the Division of Contract Compliance and Equal Employment Opportunity in Public Contracts and distributed to the public agency to be completed by the contractor in accordance with N.J.A.C. 17:27-4.

Public Work – Over \$50,000 Total Project Cost:

- A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201. A project contract ID number will be assigned to your firm upon receipt of the completed Initial Project Workforce Report (AA201) for this contract.
- B. Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

Date

Authorized Signature and Title

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE
PROCUREMENT, PROFESSIONAL AND SERVICE
CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

Signature of Procurement Agent

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). Please refer back to these instructions for the appropriate links, as the Local Finance Notices include links that are no longer operational.

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a “fair and open” process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the “County PCD Forms” link on the Pay-to-Play web site at <http://www.nj.gov/dca/divisions/dlgs/programs/lpcl.html#12>. They will be updated from time-to-time as necessary.
 - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
 - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d. The form may be used “as-is”, subject to edits as described herein.
 - e. The “Contractor Instructions” sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a “Stockholder Disclosure Certification.” This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract (See Local Finance Notice 2006-7 for additional information on this obligation at http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. NOTE: This section is not applicable to Boards of Education.

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county

The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs).

When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure.

Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report.

The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement.

The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act.

The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law. **NOTE: This section does not apply to Board of Education contracts.**

* N.J.S.A. 19:44A-3(s): “The term “legislative leadership committee” means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L. 1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.”

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Required Pursuant to N.J.S.A. 19:44A-20.26

This form or its permitted facsimile must be submitted to the local unit no later than 10 days prior to the award of the contract.

Part I – Vendor Information

Vendor Name:			
Address:			
City:		State:	Zip:

The undersigned being authorized to certify, hereby certifies that the submission provided herein represents compliance with the provisions of N.J.S.A. 19:44A-20.26 and as represented by the Instructions accompanying this form.

Signature

Printed Name

Title

Part II – Contribution Disclosure

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reportable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit.

☐ Check here if disclosure is provided in electronic form

[illegible]

☐ Check here if the information is continued on subsequent page(s)

List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 19:44A-20.26

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{County Executive}

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD FROM THE
PAY TO PLAY SECTION OF THE DLGS WEBSITE A COUNTY-BASED,
CUSTOMIZABLE FORM.**

STOCKHOLDER DISCLOSURE CERTIFICATION**Name of Business:**☐

I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR☐

I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:☐

Partnership

☐

Corporation

☐

Sole Proprietorship

☐

Limited Partnership

☐

Limited Liability Corporation

☐

Limited Liability Partnership

☐

Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:

Subscribed and sworn before me this ____ day of _____, 2__.	_____ (Affiant)
(Notary Public)	_____ (Print name & title of affiant)
My Commission expires:	_____ (Corporate Seal)



DOC #6

DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PURCHASE AND PROPERTY
33 WEST STATE STREET, P.O. BOX 230 TRENTON, NEW JERSEY 08625-0230

BID SOLICITATION # AND TITLE: _____

VENDOR NAME: _____

Pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4) any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must certify that neither the person nor entity, nor any of its parents, subsidiaries, or affiliates, is identified on the New Jersey Department of the Treasury's Chapter 25 List as a person or entity engaged in investment activities in Iran. The Chapter 25 list is found on the Division's website at <https://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Vendors/Bidders must review this list prior to completing the below certification. If the Director of the Division of Purchase and Property finds a person or entity to be in violation of the law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

CHECK THE APPROPRIATE BOX

☐ I certify, pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4), that neither the Vendor/Bidder listed above nor any of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List of entities determined to be engaged in prohibited activities in Iran.

OR

☐ I am unable to certify as above because the Vendor/Bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List. I will provide a detailed, accurate and precise description of the activities of the Vendor/Bidder, or one of its parents, subsidiaries or affiliates, has engaged in regarding investment activities in Iran by completing the information requested below.

Entity Engaged in Investment Activities

Relationship to Vendor/ Bidder

Description of Activities

Duration of Engagement

Anticipated Cessation Date

**Attach Additional Sheets If Necessary.*

CERTIFICATION

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I may be subject to criminal prosecution under the law, and it will constitute a material breach of my contract(s) with the State, permitting the State to declare any contract(s) resulting from this certification void and unenforceable.

Signature

Date

Print Name and Title

DPP Rev. 12.13.2021



CERTIFICATION OF NON-INVOLVEMENT IN PROHIBITED ACTIVITIES IN RUSSIA OR BELARUS

Pursuant to N.J.S.A. 52:32-60.1, et seq. (L. 2022, c. 3) any person or entity (hereinafter "Vendor"ⁱ) that seeks to enter into or renew a contract with a State agency for the provision of goods or services, or the purchase of bonds or other obligations, must complete the certification below indicating whether or not the Vendor is identified on the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list, available here: <https://sanctionssearch.ofac.treas.gov/>. If the Department of the Treasury finds that a Vendor has made a certification in violation of the law, it shall take any action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I, the undersigned, certify that I have read the definition of "Vendor" below, and have reviewed the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list, and having done so certify:

(Check the Appropriate Box)

- ☐ A. That the Vendor is not identified on the OFAC Specially Designated Nationals and Blocked Persons list on account of activity related to Russia and/or Belarus.
- OR
- ☐ B. That I am unable to certify as to "A" above, because the Vendor is identified on the OFAC Specially Designated Nationals and Blocked Persons list on account of activity related to Russia and/or Belarus.
- OR
- ☐ C. That I am unable to certify as to "A" above, because the Vendor is identified on the OFAC Specially Designated Nationals and Blocked Persons list. However, the Vendor is engaged in activity related to Russia and/or Belarus consistent with federal law, regulation, license or exemption. A detailed description of how the Vendor's activity related to Russia and/or Belarus is consistent with federal law is set forth below.
- _____
- _____
- _____
- _____
- _____
- (Attach Additional Sheets If Necessary.)

Signature of Vendor's Authorized Representative

Date

Print Name and Title of Vendor's Authorized Representative

Vendor's FEIN

Vendor's Name

Vendor's Phone Number

Vendor's Address (Street Address)

Vendor's Fax Number

Vendor's Address (City/State/Zip Code)

Vendor's Email Address

ⁱ Vendor means: (1) A natural person, corporation, company, limited partnership, limited liability partnership, limited liability company, business association, sole proprietorship, joint venture, partnership, society, trust, or any other nongovernmental entity, organization, or group; (2) Any governmental entity or instrumentality of a government, including a multilateral development institution, as defined in Section 1701(c)(3) of the International Financial Institutions Act, 22 U.S.C. 262r(c)(3); or (3) Any parent, successor, subunit, direct or indirect subsidiary, or any entity under common ownership or control with, any entity described in paragraph (1) or (2). NJ Rev. 1.22.2024

**NEW JERSEY BUSINESS REGISTRATION CERTIFICATE
(N.J.S.A. 52:32-44)**

Offerors wishing to do business in New Jersey must submit their State Division of Revenue issued Business Registration Certificate with their proposal here. Failure to do so will disqualify the Offeror from offering products or services in New Jersey through any resulting contract.

<https://www.njportal.com/DOR/BusinessRegistration/>

EEOAA EVIDENCE

Equal Employment Opportunity/Affirmative Action
Goods, Professional Services & General Service Projects

EEO/AA Evidence

Vendors are required to submit evidence of compliance with N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27 in order to be considered a responsible vendor.

One of the following must be included with submission:

- Copy of Letter of Federal Approval
- Certificate of Employee Information Report
- Fully Executed Form AA302
- Fully Executed EEO-1 Report

See _____ the _____ guidelines _____ at:
https://www.state.nj.us/treasury/contract_compliance/documents/pdf/guidelines/pa.pdf
f for further information.

I certify that my bid package includes the required evidence per the above list and State website.

Name: _____ Title: _____

Signature: _____ Date: _____



DOC #10
MACBRIDE-PRINCIPLES

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PURCHASE
AND PROPERTY 33 WEST STATE STREET, P.O. BOX 230 TRENTON,
NEW JERSEY 08625-0230

BID SOLICITATION # AND TITLE: _____

VENDOR NAME: _____

Pursuant to Public Law 1995, c. 134, a responsible Vendor/Bidder is required to provide a certification in compliance with the MacBride Principles and Northern Ireland Act of 1989. Pursuant to N.J.S.A. 52:34-12.2, Vendor/Bidder must complete the certification below by checking one of the two options listed below and signing where indicated. If a Vendor/Bidder that would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Director may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another Vendor/ Bidder that has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Director finds contractors to be in violation of the principles that are the subject of this law, he/she shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I, the undersigned, on behalf the Vendor/Bidder, certify pursuant to N.J.S.A. 52:34-12.2 that:

CHECK THE APPROPRIATE BOX

☐

The Vendor/Bidder has no business operations in Northern Ireland; or

OR

☐

The Vendor/Bidder will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in section 2 of P.L. 1987, c. 177 (N.J.S.A. 52:18A-89.5) and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of its compliance with those principles.

CERTIFICATION

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I may be subject to criminal prosecution under the law, and it will constitute a material breach of my contract(s) with the State, permitting the State to declare any contract(s) resulting from this certification void and unenforceable.

Signature

Date

Print Name and Title

One Platform to Simplify School Security

Today, many schools are investing in modern security technology to create safer learning environments. Verkada is a fully integrated hardware and software solution that combines intelligent devices with an easy-to-use platform, making it simple to protect staff and students at scale.



Protect your campus perimeter



Speed up response



Improve reliability and minimize costs

Key benefits

Lockdown doors in seconds

Lockdown doors from a panic button, web browser or mobile app while still allowing first responders access.

Monitor from anywhere

Find, save, and share footage on-the-go. Plus, share live camera feeds with local authorities in seconds.

Detect vaping and bullying

Leverage sensor technology to detect smoking, vaping, and elevated noise levels in bathrooms and locker rooms.

Prevent unauthorized visitors

Conduct security screens with cloud-based visitor management that integrates with cameras and access control.

Proactively deter threats

Set proactive alerts for Motion, Vehicles, or People of Interest to be notified of intruders or suspicious after-hours activity.

Secure facilities with ease

Set door schedules around school hours and provision staff with role-based access to privileged areas.

Customer stories



Newtown Public School District

Newtown Public School District

"It's incredible that our team now has this powerful resource to see, share and respond to events in real-time."

Mark Pompano,
Director of Security



Chartwell School

"The sensors were up for three days before I received my first text alert. When vape smoke is detected we have immediate video context into the situation."

John Langrill,
Director of Information Technology and Campus Management



Andrew Independent School District

"In an emergency scenario, we can lockdown the campus directly from the mobile app to secure the entire campus in seconds."

Dennis Haynie,
Executive Director of Technology

Enhance Public Safety while Protecting Privacy

With Verkada's cloud-based security platform, government organizations are modernizing the way they manage security across public areas and their facilities. Learn how Verkada's powerful solution makes it simple to protect citizens and critical infrastructure from a centralized platform.



Protect citizens and privacy



Reduce overhead costs



Speed up investigations

Key benefits

Preserve privacy

Enable privacy features such as face blur and privacy regions, or monitor system usage with audit logs.

Monitor sites from anywhere

Find, save and share footage on-the-go. Plus, share live camera feeds with local authorities in seconds.

Control building access

Set door schedules around working hours and provision staff with role-based access to restricted areas.

Respond proactively to threats

Receive alerts for meaningful events, including the presence of vehicles or people of interest.

Secure high-crime or remote areas

Use video-verified intrusion detection and eliminate false alarms. Deploy Cradlepoint cameras for remote areas.

Lockdown doors in seconds

Lockdown doors from a panic button, web browser or mobile app while still allowing first responders access.

Customer stories



City of Las Vegas

"One simple, easy-to-use application made all the difference."

Michael Sherwood,
Chief Innovation Officer



City of Arlington

"We now manage all our physical security on one platform."

Jonathan Ventura,
Chief of Police



City of Edinburg

"My advice to others is: it's worth the switch from traditional to hybrid cloud."

Daniel Vera,
Director of IT

One Platform to Simplify Campus Safety

With the sheer size of many higher education institutions, physical security is an ongoing challenge that staff and administrators face. By bringing physical security to one easy-to-use platform, Verkada makes it simple to secure throughout campus grounds and automate emergency response.



Protect your campus perimeter



Speed up response



Improve reliability and minimize costs

Key benefits

Lockdown doors in seconds

Lockdown doors from a panic button, web browser, or mobile app, while still allowing first responders access.

Monitor campuses from anywhere

Find, save and share footage on-the-go. Plus, share live camera feeds with local authorities in seconds.

Detect vaping and hazing

Leverage integrated sensor technology to detect smoking, vaping and elevated noise levels in dorms, bathrooms and locker rooms.

Reduce administrative overhead

Automate manual tasks with visitor and delivery management software that pairs seamlessly with video security.

Proactively deter threats

Set proactive alerts for Motion, Vehicles, or People of Interest to be notified of intruders or suspicious afterhours activity.

Secure campus facilities

Set door schedules around class and office hours, along with site and role-based access to privileged areas.

Customer stories



Bath Spa University

"I'm able to do everything, end-to-end, from wherever I am."

Andy Williams,

Head of Facilities and Services



Greenfield Community College

"Verkada had everything I was looking for: centralized control, cloud-based, no servers required, and intuitive."

Alex Wiltz,

Director of Public Safety, Chief of Police and Emergency Management Coordinator



Pasadena City College

"I can open a browser or app and secure everything from my phone."

Matthew Camara,

Assistant Director of Technical Services

1.0 Scope of National Cooperative Contract

1.1 Requirement

Acknowledged

1.2 Marketing, Sales and Administrative Support

Acknowledged

1.3 Estimated Volume

Acknowledged

1.4 Award Basis

Acknowledged

1.5 Objectives of Cooperative Program

Acknowledged

2.0 REPRESENTATIONS AND COVENANTS

2.1 Corporate Commitment

Acknowledged and Agree

2.2 Pricing Commitment

We acknowledge the pricing commitment outlined in Section 2.2. Under this Master Agreement, authorized resellers are required to adhere to our bid pricing as outlined in Products and Pricing Attachment #1.

However, please note that Verkada's pricing in the open market is ultimately dictated by our resellers. While we strive to ensure competitive pricing, any adjustments or lower pricing through other cooperative contracts would be determined by our resellers.

2.3 Sales Commitment

We acknowledge these terms and will ensure that our sales force is trained, engaged, and various stakeholders are focused on marketing and promoting the Master Agreement to Public Agencies nationwide through OMNIA Partners.

We also confirm our commitment to accurately and promptly report all Master Agreement sales in compliance with the OMNIA Partners Administration Agreement.

Please note that the Executive Sales and Channel Support Letter and endorsements, further confirming the commitment from our direct sales leaders, have been included as attachments to our proposal for your review.

3.0 SUPPLIER RESPONSE

3.1 Company

A. Brief history and description of Supplier to include experience providing similar products and services.

Verkada was founded in 2016 by Filip Kaliszan and co-founders James Ren, Benjamin Bercovitz, and Hans Robertson. The company is headquartered in San Mateo, California, with additional offices in Texas, Utah, Florida, Arizona, Pennsylvania, and New York. Internationally, Verkada operates in the United Kingdom, Poland, Mexico, Australia, Taiwan, Japan, South Korea, and Singapore. Today, Verkada is a leading physical security platform, providing integrated cloud based solutions such as video security cameras, access control, environmental sensors, alarms, visitor management, and mailroom management. Verkada recently secured \$305M in Series D funding, bringing its valuation to \$3.2B double its valuation from two years ago. Despite a challenging market, Verkada's strong growth and investor confidence demonstrate the company's ongoing success and expansion. Verkada protects over 20,000 organizations worldwide, modernizing physical security with scalable, easy to manage solutions.

B. Total number and location of salespersons employed by Supplier.

[REDACTED]

C. Number and location of support centers (if applicable) and location of corporate Office.

U.S. Locations:

California (Global HQ)
406 E. 3rd Avenue
San Mateo, CA 94401
Phone: +1 (650) 514-2500

Texas
200 W. Cesar Chavez Street, Suite 350
Austin, TX 78701
Phone: +1 (737) 932-8950

Utah

1215 Wilmington Avenue, Suite 200
Salt Lake City, UT 84106
Phone: +1 (385) 563-1950

Florida

200 Central Avenue, Suite 900
St. Petersburg, FL 33701
Phone: +1 (813) 939-7550

Arizona

410 North Scottsdale Road, Suite 1400
Tempe, AZ 85288
Phone: +1 (623) 304-1200

International Locations:**United Kingdom (Europe, Middle East, Africa HQ)**

17th Floor, The Tower, The Bower
207 Old Street
London EC1V 9NR
United Kingdom
Phone: +44 (0) 20-3048-6050

Mexico and Latin America

C. Montes Urales 424, Office No. 03B-128
Lomas - Virreyes, Lomas de Chapultepec V
Secc., Miguel Hidalgo
Ciudad de México, CDMX 11000
Mexico
Phone: +52 (0) 55-9990-8275

Australia (Asia Pacific HQ)

1 Castlereagh Street, Level 21
Sydney, NSW
Australia
Phone: +61 (0) 2-7259-9300

Pennsylvania

1100 Ludlow Street, 7th Floor
Philadelphia, PA 19107
Phone: +1 (445) 214-0900

New York

250 Park Ave South, Suite 900
New York, NY 10003
Phone: +1 (212) 715-1100

Poland

LOFTMILL, ul. Jana Dekerta 24, Office No. D3
30 – 703 Kraków
Poland
Phone: +31 (0) 20-259-5249

Taiwan

Office No. 15-102, No. 97, Songren Road
Xinyi District
Taipei City, 110
Taiwan

Japan

1-17-4 Shibuya, Shibuya-ku, 9th Floor
Tokyo 150-0002
Japan
Phone: +81 (0) 50-5497-7800

South Korea

Office No. 13-130, 507 Teheran-ro, Gangnam-gu

Seoul, 06168

Republic of Korea

Phone: +82 (0) 30-864-0150

Singapore

9 Battery Road, Office 27-101

Singapore 049910

Phone: +65 6371-9700

D. Annual sales for the three previous fiscal years.



a. Submit FEIN and Dunn & Bradstreet report.

FEIN and Dunn & Bradstreet numbers are attached for reference. Formal reports are available upon request.

E. Describe any green or environmental initiatives or policies.

Verkada is dedicated to reducing its environmental impact through both immediate actions and long-term commitments:

Immediate Commitments:

- Measuring our carbon footprint using an environmental management system.
- Establishing sustainability practices with our vendors and suppliers.
- Implementing a recycling program for used Verkada hardware.

Long-Term Commitment:

- Achieving Net Zero emissions by 2045.

These initiatives reflect Verkada's dedication to environmental responsibility and sustainable growth.

Please refer to Verkada's 2024 Impact Report for further information.

<https://docs.verkada.com/docs/2024-Impact-Report.pdf>

F. Describe any diversity programs or partners supplier does business with and how

Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program. If there are any diversity programs, provide a list of diversity alliances and a copy of their Certifications.

Verkada does not have a formalized reseller diversity program today. However, with our broad network of reseller partners, participating agencies have a wide variety of diverse partners they can select to align with their specific requirements.

Pricing remains consistent regardless of the diversity program or partner selected, as pricing under the Master Agreement is standardized for all transactions.

G. Indicate if supplier holds any of the below certifications in any classified areas and include proof of such certification in the response:

N/A

H. List any relationships with subcontractors or affiliates intended to be used when providing services and identifying if subcontractors meet minority-owned standards. If any, list which certifications subcontractors hold and certifying agencies.

Where applicable, Verkada's reseller partners may engage certified minority-owned subcontractors to meet specific requirements or preferences.

I. Describe how supplier differentiates itself from its competitors.

At Verkada, we're highly regarded for our innovative approach to building management, offering cloud-based solutions that seamlessly integrate with modern technology. Known for our user-friendly interface, we make security management easy and accessible, even for those with minimal technical expertise. Our use of cutting edge AI and machine learning enhances video surveillance with smart analytics like motion detection and person recognition, setting us apart as a leader in innovation. These devices continuously receive updates and improvements without the need for new hardware, ensuring our customers always have access to the latest features. Our systems are praised for their scalability, allowing businesses of all sizes to effortlessly expand and manage their security needs. We deliver a forward-thinking solution that prioritizes user experience and security, making Verkada a standout in the industry.

J. Describe any present or past litigation, bankruptcy or reorganization involving Supplier.

Verkada is not subject to any final litigation or investigations that would materially impact the delivery of our products. Should Region 4 require further details, we can provide them upon request.

K. Felony Conviction Notice:

Person/owner IS NOT a convicted felon

L. Describe any debarment or suspension actions taken against supplier

N/A

3.2 Distribution, Logistics

A. Each offeror awarded an item under this solicitation may offer their complete product and service offering/a balance of line. Describe the full line of products and services offered by supplier.

Products:

Cameras:

Verkada's cameras combine advanced AI capabilities with a sleek design, offering cloud-based, high-definition video surveillance that's easy to manage from any device. With real-time analytics, encrypted storage, and proactive alerts, Verkada's cameras ensure secure and scalable solutions for modern security needs.

Connectivity:

Verkada's connectivity solutions provide seamless, secure internet access for all Verkada devices. Designed for reliability and ease of use, they ensure that every device remains connected, optimized for real-time updates, and protected against cyber threats.

Command Connector:

The Command Connector enables seamless integration between Verkada Command and other enterprise systems. It allows organizations to streamline workflows and automate processes while maintaining a unified platform for device management.

Access Control:

Verkada's access control system offers cloud-based door security with simple setup and seamless integration with video security. Manage access rights, monitor entry logs, and enhance building safety with a scalable solution tailored to any environment.

Air Quality Sensors:

Verkada's air quality sensors provide real-time monitoring of indoor environments, tracking key metrics like temperature, humidity, and air quality. Designed to promote healthy, safe, and energy-efficient spaces, these sensors integrate effortlessly with the broader Verkada ecosystem.

Intercom:

Verkada's intercom system provides crystal-clear audio and video communication for secure entry management. With cloud-based controls, user-friendly features, and seamless integration, it enhances building security and simplifies visitor management.

Alarms:

Verkada's alarm systems offer proactive security with instant notifications and automated responses. Fully integrated with other Verkada devices, they provide a comprehensive solution for intrusion detection and response.

Workplace:

Verkada's workplace solutions empower organizations with tools to enhance operational efficiency and workplace safety. From managing occupancy to streamlining visitor entry, these tools integrate seamlessly for a cohesive management experience.

Services:

Verkada and its reseller partners offer a comprehensive suite of services to complement their solutions. These services include Deployment Project Management for large-scale rollouts, tailored configuration and training for smaller deployments, and custom software engineering for specific customer needs. Reseller partners provide additional expertise by integrating products into existing systems, offering consultative support, and delivering unique solutions like off-the-grid setups. Installation and installation materials are also available through resellers.

Integrations:

Verkada offers several integrations to connect their security systems with leading enterprise tools, ensuring seamless workflows and enhanced operational efficiency. From identity management and access control to communication platforms and building automation, Verkada integrates with trusted partners like Okta, Microsoft Teams, Splunk, and more. Visit our integrations page at <https://www.verkada.com/integrations/partners/> for more details.

B. Describe how supplier proposes to distribute the products/service nationwide. Include any states where products and services will not be offered under the Master Agreement, including U.S. Territories and Outlying Areas.

[REDACTED]

C. Describe how Participating Agencies are ensured they will receive the Master Agreement pricing; include all distribution channels such as direct ordering, retail or in-store locations, through distributors, etc. Describe how Participating Agencies verify and audit pricing to ensure its compliance with the Master Agreement.

Customers can verify OMNIA contract pricing on the OMNIA and or Verkada website, or conduct contract quote reviews with our contracts team at govcontracts@verkada.com.

As the sole manufacturer and supplier of its products, Verkada ensures that all purchases are made exclusively through authorized reseller partners who are required to adhere to master agreement pricing. Verkada products are not available for direct purchase, retail, or in-store locations, ensuring pricing compliance through authorized channels.

To further maintain pricing integrity, partners requesting authorization under this agreement will undergo a selection process based on agreed upon standards. Approved partners will be trained on contract ordering policies, agree to adhere to contract pricing terms, and be subject to monitoring and transaction audits by Verkada's sales and contract management teams.

D. Identify all other companies that will be involved in processing, handling or shipping the products/service to the end user.

[REDACTED]

E. Provide the number, size and location of Supplier's distribution facilities,

warehouses and retail network as applicable.

[REDACTED]

3.3 Marketing and Sales

A. Given the public nature of the solicitation and contract, OMNIA Partners makes solicitation and contract documentation, including pricing documents, available on its website so Participating Public Agencies may easily conduct their due diligence. Describe any portions of the response that should not be available on the website and why those portions should not be available.

[Redacted proposal included in response attachments.](#)

B. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide.

[The first 30 days will focus on internal alignment and training. Verkada will distribute an internal announcement, introducing the Master Agreement as our primary cooperative contract. Live training sessions will be conducted for all government sales teams nationwide, with participation from executive leadership and OMNIA partners to ensure the strategic importance is communicated across the organization. In parallel, we will develop and distribute internal training materials, including FAQs, competitive positioning documents, and sales enablement guides, to ensure our teams are fully equipped to drive success.](#)

[In the next 30 days, we will conduct follow-up sessions and Q&A to address any questions from the field and share early success stories. Internal benchmarks will be established, and we will refine our reporting processes to track contract adoption and measure performance. Additionally, reseller partner training materials, including FAQs, competitive positioning, and ordering/compliance guides, will be developed and distributed to ensure our partners are aligned with the new go-to-market strategy.](#)

[By day 90, Verkada will conduct targeted regional and segment-specific training sessions to address any unique needs or opportunities. We will gather feedback through surveys and](#)

discussion groups with sales reps, evaluating the effectiveness of the training, resources, and reseller engagement. Internal alignment will be strengthened to ensure deliverables and processes are optimized and any areas for improvement are addressed.

As the Master Agreement becomes fully integrated into our public go to market strategy, Verkada will maintain ongoing training with sales teams, emphasizing best practices, wins, and continued executive leadership support. Resources will be continually allocated for training and support, and we will monitor feedback from reseller partners and the competitive landscape to adjust our approach as needed. We expect strong alignment with OMNIA throughout this process to ensure a successful implementation.

GTM Overview

Days 1-30

- Distribute an internal announcement introducing the agreement as our primary cooperative contract.
- Conduct live training sessions for all government sales teams nationwide with executive leadership.
- Develop and distribute internal training materials, including FAQs, competitive positioning, and sales enablement guides.

Days 30-60

- Schedule follow up and Q&A sessions to address field questions and early success stories.
- Establish internal benchmarks and refine reporting processes with our division to track contract adoption.
- Develop and distribute reseller partner training materials, including FAQs, competitive positioning, ordering/compliance guides.

Days 60-90

- Conduct targeted training for sales teams by region and segment.
- Facilitate surveys and discussion groups with sales reps to gather feedback on training, resources, and reseller engagement.
- Align with internal stakeholders on deliverables, processes, and areas for improvement.

- Ongoing
- Maintain regular training with sales teams emphasizing best practices, wins, and leadership support.
 - Continue to allocate resources for training and support.
 - Monitor contract feedback and competitive landscape from reseller partners.

C. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award.

Upon award of the OMNIA Master Agreement, Verkada will execute a robust marketing and communication strategy across public-facing, digital, and internal channels to drive early awareness and participation from both existing and prospective public agency customers. Within the first 10 days, we will work with OMNIA to develop co-branded materials, including a press release and social media collateral, to announce the award across our public channels. This press release will be distributed to relevant trade publications, and additional promotional materials will be shared with OMNIA to help amplify the news through their networks. Verkada will also propose joint opportunities to further raise the profile of our partnership, such as pitching to targeted trade media and exploring other collaborative PR engagements.

Within the first 30 days, Verkada will publish Master Agreement details and contact information on a dedicated webpage, including links to key documents, product summaries, pricing, and OMNIA's registration page. A toll-free number and dedicated email address will be available to ensure easy access for potential agency customers. In parallel, we'll initiate email campaigns targeting current customers and partners, sharing co-branded marketing collateral to introduce them to the OMNIA Master Agreement's benefits.

In the next 30 days, Verkada will expand this outreach through co-branded digital campaigns, including social media and email, to engage prospective customers and partners who may not yet be familiar with the agreement. Additionally, Verkada will organize and host three webinars tailored to different segments: one for our current customers and partners, one for OMNIA Partners' Participating Public Agencies, and one for potential customers outside the agreement, to provide a comprehensive overview of the new contract and its offerings.

By day 90, Verkada will launch a national and regional advertising campaign in trade publications, with co-branded materials emphasizing the partnership's benefits. Verkada will also attend and actively participate in key industry events, such as the NIGP Annual Forum, in

coordination with OMNIA Partners, to continue promoting the agreement directly to relevant agencies. Throughout the term of the Master Agreement, Verkada will sustain ongoing marketing through case studies, targeted promotions, and a steady presence at trade shows, events, and in industry publications, continually adapting our resources and communication to support the partnership's growth and reach.

Verkada views this as a long-term strategic partnership and is committed to providing ongoing support and maintenance to maximize the agreement's impact. We will allocate dedicated resources from our creative, demand generation, and contract management teams to ensure continuous promotion, alignment, and responsiveness to OMNIA's needs. Periodic reviews with OMNIA will help us evaluate engagement, share insights, and adapt strategies to strengthen our joint approach, ensuring the OMNIA Master Agreement remains impactful and relevant across changing public sector landscapes.

Marketing GTM Overview

- | | |
|-----------|---|
| Days 1-30 | <ul style="list-style-type: none"> - Develop and distribute co-branded press releases and social media content. - Publish Master Agreement details on Verkada's website with contact info. - Launch internal announcements and training sessions. - Provide internal contract guides and resources for sales teams. - Start email campaigns introducing the agreement to current customers and partners. |
|-----------|---|

- | | |
|------------|--|
| Days 30-60 | <ul style="list-style-type: none"> - Run co-branded marketing campaigns on social media, email, and direct mail targeting prospective customers. - Host webinar targeting existing Verkada customers, OMNIA agencies, and prospective customers. |
|------------|--|

- | | |
|------------|--|
| Days 60-90 | <ul style="list-style-type: none"> - Launch advertising in national and regional trade publications. - Publish additional marketing collateral, such as case studies and event promotions. |
|------------|--|

- Ongoing
- Conduct regular reviews with OMNIA to gather feedback and adjust strategy as needed.
 - Attend and participate in industry events, including the NIGP Annual Forum, in partnership with OMNIA.
 - Maintain continuous marketing support through targeted campaigns.
 - Dedicate resources to optimize and adapt promotional activities to ensure sustained impact and growth of the partnership.

D. Describe how Supplier will transition any existing Public Agency customers' accounts to the Master Agreement available nationally through OMNIA Partners. Include a list of current cooperative contracts (regional and national) Supplier holds and describe how the Master Agreement will be positioned among the other cooperative agreements.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

E. Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners logo will require permission for reproduction, as well.

[Acknowledged](#)

F. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners. All sales materials are to use the OMNIA Partners logo. At a minimum, the Supplier's sales initiatives should communicate:

- i. Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency
- ii. Best government pricing
- iii. No cost to participate
- iv. Non-exclusive

[Acknowledged and Confirmed.](#)

G. Confirm Supplier will train its national sales force on the Master Agreement. At a minimum, sales training should include:

- i. Key features of Master Agreement
- ii. Working knowledge of the solicitation process
- iii. Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners
- iv. Knowledge of benefits of the use of cooperative contracts

[Acknowledged and Confirmed.](#)

H. Provide the name, title, email and phone number for the person(s), who will be responsible for:

- i. Executive Support
- ii. Marketing
- iii. Sales

iv. Sales Support

v. Financial Reporting

vi. Accounts Payable

vii. Contracts

Executive Support:

- Phuong Tran, Director, Sales Strategy & [REDACTED]
[REDACTED]
- Tony Cavallio, VP of Enterprise Sales [REDACTED]
[REDACTED]
- Caleb Augustin, Director of Global Channel [REDACTED]
[REDACTED]

Marketing:

- Federico Mobilia, Growth Manager, [REDACTED]

Sales:

- Anthony Cavallio, VP of Enterprise Sales [REDACTED]

Sales Support:

- Kayla Medina & Mimi Yu, Government Contracts Team, govcontracts@verkada.com , 801-793-2634
- John Rowe, Sales Enablement Manager [REDACTED]

Financial Reporting:

- Mimi Yu, Sales Strategy & Operations Sr. Specialist, [REDACTED]
[REDACTED]
- Rimsha Ahmed, Sr Accounts Receivable Specialist [REDACTED]
[REDACTED]

Accounts Payable:

- Kevin Marcotte, Manager FinOps & Revenue, [REDACTED]
[REDACTED]

Contracts:

- Kayla Medina, Program Manager Government Contracts, kayla.medina@verkada.com, 801-793-2634

- Mimi Yu, Sales Strategy & Operations Sr. Specialist [REDACTED]
[REDACTED]

I. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team.

[REDACTED]

[REDACTED]

[REDACTED]

I. Explain in detail how the sales teams will work with the OMNIA Partners team to implement, grow and service the national program.

Our sales teams will work closely utilizing OMNIA resources and tools to ensure the successful implementation, growth, and servicing of the national program. The process will start with onboarding and training, so our sales teams and reseller partners fully understand how OMNIA

Partners' program fits with Verkada's products and services. Our sales teams will be trained on OMNIA Partners as the default public sector buying vehicle

In addition to internal efforts, if awarded, Verkada seeks to host an OMNIA representative for a dedicated sales training session with our team and a separate dedicated reseller sales training. This training will provide valuable insights into optimizing our sales strategies and leveraging OMNIA procurement solutions.

Ongoing communication will be a key component of our partnership. Our teams will regularly touch base to ensure we're aligned on program updates, customer feedback, and any shifts in market needs. Together, we will develop joint sales strategies tailored to the national program, which will include collaborative marketing efforts, outreach, and lead generation initiatives..

In addition to the above, we are open to exploring any other methods or support that can further enhance our team's ability to effectively navigate the OMNIA partnership and drive success with this cooperative contract. We are eager to collaborate on this opportunity to strengthen our collective capabilities.

J. Explain in detail how Supplier will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc.

Our approach to managing this master agreement is driven by strong internal alignment across key functions. This collaborative approach brings together our demand generation, sales, sales strategy, sales enablement, legal, orders, channel, finance, deal desk, and other stakeholders enabling us to respond quickly and effectively to the needs of participating agencies. We view this opportunity with OMNIA/Region 4 as the potential for a strong partnership, built on collaboration and shared goals.

At Verkada, we have a dedicated government contract team solely focused on training, compliance, and support of our government cooperative contracts. This team provides tailored training programs for internal teams and reseller partners to navigate government procurement processes effectively. We are readily available to address any questions related to cooperative contracts, ensuring all stakeholders have the support needed for successful program implementation.

Throughout the program, we will monitor performance through regular audits, reporting, and feedback loops, ensuring smooth operations and identifying areas for improvement. This ongoing coordination allows us to make adjustments as necessary and continuously deliver the best experience for customers and reseller partners.

K. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.

[REDACTED]

You can learn more about our customers and various use cases at <https://www.verkada.com/customers/>

L. Describe Supplier's information systems capabilities and limitations regarding order management through receipt of payment, including description of multiple platforms that may be used for any of these functions.

[REDACTED]

M. Provide the Contract Sales (as defined in Section 12 of the OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement ("Guaranteed Contract Sales").

While we do not guarantee any specific number of sales through our contract, we expect up to [REDACTED] in Year 1 based on conservative estimates. This projection accounts for the extended government sales cycle and the time required to introduce the new award. For Year 2, we expect [REDACTED], and for Year 3, we project [REDACTED]

N. Even though it is anticipated many Public Agencies will be able to utilize the Master Agreement without further formal solicitation, there may be circumstances where Public Agencies will issue their own solicitations. The following options are available when responding to a solicitation for Products covered under the Master Agreement.

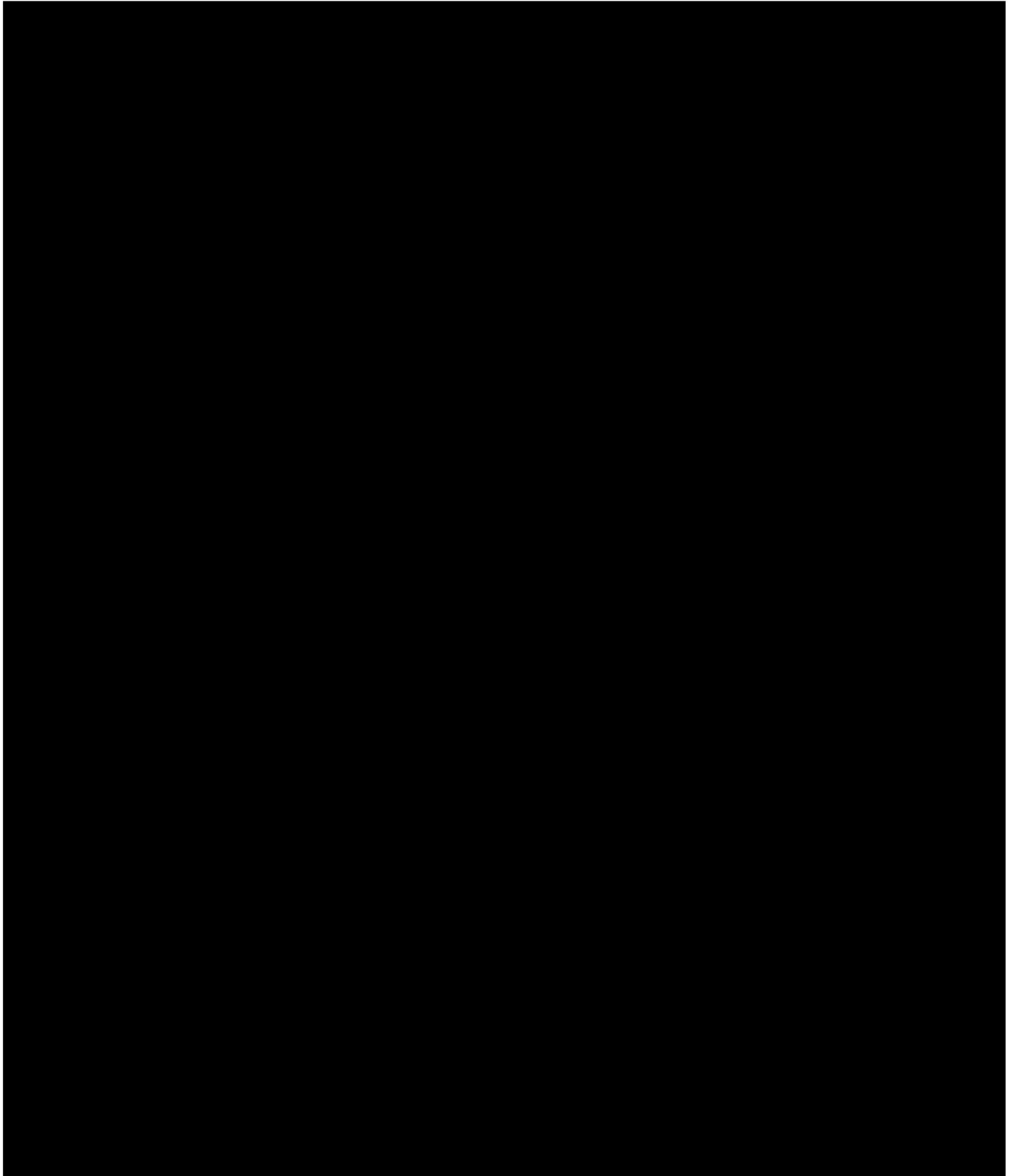
- i. Respond with Master Agreement pricing (Contract Sales reported to OMNIA Partners).
- ii. If competitive conditions require pricing lower than the standard Master Agreement not-to-exceed pricing, Supplier may respond with lower pricing through the Master Agreement. If Supplier is awarded

the contract, the sales are reported as Contract Sales to OMNIA Partners under the Master Agreement.

- iii. Respond with pricing higher than Master Agreement only in the unlikely event that the Public Agency refuses to utilize Master Agreement (Contract Sales are not reported to OMNIA Partners).
- iv. If alternative or multiple proposals are permitted, respond with pricing higher than Master Agreement, and include Master Agreement as the alternate or additional proposal.

Initially, Verkada will promote a sub-bid process with multiple authorized resellers to meet the Public Agency's further competitive requirements. Otherwise, we will encourage our authorized resellers to adopt these methods mentioned above.

Learn more about protecting your security camera hardware at
<https://info.verkada.com/security/camera-hardware/>





FEIN and Dunn & Bradstreet numbers are attached for reference. Formal reports are available upon request if necessary.

Legal Name: Verkada Inc





Exhibit C

June 24, 2025

Terrapin Technology Group
1501 Sports Drive
Suite B
Sacramento, California 95834
USA
benjamin@terrapiintechology.com

Ref: Terrapin Technology Group as Verkada Authorized Reseller / Verkada OMNIA, submitted proposals to City of Tracy # R250206

To Whom It May Concern,

This letter is to serve as proof that Terrapin Technology Group is an Authorized Reseller for Verkada's hardware, software and services. Terrapin Technology Group is seeking to add Verkada's line of products to Verkada OMNIA, submitted proposals to City of Tracy. Please feel free to contact me if any further information with respect to Verkada's products is needed. My contact information is provided below.

Sincerely,

A handwritten signature in black ink, appearing to read 'Caleb Augustin'.

Caleb Augustin
Director of Global Channel
Verkada Inc.
405 E. 4th Ave
San Mateo, CA 94401
caleb.augustin@verkada.com

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

RESOLUTION AUTHORIZING A PURCHASE AGREEMENT FOR GOODS, COMMODITIES, AND ANCILLARY SERVICES WITH TERRAPIN TECHNOLOGY GROUP, INC., UTILIZING THE OMNIA PARTNERS COOPERATIVE PURCHASING AGREEMENT (REGION 4 EDUCATIONAL SERVICE CENTER CONTRACT R250206) FOR THE PURCHASE AND INSTALLATION OF VERKADA CAMERAS, ACCESS CONTROL, AND RELATED EQUIPMENT FOR A NOT-TO-EXCEED AMOUNT OF \$1,500,000 PER CALENDAR YEAR AND SETTING A TERM THROUGH APRIL 1, 2032

WHEREAS, the City operates a diverse network of civic, public safety, utilities, transit, airport, cultural, and parks facilities that require reliable, modern physical security systems, including video surveillance, access control, intercom, and environmental sensors; and

WHEREAS, many existing sites rely on end-of-life or disparate systems that lack unified administration, modern analytics, and cyber-secure architectures, and a standardized camera and access control platform will improve reliability, security, and incident response; and

WHEREAS, OMNIA Partners, through Region 4 Educational Service Center ("Region 4 ESC"), competitively solicited and awarded Contract R250206 that includes Verkada hardware, software subscriptions, and related services, which the City may utilize; and

WHEREAS, Terrapin Technology Group, Inc. ("Terrapin") is a Verkada-authorized reseller capable of furnishing equipment and turnkey installation services pursuant to OMNIA/Region 4 ESC Contract R250206, and the City intends to enter into a General Services Agreement with Terrapin to facilitate Citywide deployment; and

WHEREAS, utilizing a cooperative purchasing agreement satisfies competitive procurement requirements and enables the City to leverage national volume pricing, standardized terms, and shorter lead times consistent with Tracy Municipal Code section 2.20.220; and

WHEREAS, authority to purchase under this cooperative contract will streamline procurement, accelerate deployment, lock in favorable pricing, and reduce repetitive staff workload associated with multiple individual procurements, while maintaining adherence to City purchasing policies; and

WHEREAS, this authorization establishes a not-to-exceed amount of One Million Five Hundred Thousand Dollars (\$1,500,000) per calendar year for as-needed, as-funded purchases and installations, and carries no additional budgetary appropriation since all purchases will occur within funds appropriated by the City Council in the applicable fiscal year; and

WHEREAS, the term for use of the OMNIA/Region 4 ESC Contract R250206 under this authorization will extend through April 1, 2032; now therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves a Purchase Agreement (General Services Agreement) with Terrapin Technology Group, Inc., utilizing OMNIA Partners cooperative purchasing agreement Region 4 ESC Contract R250206, for the purchase and installation of Verkada cameras, access control, intercoms, environmental sensors, associated licenses and subscriptions, and related equipment and services, in a total amount not to exceed \$1,500,000 per calendar year, with a term through April 1, 2032; and be it

FURTHER RESOLVED: That the City Council finds that use of the OMNIA Partners cooperative purchasing agreement (Region 4 ESC Contract R250206) satisfies competitive procurement requirements in the best interests of the City under Tracy Municipal Code section 2.20.220; and be it

FURTHER RESOLVED: That the City Council authorizes the City Manager, or designee, to execute the Purchase Agreement and all implementing documents, including purchase orders, task orders, and minor or administrative amendments necessary to carry out the intent of this Resolution, provided such actions do not increase the annual not-to-exceed amount or extend the approved term; and be it

FURTHER RESOLVED: That all purchases made pursuant to this authorization shall be subject to the availability of funds appropriated by the City Council in the adopted budget(s) and shall comply with applicable City purchasing policies and standards for cybersecurity, privacy, device hardening, records retention settings, and audit logging.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.P

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution approving a Purchase Agreement for goods, commodities and ancillary services with Point One Electrical Systems, Inc., utilizing OMNIA Partners cooperative purchase agreement for Purchase and installation of Verkada Cameras, Access Control and related Equipment, incorporating by reference contract Region 4 Educational Service Center contract R250206 with a not to exceed amount of \$1,500,000 per calendar year and the term ending on April 1, 2032.

EXECUTIVE SUMMARY

This item seeks City Council approval to leverage a competitively bid OMNIA Partners cooperative contract (Region 4 ESC R250206) and to enter into a General Services Agreement with Point One Inc. for the delivery and installation of Verkada security technology Citywide. The agreement will enable the City to modernize and expand physical security (video, access control, intercom, and environmental sensors) across City facilities through a single, competitively priced contract. Approval will streamline procurement, accelerate deployment, lock in favorable pricing, and reduce repetitive staff workload associated with multiple individual procurements. The requested authority is capped at \$1.5 million per calendar year and purchases will only occur within funds appropriated by the City Council in the annual budget.

Importantly, this request carries no additional budgetary implications. Each purchase made under this contract remains subject to the department-specific budgetary authority granted by the City Council through the annual fiscal year budgetary approval process.

BACKGROUND AND LEGISLATIVE HISTORY

The City operates a broad network of facilities—including civic, public safety, utilities, transit, airport, cultural, and parks sites—that require reliable, modern physical security systems. The City has historically utilized cooperative purchasing agreements (consistent with Tracy Municipal Code 2.20.220) to obtain best-value pricing and reduce procurement cycle time for technology goods and services.

OMNIA Partners (Region 4 ESC) competitively solicited and awarded contract R250206 that includes Verkada hardware, software subscriptions, and related services. Point One Electrical Systems Inc. is a California-based, Verkada-authorized reseller capable of furnishing equipment and turnkey installation services pursuant to this cooperative contract.

To facilitate efficient Citywide deployment and lifecycle support of Verkada solutions, staff requests approval of the attached GSA with Point One Electrical Systems and authority to use OMNIA R250206 for annual purchases and installations up to \$1.5 million per calendar year.

Utilizing a competitive cooperative agreement from a reputable vendor for routine purchases ensures cost effective pricing and the timely availability of technology that meet the City's needs.

ANALYSIS

Staff is recommending to use a 'dual-vendor' approach. Meaning that we want the choice to have cameras and access controls installed by 2 vendors. This ensures operational resilience; staff intends to maintain a non-exclusive bench of qualified integrators – including Terrapin and PointOne for the same Verkada scope of work. Key benefits include:

- Business continuity and availability improves. It avoids a single point of failure if one vendor is capacity constrained or experiencing staffing turnover.
- Competitive tension at the task-order level. Even under cooperative pricing, obtaining quotes from multiple vendors helps validate pricing, time of install and lead times. This ensures vendors focus on quality or they will not be competitive.
- Surge capacity of parallel projects. The city has multiple projects already today that require Verkada equipment to be installed, including the Multi-Gen Rec Center as well as the Temporary Emergency Housing Facility (TEHF). We expect multiple parallel projects to continue as the Police Department, the Transit Division and Water Treatment, Wastewater and the Airport have already expressed a need to update the equipment.
- Risk Management and performance assurance. If performance issues arise on a given task, the City can rebalance future work to the other integrator, allowing installs to continue as the performance issues are addressed.
- Supply-chain resilience. Dual sourcing reduces exposure to back-orders for specific items, such as mounts, cabling, etc.

Citywide there is a need for security modernization. Many existing sites rely on end-of-life cameras and disparate access systems that are costly to maintain and lack unified management, remote access, modern analytics, and cyber-secure architectures. A standardized Verkada platform will deliver:

- Unified, cloud-managed video, access control, intercoms, environmental sensors, and alarms
- Centralized administration (single pane of glass), role-based access, audit trails
- Improved reliability, encrypted-by-default architecture, and simplified compliance reporting
- Faster investigations and incident response for Police and City departments
- Scalable coverage for new facilities, tenant improvements, and capital projects

Scope of Work (Representative). Under the GSA, Point One Electrical Systems will furnish and install, on an as-needed, as-funded basis:

- Verkada cameras (indoor/outdoor, fixed and panoramic), door controllers, readers,

intercoms, environmental sensors (air quality, vape, temperature/humidity), and necessary licenses

- Network cabling, low-voltage electrical, equipment mounting, weatherproofing, and pathway remediation
- System configuration, integrations with City identity/security systems, acceptance testing, and documentation (as-builts, asset inventory)
- Warranty facilitation and post-installation support

Procurement Method and Compliance. Using the OMNIA cooperative agreement (Region 4 ESC R250206) satisfies competitive procurement requirements and enables the City to leverage national volume pricing, standardized terms, and shorter lead times. Staff will continue to follow City purchasing policies, including issuance of purchase orders under the approved not to exceed amount and verification of pricing against the cooperative schedule.

Vendor Qualifications. Point One Electrical Systems is a Verkada-authorized reseller with the ability to deliver complete, turnkey projects with certified installation crews and manufacturer support. Leveraging an authorized partner ensures proper design, installation quality, and access to manufacturer warranties and escalation pathways.

Implementation and Governance. Deployments will be phased by risk and readiness, with initial focus on:

- Public safety facilities and high-traffic civic locations
- Critical infrastructure (water, wastewater, transit, and airport)
- Sites with end-of-life systems or coverage gaps

The authority to utilize the OMNIA Partners cooperative agreement (Region 4 ESC R250206) and the General Services Agreement with Point One Electrical Systems is Citywide and non-exclusive. Any City department may initiate purchases and projects under this vehicle, as operational needs arise, to upgrade or expand video cameras, door access control, intercoms, environmental sensors, and related security technologies at their facilities. Departments will coordinate scope and funding with the Innovation & Technology Department and Finance, and work orders will be issued in accordance with the City's purchasing policies and adopted budgets. Projects will be coordinated with all City Departments involved. The Innovation & Technology (I&T) Department will maintain governance standards for device hardening, role-based access, retention settings, and audit logging.

Cybersecurity and Privacy. The Verkada platform will be configured to meet City cybersecurity standards (network segmentation, MFA/SSO, least-privilege roles, encryption) and to align with applicable privacy and records retention requirements, including department SOPs for video access and release.

FISCAL IMPACT

This request carries no additional budgetary implications. Each purchase made under this contract remains subject to the department-specific budgetary authority granted by the City Council through the annual fiscal year budgetary approval process.

This action does not appropriate new funds. All purchases will be made within budgets previously adopted by the City Council in the applicable fiscal year (e.g., department operating budgets and capital project appropriations). Approval of this item authorizes the City Manager to execute purchases and task orders under the OMNIA cooperative agreement and the GSA with Point One Electrical Systems. Expenditures will vary annually based on project prioritization, budget availability, and lifecycle replacement needs.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the City Council's Strategic plans.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt a Resolution approving a Purchase Agreement for goods, commodities, and ancillary services with Point One Electrical Systems Inc., utilizing OMNIA Partners cooperative purchase agreement for Purchase and installation of Verkada Cameras, Access Control and related Equipment, incorporating by reference contract Region 4 Educational Service Center contract R250206 with a not to exceed amount of \$1,500,000 per calendar year and the term ending on April 1, 2032.

Prepared by: Norbert Ruijling, Chief Innovation Officer

Reviewed by: Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

Exhibit A: General Services Agreement
Exhibit B: Master Intergovernmental Cooperative Agreement
Exhibit C: Authorized Reseller Letter

Exhibit A

CITY OF TRACY GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Point One Electrical Systems Inc., a California Corporation (**Contractor**). City and Contractor are referred to individually as “Party” and collectively as “Parties.”

Recitals

- A. City desires to retain Contractor to provide and install camera equipment throughout the City of Tracy campuses.
- B. Pursuant to Tracy Municipal Code 2.20.220, the City is utilizing a cooperative purchasing agreement to purchase the Equipment. All formal contract and bidding procedures to be followed in such cases shall be those specifically enumerated in the voluntary cooperative purchasing agreement or program.
- C. The City is utilizing OMNIA Partners Cooperative (OMNIA) purchasing agreement to procure Information Technology Solutions and Services. OMNIA Partners, Public Sector is a cooperative purchasing organization established for public agencies across the United States with the specific purpose of reducing procurement costs by leveraging group volume. OMNIA and the Vendor entered into an agreement for the purchase of technology products and ancillary services related to said good in accordance with the cooperative agreement, more particularly described as the Region 4 Education Service center (ESC) Contract No R250206 as established by OMNIA partners formerly known as NIPA (Contract).(Exhibit A)
- D. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- E. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on _____, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit “A” attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor’s Authorized Representative: David Rivera. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit “A,” nor shall Contractor use or replace any subcontractors or subconsultants, without City’s prior written consent. A failure to obtain the City’s prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit “A.” Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of

the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on April 1, 2025 and end on March 31, 2030, unless terminated in accordance with Section 6.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed \$1,500,000 (one million five hundred thousand dollars) per calendar year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on “public works” and “maintenance” projects. The services being performed under this Agreement are part of a “public works” or “maintenance” project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor’s services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City’s prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City’s employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor’s conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

City of Tracy – General Services Agreement with Point One Electrical, Inc.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

City of Tracy

Attn: Norbert Ruijling, CIO

333 Civic Center Plaza

Tracy, CA 95376

To Contractor:

Point One Electrical Systems Inc.

6751 Southfront Road

Livermore, CA 94551

With a copy to:

City Attorney

333 Civic Center Plaza

Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

City of Tracy – General Services Agreement with Point One Electrical, Inc.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

April A.B. Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

Signed by:
Contractor
Michael G. Curran
3001E2CED1EE496
By: Michael G. Curran
Title: CEO President
Date: 8/15/2025 | 7:30 AM PDT

Federal Employer Tax ID No. 94-3292191

Signed by:
Amoreena Perez
F257E44409D1434
By: Amoreena Perez
Title: Project Finance Manager
Date: 9/2/2025 | 3:15 PM PDT

Exhibits:

- A Master Intergovernmental Cooperative Agreement
- B Authorized Vendor of Verkada Products Letter

City of Tracy – General Services Agreement with Point One Electrical, Inc.

EXHIBIT A - Master Intergovernmental Cooperative Agreement

EXHIBIT B - Authorized Vendor of Verkada Products Letter

Exhibit B

Region 4 Education Service Center (ESC)

Contract # R250206

for

Weapons and Threat Detection Equipment, Services, and Other
Solutions

with

Verkada, Inc.

Effective: April 1, 2025

The following documents comprise the executed contract between the Region 4 Education Service Center and Verkada, Inc., effective April 1, 2025:

- I. Vendor Contract and Signature Form
- II. Supplier's Response to the RFP, incorporated by reference



DRAFT CONTRACT

*This Contract ("**Contract**") is made as of April 1, 2025 by and between **Verkada, Inc.** ("**Contractor**") and Region 4 Education Service Center ("**Region 4 ESC**") for the purchase of **Weapons and Threat Detection Equipment, Services, and Other Solutions** (the products and services").*

RECITALS

WHEREAS, Region 4 ESC issued Request for Proposals Number 25-02 for Weapons and Threat Detection Equipment, Services, and Other Solutions ("RFP"), to which Contractor provided a response ("**Proposal**"); and

WHEREAS, Region 4 ESC selected Contractor's Proposal and wishes to engage Contractor in providing the services/materials described in the RFP and Proposal;

WHEREAS, both parties agree and understand the following pages will constitute the Contract between the Contractor and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Contractor included, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations are incorporated into the Contract.

WHEREAS, this Contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Contract will provide that any state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("**Public Agencies**") may purchase products and services at prices indicated in the Contract upon the Public Agency's registration with OMNIA Partners.

- 1) **Term of agreement.** The initial term of the Contract is for a period of three (3) years unless terminated, canceled or extended as otherwise provided herein. Region 4 ESC shall have the right in its sole discretion to renew the Contract for an additional term of up to two (2) years or for a lesser period of time as determined by Region 4 ESC by providing written notice to the Contractor of Region 4 ESC's intent to renew thirty (30) days prior to the expiration of the original term. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Contract. Notwithstanding the forgoing paragraph, the term of the Contract, including any extension of the original term, shall be further extended until the expiration of any Purchase Order issued under the Contract for a period of up to one year beyond the Contract term.

The anticipated full term of the contract is five (5) years. The Successful Offeror(s) shall have the right to enter local "service" agreements with Participating Public Agencies accessing the

CONTRACT

contract through OMNIA Partners, so long as the effective date of such agreement is prior to the expiration of the Contract. All local agreements may have a full potential term (any combination of initial and renewal periods) not to exceed five years. Any local agreements, job orders, project agreements or maintenance agreements executed against this Master Agreement during the effective term may survive beyond the expiration of the Master Agreement as established and agreed to by both parties.

- 2) Scope: Contractor shall perform all duties, responsibilities and obligations, set forth in this agreement, and described in the RFP, incorporated herein by reference as though fully set forth herein.
- 3) Form of Contract. The form of Contract shall be the RFP, the Offeror's proposal and Best and Final Offer(s).
- 4) Order of Precedence. In the event of a conflict in the provisions of the Contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
 - i. This Contract
 - ii. Offeror's Best and Final Offer
 - iii. Offeror's proposal
 - iv. RFP and any addenda
 - v. Verkada's End User Agreement, including the Data Processing Addendum and Verkada's Security Terms
- 5) Commencement of Work. The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives a purchase order for such work or is otherwise directed to do so in writing by Region 4 ESC.
- 6) Entire Agreement (Parol evidence). The Contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 7) Assignment of Contract. No assignment of Contract may be made without the prior written approval of Region 4 ESC. Contractor is required to notify Region 4 ESC when any material change in operations is made (i.e., bankruptcy, change of ownership, merger, etc.).
- 8) Novation. If Contractor sells or transfers all assets or the entire portion of the assets used to perform this Contract, a successor in interest must guarantee to perform all obligations under this Contract. Region 4 ESC reserves the right to accept or reject any new party. A change of name agreement will not change the contractual obligations of Contractor.
- 9) Contract Alterations. No alterations to the terms of this Contract shall be valid or binding unless authorized and signed by Region 4 ESC.
- 10) Adding Authorized Distributors/Dealers. Contractor is prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under the Contract without notification and prior written approval from Region 4 ESC. Contractor must notify Region 4 ESC each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to the Contractor unless otherwise approved by Region 4 ESC. Pricing provided to members by added distributors or dealers must also be less than or equal to the Contractor's pricing

11) TERMINATION OF CONTRACT

- a) Cancellation for Non-Performance or Contractor Deficiency. Region 4 ESC may terminate the Contract if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this Contract due to failure by Contractor to carry out any obligation, term or condition of the contract. Region 4 ESC may issue a written deficiency notice to Contractor for acting or failing to act in any of the following:
- i. Providing material that does not meet the specifications of the Contract;
 - ii. Providing work or material was not awarded under the Contract;
 - iii. Failing to adequately perform the services set forth in the scope of work and specifications;
 - iv. Failing to complete required work or furnish required materials within a reasonable amount of time;
 - v. Failing to make progress in performance of the Contract or giving Region 4 ESC reason to believe Contractor will not or cannot perform the requirements of the Contract; or
 - vi. Performing work or providing services under the Contract prior to receiving an authorized purchase order.

Upon receipt of a written deficiency notice, Contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in Contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by Contractor under the Contract shall immediately become the property of Region 4 ESC.

- b) Termination for Cause. If, for any reason, Contractor fails to fulfill its obligation in a timely manner, or Contractor violates any of the covenants, agreements, or stipulations of this Contract Region 4 ESC reserves the right to terminate the Contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the Contractor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by Contractor will become the property of the Region 4 ESC. If such event does occur, Contractor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.
- c) Delivery/Service Failures. Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the Contract to be terminated.
- d) Force Majeure. If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably

within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

- e) Standard Cancellation. Region 4 ESC may cancel this Contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.
- 12) Licenses. Contractor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by Contractor. Contractor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the Contract. Region 4 ESC reserves the right to stop work and/or cancel the Contract if Contractor's license(s) expire, lapse, are suspended or terminated.
- 13) Survival Clause. All applicable software license agreements, warranties or service agreements that are entered into between Contractor and Region 4 ESC under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Contractor shall survive expiration or termination of the Contract for a period of up to one year beyond the term of the Contract.
- 14) Delivery. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period, the Contractor must receive authorization for the delayed delivery. The order may be canceled if the estimated shipping time is not acceptable. All deliveries shall be freight prepaid, F.O.B. Destination and shall be included in all pricing offered unless otherwise clearly stated in writing.
- 15) Inspection & Acceptance. If defective or incorrect material is delivered, Region 4 ESC may make the determination to return the material to the Contractor at no cost to Region 4 ESC. The Contractor agrees to pay all shipping costs for the return shipment. Contractor shall be responsible for arranging the return of the defective or incorrect material.
- 16) Payments. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 17) Price Adjustments. Should it become necessary or proper during the term of this Contract to make any change in design or any alterations that will increase price, Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the Contract shall be paid without prior approval. All price increases must be supported by manufacturer documentation, or a formal cost justification letter. Contractor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC. It is the Contractor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was provided and accepted in the Contractor's proposal.

Price reductions may be offered at any time during Contract. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all users equally; 2) reduction is for a specific period, normally not less than thirty (30) days; and 3) original price

is not exceeded after the time-limit. Contractor shall offer Region 4 ESC any published price reduction during the Contract term.

- 18) Audit Rights. Contractor shall, at its sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Contract. Region 4 ESC reserves the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. Region 4 ESC shall have the authority to conduct random audits of Contractor's pricing at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Contractor's pricing at Contractor's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC.
- 19) Discontinued Products. If a product or model is discontinued by the manufacturer, Contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 20) New Products/Services. New products and/or services that meet the scope of work may be added to the Contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines if the line is replacing or supplementing products, is equal or superior to the original products, is discounted similarly or greater than the original discount, and if the products meet the requirements of the Contract. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 21) Options. Optional equipment for products under Contract may be added to the Contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 22) Warranty Conditions. All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 23) Funding Out Clause. A Contract for the acquisition, including lease, of real or personal property is a commitment of Region 4 ESC's current revenue only. Region 4 ESC retains the right to terminate the Contract at the expiration of each budget period during the term of the Contract and is conditioned on a best effort attempt by Region 4 ESC to obtain appropriate funds for payment of the contract.
- 24) Indemnity. Contractor shall protect, indemnify, and hold harmless both Region 4 ESC and its administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Contractor, Contractor employees or subcontractors in the preparation of the solicitation and the later execution of the Contract.

Any litigation involving either Region 4 ESC, its administrators and employees and agents will be in Harris County, Texas.

- 25) Marketing. Contractor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this Contract by Contractor must have prior approval from Region 4 ESC.
- 26) Certificates of Insurance. Certificates of insurance shall be delivered to the Region 4 ESC prior to commencement of work. The Contractor shall give Region 4 ESC a minimum of ten (10) days' notice prior to any modifications or cancellation of policies. The Contractor shall require all subcontractors performing any work to maintain coverage as specified.
- 27) Legal Obligations. It is Contractor's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services and shall comply with all laws while fulfilling the Contract. Applicable laws and regulation must be followed even if not specifically identified herein.

OFFER AND CONTRACT SIGNATURE FORM


The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Verkada, Inc.
Address 406 E. 3rd Ave
City/State/Zip San Mateo, CA 94401
Telephone No. 650-514-2682
Email Address caleb.augustin@verkada.com
Printed Name Caleb Augustin
Title Director of Global Channel
Authorized signature  _____
Signed by:
Caleb Augustin
45/11972A132E4F8

Accepted by Region 4 ESC:

Contract No. _R250206

Initial Contract Term 4/1/2025 to 3/31/2028



Region 4 ESC Authorized Board Member

2/25/2025

Date

Linda Tinnerman

Print Name



Region 4 ESC Authorized Board Member

2/25/2025

Date

Victor E. White

Print Name

Appendix B**TERMS & CONDITIONS ACCEPTANCE FORM**

Signature on the Offer and Contract Signature form certifies complete acceptance of the terms and conditions in this solicitation and draft Contract except as noted below with proposed substitute language (additional pages may be attached, if necessary). The provisions of the RFP cannot be modified without the express written approval of Region 4 ESC. If a proposal is returned with modifications to the draft Contract provisions that are not expressly approved in writing by Region 4 ESC, the Contract provisions contained in the RFP shall prevail.

Check one of the following responses:

- ☐ Offeror takes no exceptions to the terms and conditions of the RFP and draft Contract.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- ☒ Offeror takes the following exceptions to the RFP and draft Contract. All exceptions must be clearly explained, reference the corresponding term to which Offeror is taking exception and clearly state any proposed modified language, proposed additional terms to the RFP and draft Contract must be included:

(Note: Unacceptable exceptions may remove Offeror's proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions and modifications and the decision shall be final.)

If an offer is made with modifications to the contract provisions that are not expressly approved in writing, the contract provisions contained in the RFP shall prevail.)

Section/Page	Term, Condition, or Specification	Exception/Proposed Modification	Accepted (For Region 4 ESC's use)
Section 4	Order of Precedence	As discussed in more detail in our letter, given the unique nature of our products our terms should be incorporated by reference.	<input checked="" type="checkbox"/>
Section 11(c)	Cost to Cover	Deletion of last sentence of the section.	<input checked="" type="checkbox"/>
Section 13	Survival of Terms	To be properly scoped based on the products provided under the Agreement	<input checked="" type="checkbox"/>
Sections 23-28	On-site Terms	To be deleted - not applicable as Verkada will not be on-site and does not provide any on-site services. These terms would be between customer and their selected installation partner.	<input checked="" type="checkbox"/>
Section 30	Indemnity	To be properly scoped based on what Verkada is providing under the Agreement.	<input checked="" type="checkbox"/>

OMNIA Colleagues,

Thank you for providing your Administration Agreement and Sample Draft Contract (collectively, "Agreements") for review. We understand that your Agreements are drafted to cover a broad range of vendors and providers, however the Verkada products are not your typical enterprise SaaS and have a unique structure which involves hardware, downloaded software, and cloud hosted software, all sold through the channel. This approach is reflected in our agreements:

- EUA: this is our End User Agreement that governs the purchase and use of our hardware and software. This EUA reflects our unique licensing regime with co-termination, RMA rules, the 30-day return period, SLA and support terms, and the fact that all our sales go through our channel partners. These terms reflect how the product and related business processes work at Verkada, which are standardized across our customer base.
 - Alarms Addendum (if applicable): this addendum is specific to the purchase and use of our Alarms products and services and reflects the industry standard approach for alarm system vendors.
- DPA: the Data Processing Addendum is made part of the EUA and reflects how our offering processes Personal Data in accordance with Data Protection Laws.
- Security Terms: Verkada's Security Controls are integrated into the EUA and reflect our applicable administrative, technical, physical, and procedural security measures. Additionally, if more detailed information is needed (e.g. recent SOC 2 or ISO reports), end-customers can submit a request with our security team.

In the event Verkada is awarded this opportunity, we believe that it would be most efficient for the parties to incorporate the Verkada agreements as part of the negotiated Agreements. Additionally, we will work in good faith on mutually agreeable revisions to the Agreements regarding some of the high-level issues that we have identified (e.g. scope of indemnity, order of precedence, clarifications on inapplicable provisions due to the nature of Verkada products). We look forward to your decision and are happy to answer any questions you may have in the meantime.

Thank you,

Verkada Legal Team



Proposal Response for Region 4 Education Service Center & OMNIA Partners

25-02 Weapons Threat Detection Equipment, Services, and Other Solutions

November 20, 2024

Submitted by: Verkada, Inc | 406 E. 3rd Ave. San Mateo, CA 94401

Point of Contact: Kayla Medina | Program Manager, Government Contracts | (801) 793-2634 | kayla.medina@verkada.com

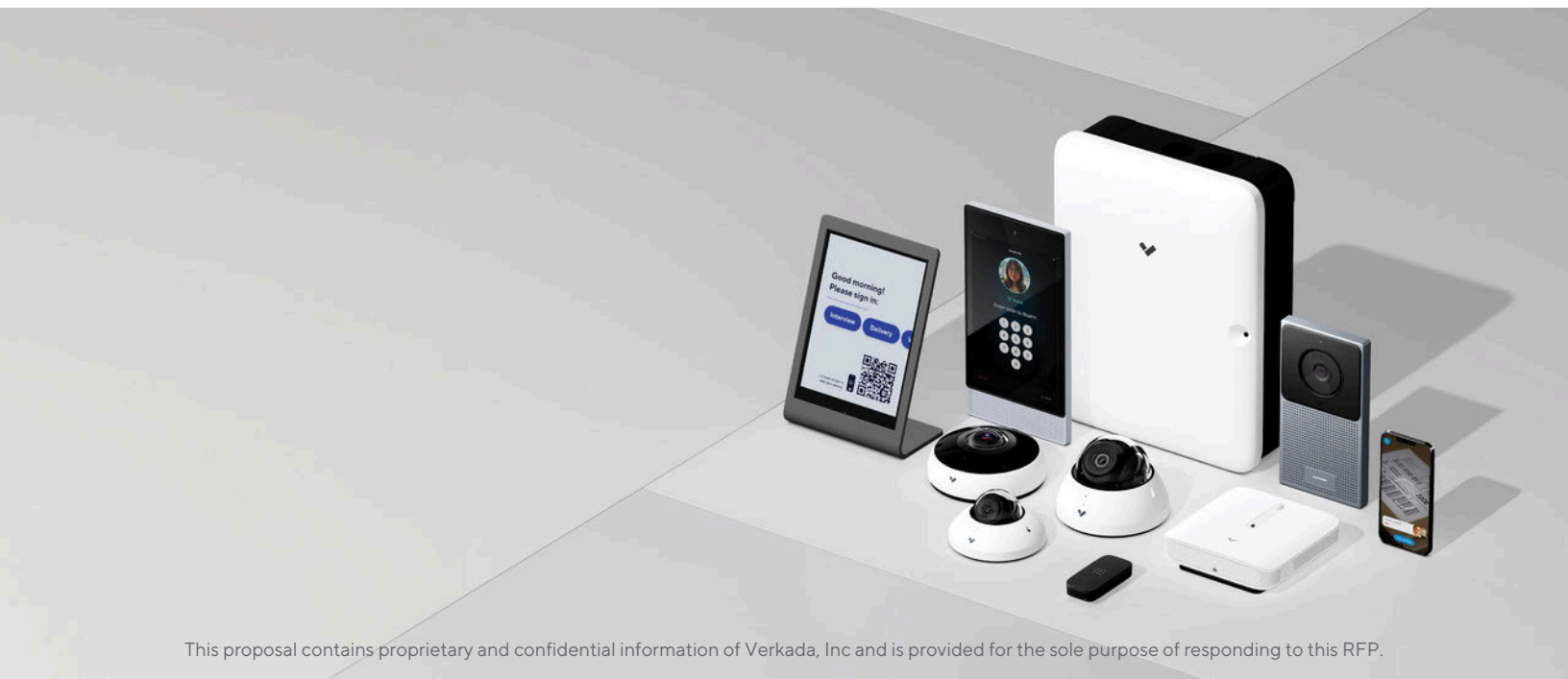


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11/9/2024

Region 4 Education Service Center
7145 West Tidwell Road
Houston, Texas 77092-2096

Ref: Weapons and Threat Detection Equipment RFP #25-02

Dear Region 4 Education Service Center,

Verkada is pleased to present our proposal to provide Threat Detection and Related Services to the Region 4 Education Service Center and Participating Public Agencies.

Included in Verkada's proposal is our complete product line of physical security solutions, all seamlessly integrated through a single, cloud-based software platform. Designed with simplicity in mind, Verkada's six product lines—video security cameras, access control, environmental sensors, alarms, visitor management, and mailroom management—deliver unparalleled visibility into building security.


With over 22,000 customers across 70 countries, supported by a team of 1,800 employees in 16 global offices, Verkada is trusted by organizations in every industry. Our solutions protect people where they visit, work, and live.

Verkada is committed to building a strong and collaborative partnership with Region 4/OMNIA Partners to provide streamlined procurement and exceptional value to the public sector. With our emphasis on serving state, local, and educational entities, Verkada is uniquely positioned to meet the specific needs of your organization while maintaining the highest standards of integrity and performance.


Kayla Medina will serve as Verkada's primary contact during clarifications or negotiations with Region 4 and/or OMNIA Partners. We look forward to the opportunity to partner with you and deliver the innovative solutions needed to protect the communities you serve.

We look forward to your response.

Sincerely,

DocuSigned by:

DEFA1C5862DC40C...

Kayla Medina
Program Manager, Government Contracts
kayla.medina@verkada.com

Signed by:

2F0B9C01DEC6499...

Phuong Tran
Sr. Director, Sales Strategy & Operations
phuong.tran@verkada.com

1. CONTRACT DURATION The initial term of the Contract is for a period of three (3) years unless terminated, canceled, or extended as otherwise provided herein. Region 4 ESC shall have the right in its sole discretion to renew the Contract for additional terms up to two (2) years after the end of the initial term or for a lesser period of time as determined by Region 4 ESC by providing written notice to the Contractor of Region 4 ESC's intent to renew thirty (30) days prior to the expiration of the original term. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Contract. In the event the proposal term, including renewals, ends before another proposal is executed, proposal prices and discounts may be extended on a month-to-month basis by mutual consent. Extensions are limited to the lesser of: a) six (6) additional monthly terms, or b) the time which is required to complete a new solicitation for the goods and services provided for in this solicitation. Notwithstanding the foregoing paragraph, the term of the Contract, including any extension of the original term, shall be further extended until the expiration of any Purchase Order issued within the Contract term for a period of up to one year beyond the Contract term.

I certify compliance with this attribute.

YES

2. NAME OF INDIVIDUAL COMPLETING THIS PROPOSAL

Kayla Medina

kayla.medina@verkada.com

Program Manager, Government Contracts

801-793-2634

3. HOW MANY YEARS HAS YOUR BUSINESS OPERATED UNDER ITS PRESENT NAME

8

4. WHAT IS YOUR CURRENT NUMBER OF CUSTOMER ACCOUNTS?

██████

5. WHAT ARE YOUR BUSINESS HOURS?

Verkada's standard hours of operation are Monday through Friday, 8am to 5pm U.S. Pacific Time. Local offices operate during standard business hours in their respective time zones to ensure regional accessibility and support.

For technical support matters, Verkada's support team is available 24/7/365 via chat, email, and phone. For all other inquiries, customers may reach out to their account executive or reseller partner for assistance.

6. IS 30 DAYS AFTER RECEIPT OF INVOICE AN ACCEPTABLE PAYMENT SCHEDULE FOR YOUR BUSINESS?

Yes

7. WHAT IS THE STANDARD LEAD TIME FOR RECEIPT OF PRODUCTS AFTER ORDER IS RECEIVED (ARO), IN DAYS? Provide your answer in number of DAYS after receipt of order (ARO).

[REDACTED]

8. ACCOUNT MANAGER NAME

Kayla Medina

9. ACCOUNT MANAGER EMAIL

kayla.medina@verkada.com

10. ACCOUNT MANAGER PHONE

(801) 793-2634

11. PAYMENT REMITTANCE ADDRESS

406 E 3rd Ave, San Mateo, CA 94401

12. PAYMENT REMITTANCE PHONE

(650) 514-2500

13. CONTRACT/PURCHASE ORDER/QUOTE EMAIL

Vendors may choose to have purchase orders emailed to them in PDF format in lieu of having them faxed or mailed. To elect this option, please offer the preferred email address in the accompanying field. This email address will apply to any purchases from your company, so the use of a generic email address is suggested, such as bids@companyname.com or purchaseorders@businessname.com.
govcontracts@verkada.com

14. CONTRACT/PURCHASE ORDER/QUOTE FAX NUMBER, IF APPLICABLE

If applicable, please provide a fax number to send orders and quote requests.

N/A

15. REQUIRED REFERENCE QUOTE OR CONTRACT NUMBER, IF APPLICABLE Enter your quote or contract number and/or any other information our staff would need to provide on the face of purchase orders in order to receive discount percentages and contract pricing.

Upon assignment of the awarded contract, Verkada requires that all orders include the names of the eligible entity, reseller partner, and Verkada, along with the "OMNIA Contract Number" on all quotes, purchase orders, proposals, and related documentation. Additionally, Verkada requires that all orders under this agreement, regardless of reseller partner, include govcontracts@verkada.com.

16. COMPANY WEBSITE ADDRESS, IF APPLICABLE

<https://www.verkada.com/>

17. HOW WERE YOU NOTIFIED OF THIS BID OPPORTUNITY?

In order to verify the efficiency of communication tools used to notify vendors of bidding opportunities, we ask that you provide us with the manner in which you received notification of this request for bid/proposal.

We were notified of this bid opportunity via email through our lonwave account. Additionally, we have been proactively tracking OMNIA solicitations, viewing OMNIA as a strategic partnership we planned to pursue.

18. REFERENCE 1

Please provide the reference of a school and/or business who have utilized the same equipment/products within the last two years. Include Company/Government name, address, contact name, and contact phone number.

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

19. REFERENCE 1 EMAIL

[REDACTED]

20. REFERENCE 2

Please provide the reference of a school and/or business who have utilized the same equipment/products within the last two years. Include Company/Government name, address, contact name, and contact phone number.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

21. REFERENCE 2 EMAIL

[REDACTED]

22. REFERENCE 3

Please provide the reference of a school and/or business who have utilized the same equipment/products within the last two years. Include Company/Government name, address, contact name, and contact phone number.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

23. REFERENCE 3 EMAIL

[REDACTED]

24. THE U.S. STATE YOUR PRINCIPAL PLACE OF BUSINESS IS LOCATED.

[REDACTED]

25. RECIPROCITY

For Businesses not located in Texas: Does your state of residence or incorporation require out-of-state bidders to underbid vendors residing in your state by a prescribed amount or percentage to receive a comparable contract? If Yes, please input that percentage; If No, please leave the adjacent field blank.

No. State of Residence CA/State of Incorporation DE: To our best knowledge, California and Delaware do not have a specific statute requiring out-of-state bidders to underbid in-state vendors by a prescribed amount or percentage to secure comparable contracts.

26. PARTIAL AWARD ACCEPTANCE

REGION 4 ESC retains the right to award this contract in such a manner that it receives the best overall value for the goods and/or services requested in this request for proposal or bid, which may include awarding to multiple vendors.

[I understand.](#)

27. PURCHASE ORDER POLICY

REGION 4 ESC purchases tangible goods and services through the use of approved Purchase Orders. Vendors are highly discouraged from sending products, and/or performing services without prior receipt of an approved District Purchase Order. While campuses and departments may call for quotes and information, please be advised the District is not obligated to pay for any services and/or products ordered via telephone or email without the presence of a properly executed Purchase Order.

[I understand.](#)

28. ADDENDA NOTIFICATIONS

Any addenda to this proposal will be issued electronically through this system. It is vendor's responsibility to review addenda upon e-mailed notice and retract/amend their submission as deemed necessary. REGION 4 ESC may choose to mark a proposal received prior to the issuance of an addendum as non-responsive should REGION 4 ESC, in its sole determination, finds the addendum to be of such material change that it warrants such determination. If such proposal is found non-responsive, REGION 4 ESC will not consider the proposal for evaluation or further consideration.

[I understand.](#)

29. Provide equipment manufacturer, equipment types and discounts off published list price. Verkada is the original equipment manufacturer for our range of security and workplace solutions. Our product offerings include:

- [Cameras](#)
- [Connectivity](#)
- [Command Connector](#)
- [Access Control](#)

- Air Quality Sensors
- Intercom
- Alarms
- Workplace

Each of these product lines integrates seamlessly under command, a single cloud based platform.

We offer competitive discounts off our published list prices, which can vary based on product type and volume purchased. For OMNIA specific discount rates, please refer to Products and Pricing Attachment #1.

30. Define any freight charges.

Verkada does not charge freight fees. Shipping fees are detailed in Attribute #55 for your reference.

31. Describe how Offeror responds to emergency orders.

Verkada processes emergency orders based on the shipping method specified in the reseller partner purchase order, shipping directly to the designated address provided. Reseller partners can work with their Verkada representative and the orders team at orders@verkada.com to request various service levels, including next-day shipping, to meet urgent delivery needs.

32. What is Offeror's average Fill Rate?

[REDACTED]

33. What is Offeror's average on time delivery rate? Describe Offeror's history of meeting the shipping and delivery timelines

[REDACTED]

34. Describe Offeror's return and restocking policy.

Verkada is committed to customer satisfaction, and our return policy reflects that. Customers can easily return products up to a total net value of \$250,000 for any reason within 30 days of shipment.

Customers simply need to send a request by email within this 30-day period, including the serial numbers of the products they wish to return. Requests can be directed to either the Partner who submitted the purchase order or the Verkada sales representative assigned to the account.

For additional terms governing returns, please refer to our [End User Agreement](https://legal.verkada.com/) at <https://legal.verkada.com/>

35. Describe Offeror's ability to meet service and warranty needs.

Verkada's global technical support team, headquartered in the U.S, is dedicated to meeting the service and warranty needs of our partners and customers.

To initiate a warranty return, email support@verkada.com with purchase details, serial numbers, reason for return, and contact information. Once reviewed and approved, Verkada will issue a Return Materials Authorization (RMA) along with a prepaid shipping label. The hardware should be returned within 14 days of receiving the RMA. This straightforward approach reflects our commitment to reliable, responsive support worldwide.

For additional terms governing warranty, please refer to our [End User Agreement](https://legal.verkada.com/) at <https://legal.verkada.com/>

36. Describe Offeror's customer service/problem resolution process. Include hours of operation, number of services, etc.

One of the many reasons customers choose Verkada is our 24/7/365 technical support.

Whenever you face an issue, our team is just a message away. You can reach out to Verkada via live chat in command, email support@verkada.com/escalations@verkada.com, or phone (650) 514-2500 at any time weekends and holidays included. Our support staff typically responds within minutes, and you'll often find our phone line has minimal to no hold times. This service is provided at no charge.

We proudly maintain an average chat response time of 30 seconds and a phone response time of just 15 seconds. Our commitment to customer satisfaction is evident, with over 83,000 support tickets successfully resolved in the past 12 months and an impressive Net Promoter Score (NPS) of 45. The support team is primarily located in San Mateo, CA at Verkada HQ.

For live insights into our response times, please visit <https://www.verkada.com/support-stats/>.

37. Describe Offeror's invoicing process. Include payment terms and acceptable methods of payments. Offerors shall describe any associated fees pertaining to credit cards/p-cards. Verkada exclusively sells through our network of reseller partners. The invoicing process, payment terms, and acceptable methods of payment are determined by each reseller partner. Our resellers often work directly with government entities and are familiar with the unique requirements of public sector procurement. This experience allows them to offer flexible payment options that align with standard government purchasing methods, including credit cards, p-cards, and other forms of payment.

Any associated fees, such as those for credit card or p-card transactions, are also managed by the reseller partner, and customers are encouraged to discuss these details directly with them to ensure alignment with their financial processes. This approach allows our partners to provide tailored solutions, aligning with the procurement and payment requirements of various public sector customers.

38. Describe Offeror's contract implementation/customer transition plan.

Verkada's plan focuses on streamlining government access to our products via the Master Agreement. We plan to maintain regular contact with Region 4 and OMNIA Partners to drive adoption and continually refine the process.

Internally, Verkada will conduct training sessions covering the Master Agreement's scope, eligible agencies, and procurement benefits. Sales, support teams, and reseller partner teams will gain working knowledge of the solicitation process within the sales motion and cooperative contract advantages. Materials such as customer guides, FAQs, and outreach templates will be created to support consistent and accurate communication.

Externally, in cadence with marketing efforts, Verkada will proactively reach out to public sector customers, educating them on how the contract streamlines their procurement process and reduces administrative burdens. Existing customers on alternative procurement paths will be guided toward using the Master Agreement.

39. Describe the financial condition of Offeror.

Verkada continues to expand and remains financially secure, detailed financial information is not publicly available due to our privately owned status. Should Region 4 need detailed financial information, we can provide this upon request.

Verkada recently closed a Series D fundraising round in October 2023, securing \$305 million in capital. This round included contributions from Alkeon Capital and Lightspeed Venture Partners, with the funds aimed at supporting Verkada's expansion plans, developing new products, and enhancing its existing offerings. This successful fundraising highlights Verkada's solid financial position and ongoing growth.

40. Provide a website link in order to review website ease of use, availability, and capabilities related to ordering, returns and reporting. Describe the website's capabilities and functionality. You can access Verkada's website at www.verkada.com. The site is designed with users in mind, offering intuitive navigation and a responsive, mobile optimized interface for a seamless experience across both desktop and mobile devices. Key functions like ordering, returns, and quotes are detailed below, but the overall website also offers a wealth of information on our products, solutions, customers, resources, and partners.

For ordering, customers can visit the Quote page at www.verkada.com/quote, where they can request product quotes.. For returns, the returns portal at returns.verkada.com/app/home provides clear instructions on how to initiate and manage return requests.

Reporting will be handled by our contract team, and customers can reach out directly to orders@verkada.com or govcontracts@verkada.com for assistance with order histories and tracking information.

41. Describe the Offeror's safety record.

Verkada does not provide direct installations and, therefore, does not maintain an on site safety record. However, our vetted contract reseller partners can provide their safety records upon request. We ensure that all installation partners are committed to adhering to the highest safety standards relevant local, state, and federal regulations. Additionally, our reseller partners have the opportunity to become Verkada Certified Engineers, ensuring they have the expertise to perform safe and effective installations.

42. Provide a brief history of the Offeror, including the year it was established and corporate office location.

Verkada was founded in 2016 by Filip Kaliszan and co-founders James Ren, Benjamin Bercovitz, and Hans Robertson. The company is headquartered in San Mateo, California, with additional offices in Texas, Utah, Florida, Arizona, Pennsylvania, and New York. Internationally, Verkada operates in the United Kingdom, Poland, Mexico, Australia, Taiwan, Japan, South Korea, and Singapore. Today, Verkada is a leading physical security platform, providing integrated cloud based solutions such as video security cameras, access control, environmental sensors, alarms, visitor management, and mailroom management. Verkada recently secured \$305M in Series D funding, bringing its valuation to \$3.2B double its valuation from two years ago. Despite a challenging market, Verkada's strong growth and investor confidence demonstrate the company's ongoing success and expansion. Verkada protects over 20,000 organizations worldwide, modernizing physical security with scalable, easy to manage solutions.

43. Describe Offeror's reputation in the marketplace.

At Verkada, we've earned a strong reputation in the marketplace for our innovative cloud-based physical security solutions. We stand out for our ease of use, seamless integration, and reliable performance. Customers, including those in education and public safety, praise our ability to simplify security management through our intuitive platform, providing actionable insights and real-time monitoring across various devices.

We've earned multiple awards for our innovation and design excellence, including the Red Dot Design Award for several product lines and the iF Design Award for our access control products. We've also received recognition such as Security Today's 2024 New Product of the Year in AI and the AI Excellence Award 2024. Verkada was named one of Selling Power's 60 Best Companies to Sell for in 2024 and recognized as one of the Best Places to Work in the Bay Area and Built In's 2023 Best Places to Work across five categories.

www.verkada.com/newsroom/awards/

44. Describe Offeror's reputation of products and services in the marketplace.

At Verkada, we're highly regarded for our innovative approach to building management, offering cloud-based solutions that seamlessly integrate with modern technology. Known for our user-friendly interface, we make security management easy and accessible, even for those with minimal technical expertise. Our use of cutting edge AI and machine learning enhances video surveillance with smart analytics like motion detection and person recognition, setting us apart as a leader in innovation. These devices continuously receive

updates and improvements without the need for new hardware, ensuring our customers always have access to the latest features. Our systems are praised for their scalability, allowing businesses of all sizes to effortlessly expand and manage their security needs. We deliver a forward-thinking solution that prioritizes user experience and security, making Verkada a standout in the industry.

45. Describe if distributors/dealers/resellers/subsidiaries/partners ("affiliates") will be used to fulfill the contract. Submit a list of those affiliates authorized to sell under the proposed contract. Where and how does Offeror propose to maintain an authorized affiliate list so it may be accessed by Participating Agencies? How often does the supplier propose to update the affiliate list?

Verkada operates through a channel distribution model, exclusively working with a network of authorized resellers and partners. To ensure transparency and access, we maintain a dynamic list of all our authorized resellers on our website at <https://www.verkada.com/find-partners/>

[REDACTED]

[REDACTED]

At Verkada, we recognize that government agencies have unique needs. To ensure our products are delivered with the highest level of quality and support, we'll maintain an OMNIA specific list of authorized resellers. This list will include partners who meet our strict standards for performance, reliability, and service. This OMNIA-specific list of authorized resellers will be included as an attachment on our OMNIA award landing page for easy reference. We will update the list as needed to ensure that customers can work with their preferred resellers,

while also ensuring they are receiving top quality service. We commit to updating the list on a quarterly basis at minimum, but expect a more frequent cadence to meet customer needs. We look forward to discussing these points further to ensure alignment. Based on this, we will provide our finalized list of authorized resellers upon award.

46. Describe the experience and qualifications of key employees.

Kayla Medina – Kayla has led government contract efforts at Verkada since 2021. With prior experience as a Contract Analyst for the State of Utah, Kayla possesses a deep understanding of public procurement and a strategic approach to maximizing contract opportunities for business growth.

Phuong Tran – Phuong Tran has been at Verkada since 2020. She leads centralized Sales Strategy and Operations at Verkada, overseeing strategies, policies and processes that impact the performance of the overall go to market function. She holds an MBA from the Stanford Graduate School of Business.

Mimi Yu – Mimi has been with Verkada since 2020, bringing a strong expertise in CRM tools, compliance, data management, and auditing. Mimi manages contract training, deal management, reporting, and system implementation, ensuring smooth operations and effective processes across these areas.

Executive Support: Anthony Cavallio – VP of Enterprise Sales and Caleb Augustin – Director of Global Channel

47. Describe Offeror's experience working with the government sector.

Verkada has extensive experience delivering innovative security solutions to government agencies, which have been a foundational part of our business since 2016. Our solutions have been successfully implemented across a broad range of sectors, including education, law enforcement, municipalities, county, federal, and state organizations.

Today, our solutions are trusted by over 2,000 public administration clients and safeguard the over 10 million elementary school students and 3 million college and university students, ensuring secure environments for learning and public service.

[REDACTED]

48. Describe past litigation, bankruptcy, reorganization, state investigations of entity or current officers and directors.

Verkada is not subject to any final litigation or investigations that would materially impact the delivery of our products. Should Region 4 require further details, we can provide them upon request.

49. Provide Offeror's expertise in working with the public sector and understanding of the unique technical regulatory requirements.

Our solutions have undergone rigorous security assessments to meet FedRAMP Ready at the Moderate impact level, FIPS 140-2 validation, and are fully compliant with TAA and FY 2019 NDAA requirements.

For our government customers with unique security and compliance needs, Verkada offers government-grade solutions designed to meet the highest standards of protection. This includes the option of hosting the Verkada Command platform in AWS GovCloud, which supports our FIPS-validated models and provides an additional layer of security for sensitive government data.

50. Indicate if Offeror is licensed to do business in all 50 states.

Yes. While our various reseller partners are licensed to do business in all 50 states, [REDACTED]

[REDACTED]

51. Value Add - Provide any additional information related to products and services Offeror proposes to enhance and add value to the Contract.

Verkada and our reseller partner offer a comprehensive range of value added services designed to complement our solutions. These value added services are offered at the same pricing structure as our core products outlined in Attachment #1 Products and Pricing. By combining these specialized services with Verkada's advanced technologies, Verkada and our reseller partners can help maximize the return on investment for government clients while providing tailored, scalable solutions. Verkada provides several support and service SKUs included in our price list that can be customized based on the specific needs of our

customers. Other value added services include, but are not limited to: Deployment Project Management, Setup/Configuration/Training, and Software Engineering/API Build.

[REDACTED]

[REDACTED]

A detailed breakdown of our value added services can be found in Attachment #2 Valued Added Services.

52. Include a per diem rate.

\$309/Day

53. For Non-Normal Working Hours, indicate if there is a minimum charge of hours and what the number of hours is.

The minimum charge (if any) for non-normal working hours is at the discretion of our partners, as determined by their individual installation and maintenance agreements. These charges will not exceed rates as proposed in our pricing structure.

54. Is pricing available for all products and services?

Yes, please see Products & Pricing Attachment #1

55. Describe any shipping charges (where applicable).

Verkada applies a tiered flat rate shipping model for reseller partners, with charges structured by delivery timeline including ground, two day, and next day shipping. This tiered system

ensures freight costs are predictable and aligned with different delivery needs, making it easier for resellers to provide accurate shipping costs upfront.



[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

56. Provide pricing for warranties on all products and services.

Verkada does not impose any fees for warranties on our products and services.

57. Describe any return or restocking fees.

Verkada does not charge return or restocking fees.

58. Describe any additional discounts or rebates available. Additional discounts or rebates may be offered for large quantity orders, single ship to location, growth, annual spend, guaranteed quantity, etc.

While additional discounts and rebates are not guaranteed, they may be provided at the discretion of our reseller partners, particularly for large quantity orders, single shipment locations, or other qualifying conditions. As a manufacturer, we periodically extend discounts on select product lines being phased out or on surplus inventory. We encourage our customers to consult directly with their reseller for further details on eligibility and specific discount opportunities.

59. Describe how customers verify they are receiving Contract pricing.

Customers can verify OMNIA contract pricing on the OMNIA and or Verkada website, or conduct contract quote reviews with our contracts team at govcontracts@verkada.com.

As the sole manufacturer and supplier of its products, Verkada ensures that all purchases are made exclusively through authorized reseller partners who are required to adhere to master agreement pricing. Verkada products are not available for direct purchase, retail, or in-store locations, ensuring pricing compliance through authorized channels.

To further maintain pricing integrity, partners requesting authorization under this agreement will undergo a selection process based on agreed upon standards. Approved partners will be trained on contract ordering policies, agree to adhere to contract pricing terms, and be subject to monitoring and transaction audits by Verkada's sales and contract management teams.

60. Propose the frequency of updates to the Offeror's pricing structure. Describe any proposed indices to guide price adjustments. If offering a catalog contract with discounts by category, while changes in individual pricing may change, the category discounts should not change over the term of the Contract.

Verkada does not anticipate nor propose updates to our pricing structure throughout the duration of this contract. Should any extreme price adjustments be necessary due to significant industry changes, we will provide supporting data from reputable sources, such as the U.S. Bureau of Labor Statistics (<https://www.bls.gov/data/>).

Verkada maintains a comprehensive MSRP list which is regularly updated alongside any product pricing revisions. This full MSRP list is readily accessible for download on our website at <https://www.verkada.com/pricing/>. We encourage our partners and customers to refer to this resource for the most current pricing information, ensuring transparency.

Verkada's proposed contract price structure is an indefinite quantity blanket discount off MSRP. Verkada agrees that this set pricing discount will not change over time, and any additional hardware, software, or services will align with our price structure as outlined in Products and Pricing Attachment #1.

61. Describe how future product introductions will be priced and align with Contract pricing proposed.

Verkada is consistently looking to expand our product line and anticipate new product introductions during the term of this agreement. New SKUs on Verkada's price list will follow our set discount off MSRP as outlined in Products and Pricing Attachment 1.

62. Describe any diversity programs or partners supplier does business with and how Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program. If there are any diversity programs, provide a list of diversity alliances and a copy of their certifications. Verkada does not have a formalized reseller diversity program today. However, with our broad network of reseller partners, participating agencies have a wide variety of diverse partners they can select to align with their specific requirements.

Pricing remains consistent regardless of the diversity program or partner selected, as pricing under the Master Agreement is standardized for all transactions.

To learn more about diversity at Verkada, we encourage you to review our 2024 Impact Report, available here: <https://docs.verkada.com/docs/2024-Impact-Report.pdf>.

63. Minority Women Business Enterprise Certification. If yes, list certifying agency. Verkada is not certified as an MWBE. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

64. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE) Certification. If yes, list certifying agency. Verkada is not certified as an SBE or DBE. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

65. Historically Underutilized Business (HUB) Certification. If yes, list certifying agency. Verkada is not certified as an HUB. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

66. Historically Underutilized Business Zone Enterprise (HUBZone) Certification. If yes, list certifying agency. Verkada is not certified as an HUBZone. However, if customers prefer to procure through this certification we can provide several partners with this certification upon request.

67. Other recognized diversity certificate holder. If yes, list certifying agency
N/A

68. Describe how Supplier will transition any existing Public Agency customers' accounts to the Master Agreement available nationally through OMNIA Partners. Include a list of current cooperative contracts (regional and national) Offeror holds and describe how the Master Agreement will be positioned among the other cooperative agreements.

OMNIA and Region 4 will be established as our primary contract for public agencies nationwide upon award.

[REDACTED]

[REDACTED]

[REDACTED]

69 Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners logo will require permission for reproduction, as well.

Yes

70. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners. All sales materials are to use the OMNIA Partners logo. At a minimum, the Offeror's sales initiatives should communicate:

- Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency
- Best government pricing
- No cost to participate
- Non-exclusive

Yes

71. Confirm Offeror will train its national sales force on the Master Agreement. At a minimum, sales training should include:

- Key features of Master Agreement
- Working knowledge of the solicitation process
- Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners
- Knowledge of benefits of the use of cooperative contracts

Yes

72. Provide the name, title, email and phone number for the person(s), who will be responsible for:

Executive Support: Phuong Tran, Director, Sales Strategy & Operations,

[REDACTED] & Tony Cavallio, VP of Enterprise Sales (Public Sector) [REDACTED] Caleb Augustin, Director of Global Channel, [REDACTED]

Marketing: Federico Mobilia, Growth Manager, [REDACTED]

Sales: Anthony Cavallio, VP of Enterprise Sales, [REDACTED]

Sales Support: Kayla Medina & Mimi Yu, Government Contracts Team, govcontracts@verkada.com, 801-793-2634 & John Rowe, Sales Enablement Manager, [REDACTED]

Financial Reporting: Mimi Yu, Sales Strategy & Operations Sr. Specialist, [REDACTED]
[REDACTED] & Rimsha Ahmed, Sr Accounts Receivable Specialist,
[REDACTED]

Accounts Payable: Kevin Marcotte, Manager FinOps & Revenue, [REDACTED]
[REDACTED]

Contracts: Kayla Medina, Program Manager Government Contracts,
kayla.medina@verkada.com, 801-793-2634

73. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team.

At Verkada, we follow a fairly traditional sales structure with some modern adaptations. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

74. Explain in detail how the sales teams will work with the OMNIA Partners team to implement, grow and service the national program.

Our sales teams will work closely utilizing OMNIA resources and tools to ensure the successful implementation, growth, and servicing of the national program. The process will start with onboarding and training, so our sales teams and reseller partners fully understand how OMNIA Partners' program fits with Verkada's products and services. Our sales teams will be trained on OMNIA Partners as the default public sector buying vehicle

In addition to internal efforts, if awarded, Verkada seeks to host an OMNIA representative for a dedicated sales training session with our team and a separate dedicated reseller sales training. This training will provide valuable insights into optimizing our sales strategies and leveraging OMNIA procurement solutions.

Ongoing communication will be a key component of our partnership. Our teams will regularly touch base to ensure we're aligned on program updates, customer feedback, and any shifts in market needs. Together, we will develop joint sales strategies tailored to the national program, which will include collaborative marketing efforts, outreach, and lead generation initiatives..

In addition to the above, we are open to exploring any other methods or support that can further enhance our team's ability to effectively navigate the OMNIA partnership and drive success with this cooperative contract. We are eager to collaborate on this opportunity to strengthen our collective capabilities.

75. Explain in detail how Offeror will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc.

Our approach to managing this master agreement is driven by strong internal alignment across key functions. This collaborative approach brings together our demand generation, sales, sales strategy, sales enablement, legal, orders, channel, finance, deal desk, and other stakeholders enabling us to respond quickly and effectively to the needs of participating agencies. We view this opportunity with OMNIA/Region 4 as the potential for a strong partnership, built on collaboration and shared goals.

At Verkada, we have a dedicated government contract team solely focused on training, compliance, and support of our government cooperative contracts. This team provides

tailored training programs for internal teams and reseller partners to navigate government procurement processes effectively. We are readily available to address any questions related to cooperative contracts, ensuring all stakeholders have the support needed for successful program implementation.

Throughout the program, we will monitor performance through regular audits, reporting, and feedback loops, ensuring smooth operations and identifying areas for improvement. This ongoing coordination allows us to make adjustments as necessary and continuously deliver the best experience for customers and reseller partners.

76. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.

Please note that the amounts below reflect the total purchases from the reseller partner to Verkada. [REDACTED]



You can learn more about our customers and various use cases at <https://www.verkada.com/customers/>

77. Year 1 – Provide the Contract Sales (as defined in Section 12 of OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement ("Guaranteed Contract Sales"). To the extent Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

While we do not guarantee any number of sales through our contract, based on conservative estimates, we expect to see up to [REDACTED] during Year 1. This projection accounts for the extended government sales cycle and the time required to introduce the new award.

78. Year 2 – Provide the Contract Sales (as defined in Section 12 of OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement. To the extent Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

While we do not guarantee any number of sales through our contract, based on conservative estimates, we expect to see [REDACTED] during Year 2.

79. Year 3 – Provide the Contract Sales (as defined in Section 12 of OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement

To the extent the Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

While we do not guarantee any number of sales through our contract, based on conservative estimates, we expect to see [REDACTED] during Year 3.

80. Please download and thoroughly review the Scope of Work, located on the Attachments Tab. Indicate your review and acceptance.

Yes

81. Oral Communications concerning this RFP shall not be binding and shall in no way excuse an Offeror of the obligations set forth in this proposal.

Yes

82. Please download and thoroughly review the Terms and Conditions, located on the Attachments Tab. Indicate your review and acceptance.

Yes

83. Products/Pricing – Upload on Response Attachments Tab

Attached

84. Not to Exceed Pricing

Region 4 ESC requests pricing be submitted as not to exceed pricing. Unlike fixed pricing, the Contractor can adjust submitted pricing lower if needed but, cannot exceed original pricing submitted. Contractor must allow for lower pricing to be available for similar product and service purchases. Cost plus pricing as a primary pricing structure is not acceptable.

Verkada agrees with Region 4 ESC not to exceed pricing requirements. We confirm that all our cooperative government contract pricing structures today align with this approach, allowing for pricing adjustments downward when needed while ensuring the original submitted price remains the maximum.

Confirmed and agreed. Verkada's proposed contract pricing is structured as an indefinite quantity blanket discount off MSRP.

85. Provide the number, size and location of Supplier's distribution facilities, warehouses and retail network as applicable.

Verkada partners with several distribution facilities to handle both national and international deliveries. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]. More details can be provided upon request.

86. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide, to include, but not limited to:

i. Executive leadership endorsement and sponsorship of the award as the public sector go-to-market strategy within first 10 days

ii. Training and education of Supplier's national sales force with participation from the Supplier's executive leadership, along with the OMNIA Partners team within the first 90 days.

The first 30 days will focus on internal alignment and training. Verkada will distribute an internal announcement, introducing the Master Agreement as our primary cooperative contract. Live training sessions will be conducted for all government sales teams nationwide, with participation from executive leadership and OMNIA partners to ensure the strategic importance is communicated across the organization. In parallel, we will develop and distribute internal training materials, including FAQs, competitive positioning documents, and sales enablement guides, to ensure our teams are fully equipped to drive success.

In the next 30 days, we will conduct follow-up sessions and Q&A to address any questions from the field and share early success stories. Internal benchmarks will be established, and we will refine our reporting processes to track contract adoption and measure performance. Additionally, reseller partner training materials, including FAQs, competitive positioning, and ordering/compliance guides, will be developed and distributed to ensure our partners are aligned with the new go-to-market strategy.

By day 90, Verkada will conduct targeted regional and segment-specific training sessions to address any unique needs or opportunities. We will gather feedback through surveys and discussion groups with sales reps, evaluating the effectiveness of the training, resources, and

reseller engagement. Internal alignment will be strengthened to ensure deliverables and processes are optimized and any areas for improvement are addressed.

As the Master Agreement becomes fully integrated into our public go to market strategy, Verkada will maintain ongoing training with sales teams, emphasizing best practices, wins, and continued executive leadership support. Resources will be continually allocated for training and support, and we will monitor feedback from reseller partners and the competitive landscape to adjust our approach as needed. We expect strong alignment with OMNIA throughout this process to ensure a successful implementation.

GTM Overview

- | | |
|-------------------|---|
| Days 1-30 | <ul style="list-style-type: none">-Distribute an internal announcement introducing the agreement as our primary cooperative contract.-Conduct live training sessions for all government sales teams nationwide with executive leadership.-Develop and distribute internal training materials, including FAQs, competitive positioning, and sales enablement guides. |
| Days 30-60 | <ul style="list-style-type: none">- Schedule follow up and Q&A sessions to address field questions and early success stories.-Establish internal benchmarks and refine reporting processes with our division to track contract adoption.-Develop and distribute reseller partner training materials, including FAQs, competitive positioning, ordering/compliance guides. |
| Days 60-90 | <ul style="list-style-type: none">- Conduct targeted training for sales teams by region and segment.-Facilitate surveys and discussion groups with sales reps to gather feedback on training, resources, and reseller engagement.- Align with internal stakeholders on deliverables, processes, and areas for improvement. |

- Ongoing
- Maintain regular training with sales teams emphasizing best practices, wins, and leadership support.
 - Continue to allocate resources for training and support.
 - Monitor contract feedback and competitive landscape from reseller partners.

87. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award.

Upon award of the OMNIA Master Agreement, Verkada will execute a robust marketing and communication strategy across public-facing, digital, and internal channels to drive early awareness and participation from both existing and prospective public agency customers. Within the first 10 days, we will work with OMNIA to develop co-branded materials, including a press release and social media collateral, to announce the award across our public channels. This press release will be distributed to relevant trade publications, and additional promotional materials will be shared with OMNIA to help amplify the news through their networks. Verkada will also propose joint opportunities to further raise the profile of our partnership, such as pitching to targeted trade media and exploring other collaborative PR engagements.

Within the first 30 days, Verkada will publish Master Agreement details and contact information on a dedicated webpage, including links to key documents, product summaries, pricing, and OMNIA's registration page. A toll-free number and dedicated email address will be available to ensure easy access for potential agency customers. In parallel, we'll initiate email campaigns targeting current customers and partners, sharing co-branded marketing collateral to introduce them to the OMNIA Master Agreement's benefits.

In the next 30 days, Verkada will expand this outreach through co-branded digital campaigns, including social media and email, to engage prospective customers and partners who may not yet be familiar with the agreement. Additionally, Verkada will organize and host three webinars tailored to different segments: one for our current customers and partners, one for OMNIA Partners' Participating Public Agencies, and one for potential customers outside the agreement, to provide a comprehensive overview of the new contract and its offerings.

By day 90, Verkada will launch a national and regional advertising campaign in trade publications, with co-branded materials emphasizing the partnership's benefits. Verkada will also attend and actively participate in key industry events, such as the NIGP Annual Forum, in

coordination with OMNIA Partners, to continue promoting the agreement directly to relevant agencies. Throughout the term of the Master Agreement, Verkada will sustain ongoing marketing through case studies, targeted promotions, and a steady presence at trade shows, events, and in industry publications, continually adapting our resources and communication to support the partnership's growth and reach.

Verkada views this as a long-term strategic partnership and is committed to providing ongoing support and maintenance to maximize the agreement's impact. We will allocate dedicated resources from our creative, demand generation, and contract management teams to ensure continuous promotion, alignment, and responsiveness to OMNIA's needs. Periodic reviews with OMNIA will help us evaluate engagement, share insights, and adapt strategies to strengthen our joint approach, ensuring the OMNIA Master Agreement remains impactful and relevant across changing public sector landscapes.

Marketing GTM Overview

- | | |
|-----------|---|
| Days 1-30 | <ul style="list-style-type: none"> - Develop and distribute co-branded press releases and social media content. - Publish Master Agreement details on Verkada's website with contact info. - Launch internal announcements and training sessions. - Provide internal contract guides and resources for sales teams. - Start email campaigns introducing the agreement to current customers and partners. |
|-----------|---|

- | | |
|------------|--|
| Days 30-60 | <ul style="list-style-type: none"> - Run co-branded marketing campaigns on social media, email, and direct mail targeting prospective customers. - Host webinar targeting existing Verkada customers, OMNIA agencies, and prospective customers. |
|------------|--|

- | | |
|------------|--|
| Days 60-90 | <ul style="list-style-type: none"> - Launch advertising in national and regional trade publications. - Publish additional marketing collateral, such as case studies and event promotions. |
|------------|--|

- Ongoing**
- Conduct regular reviews with OMNIA to gather feedback and adjust strategy as needed.
 - Attend and participate in industry events, including the NIGP Annual Forum, in partnership with OMNIA.
 - Maintain continuous marketing support through targeted campaigns.
 - Dedicate resources to optimize and adapt promotional activities to ensure sustained impact and growth of the partnership.

88. GENERAL TERMS AND CONDITIONS

Respondent agrees to comply with the Contract and General Terms and Conditions provided as an attachment to this online bid event. Any deviations to the Contract and General Terms and Conditions may be provided using the procedures set forth in the attribute pertaining to deviations.

[I certify compliance with this attribute](#)

89. DEVIATIONS TO TERMS AND CONDITIONS

Any Deviation from the RFP documents, including the General Terms and Conditions, Notice to Offeror, or any other document presented with terms for consideration by the proposer MUST be documented and presented on the Deviation Form and attached to this electronic bid event via an electronic upload to the "Response Attachments" tab. In addition to indicating the requested deviations on the form, additional pages may be provided to more thoroughly explain each deviation listed on the Deviation Form.

[I certify compliance with this attribute](#)

90. FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1 Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into an agreement with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate the agreement with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a), or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract".

Subsection (c) states "this section does not apply to a publicly held corporation".

Use the list of values associated with this item to identify your status as it relates to this legal requirement.

[Person/owner IS NOT a convicted felon](#)

91. NAME OF FELON AND NATURE OF FELONY, IF APPLICABLE

If the response to the previous attribute was "Felon - person/owner IS a convicted felon", the vendor shall give the name of the felon and details of conviction.

[N/A](#)

92. CRIMINAL HISTORY RECORDS REVIEW OF CERTAIN CONTRACT EMPLOYEES

Texas Education Code Chapter §22.0834 requires that criminal history records be obtained regarding covered employees of entities that contract with a school entity in Texas to provide services for that school entity ("Contractors") and entities that contract with school entity contractors ("Subcontractors"). Covered employees with disqualifying criminal histories are prohibited from serving at a school entity. Contractors/Subcontractors contracting with a school entity shall (1) maintain compliance with the requirements of Texas Education Code Chapter 22 to the school entity; and (2) require that each of their subcontractors complies with the requirements of Texas Education Code Chapter 22. Contractors performing work at a school entity in Texas must comply with these statutes.

Compliance includes providing or causing employees and sub-contractor employees to provide requested information and fingerprinting upon request.

Covered employees: Employees of a Contractor/Subcontractor who have or will have continuing duties related to the service to be performed at a school entity and have or will have direct contact with students. The school entity will be the final arbiter of what constitutes continuing duties and direct contact with students at their school.

[I certify compliance with this attribute.](#)

[Per Exhibit B adjustment in executed agreement requested to reflect reseller partner involvement with on site installation.](#)

93. HISTORICALLY UNDERUTILIZED BUSINESS (HUB) CERTIFICATION

Businesses that have been certified by the Texas Building and Procurement Commission (TBPC) or other qualified agency as Historically Underutilized Business (HUB) entities are encouraged to indicate their HUB status when responding to this proposal invitation. The electronic catalogs will indicate HUB certifications for vendors that properly indicate and document their HUB certification on this form.

[My business has NOT been certified as HUB.](#)

94. DISCLOSURE OF INTERESTED PARTIES

Texas state law requires the Disclosure of Interested Parties be filed with a public entity, including regional service centers and school districts, for any contract which:

- (1) requires an action or vote by the governing body; or
- (2) has a value of \$1 million or more; or
- (3) for any services provided that would require an individual to register as a lobbyist under TX Gov't Code Chapter 305.

NOTE: This form is not required if the vendor is a publicly-traded business entity, including a wholly-owned subsidiary of the business entity (a company in which ownership is dispersed among the general public via shares of stock which are traded via at least one stock exchange or over-the-counter market).

If you are required by law to submit this form, it must be completed online at the Texas Ethics Commission website. Obtain a numbered certificate and click the link below to access the instructions and to complete this required form. Upon completion, vendors required to submit the form must attach it to the proposal via the "Response Attachments" Tab.

[Click here to complete the form on the Texas Ethic Commission's 1295 Form webpage.](#)

Please note: The District must verify receipt of all required 1295 forms received within 30 days on the Texas Ethics Commission website. This verification does not indicate a contract award. Contract awards will be issued via direct communication from the AISD Purchasing Department. A contract requiring a Disclosure of Interested Parties form is voidable at any time if:

- (1) the governmental entity or state agency submits to the business entity written notice of the business entity's failure to provide the required disclosure; and

(2) the business entity fails to submit to the governmental entity or state agency the required disclosure on or before the 10th business day after the date the business entity receives the written notice.

IF UNDER LAW YOU ARE EXEMPT FROM SUBMITTING THIS 1295 FORM, PROPOSERS MUST SUBMIT A DOCUMENT THAT SHOWS PROOF OR PROVIDES EXPLANATION OF THIS EXEMPTION.

THE FOLLOWING CONTRACTS ARE EXEMPT FROM THE REQUIREMENTS OF TEXAS DISCLOSURE OF INTERESTED PARTIES LAWS:

- a sponsored research contract of an institution of higher education;
- an interagency contract of a state agency or an institution of higher education;
- a contract related to health and human services if:
 - the value of the contract cannot be determined at the time the contract is executed; and
 - any qualified vendor is eligible for the contract;
- a contract with a publicly traded business entity, including a wholly owned subsidiary of the business entity;
- a contract with an electric utility, as that term is defined by Section 31.002, Utilities Code; or
- a contract with a gas utility, as that term is defined by Section 121.001, Utilities Code.

[I certify compliance with this attribute.](#)

95. CONFLICT OF INTEREST QUESTIONNAIRE

Region 4 Education Service Center (Region 4) is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. House Bill 23 significantly changed Chapter 176 as well as the required disclosures and the corresponding forms. As of September 1, 2015, any vendor who does business with Region 4 or who seeks to do business with Region 4 must fill out the new Conflict of Interest Questionnaire (CIQ) if a conflict of interest exists. A conflict of interest exists in the following situations:

- 1) If the vendor has an employment or other business relationship with a local government officer of Region 4 or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
- 2) If the vendor has given a local government officer of Region 4, or a family member of the officer, one or more gifts with the aggregate value of \$100, excluding any gift accepted by the

officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or

3) If the vendor has a family relationship with a local government officer of Region 4.

“Vendor” means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. Texas Local Government Code 176.001(7).

“Business relationship” means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on: (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity; (B) a transaction conducted at a price and subject to terms available to the public; or (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency. Texas Local Government Code 176.001(3).

“Family relationship” means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code. Texas Local Government Code 176.001(2-a).

“Local government officer” means: (A) a member of the governing body of a local governmental entity; (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. Texas Local Government Code 176.001(4).

Individuals serving as a Member of the Board of Directors, the Executive Director, Cabinet Members, and other local government officers may be found at:

<https://www.esc4.net/about/about-region-4>.

For additional information on Conflict of Interest Questionnaire, and the statutes that mandate it, please visit the following links:

Texas Local Government Code, Section 176

Texas House Bill 23

A blank Conflict of Interest Questionnaire is available by clicking:

<https://www.ethics.state.tx.us/data/forms/conflict/CIQ.pdf>.

If your firm is required to return a completed Conflict of Interest Questionnaire with your proposal submission, use the "Response Attachments" Tab to upload the completed document.

[I certify compliance with this attribute.](#)

96. ENTITIES THAT BOYCOTT ISRAEL Pursuant to Chapter 2271 of the Texas Government Code, the Respondent hereby certifies and verifies that neither the Respondent , nor any affiliate, subsidiary, or parent company of the Respondent , if any (the "Respondent Companies"), boycotts Israel, and the Respondent agrees that the Respondent and Respondent Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

EXCEPTIONS: Clause only applies to contracts and contractors that meet the following criteria:

(i) Respondent is not a sole proprietorship; (ii) with 10 or more full-time employees; and (iii) with a contract to be paid a value of \$100,000 or more wholly or partially from public funds of the governmental entity.

[I certify compliance with this attribute.](#)

97. FOREIGN TERRORIST ORGANIZATIONS

Section 2252.152 of the Texas Government Code prohibits Region 4 ESC from awarding a contract to any person who does business with Iran, Sudan, or a foreign terrorist organization as defined in Section 2252.151 of the Texas Government Code. Respondent certifies that it not ineligible to receive the contract.

[I certify compliance with this attribute.](#)

98. FIREARMS ENTITIES AND TRADE ASSOCIATIONS DISCRIMINATION

Respondent verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Respondent shall promptly notify Region 4 ESC.

APPLICABILITY: This clause applies only to a contract that: (1) is between a governmental entity and a company with at least 10 full-time employees; and (2) has a value of at least \$100,000 that is paid wholly or partly from public funds of the governmental entity.

EXCEPTIONS: This clause is not required when a state Agency: (1) contracts with a sole-source provider; or (2) does not receive any bids from a company that is able to provide the written verification required by Section 2274.002(b) of the Texas Government Code.

[I certify compliance with this attribute.](#)

99. ENERGY COMPANY BOYCOTT PROHIBITED

Respondent represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Respondent shall promptly notify Region 4 ESC.

EXCEPTIONS: Clause only applies to contracts and contractors that meet the following criteria: (i) a "company" within the definitions of Section 2274.001(2) of the Tex. Gov't Code; (ii) with 10 or more full-time employees; and (iii) with a contract to be paid a value of \$100,000 or more wholly or partially from public funds of the governmental entity.

[I certify compliance with this attribute.](#)

100. CRITICAL INFRASTRUCTURE AFFIRMATION

Pursuant to Government Code Section 2274.0102, Respondent certifies that neither it nor its parent company, nor any affiliate of Respondent or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.

EXCEPTION: Clause only applies to solicitations and contracts in which the contractor would be granted direct or remote access to or control of critical infrastructure, as defined by Section 2274.0101 of the Texas Government Code, in this state, other than access specifically allowed for product warranty and support purposes.

The Governor of the State of Texas may designate countries as a threat to critical infrastructure under Section 2274.0103 of the Texas Government Code. Agencies should promptly add any country that is designated by the Governor to this clause.”

[I certify compliance with this attribute.](#)

101. OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

[OPTION B: We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act and these requested exemptions are uploaded into the "Response Attachments" Tab located in this online bidding event. Information is included as attachment.](#)

102. CONSENT TO RELEASE PROPOSAL TABULATION

Notwithstanding anything explicitly and properly declared as Confidential or Proprietary Information to the contrary, by submitting a Proposal, Vendor consents and agrees that, upon Contract award, the District may publicly release, including posting on the public Region 4 ESC and/or OMNIA Partners website(s), a copy of the proposal tabulation for the Contract including Vendor name; proposed catalog/pricelist name(s); proposed percentage discount(s), unit price(s), hourly labor rate(s), or other specified pricing; and Vendor award notice information.

[I certify compliance with this attribute.](#)

103. CONTRACTING INFORMATION

If Vendor is not a governmental body and

- (a) this Agreement has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by REGION 4 ESC; or
- (b) this Agreement results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by REGION 4 ESC in a fiscal year of REGION 4 ESC, the following certification shall apply; otherwise, this certification is not required.

As required by Tex. Gov't Code § 552.374(b), the following statement is included in the RFP and the Agreement (unless the Agreement is

- (1) related to the purchase or underwriting of a public security;
- (2) is or may be used as collateral on a loan; or
- (3) proceeds from which are used to pay debt service of a public security of loan):

"The requirements of Subchapter J, Chapter 552, Government Code, may apply to this RFP and Agreement and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter."

Pursuant to Subchapter J, Chapter 552, Texas Government Code, the Vendor hereby certifies and agrees to

- (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to REGION 4 ESC for the duration of the Agreement;
- (2) promptly provide to REGION 4 ESC any contracting information related to the Agreement that is in the custody or possession of the Vendor on request of REGION 4 ESC; and
- (3) on completion of the Agreement, either
 - (a) provide at no cost to AISD all contracting information related to the Agreement that is in the custody or possession of Vendor, or

(b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to REGION 4 ESC.

[I certify compliance with this attribute.](#)

104. ANTI-TRUST CERTIFICATION STATEMENT

Vendor affirms under penalty of perjury of the laws of the State of Texas that:

- (1) I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
- (2) In connection with this bid, neither I nor any representative of the Company have violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
- (3) In connection with this bid, neither I nor any representative of the Company have violated any federal antitrust law; and
- (4) Neither I nor any representative of the Company have directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

[I certify compliance with this attribute.](#)

105. FEDERAL RULE (A) – CONTRACT TERM VIOLATIONS

(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000 (2 CFR §200.320), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by Region 4 ESC, Region 4 ESC reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

[To the extent mandatory by law and applicable to the agreement between Verkada and the Participating Entity, we comply.](#)

106. FEDERAL RULE (B) – TERMINATION CONDITIONS

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by REGION 4 ESC, REGION 4 ESC reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation; (4) to the greatest extent authorized by law, if an award no longer effectuates the program goals or priorities of the Federal awarding agency or REGION 4 ESC. REGION 4 ESC also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if REGION 4 ESC believes, in its sole discretion that it is in the best interest of REGION 4 ESC to do so. The vendor will be compensated for work performed and accepted and goods accepted by REGION 4 ESC as of the termination date if the contract is terminated for convenience of REGION 4 ESC. Any award under this procurement process is not exclusive and REGION 4 ESC reserves the right to purchase goods and services from other vendors when it is in the best interest of REGION 4 ESC.

[To the extent mandatory by law and applicable to the agreement between Verkada and the Participating Entity, we comply.](#)

107. FEDERAL RULE (C) – EQUAL EMPLOYMENT OPPORTUNITY

(C) Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

It is the policy of REGION 4 ESC not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or disabling conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of

employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Pursuant to Federal Rule (C) and the requirements stated above, when federal funds are expended by REGION 4 ESC on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

[Not applicable as this is not a construction contract.](#)

108. FEDERAL RULE (D) – DAVIS BACON ACT/COPELAND ACT

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146- 3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by REGION4 ESC, during the term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

[Not applicable as this is a construction contract.](#)

109. FEDERAL RULE (E) – CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(E) (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

[Not applicable as this is a construction contract.](#)

110. FEDERAL RULE (F) – RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

(F) If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Not applicable as Verkada is providing off the shelf hardware and SaaS only.

III. FEDERAL RULE (G) – CLEAN AIR ACT/FEDERAL WATER POLLUTION CONTROL ACT

(G) The Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251- 1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When federal funds are expended by REGION 4 ESC for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

When federal funds are expended by REGION 4 ESC for any contract resulting from this procurement process in excess of \$100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Pursuant to Federal Rule (G) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Not applicable as Verkada is providing off the shelf hardware and SaaS only.

112. FEDERAL RULE (H) – DEBARMENT AND SUSPENSION

(H) (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Vendor shall immediately provide written notice to REGION 4 ESC if at any time the vendor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. REGION 4 ESC may rely upon a certification of a vendor that the vendor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless REGION 4 ESC knows the certification is erroneous.

[I certify compliance with this attribute.](#)

113. FEDERAL RULE (I) – BYRD ANTI-LOBBYING AMENDMENT

(I) (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term and after the awarded term of an award for all contracts by REGION 4 ESC resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certificate is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

[I certify compliance with this attribute.](#)

114. FEDERAL RULE (J) – PROCUREMENT OF RECOVERED MATERIALS

(J) When federal funds are expended by REGION 4 ESC, REGION 4 ESC and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include: (1) procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Pursuant to Federal Rule (J) above, when federal funds are expended REGION 4 ESC, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements.

[Not applicable as Verkada is providing off the shelf hardware and SaaS only.](#)

115. FEDERAL RULE (K) – PROHIBITION ON CERTAIN TELECOM AND SURVEILLANCE SERVICE AND EQUIPMENT

(K) Region 4 ESC, as a non-federal entity, is prohibited from obligating or expending Federal financial assistance, to include loan or grant funds, to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain, equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. Covered telecommunications equipment is telecommunications equipment produced Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and physical security surveillance of critical infrastructure and other national security purposes, and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) for the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes detailed in 2 CFR § 200.216.

The Respondent certifies that it will not purchase equipment, services, or systems that use covered telecommunications, as defined herein, as a substantial or essential component of any system, or as critical technology as part of any system.

[I certify compliance with this attribute.](#)

116. FEDERAL RULE (L) – BUY AMERICAN PROVISIONS

(L) As appropriate and to the extent consistent with law, REGION 4 ESC has a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, including but not limited to iron, aluminum, steel, cement, and other manufactured products, when spending federal funds. Vendor agrees that the requirements of this section will be

included in all subawards including all contracts and purchase orders for work or products under this award, to the greatest extent practicable under a Federal award. Purchases that are made with non-federal funds or grants are excluded from the Buy American Act.

Vendor certifies that it is in compliance with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must still follow the applicable procurement rules calling for free and open competition.

"Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

[Most of Verkada's products and services are exempt because they are commercial electronics or information technology that is a commercial product.](#)

117. FEDERAL RULE – REQUIRED AFFIRMATIVE STEPS FOR SMALL, MINORITY, AND WOMEN-OWNED FIRMS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS

When federal funds are expended by REGION 4 ESC, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities on the project, including:

- 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
- 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

[I certify compliance with this attribute.](#)

118. FEDERAL RULE – FEDERAL RECORD RETENTION

When federal funds are expended by REGION 4 ESC for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR §200.334. The vendor further certifies that vendor will retain all records as required by 2 CFR §200.334 for a period of five (5) years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Vendor agrees that REGION 4 ESC, Inspector General, Department of Homeland Security, FEMA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor, and its successors, transferees, assignees, and subcontractors that are directly pertinent to the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents. Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Vendor agrees to provide the FEMA Administrator or his authorized representative access to construction or other work sites pertaining to the work being completed under the Contract.

[I certify compliance with this attribute.](#)

119. FEDERAL RULE – PROFIT NEGOTIATION

For purchases using Federal funds in excess of \$250,000, REGION 4 ESC may be required to negotiate profit as a separate element of the price. (See 2 CFR 200.324(b)).

When required by REGION 4 ESC, Vendor agrees to provide information relating to profitability of the given transaction and itemize the profit margin as a separate element of the price.

[I certify compliance with this attribute.](#)

120. FEDERAL RULE – SOLID WASTE DISPOSAL ACT

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of

the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceed \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. (78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014.)

Pursuant to this federal rule, when federal funds are expended by REGION 4 ESC, the vendor certifies that during the term of all contracts resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in this paragraph.

[Not applicable as Verkada is providing off the shelf hardware and SaaS only.](#)

121. APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to this procurement action shall be bound by the terms and conditions of this procurement action.

[I certify compliance with this attribute.](#)

122. COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When REGION 4 ESC expends federal funds for any contract resulting from this procurement process, Vendor certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

[I certify compliance with this attribute.](#)

123. INDEMNIFICATION

Acts or Omissions

Vendor shall indemnify and hold harmless Region 4, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract.

Infringements

a) Vendor shall indemnify and hold harmless Region 4 and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any

and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense; (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

Taxes/Workers' Compensation/Unemployment Insurance – Including Indemnity

a) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR REGION 4 SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

b) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, REGION 4 AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT, VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES.

[This has been addressed in Exhibit B and the Verkada Legal Cover Letter.](#)

124. EXCESS OBLIGATIONS PROHIBITED

Proposer understands that all obligations of Region 4 ESC under the contract are subject to the availability of state funds. If such funds are not appropriated or become unavailable, the contract may be terminated by Region 4 ESC.

[I certify compliance with this attribute.](#)

125. SUSPENSION AND DEBARMENT

Respondent certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the contract by any state or federal agency.

[I certify compliance with this attribute.](#)

126. CHANGE IN LAW AND COMPLIANCE WITH LAWS

Proposer shall comply with all laws, regulations, requirements and guidelines applicable to a vendor providing services and products required by the contract to the Region 4 ESC, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the contract. Region 4 ESC reserves the right, in its sole discretion, to unilaterally amend the contract prior to award and throughout the term of the contract to incorporate any modifications necessary for compliance with all applicable state and federal laws, regulations, requirements and guidelines.

[Verkada shall comply with all laws, regulations, requirements and guidelines applicable to the services and products required by the contract to the Region 4 ESC, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the contract, provided that the parties shall negotiate in good faith to mutually agreeable amendments to the contract throughout the term of the contract to incorporate any modifications necessary for compliance with all applicable state and federal laws, regulations, requirements and guidelines.](#)

Pricing Structure

Verkada's proposed contract price structure is an indefinite quantity blanket discount off MSRP. Verkada agrees that this set pricing discount will not change over time, and any additional hardware, software, or services will align with our price structure as outlined in Products and Pricing Attachment #1.

Verkada maintains a comprehensive MSRP list which is regularly updated alongside any product pricing revisions. This full MSRP list is readily accessible for download on our website at <https://www.verkada.com/pricing/>. We encourage our partners and customers to refer to this resource for the most current pricing information, ensuring transparency.

Hardware & Software

Category	Description/Equipment Type	Discount off MSRP
<u>Verkada Price List</u> https://www.verkada.com/pricing/	Cameras Connectivity Command Connector Access Control Air Quality Sensors Intercom Alarms Workplace	12%
Non-Verkada	Branded products with specific OEM discounting limitations including Apple, Epson, and Brother.	0%
PSV & SPT SKUs	Named Support Contact & Custom SKUs	0%

The discounts listed above represent the minimum off Verkada's list price. Actual discounts may be higher, depending on the size and scope of the transaction, at the discretion of our reseller partners.

Services

Category	Description	Pricing Not to Exceed (\$/hour)
Labor Rate/Hr	Install work performed in relation to Verkada products and services	\$200.00
Structured Cable	Install work performed (installation, maintenance, or repair) of structured cabling systems in relation to Verkada products and services	\$225.00

Configuration	Technical work performed including planning, designing, and customizing Verkada solutions	\$150.00
Per Diem	Daily allowance for lodging, meals, and incidental expenses	\$309
Value Add Services	See Attachment #2	See Attachment #2

The rates outlined above represent the maximum charge per hour nationwide based on pricing in the highest cost regions or states allowing room for prevailing wage requirements when applicable. Actual rates may vary, typically reflecting competitive local rates at the discretion of our reseller partners.

Freight/Shipping Charges

Verkada does not charge freight fees.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Other

Our proposed pricing structure ensures compliance with federal funding requirements by maintaining a consistent ceiling price. Cost plus a percentage of cost or pricing based on time and materials is not applicable in this proposed pricing structure. Reseller partners utilizing our agreement will be required to acknowledge and meet all federal funding requirements, as they directly transact with and receive payment from end customers.

Value Added Services

Verkada and our reseller partner offer a comprehensive range of value added services designed to complement our solutions. These value added services are offered at the same pricing structure as our core products outlined in Attachment #1 Products and Pricing. By combining these specialized services with Verkada's advanced technologies, Verkada and our reseller partners can help maximize the return on investment for government clients while providing tailored, scalable solutions.

Support/Services

The following support and service SKUs are included in our price list and can be customized based on the specific needs of our customers.

SKU	Description
PSV-CUSTOM	Verkada Professional Services
SPT-NSC-1Y	Verkada Named Support Contact (1 Year)
SPT-NSC-3Y	Verkada Named Support Contact (3 Years)
SPT-NSC-5Y	Verkada Named Support Contact (5 Years)
SPT-NSC-10Y	Verkada Named Support Contact (10 Years)

Deployment Project Management

Our Deployment Project Management service offers full scale project management, configuration, and training for large customers, including purchase orders and deployments. This includes weekly deployment coordination, partner and internal project management, setup and configuration through Verkada Command, project preparation with custom documentation, scheduled training sessions, partner review and onboarding, and global logistics coordination to ensure seamless deployment and integration.

Setup/Configuration/Training

Tailored configuration and training services are available for all customer types, providing specialized support for smaller scale deployments and ensuring a smooth implementation process.

Software Engineering/API Build

Custom software engineering services are available, including integrations with Helix, AC migration, and other software builds to address specific customer requirements.

Reseller Partner Value-Add

Our reseller partners provide a wide variety of value added services that enhance the offerings of our products. These services go beyond simple reselling, adding significant value by tailoring solutions to meet specific government needs. Resellers can integrate our products into existing government systems, customizing configurations to ensure seamless operation within the client's infrastructure. Many of these partners offer consultative support, guiding customers through the selection process and providing ongoing assistance with system setup, training, and troubleshooting. This ensures government clients maximize the value of our products.

Some resellers also offer unique applications and custom solutions, to meet specific compliance and operational needs. Verkada's flexible solutions enable partners to support less traditional implementations. These solutions can include cellular or Starlink satellite connectivity, solar power, and off-the-grid setups, ensuring reliable video security even in challenging environments like a school bus or remote site.

Installation Related Materials

Physical installation is critical to the performance of Verkada's products. Under our contract reseller partners may provide necessary installation materials such as Cat-6 cabling, lifts, and other equipment, all priced according to Verkada's standard price structure.

Integrations

Verkada offers several integrations to connect their security systems with leading enterprise tools, ensuring seamless workflows and enhanced operational efficiency. From identity management and access control to communication platforms and building automation, Verkada integrates with trusted partners like Okta, Microsoft Teams, Splunk, and more. Visit our integrations page at <https://www.verkada.com/integrations/partners/> for more details.

Comprehensive Service Menu

Needs	Service Mapping	Example Customer
Full Implementation/Deployment	Deployment Project Management	Global customer with 30+ locations, buying and deploying in the next 12-18 months; Need PM, config, training
Configuration (All Sites)	Deployment Project Management (Config)	Global customer with 30+ locations, buying and deploying in the next 12-18 months; Need config for all sites

	Focused)	
Configuration	FastTrack Standard	New customer that bought Verkada for 1-2 locations, want to make sure devices are set up properly
Configuration	FastTrack Basic	New customer that bought Verkada for 1 location, want to make sure devices are set up properly
Access Control Integration and Automation	Custom Solution Development	Customer wants a software that automates user syncing between Workday and Verkada Command Access Control
API and Software Build	Currently not offered	Upon Request
Command Org Migration	Org Migration	Upon Request
Other	Depends on need	Upon Request

A Smarter Way to Secure Your Space

Verkada is a fully integrated hardware and software solution that strengthens safety while simplifying ownership. Designed with ease of use at top of mind, Verkada's six product lines provide unparalleled visibility through a single pane of glass.



Command Platform

Manage devices, users and sites from a single pane of glass — accessible from a simple web browser or mobile app.

- Unlimited user seats and cloud archiving
- Remote access from any browser or mobile device
- Customizable level of site permissions
- Automatic updates and new features
- Leverage AI-powered search capabilities
- Access to top-rated mobile app
- 24/7 worldwide technical support

Video Security

Hybrid cloud cameras offer onboard storage and edge-based processing to reliably to deliver AI-powered insights in real-time.

Air Quality Sensors

Monitor environments for air quality, temperature, humidity, motion, noise, smoke and vape emissions.

Intercom

Answer calls from anywhere with sharp intercom video, clear audio and four smart receiver methods.

Access Control

Easily manage doors and credentials across departments with Global Access and Active Directory integrations.

Alarms

Catch and respond to break-ins with cloud-managed intrusion detection and 24/7 professional monitoring.

Workplace

Manage visitors and deliveries with guest and mailroom software, enhancing security along with workplace operations.



Why Verkada?



No NVRs or DVRs
– up to 365 days of
onboard storage



Unlimited user seats
and cloud archiving



Up to 10-year warranty
and predictable
renewal costs



24/7 technical support
via email, phone
or live chat



**Easy multi-site
management**
with cloud-based
software



Automatic updates
to unlock features and
maintain security

Command Platform

Manage devices, users and sites from a single pane of glass — accessible from a simple web browser or mobile app.

Guest

Personalize the check-in experience with custom sign-in flows, complete with security and health screens.

Mailroom

Streamline mailroom management and safeguard assets with native camera integration.

Video Security

Hybrid cloud cameras offer onboard storage and edge-based processing to deliver actionable insights in real-time.

Air Quality Sensors

Monitor environments for air quality, temperature, humidity, motion, noise, smoke and vape emissions.

Intercom

Answer calls from anywhere with sharp intercom video, clear audio and four smart receiver methods.

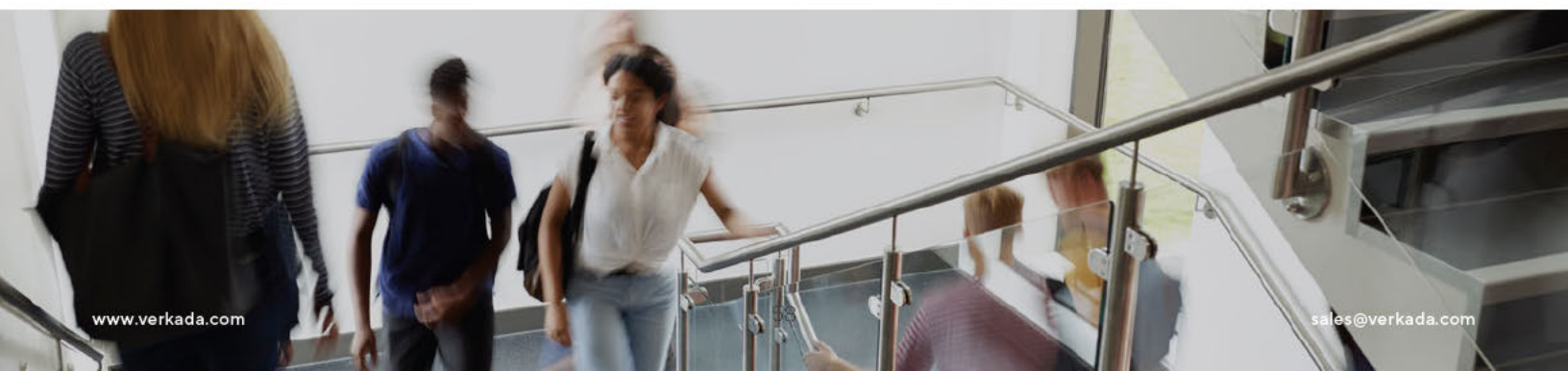
Access Control

Easily manage doors and credentials across campuses with Global Access and Active Directory integrations.

Alarms

Catch and respond to break-ins with cloud-managed intrusion detection and 24/7 professional monitoring.

Contact sales@verkada.com to learn more.



The Power of the Verkada Platform for Government Organizations

Verkada's government-grade offerings are designed to help government organizations and their partners take a proactive, simple, and scalable approach to physical security, alongside numerous security enhancements that are critical for certain government users.

FedRAMP Ready at the Moderate Impact Level

Our solutions have undertaken rigorous security assessments like FedRAMP (FedRAMP Ready at the Moderate impact level), FIPS 140-2 validation, and TAA and FY 2019 NDAA compliance across three product lines.

Security and Compliance*



Government-grade physical security solutions

Command in AWS GovCloud

Government customers in the United States can choose to use Verkada Command hosted in AWS GovCloud, which gives them the flexibility to use our secure cloud solutions on top of the additional stringent security controls provided by AWS GovCloud. Command in AWS GovCloud supports our FIPS-validated camera models and Verkada Guest.

FIPS-Validated Cameras

Verkada's [FIPS-validated cameras](#) incorporate encryption that meets the FIPS 140-2 and FedRAMP Ready (Moderate) standards. They have durable, vandal-resistant designs, advanced computer vision features, and are TAA and FY 2019 NDAA compliant.

Verkada Guest

Verkada Guest is a visitor management solution that allows government organizations to streamline check-in and provide a more welcoming experience for their visitors. Native camera integration helps organizations increase security by enabling them to immediately find footage of visitors as they move throughout the facilities.

Why Verkada



Proactive security

Increase security and visibility with real-time alerts, the ability to share live links with authorities, and more.



Manage site from anywhere

Verkada lets you easily manage sites remotely from our intuitive Command mobile app - no port-forwarding or VPNs.



Protect privacy

Maintain security while protecting privacy with granular permissions, face blurring, privacy regions, and more.



Receive dedicated support

Our team can provide one-on-one support for system design, pricing, installation, integration, onboarding, and training

Learn more

To learn more about Verkada for government-grade deployments, visit our site or email government@verkada.com.

*Not applicable to all products and models. Contact sales to inquire about the security and compliance features of individual product models.



11/07/2024

Region 4 Education Service Center
7145 West Tidwell Road
Houston, Texas, 77092-2096

Ref: Executive Channel Partner Leadership Endorsement - Region 4/OMNIA Bid #25-02 Weapons and Threat Detection Equipment

To Whom It May Concern,

As Senior Vice President of Global Channel at Verkada, I fully support Verkada's bid submission to Region 4/OMNIA Partners. Since leading our sales organization starting in 2019, and now overseeing the channel partner team, I've witnessed our commitment to delivering value to government sector clients. If awarded, our Channel Leadership Team will prioritize and support Region 4/OMNIA Partners as a cooperative contract within the public sector.

Sincerely,

Signed by:

CD36A17686E84D2...

Ryan Bettencourt
Senior Vice President of Global Channel
406 E. 3rd Ave
San Mateo, CA 94401
ryan.bettencourt@verkada.com



11/07/2024

Region 4 Education Service Center
7145 West Tidwell Road
Houston, Texas, 77092-2096


Ref: Executive Sales Leadership Endorsement - Region 4/OMNIA Bid #25-02 Weapons and Threat Detection Equipment

To Whom It May Concern,

As Vice President of Enterprise Sales at Verkada, I fully support Verkada's bid submission to Region 4/OMNIA Partners. As a leader within our sales organization, I've witnessed our commitment to delivering value to government sector clients. If awarded, our Sales Leadership Team will prioritize and support Region 4/OMNIA Partners as a cooperative contract within the public sector.

Sincerely,

Signed by:


A310FAAB72664F4...

Anthony Cavallio
Vice President of Enterprise Sales
406 E. 3rd Ave
San Mateo, CA 94401
anthony.cavallio@verkada.com

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Verkada Inc

Address 406 E. 3rd Ave

City/State/Zip San Mateo, CA 94401

Telephone No. 650-514-2682

Email Address caleb.augustin@verkada.com

Printed Name Caleb Augustin

Title Director of Global Channel

Authorized signature _____ signed by: Caleb Augustin

Accepted by Region 4 ESC:

Contract No.

Initial Contract Term _____ to _____

Region 4 ESC Authorized Board Member

Date

Print Name _____

Region 4 ESC Authorized Board Member

Date _____

Print Name _____

This attachment is executed in good faith, provided that in the event Verkada is awarded this opportunity, the parties will negotiate in good faith and execute a mutually agreeable contract.

Appendix C, Doc #1

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- ☐ We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.
- ☐ We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must include detailed reasons to substantiate the exemption(s). Price is not confidential and will not be withheld. All information believed to be a trade secret or proprietary must be listed. It is further understood that failure to identify such information, in strict accordance with the instructions, will result in that information being considered public information and released, if requested under the Public Information Act.)

11/18/2024

Date

Signed by:

4571F72A132E4F6...
Authorized Signature & Title

Appendix C, Doc #2

ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)
 Attorney General Form

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this Contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company

Verkada Inc

Contact

DocuSigned by:

Kayla Medina

DEFA1C5862DC40C...

Signature

Kayla Medina

Printed Name

Program Manager, Government Contracts

Position with Company

Address

406 E 3rd Ave. San Mateo, CA 94401

**Official
Authorizing
Proposal**

Signed by:

Caleb Augustin

4571F72A132E4F6...

Signature

Caleb Augustin

Printed Name

Director of Global Channel

Position with Company

Phone

801-793-2634

Fax

7. Attachment A - End User Agreement

Propose changes

Click above to sign or propose changes

This End User Agreement (“**Agreement**”) is entered into by and between Verkada Inc. (“**Verkada**”) and and you, the end customer and user (“**Customer**”) Products (as defined below), either in connection with a purchase of the Products or use of the Products for evaluation purposes as part of a trial. Customer is under no obligation to purchase the evaluation Products used in a trial but will be invoiced for Products not purchased or returned following the expiration of the trial period.

By accepting this Agreement, whether by clicking a box indicating its acceptance, navigating through a login page where a link to this Agreement is provided, executing a Purchase Order that references this Agreement, or providing another form of electronic acceptance, Customer agrees to be bound by its terms. If Customer and Verkada have executed a written agreement governing Customer’s access to and use of the Products, then the terms of such signed agreement will govern and will supersede this Agreement.

This Agreement is effective between Verkada and the Customer as of the earlier of the date that Customer accepts the terms of this Agreement as indicated above or first accesses or uses any of the Products (the “**Effective Date**”). Verkada reserves the right to modify or update the terms of this Agreement in its discretion, the effective date of which will be the earlier of (i) 30 days from the date of such update or modification and (ii) Customer’s continued use of the Products.

Verkada and Customer hereby agree as follows.

1. DEFINITIONS

The definitions of certain capitalized terms used in this Agreement are set forth below. Others are defined in the body of the Agreement.

“Customer Data” means all data provided by Customer to Verkada by means of the Products. Customer Data does not include System Data (defined below).

“Documentation” means the online documentation regarding the Hardware, available at www.verkada.com/docs/ or as otherwise provided within the Hosted Software.

“DPA” means the Data Processing Addendum available at www.verkada.com/support/dpa or other negotiated data protection agreement, entered into between Verkada and Customer.

“Firmware” means the software developed and maintained by Verkada that is stored on the Hardware and enables the basic functioning of the Hardware and its communication with the Hosted Software.

“Hardware” means the Verkada hardware products, including security cameras, access control units, alarm units, and environmental sensors.

“Hosted Software” means Verkada’s Software-as-a-Service system, currently known as “Command,” and related infrastructure made available to Customer to manage and configure the Hardware.

“License” has the meaning ascribed to it in **Section 2.1**.

“License Term” means the length of time indicated in the License SKU set forth on the applicable Purchase Order.

“Partner” means a third-party authorized by Verkada to resell the Products, to whom Customer has delivered an ordering document for such Products.

“Product Feature(s)” means a unique feature set within the Hosted Software that is identified by a particular stock keeping unit (SKU) on a Purchase Order.

“Products” means, collectively, the Software, Hardware, Product Features, Documentation, and all modifications, updates, and upgrades thereto and derivative

works thereof.

“Purchase Order” means each order document submitted to Verkada by a Partner on behalf of Customer, and accepted by Verkada, indicating Partner’s firm commitment to purchase the Products and for the prices set forth thereon.

“Service Level Agreement” means the Service Level Agreement set forth on **Exhibit A** hereto.

“Software” means the Firmware and Hosted Software.

“Support” means the technical support services and resources available at www.verkada.com/support.

“System Data” means configuration information, log and event data, Product performance data, and statistics regarding Customer’s use of the Products.

“Users” means employees of Customer, or other third parties, each of whom are authorized by Customer to use the Products on Customer’s behalf.

2. LICENSE AND RESTRICTIONS

2.1. License to Customer. Subject to the terms of this Agreement, Verkada grants Customer a royalty-free, nonexclusive, transferable (subject to Section 12) worldwide right during each License Term to use the Software, subject to the terms of this Agreement (**“License”**). Customer must purchase one or more Licenses to use the Software for at least the number and type of Hardware units and/or Product Features that the Customer manages by means of the Software (collectively, **“Valid Licensing”**); however, Customer may authorize an unlimited number of Users to access and use the Software. If Customer purchases additional Licenses, either in connection with the purchase of additional Hardware units or renewal of Licenses for existing Hardware units, the overall License Term will be modified such that the License Term for all Licenses purchased will expire and terminate on the same date. If Customer does not maintain Valid Licensing, then (i) Customer will have limited or no access to Customer

Data, Product Features, and the Software, and (ii) the Hardware will not function as designed. If Customer purchases the Monitoring Services (as defined on Exhibit B, the “**Alarms Addendum**”), the use of the Products in connection with the Monitoring Services will be subject to the terms of the Alarms Addendum.

2.2. License to Verkada. During the License Term, Customer will transfer Customer Data to Verkada while using the Products. Customer grants Verkada a non-exclusive right and license to use, reproduce, modify, store, and process Customer Data solely to maintain the Products and provide them to Customer. Customer represents and warrants that it possesses the necessary rights and authority to grant Verkada the rights set forth in this Section 2.2 with respect to Customer Data.

2.3. Restrictions. Customer will not: (i) use (or allow a third party to use) the Products for any competitive purposes (other than for routine product comparison purposes), including monitoring or testing their availability, security, performance, or functionality, in each case without Verkada’s express written consent; (ii) market, sublicense, resell, lease, loan, transfer, or otherwise commercially exploit the Products; (iii) modify, create derivative works, decompile, reverse engineer, attempt to gain access to the source code, tamper with the Hardware, or copy the Products or any of their components; or (iv) use the Products to conduct any fraudulent, malicious, or illegal activities or otherwise in contravention of any applicable laws or regulations (each of (i) through (iv), a “**Prohibited Use**”).

3. COURTESY RETURNS; HARDWARE WARRANTY AND WARRANTY RETURNS

3.1. Courtesy Returns. Customer may return up to \$250,000 worth of Products (as reflected in the net price set forth on one or more Purchase Order(s)) for any reason within the 30-day period starting on the shipment date of such Products (a “**Courtesy Return**”). To initiate a Courtesy Return, Customer must send a request for a Courtesy Return by email within such 30-day period either to (a) the Partner that submitted the

Purchase Order(s) for the Products to be returned or (b) the Verkada sales representative responsible for Customer's account, and include the serial numbers of the Products to be returned.

3.2. Hardware Warranty. Verkada represents to the original purchaser and user of the Hardware that, for the period set forth in the applicable Documentation from the date of shipment to the location specified on the Purchase Order, the Hardware will be substantially free of defects in materials and workmanship ("**Hardware Warranty**").

3.3. Remedy for Breach of Hardware Warranty. Customer's sole and exclusive remedy and Verkada's (and its suppliers' and licensors') sole and exclusive liability for a breach of the Hardware Warranty will be, in Verkada's sole discretion, to replace the non-conforming Hardware. Replacement may be made with a new or refurbished product or components. If the Hardware or a component within it is no longer available, then Verkada may replace the Hardware unit with a similar product of similar function. Any Hardware unit that has been replaced under the Hardware Warranty will be covered by the terms of the Hardware Warranty for the longer of (a) 90 days from the date of the delivery, or (b) the remainder of the original Hardware Warranty period. Customer's engaging in a Prohibited Use serves to void the Hardware Warranty.

3.4. Warranty Returns. To request a return under the Hardware Warranty, Customer must notify Verkada or the Partner within the Hardware Warranty period. To initiate a return directly to Verkada, Customer must send a return request to Verkada at support@verkada.com and clearly state details on where and when Customer purchased the Hardware, the serial numbers of the applicable Hardware unit(s), Customer's reason for returning the Hardware, and Customer's name, mailing address, email address, and daytime phone number. If approved, Verkada will provide Customer with a Return Materials Authorization ("**RMA**") and prepaid shipping label via email that must be included with Customer's return shipment to Verkada. Customer must return the Hardware unit(s) listed in the RMA with all included accessories with the RMA within the 14 days following the day on which Verkada issued the RMA.

4. VERKADA OBLIGATIONS

4.1. General. Verkada is responsible for providing the Products in conformance with this Agreement, the Purchase Order(s), and applicable Documentation.

4.2. Availability. Verkada uses its best efforts to ensure that the Hosted Software is available in accordance with the terms of the Service Level Agreement, which sets forth Customer's remedies for any interruptions in the availability of the Hosted Software.

4.3. Support. If Customer experiences any errors, bugs, or other issues in its use of the Products, then Verkada will provide Support in order to resolve the issue or provide a suitable workaround. The fee for Support is included in the cost of the License. As part of a Support case, Customer may grant access, in its sole discretion, to a member of Verkada's Support team through functionality provided in the Hosted Software for a length of time determined by Customer.

4.4. Maintenance. Verkada will use commercially reasonable efforts to maintain the Products and implement updates, upgrades, and fixes as necessary to meet its obligations under this Agreement.

5. CUSTOMER OBLIGATIONS

5.1. Payment; Compliance. Customer is responsible for paying Partner for the Products pursuant to Partner's invoice(s). In the event Customer is delinquent on fees, Verkada may pursue payment directly from Customer if Partner is unable to or chooses not to pursue such fees itself. Customer will use the Products only in accordance with the Documentation and in compliance with all applicable laws, including procurement and maintenance of any applicable licenses and permits. Customer will ensure that none of the Products are directly or indirectly exported, re-exported, or used to provide services in violation of the export laws and regulations of the United States or any other country. If Customer operates in a regulated industry,

Customer represents that it has obtained all necessary local and state licenses and/or permits necessary to operate its business and is in compliance (and will use its best efforts to remain in compliance) with all local, state, and (if applicable) federal regulations regarding the conduct of its business. Verkada reserves the right to suspend use of any Products operating in violation of the obligations of this [Section 5.1](#), following written notice to Customer.

5.2. [Account Administration](#). Customer is responsible for identifying one or more individuals within Customer's organization who will act as administrator(s) of Customer's account. Such person(s) will be responsible for, among other things, monitoring and managing access privileges of other Users. Customer is also responsible for verifying, including ensuring that any third-party installer verify, that all Hardware Products purchased are properly claimed into Customer's account within the Hosted Software prior to installation, as more fully set forth in the Documentation.

6. TERM AND TERMINATION

6.1. [Term](#). The term of this Agreement will commence on the Effective Date and will continue for so long as Customer maintains any active Licenses.

6.2. [Termination or Suspension for Cause](#). Either party may terminate this Agreement, and Verkada may suspend Customer's access to the Hosted Software, for cause (i) upon 30 days written notice to the other party of a material breach if such breach remains uncured at the expiration of the 30-day period, or (ii) if the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. For purposes of clarity, a material breach of the Agreement includes Customer's failure to purchase and/or maintain a sufficient number of Licenses, as required by [Section 2.1](#).

6.3. [Effect of Termination](#). If Customer terminates this Agreement in accordance with [Section 6.2](#), then Verkada will refund Customer a pro rata portion of any prepaid fees

allocable to the remaining License Term. The following provisions will survive any expiration or termination of the Agreement: Sections 7, 9, 10, 11, and 12, and any other provisions that, by their nature, would reasonably be considered intended to survive.

7. CONFIDENTIALITY

7.1. Confidential Information. Except as explicitly excluded below, any information of a confidential or proprietary nature provided by a party ("**Disclosing Party**") to the other party ("**Receiving Party**") constitutes the Disclosing Party's confidential and proprietary information ("**Confidential Information**"). Verkada's Confidential Information includes the Products and any information conveyed to Customer in connection with Support. Customer's Confidential Information includes Customer Data. Confidential Information does not include information which is: (i) already known by the receiving party without an obligation of confidentiality other than pursuant to this Agreement; (ii) publicly known or becomes publicly known through no unauthorized act of the Receiving Party; (iii) rightfully received from a third party without a confidentiality obligation to the Disclosing Party; or (iv) independently developed by the Receiving Party without access to the Disclosing Party's Confidential Information.

7.2. Confidentiality Obligations. Each party will use the Confidential Information of the other party only as necessary to perform its obligations under this Agreement, will not disclose the Confidential Information to any third party, and will protect the confidentiality of the Disclosing Party's Confidential Information with the same standard of care as the Receiving Party uses or would use to protect its own Confidential Information, but in no event will the Receiving Party use less than a reasonable standard of care. Notwithstanding the foregoing, the Receiving Party may share the other party's Confidential Information with those of its employees, agents and representatives who have a need to know such information and who are bound by confidentiality obligations at least as restrictive as those contained herein (each, a "**Representative**"). Each party shall be responsible for any breach of confidentiality by

any of its Representatives.

7.3. Additional Exclusions. A Receiving Party will not violate its confidentiality obligations if it discloses the Disclosing Party's Confidential Information if required by applicable laws, including by court subpoena or similar instrument so long as the Receiving Party provides the Disclosing Party with written notice of the required disclosure so as to allow the Disclosing Party to contest or seek to limit the disclosure or obtain a protective order. If no protective order or other remedy is obtained, the Receiving Party will furnish only that portion of the Confidential Information that is legally required, and agrees to exercise reasonable efforts to ensure that confidential treatment will be accorded to the Confidential Information so disclosed.

8. DATA PROTECTION

Verkada secures the Software and Customer Data in accordance with the security practices available at www.verkada.com/trust/security-controls. Verkada will process all Customer Data in accordance with the DPA.

9. OWNERSHIP

9.1. Verkada Property. Verkada owns and retains all right, title, and interest in and to the Software, the System Data, and all intellectual property embodied in the Hardware and accessories. Except for the limited license granted to Customer in Section 2.1, Verkada does not by means of this Agreement or otherwise transfer any rights in the Products to Customer, and Customer will take no action inconsistent with Verkada's intellectual property rights in the Products.

9.2. Customer Property. Customer owns and retains all right, title, and interest in and to the Customer Data and does not by means this Agreement or otherwise transfer any rights in the Customer Data to Verkada, except for the limited license set forth in

10. INDEMNIFICATION

10.1. By Verkada. Verkada will indemnify, defend, and hold Customer, its affiliates, and their respective owners, directors, members, officers, and employees (collectively, **“Customer Indemnitees”**) harmless from and against any claim, action, demand, suit or proceeding (each, a **“Claim”**), and the attorneys’ fees and court and investigative costs of Customer Indemnitees, made or brought by a third party against any of the Customer Indemnitees alleging that Customer’s use of the Products infringes or misappropriates any patent, trademark, copyright, or any other intellectual property of such third party.

Verkada will pay any damages finally awarded against any Customer Indemnitees by a court of competent jurisdiction as a result of any such Claim, or any final settlement of such Claim, so long as Customer (i) gives Verkada prompt written notice of the Claim, (ii) gives Verkada sole control of the defense and settlement of the Claim (provided that Verkada may not settle any Claim without the Customer Indemnitee’s written consent, which will not be unreasonably withheld), and (iii) provides to Verkada all reasonable assistance, at Verkada’s request and expense.

If Customer’s right to use the Products hereunder is, or in Verkada’s opinion is likely to be, enjoined as the result of a Claim, then Verkada may, at Verkada’s sole option and expense procure for Customer the right to continue using the Products under the terms of this Agreement, or replace or modify the Products so as to be non-infringing and substantially equivalent in function to the claimed infringing or enjoined Products.

Verkada will have no indemnification obligations under this Section 10.1 to the extent that a Claim is based on or arises from: (a) use of the Products in a manner other than as expressly permitted in this Agreement; (b) any alteration or modification of the Products except as expressly authorized by Verkada; (c) the combination of the Products with any other software, product, or services (to the extent that the alleged

infringement arises from such combination); or (d) where the Claim arises out of specifications provided by Customer. This Section 10.1 sets forth Verkada's sole and exclusive liability, and Customer's exclusive remedies, for any Claim of infringement or misappropriation of intellectual property.

10.2. By Customer. Customer will indemnify, defend, and hold harmless Verkada, its affiliates, and their respective owners, directors, members, officers, and employees (together, the "**Verkada Indemnitees**") from and against any Claim, and the attorneys' fees and court and investigative costs of Verkada Indemnitees, related to: (a) Customer or its Users engaging in a Prohibited Use; and (b) Customer's indemnity obligation under the Alarms Addendum set forth in Exhibit B hereto (if any). Customer will pay any settlement of and any damages finally awarded against any Verkada Indemnatee by a court of competent jurisdiction as a result of any such Claim so long as Verkada (i) gives Customer prompt written notice of the Claim, (ii) gives Customer sole control of the defense and settlement of the Claim (provided that Customer may not settle any Claim without Verkada's prior written consent which will not be unreasonably withheld), and (iii) provides to Customer all reasonable assistance, at Customer's request and expense.

11. LIMITATIONS OF LIABILITY

11.1. Disclaimer. EXCEPT FOR THE WARRANTIES EXPLICITLY SET FORTH IN THIS AGREEMENT, VERKADA MAKES NO WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, REGARDING OR RELATING TO THE PRODUCTS, OR ANY MATERIALS OR SERVICES FURNISHED OR PROVIDED TO CUSTOMER IN CONNECTION WITH THIS AGREEMENT, INCLUDING UPDATES OR SUPPORT. WITHOUT LIMITING THE FOREGOING, VERKADA HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR TITLE. VERKADA DOES NOT WARRANT THAT THE PRODUCTS WILL MEET CUSTOMER'S NEEDS OR EXPECTATIONS, THAT USE OF THE PRODUCTS WILL BE

UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS WILL BE CORRECTED.

11.2. No Consequential Damages. NEITHER PARTY, NOR ITS AFFILIATES, NOR THE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES OF ANY OF THEM, WILL BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE, THAT MAY ARISE OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE OTHER PARTY HAS BEEN NOTIFIED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES OR COSTS OCCURRING AND WHETHER SUCH LIABILITY IS BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHERWISE.

11.3. Direct Damages Cap. EXCEPT WITH RESPECT TO EXCLUDED CLAIMS AND UNCAPPED CLAIMS, IN NO EVENT WILL THE COLLECTIVE LIABILITY OF EITHER PARTY, OR THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS AND REPRESENTATIVES, TO THE OTHER PARTY FOR ANY AND ALL DAMAGES, INJURIES, AND LOSSES ARISING FROM ANY AND ALL CLAIMS AND CAUSES OF ACTION ARISING OUT OF, BASED ON, RESULTING FROM, OR IN ANY WAY RELATED TO THIS AGREEMENT, EXCEED THE TOTAL AMOUNT PAID OR PAYABLE BY CUSTOMER FOR THE USE OF THE PRODUCTS UNDER THIS AGREEMENT DURING THE 24-MONTH PERIOD PRECEDING THE DATE OF THE CLAIM.

THE EXISTENCE OF MULTIPLE CLAIMS OR SUITS UNDER OR RELATED TO THIS AGREEMENT WILL NOT ENLARGE OR EXTEND THE LIMITATION OF MONEY DAMAGES WHICH WILL BE THE CLAIMANT'S SOLE AND EXCLUSIVE REMEDY.

11.4. Excluded Claims Cap. "**Excluded Claims**" means any claim and/or liability associated with: (a) both party's indemnification obligations in Section 10; (b) any breach by Verkada of the DPA, Section 8 (Data Protection), or other data privacy and security obligations. Each party's total, cumulative liability for all Excluded Claims will not exceed two (2) times the total amount paid or payable by Customer for use of the Products under this Agreement during the Term.

11.5 Uncapped Claims. “**Uncapped Claims**” means any claim or liability associated with: (a) Customer’s breach of Section 2.2 (License to Customer Data), Section 5.1 (Compliance), and Section 3 of Exhibit B (Customer Obligations) (if applicable); (b) either Party’s breach of confidentiality (but not relating to any liability associated with Verkada’s security obligations with respect to Customer Data which remains subject to the Excluded Claims cap); or (c) any liability of a Party which cannot be limited under applicable law, including gross negligence, recklessness, or intentional misconduct.

12. MISCELLANEOUS

This Agreement is the entire agreement between Customer and Verkada and supersedes all prior agreements and understandings concerning the subject matter hereof. Customer and Verkada are independent contractors, and this Agreement will not establish any relationship of partnership, joint venture, or agency between Customer and Verkada. Failure to exercise any right under this Agreement will not constitute a waiver. There are no third-party beneficiaries to this Agreement. This Agreement is governed by the laws of California without reference to conflicts of law rules. Any notice provided by one party to the other under this Agreement will be in writing and sent either (i) by overnight courier or certified mail (receipt requested), in the case of Customer to Customer’s address on record in Verkada’s account information and in the case of Verkada, to 406 E. 3rd Ave., San Mateo, CA 94401, or (ii) by electronic mail to Customer’s email address on record in Verkada’s account information or to Verkada at legal@verkada.com. If any provision of this Agreement is found unenforceable, the Agreement will be construed as if such provision had not been included. Neither party may assign this Agreement without the prior, written consent of the other party, except that either party may assign this Agreement without such consent in connection with an acquisition of the assigning party or a sale of all or substantially all of its assets. In the event of an assignment by Customer in connection with an acquisition of Customer or a sale of all or substantially all of Customer’s assets, Customer’s License may be transferred to the party acquiring Customer or

purchasing all or substantially all of its assets, subject to Verkada's prior written consent, such consent not to be unreasonably withheld.

A party will not be liable for any failure to perform caused by circumstances beyond its reasonable control which would otherwise make such performance commercially impractical including, but not limited to, acts of God, fire, flood, acts of war, pandemics, government action, accident, labor difficulties or shortage, inability to obtain materials, equipment or transportation (each, a "**Force Majeure Event**"). If a Force Majeure Event lasts longer than five (5) business days, the parties will meet to determine if performance under the Agreement can resume as agreed. If the parties cannot agree, then Verkada may terminate the applicable Purchase Order or this Agreement.

If any disputes arise, the parties will first attempt to resolve the dispute informally via good faith negotiation. If the dispute has not been resolved after 30 days, the parties will resolve any claim, dispute, or controversy (excluding any claims for injunctive or other equitable relief) by binding arbitration before a single arbitrator administered by JAMS, its successors and assigns, in San Mateo County, California, unless otherwise agreed by the parties in writing, and pursuant to its arbitration rules. Each party will be responsible for paying any arbitration fees in accordance with the foregoing rules, and the award rendered by the arbitrator may include costs of arbitration, reasonable attorneys' fees and reasonable costs for expert and other witnesses. Any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Nothing in this Section shall be deemed to prevent either party from seeking injunctive or other equitable relief from the courts as necessary to prevent the actual or threatened infringement, misappropriation, or violation of its data security, intellectual property rights or other proprietary rights.

EXHIBIT A

The Service Level Agreement is available at <https://www.verkada.com/support/sla/>.

EXHIBIT B

Alarms Addendum

This “**Alarms Addendum**” sets forth the terms applicable to Customer’s use of the Monitoring Services (as defined below).

1. Certain Definitions.

- a. “**Alarm(s)**” means an alarm signal, data, video or audio transmission initiated by the Hardware installed on Customer’s premises signaling a specific type of situation that is transmitted to a Call Center for response via the Hosted Software.
- b. “**Call Center(s)**” means a central monitoring station that receives and responds to an Alarm for Customer as more fully set forth below.
- c. “**Call List**” means the list of names, with corresponding telephone numbers and email addresses, of those persons in the order Customer wishes to receive notification of Alarms which must be created, and updated by Customer from time to time, via the Hosted Software.
- d. “**First Responder(s)**” means the entity (e.g., fire department, police department) that is contacted by the Call Center to respond to an Alarm received at the Call Center.
- e. “**Monitoring Services**” means the automated Alarm transmission functionality enabled by the Software that, when triggered, transmits an Alarm to the Call Center for a response, as more fully described in the Documentation. The Monitoring Services are deemed to be a Product under the Agreement.

2. Monitoring Services.

- a. In order to use the Monitoring Services, Customer must: (i) purchase a License for each location at which Monitoring Services will be provided (a “**Monitoring License**”); and (ii) enable the “Emergency Dispatch” toggle within the Hosted Software, as more fully described in the Documentation.

- b. For each Alarm transmitted through the Hosted Software, the Call Center will respond in accordance with its internal operating procedures, and only if warranted in the sole discretion of the Call Center. Not all Alarms require notification to First Responders. If the video verification settings are set to 'Normal Mode' (as described in the Documentation), the Call Center may not notify the individuals on the Call List if it is unable to determine a threat to person or property, including because Call Center cannot discern a threat from the video provided or it is unable to access video of the trigger event. Once dispatched, the Call Center may be unable to recall First Responders.
- c. In the event of notification to Customer, the Call Center will call the person(s) named in the Call List, in the order set by Customer. Receipt by Customer of any form of notification provided by the Call Center pursuant to the Call List, is deemed compliance with the notification obligation hereunder, which notice may include SMS or voice mail message.
- d. If video or audio Alarms are received at the Call Center, the Call Center will monitor such video or sound in accordance with its internal operating procedures, and for so long as the Call Center, in its sole discretion, deems appropriate.

3. Customer's Obligations.

- a. Customer (or a properly licensed installer selected by Customer) is responsible for installation (including the design of such installation), maintenance, service, repair, inspection and testing of the Products. Once installed, it is Customer's responsibility (or a properly licensed installer selected by Customer) to configure its Products in order to enable the Monitoring Services, including by creating and maintaining appropriate Trigger and Response Actions via the Hosted Software (i.e., by creating an "Alarm Address" within Customer's account in the Hosted Software and configuring it in Customer's discretion). Monitoring Services will be provided only if the Hardware Products have been configured to transmit Alarms to the Call Center by means of the foregoing.

b. Customer is responsible, at Customer's sole expense, for supplying all systems, and incidental functionality (e.g., high-speed Internet access, IP Address and or wireless services, all 110 Volt AC power), necessary to operate the Products at Customer's premises.

c. Once delivered, the Hardware Products are in the possession and control of Customer, and it is Customer's sole responsibility to regularly test the operation of its Products. Verkada does not design installations, install, inspect, maintain, service, repair, or test Products for Customers.

d. Customer is responsible for obtaining and maintaining all licenses, registration and permits for the Products and Monitoring Services, including those required by the Customer's local government, necessary to use the Products as contemplated under this Alarms Addendum in compliance with applicable laws and regulations.

4. Monitoring Services Exclusions.

a. Except for the systems under its control that Verkada uses to make the Hosted Software available, Alarms are transmitted over third party communication networks beyond the control of Verkada and are not maintained by Verkada. Verkada will not be responsible for any failure by such third-party networks which prevents transmission of Alarms from reaching the Call Center or any damages arising therefrom.

b. Verkada will have no liability for permit fees, false alarms, false alarm fines, the manner in which First Responders respond, any response delays caused by the First Responders, the failure of First Responders to respond, or the manner in which Alarms are handled by the Call Centers or First Responders.

c. Verkada makes no representation that any aspect of the Products meets code requirements or constitute an alarm system, burglar alarm system, fire alarm system, CCTV system, access control system or other electronic security system, as those terms are defined under the applicable laws of the jurisdictions in which Customer uses the Products.

d. Verkada is not a Call Center and does not provide the services of a Call Center. Verkada does not respond to an Alarm, notify, or attempt to notify the persons named in the Call List, request dispatch of First Responders, or other agents to Customer's premises to investigate or verify an Alarm. The portion of the Monitoring Services performed by Verkada is strictly limited to Verkada's automated signal and data retransmission software, receivers, and related components, routing Alarms generated from the Products at Customer's premise via a third-party network to a Call Center for response. The Customer is not contracting with Verkada to provide the services of the Call Center. Verkada and the Call Center are independent and unrelated entities, and there is no subcontractor, employer or employee, master or servant, joint venture, partnership, or contractual relationship between them.

5. Suspension & Termination.

Verkada may, without prior notice, suspend or terminate the Monitoring Services, in Verkada's sole discretion, in the event of: (a) a Force Majeure Event which renders any aspect of the Monitoring Services inoperable or impractical; (b) Customer defaults in its performance obligations under the Agreement or use of the Products in a manner that violates any applicable law or any third party right of privacy; (c) Call Center's facilities or communication networks are nonoperational; (d) Customer causes the Products to transmit excessive false alarms, runaway signals, or otherwise unreasonably overburdens either Verkada's systems or the Call Center's systems; or (e) Customer fails to provide accurate information within the Call List or fails to properly update the Call List.

6. No Representations or Warranties.

Verkada makes no representation or warranty, whether express or implied, that the Products including the Monitoring Services will prevent any loss, damage or injury to any person or property, whether by reason of burglary, theft, hold-up, fire or any other cause, or that the Products will in all cases provide the protection for which they are installed or intended. Monitoring Services are not error-free. Verkada is not an insurer,

and Customer assumes all risk for loss or damage to Customer's premises, contents, business interruption, or persons on or around the premises. Customer's sole remedy for Verkada's breach of this Exhibit B is to require Verkada to replace the non-operational Products as set forth in Section 3.2 of the Agreement.

THE ABOVE EXCLUSIONS WILL NOT APPLY, IF THE GOVERNING LAW WHERE THE CUSTOMER'S PREMISE IS LOCATED PROHIBITS THE EXCLUSION OF IMPLIED WARRANTIES.

7. Indemnity.

In addition to Section 10.2 of the Agreement, to the fullest extent permitted by governing law, Customer will indemnify, defend, and hold harmless Verkada Indemnitees from and against any Claim (including reasonable attorney's fees, court costs, fees associated with investigations, or fees or fines relating to permits or false alarms) arising from Customer's use of the Monitoring Services or its performance, or failure to perform, its obligations under this Exhibit B.

8. Exculpatory Clause.

a. To the fullest extent permitted by governing law, Verkada will not be liable for any loss or damage sustained by Customer caused or contributed by the performance, or failure of performance, of the Monitoring Services under this Exhibit B, even if caused or contributed by any negligence of any kind or degree of the Call Center, Verkada, or any other third-party, except for Verkada's gross negligence in states that do not permit the exculpation of liability for gross negligence, recklessness and willful misconduct.

b. IN THE EVENT THAT THE EXCULPATORY CLAUSE IS NOT ENFORCEABLE UNDER THE GOVERNING LAW WHERE THE CUSTOMER'S PREMISES IS LOCATED, THE LIMITATIONS OF LIABILITY IN SECTION 11 OF THE AGREEMENT SHALL GOVERN AND CONTROL.

9. Insurance.

Customer must maintain a policy of General Liability and Property Insurance for liability, casualty, fire, theft, and property damage and, upon request, will ensure that Verkada is named as additional insured, and which shall on a primary and non-contributing basis cover any loss or damage related to Customer's use of the Products. Customer assumes all potential risk and damage that may arise by reason of failure of the Products, and Customer will look to its own insurance carrier for any loss or assume the risk of loss. Verkada will not be responsible for any portion of any loss or damage which is recovered or recoverable by Customer from insurance covering such loss or damage or for such loss or damage against which Customer is indemnified or insured. Customer and all those claiming rights under Customer policies waive all rights against Verkada and its subcontractors for loss or damages caused by perils intended to be detected by the Products or covered by insurance to be obtained by Customer, except such rights as Customer or others may have to the proceeds of insurance.

10. Conflict Resolution.

In the event of any conflict, discrepancy, or inconsistency between the terms of the Agreement and this Exhibit B, the terms of this Exhibit B will govern and control.

7. Attachment B - Business Associate Agreement

Submit

Click above to sign or propose changes (or to upload your own for our review)

This HIPAA Business Associate Agreement (the “**Agreement**”) is made and entered between Verkada Inc., a Delaware corporation (“**Business Associate**”) and you, the party who accepted this Agreement (“**Covered Entity**”) whether by clicking a box indicating acceptance, navigating through a login page where a link to this Agreement is provided, or providing another form of electronic acceptance.

This Agreement is effective between Verkada and the Covered Entity as of the date that Covered Entity accepts the terms of this Agreement as indicated above (the “Effective Date”). Verkada reserves the right to modify or update the terms of this Agreement in its discretion, the effective date of which will be the earlier of (i) 30 days from the date of such update or modification and (ii) to Covered Entity’s continued participation in Verkada’s programs.

1. Covered Entity is or may be subject to the requirements of the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”), the Health Information Technology for Economic and Clinical Health Act (“**HITECH**”) and the implementing regulations thereof (the “**HIPAA Regulations**”). As used herein, “**PHI**” refers to Protected Health Information maintained, transmitted, created or received by Business Associate for or from Covered Entity.
2. Business Associate may maintain, transmit create or receive data for or from Covered Entity that constitutes Protected Health Information (as defined in the HIPAA Regulations) to perform tasks on behalf of Covered Entity;
3. To the extent required by the HIPAA Regulations and applicable state law, Business Associate is or may be directly subject to certain privacy and security obligations and penalty provisions of HIPAA, HITECH, the HIPAA Regulations and state law.

The parties agree as follows:

1. Use and Disclosure. Business Associate may use and disclose PHI only as permitted or required by this Agreement or as required by law. Business Associate may use or disclose PHI as required to perform its obligations under any underlying service agreements or end user agreements entered into between the parties in connection with Covered Entity's purchase of goods and/or services from Business Associate (collectively, "**Service Agreement**") between the parties to perform the services as described in the Service Agreement ("**Services**"), provided that Business Associate shall not use or disclose PHI in any manner that would constitute a violation of the HIPAA Regulations if done by Covered Entity. The Services are not intended to be used as part of any life-saving or emergency systems, and Covered Entity will not use the Services in any such environment. Further, Covered Entity will not manually label, tag, or otherwise associate any PHI with Business Associate's hardware products by means of the Services. To the extent Covered Entity notifies Business Associate of a reasonable restriction request granted by Covered Entity that would limit Business Associate's use or disclosure of PHI, Business Associate will use its commercially reasonable efforts to comply with the restriction. To the extent Business Associate is to carry out an obligation of Covered Entity under the HIPAA Regulations, Business Associate shall comply with the requirements of the HIPAA Regulations that apply to Covered Entity in the performance of such obligation.

2. Appropriate Safeguards. Business Associate agrees to maintain reasonable and appropriate administrative, technical and physical safeguards to protect PHI from uses or disclosures not permitted by this Agreement, including maintaining policies and procedures to detect, prevent or mitigate identity theft based on PHI or information derived from PHI. In addition, Business Associate agrees to comply with the applicable requirements of the HIPAA Regulations with respect to electronic PHI and any guidance issued by the Secretary of the Department of Health and Human Services ("**HHS**").

3. Incident Notification. To the extent Business Associate becomes aware of or discovers (i) any use or disclosure of PHI in violation of this Agreement, (ii) any

Security Incident, or (iii) any Breach of Unsecured Protected Health Information (each as defined in the HIPAA Regulations) related to any individual who is the subject of PHI, Business Associate shall promptly report such use, disclosure, incident, or breach to Covered Entity and shall include the information specified in the HIPAA Regulations. Business Associate shall mitigate, to the extent practicable, any harmful effect known to it of a use or disclosure of PHI by Business Associate not permitted by this Agreement.

4. Subcontractors. In accordance with the HIPAA Regulations, Business Associate shall ensure that each subcontractor or agent that handles PHI on behalf of Business Associate agrees in writing to be bound by the same restrictions, terms and conditions that apply to Business Associate pursuant to this Agreement.

5. Access to Designated Record Sets. Within fifteen (15) days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set (as defined at the HIPAA Regulations), Business Associate shall make available to Covered Entity such PHI in the form requested by Covered Entity. If the requested PHI is maintained electronically, Business Associate shall provide a copy of the PHI in the electronic form and format requested by the individual, if it is readily producible, or, if not, in a readable electronic form and format as agreed to by Covered Entity and the individual. In the event that any individual requests access to PHI directly from Business Associate, Business Associate shall within ten (10) days forward such request to Covered Entity. Any denials of access to the PHI requested shall be the responsibility of Covered Entity.

6. Amendments to Designated Record Sets. Within fifteen (15) days of receipt of a request from Covered Entity for the amendment of an individual's PHI contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI. In the event a request for an amendment is delivered directly to Business Associate, Business Associate shall within ten (10) days of receiving such request forward the request to Covered

Entity.

7. Access to Books and Records. Except for disclosures of PHI by Business Associate that are excluded from the accounting obligation as set forth in the HIPAA Regulations or regulations issued pursuant to HITECH, Business Associate shall record for each disclosure the information required to be recorded by covered entities pursuant to the HIPAA Regulations. Within twenty (20) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity, or the individual (if requested by Covered Entity), the information required to be maintained pursuant to this Section 7. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within ten (10) days forward such request to Covered Entity.

8. Accountings. At Covered Entity's or HHS' request, Business Associate shall make its internal practices, books and records relating to the use and disclosure of PHI available to HHS for purposes of determining compliance with the HIPAA Regulations.

9. Permitted Uses and Disclosures. Business Associate is not authorized to use or disclose PHI in a manner that would violate the HIPAA Regulations if done by Covered Entity, provided that Business Associate may:

- a. use the PHI for its proper management and administration and to carry out its legal responsibilities.
- b. disclose PHI for its proper management and administration and to carry out its legal responsibilities, provided that disclosures do not violate the HIPAA Regulations.
- c. use and disclose PHI to report violations of law to appropriate Federal and State authorities.
- d. aggregate the PHI in its possession with the Protected Health Information of other covered entities that Business Associate has in its possession through its capacity as a business associate to other covered entities, provided that

such aggregation conforms to the requirements of the HIPAA Regulations.

- e. use PHI to create de-identified information, and use such de-identified information for its own purposes, provided that the de-identification and use thereof conforms to the requirements of the HIPAA Regulations.

10. HIPAA Transaction Standards. If Business Associate conducts standard transactions (as defined in the HIPAA Regulations) for or on behalf of Covered Entity, Business Associate will comply and will require by written contract each agent or contractor (including any subcontractor) involved with the conduct of such standard transactions to comply, with each applicable requirement of the HIPAA Regulations. Business Associate will not enter into, or permit its agents or contractors (including subcontractors) to enter into, any trading partner agreement in connection with the conduct of standard transactions for or on behalf of Covered Entity that: (i) changes the definition, data condition, or use of a data element or segment in a standard transaction; (ii) adds any data elements or segments to the maximum defined data set; (iii) uses any code or data element that is marked “not used” in the standard transaction’s implementation specification or is not in the standard transaction’s implementation specification; or (iv) changes the meaning or intent of the standard transaction’s implementation specification. Business Associate agrees to participate in any test modification conducted by Covered Entity in accordance with the HIPAA Regulations.

11. Term and Termination. This Agreement shall remain in effect until the Service Agreement is terminated or expires. Either party may terminate this Agreement and the Service Agreement effective immediately if it determines that the other party has breached a material provision of this Agreement and failed to cure such breach within thirty (30) days of being notified by the other party of the breach. If the non-breaching party determines that cure is not possible, such party may terminate this Agreement and the Service Agreement effective immediately upon written notice to other party.

12. Limitation of Liability. Business Associate’s obligations under this Agreement shall be subject to any limitations of liability set forth in the Service Agreement.

13. Effect of Termination. Upon termination of this Agreement, Business Associate agrees to either return or destroy, at no cost to Covered Entity, all PHI that Business Associate still maintains in any form. Notwithstanding the foregoing, to the extent that it is not feasible to return or destroy such PHI, the terms and provisions of this Agreement shall survive termination of this Agreement, and Business Associate shall only use or disclose such PHI solely for such purpose or purposes which prevented the return or destruction of such PHI.

14. Miscellaneous. Business Associate's liability under this Agreement shall be subject to any limitations of liability set forth in any master service or end user agreement entered into between the parties in connection with Covered Entity's purchase of goods and/or services from Business Associate. Nothing in this Agreement shall be construed to create any rights or remedies in any third parties or any agency relationship between the parties. To the extent Business Associate is acting as a business associate under the HIPAA Regulations, Business Associate shall be subject to the penalty provisions specified in HITECH. Upon the effective date of any final regulation or amendment to final regulations promulgated by HHS with respect to PHI, this Agreement will be deemed to be automatically amended such that the obligations imposed on the parties remain in compliance with such regulations. The terms and conditions of this Agreement shall override and control any conflicting term or condition of any agreement between the parties with respect to the Services Agreement.

7. Attachment C - Data Processing Addendum

Submit

Click above to sign or propose changes (or to upload your own for our review)

This Data Processing Addendum including all of its Annexes (this “**Addendum**”) supplements and forms part of the End User Agreement accepted by Customer on or about the date hereof (the “**Agreement**”) by and between Verkada Inc. (“**Verkada**”) and the Customer identified therein (“**Customer**”, and together with Verkada, the “**Parties**”). All capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the Agreement.

Verkada reserves the right to modify or update the terms of this Addendum in its discretion, the effective date of which will be the earlier of (i) 30 days from the date of such update or modification and (ii) Customer’s continued use of the Products.

Customer has purchased a subscription to the Software pursuant to the Agreement that involves the Processing of Personal Data subject to Data Protection Laws.

In the provision of the Software by Verkada to Customer pursuant to the Agreement, Customer acts as Controller and Verkada acts as Processor or Service Provider with respect to the Personal Data, or, as the case may be, Customer acts as a Processor for its end user customers including such end user customers’ affiliated companies (as ultimate Controllers) and Verkada will act as a sub-Processor acting on the instruction of the Customer vis-a-vis its end user customers.

The parties agree as follows:

1. **Definitions.** Unless otherwise defined in the Agreement, all capitalized terms used in this Addendum will have the meanings given to them herein or in applicable Data Protection Laws.

“**Controller**” means the entity or Business which solely or jointly with other entities determines the purposes and means of the Processing of Personal

Data, and for the purposes of this Addendum means Customer, including when acting on behalf of its own end user customer.

“Data Breach” has the meaning given to it in the Data Protection Laws and for the purpose of this Addendum relates to the personal data Processed by Verkada on behalf of Customer.

“Data Protection Laws” means to the extent applicable to Customer’s use of the Software, all applicable data protection and privacy laws, their implementing regulations, regulatory guidance, and secondary legislation, each as updated or replaced from time to time, including, as they may apply: (i) the General Data Protection Regulation ((EU) 2016/679) (the **“GDPR”**) and any applicable national implementing laws; (ii) the UK General Data Protection Regulation (**“UK GDPR”**) and the UK Data Protection Act 2018; (iii) U.S. legislation (e.g., the California Consumer Privacy Act and the California Privacy Rights Act); and (iv) any other laws that may be applicable.

“Data Subject” means the identified or identifiable person to whom the Personal Data relates, as defined in applicable Data Protection Laws.

“EEA” means the European Economic Area.

“EU Standard Contractual Clauses” or **“EU SCCs”** or **“Clauses”** means the standard data protection clauses for the transfer of Personal Data to processors established in third countries, as described in Article 46 of the EU GDPR pursuant to the European Commission’s decision (C(2010)593) of 5 February 2010 on Standard Contractual Clauses, as approved by the European Commission in the European Commission’s Implementing Decision 2021/914/EU of 4 June 2021, as each may be amended, updated, or replaced from time to time.

“Personal Data” has the meaning given to it in the Data Protection Laws, and for the purpose of this Addendum relates to the personal data Processed by Verkada on behalf of Customer as described in Section 3.

“Processing” has the meaning given to it in the Data Protection Laws and

“process”, “processes” and “processed” will be construed accordingly.

“Processor” means the entity or Service Provider which Processes Personal Data on behalf of the Controller, as defined in applicable Data Protection Laws and for the purposes of this Addendum means Verkada.

2. **Compliance with Laws**. Each party will comply with the Data Protection Laws as applicable to it. In particular, Customer will comply with its obligations as Controller (or on behalf of Controller), and Verkada will comply with its obligations as Processor.

3. **Data Processing**.

- a. **Roles of the Parties**. The Parties acknowledge and agree that with regard to the Processing of Personal Data, where such terms are used by applicable Data Protection Laws, (i) the Customer is the Controller, (ii) Verkada is the Processor or Service Provider and that (iii) the Processor may engage sub-Processors or other Service Providers pursuant to the requirements set forth in Section 10 below.
- b. **Customer Obligations**.
 - i. Customer (as Controller or on behalf of the ultimate Controller) undertakes that all instructions for the Processing of Personal Data under the Agreement or this Addendum or as otherwise agreed will comply with the Data Protection Laws, and such instructions will not in any way cause Verkada to be in breach of any Data Protection Laws.
 - ii. The Customer will have sole responsibility for the means by which the Customer acquired the Personal Data.
- c. **Verkada’s Processing of Personal Data**.
 - i. Verkada will Process Personal Data only in accordance with

Customer's (i) instructions as outlined in the Agreement and this Addendum or (ii) as otherwise documented by Customer, in either event only as permitted by applicable Data Protection Laws and for purpose of providing the Products to Customer in accordance with the terms of the Agreement.

- ii. Unless prohibited by applicable law, Verkada will notify Customer if, in its opinion, an instruction infringes any Data Protection Law to which it is subject, in which case Verkada will be entitled to suspend performance of such instruction without any kind of liability towards the Customer, until Customer confirms in writing that such instruction is valid under such Data Protection Law. Any additional instructions regarding the manner in which Verkada Processes the Personal Data will require prior written agreement between Verkada and Customer.
- iii. Verkada will not be liable in the event of any claim brought by a third party, including, without limitation, a Data Subject, arising from any act or omission of the Processor, to the extent that such act or omission is a result of the Customer's instructions.
- iv. Verkada will not disclose Personal Data to any government, except as necessary to comply with applicable law or a valid and binding order of a law enforcement agency (such as a subpoena or court order). If Verkada receives a binding order from a law enforcement agency for Personal Data, Verkada will notify Customer of the request it has received so long as Verkada is not legally prohibited from doing so.
- v. Where Verkada acts as Customer's Service Provider, Verkada

shall not: (i) sell Personal Data; (ii) collect, retain, use, or disclose Personal Data (a) for any purpose other than providing the Products specified in the Agreement and this Addendum or (b) outside of the direct business relationship between Verkada and Customer; or (iii) combine this Personal Data with Personal Data that Processor obtains from other sources except as permitted by applicable Data Protection Laws. Verkada certifies that it understands the prohibitions outlined in this Section 3(c)(v) and will comply with them.

vi. Verkada will take reasonable steps to ensure that individuals with access to or involved in the Processing of Personal Data are subject to appropriate confidentiality obligations and/or are bound by related obligations under Data Protection Laws or other applicable laws.

d. The duration of the Processing, the nature and specific purposes of the Processing, the types of Personal Data Processed, and categories of Data Subjects under this Addendum are further specified in the Annexes to this Addendum and, on a more general level, in the Agreement.

4. **Transfers of Personal Data**. Verkada shall transfer Personal Data between jurisdictions as a Data Processor in accordance with applicable Data Protection Laws, including as relevant provisions of this Section 4.

a. Transfers of Personal Data Outside the EEA.

i. Transfers to countries that offer adequate level of data protection. Personal Data may be transferred from EEA to other jurisdictions where such jurisdictions are deemed to

provide an adequate level of data protection under applicable Data Protection Laws.

- ii. Transfers to other third countries. If the Processing of Personal Data includes transfers from EEA/EU Member States to countries outside the EEA/EU which have not been deemed adequate under applicable Data Protection Laws, the parties' EU Standard Contractual Clauses are hereby incorporated into and form part of this Addendum. The Parties agree to include the optional Clause 7 (Docking clause) to the EU SCCs incorporated into this Addendum. With regards to clauses 8 to 18 of the EU SCCs, the different modules and options will apply as follows:
 - i. Module Two shall apply.
 - ii. The Option within Clause 11(a) of the EU SCCs, providing for the optional use of an independent dispute resolution body, is not selected.
 - iii. The Options and information required for Clauses 17 and 18 of the EU SCCs, covering governing law and jurisdiction, are outlined in Section 13 of this Addendum.
 - iv. Option 2 within Clause 9(a) of the EU SCCs, covering authorization for sub-processors, is selected, as discussed within Section 10 of this Addendum.
- b. Transfers of Personal Data Outside Switzerland. If Personal Data is transferred from Switzerland in a manner that would trigger obligations under the Federal Act on Data Protection of Switzerland ("**FADP**"), the EU SCCs shall apply to such transfers and shall be

deemed to be modified in a manner to that incorporates relevant references and definitions that would render such EU SCCs an adequate tool for such transfers under the FADP.

- c. Transfers of Personal Data Outside the UK. If Personal Data is transferred in a manner that would trigger obligations under UK GDPR, the parties agree that **Annex IV** shall apply.
- d. Annexes. This Addendum and its Annexes, together with the Agreement, including as relevant applicable Clauses, serve as a binding contract that sets out the subject matter, duration, nature, and purpose of the Processing, the type of Personal Data and categories of data subjects as well as the obligations and rights of the Controller. Verkada may execute relevant contractual addenda, including as relevant the EU SCCs (Module 3) with any relevant Subprocessor (as hereinafter defined, including Affiliates). Unless Verkada notifies Customer to the contrary, if the European Commission subsequently amends the EU SCCs at a later date, such amended terms will supersede and replace any EU SCCs executed between the parties.
- e. Alternative Data Export Solution. The parties agree that the data export solutions identified in this Section 4 will not apply if and to the extent that Customer adopts an alternative data export solution for the lawful transfer of Personal Data (as recognized under applicable Data Protection Laws), in which event, Customer shall reasonably cooperate with Verkada to implement such solution and such alternative data export solution will apply instead (but solely to the extent such alternative data export solution extends to the territories to which Personal Data is transferred under this Addendum).
- f. Customer shall be responsible for obligations corresponding to Data

Controllers under Data Protection Laws

5. **Technical and Organizational Measures**. Verkada will implement appropriate technical and organizational measures to ensure a level of security of Personal Data appropriate to the risk, as further described in **Annex II** to this Addendum. In assessing the appropriate level of security, Verkada will take into account the risks that are presented by Processing, in particular from accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Personal Data transmitted, stored or otherwise Processed.
6. **Data Subjects rights**. Verkada will assist Customer in responding to Data Subjects' requests exercising their rights under the Data Protection Laws. To that effect, Verkada will (i) to the extent permitted by applicable law, promptly notify Customer of any request received directly from Data Subjects to access, correct or delete its Personal Data without responding to that request, and (ii) upon written request from Customer, provide Customer with information that Verkada has available to reasonably assist Customer in fulfilling its obligations to respond to Data Subjects exercising their rights under the Data Protection Laws.
7. **Data Protection Impact Assessments**. If Customer is required under the Data Protection Laws to conduct a Data Protection Impact Assessment, then upon written request from Customer, Verkada will use commercially reasonable efforts to assist in the fulfilment of Customer's obligation as related to its use of the Products, to the extent Customer does not otherwise have access to the relevant information. If required under Data Protection Laws, Verkada will provide reasonable assistance to Customer in the cooperation or prior consultation with Data Protection Authorities in relation to any applicable Data Protection Impact Assessment.
8. **Audit of Technical and Organizational Measures**. Verkada will make available all information necessary to demonstrate its compliance with data protection

policies and procedures implemented as part of the Products. To this end, upon written request (not more than once annually) Customer may, at its sole cost and expense, verify Verkada's compliance with its data protection obligations as specified in this Addendum by: (i) submitting a security assessment questionnaire to Verkada; and (ii) if Customer is not satisfied with Verkada's responses to the questionnaire, then Customer may conduct an audit in the form of meetings with Verkada's information security experts upon a mutually agreeable date. Such interviews will be conducted with a minimum of disruption to Verkada's normal business operations and subject always to Verkada's agreement on scope and timings. Such audit will be performed during normal business hours, in such a manner as not to unreasonably disrupt normal business operations, and in no event will take place over the course of more than two business days. The Customer may perform the verification described above by itself or through a mutually agreed upon third party auditor, so long as Customer or its authorized auditor executes a mutually agreed upon non-disclosure agreement. Customer will be responsible for any actions taken by its authorized auditor. All information disclosed by Verkada under this Section 8 will be deemed Verkada's Confidential Information, and Customer will not disclose any audit report to any third party except as obligated by law, court order or administrative order by a government agency. Verkada will remediate any mutually agreed, material deficiencies in its technical and organizational measures identified by the audit procedures described in this Section 8 within a mutually agreeable timeframe.

9. **Breach notification.** If Verkada becomes aware of a Data Breach, then Verkada will notify the Customer without undue delay after becoming aware of such Data Breach, will co-operate with the Customer, and will take commercially reasonable steps to investigate, mitigate, and remediate such

Data Breach. Verkada will provide all reasonably required support and cooperation necessary to enable Customer to comply with its legal obligations pursuant applicable Data Protection Laws.

10. **Sub-processing.**

- a. Customer agrees that Verkada may engage either Verkada affiliated companies or third-party providers as sub-Processors under the Agreement and this Addendum (“**Subprocessors**”) and hereby authorizes Verkada to engage such Subprocessors in providing the Products to Customer. Verkada will restrict the Processing activities performed by Subprocessors to only what is necessary to provide the Products to Customer pursuant to the Agreement and this Addendum. Verkada will impose appropriate contractual obligations in writing upon the Subprocessors that are no less protective than this Addendum.
- b. Verkada maintains an updated list of all Subprocessors used by Verkada which is available upon written request. Verkada may amend the list of Subprocessors by adding or replacing Subprocessors at any time. Customer will be entitled to object to a new Subprocessor by notifying Verkada in writing the reasons of its objection. Verkada will work in good faith to address Customer’s objections. If Verkada is unable or unwilling to adequately address Customer’s objections to Customer’s reasonable satisfaction, then Customer may terminate this Addendum and the Agreement in accordance with Section 6.2 of the Agreement.

11. **Return or Deletion of Personal Data.** Verkada will delete or return, in Customer’s discretion, Personal Data within a reasonable period of time following the termination or expiration of the Agreement following written request from Customer unless otherwise required by applicable Data

Protection Laws.

12. **Termination**. This Addendum shall automatically terminate upon the termination or expiration of the Agreement. Sections 3(b), 3(c)(iii), and 14 of this Addendum shall survive the termination or expiration of this Addendum for any reason. This Addendum cannot, in principle, be terminated separately to the Agreement, except where the Processing ends before the termination of the Agreement, in which case, this Addendum shall automatically terminate.
13. **Governing Law**. This Addendum shall be governed by and construed in accordance with governing law and jurisdiction provisions in the Agreement, unless required otherwise by applicable Data Protection Laws. For the purposes of Clauses 17 and 18 of the EU SCCs, where applicable, to the extent that the governing law and jurisdiction provisions in the Agreement do not meet the requirements of the EU SCCs, the parties select Option 2 of Clause 17, and agree that the EU SCCs shall be governed by the law of the EU Member State in which the data exporter is established; where such law does not allow for third-party beneficiary rights, the EU SCCs shall be governed by the laws of the country of Ireland. Pursuant to Clause 18, any dispute between the Parties arising from the EU SCCs shall be resolved by the courts of Ireland, and the Parties submit themselves to such jurisdiction. For the purposes of Clause 13 of the GDPR, the Supervisory Authority shall be the data exporter's applicable Supervisory Authority. Data exporter shall notify data importer of the applicable Supervisory Authority by email at legal-notice@verkada.com and shall provide any necessary updates without undue delay.
14. **Entire Agreement; Conflict**. Except as amended by this Addendum, the Agreement will remain in full force and effect. If there is a conflict between the Agreement and this Addendum as to the subject matter herein, the terms of this Addendum will control.

ANNEX I

A. LIST OF PARTIES

Data exporter(s):

Name: The Customer named in the Agreement

Address: The address of the Customer's corporate headquarters

Contact person's name, position and contact details: The primary administrative contact listed in the Hosted Software.

Activities relevant to the data transferred under these Clauses: Purchase of subscription and use of Software under the Agreement

Role (controller/processor): Controller

Data importer(s):

Name: Verkada Inc.

Address: 406 E. 3rd Ave, San Mateo, CA 94401, USA

Contact details Elizabeth Davies, CPO, privacy@verkada.com

Activities relevant to the data transferred under these Clauses: Processing of personal data to provide Products as set forth in the Agreement

Role (controller/processor): Processor

B. DESCRIPTION OF TRANSFER

Categories of data subjects whose personal data is transferred:

Individuals who may appear in the video footage captured by Data Exporter's security cameras and individuals authorized by Data Exporter to use the Software on behalf of Data Exporter or individuals whose personal data the Data Exporter chooses to provide.

Categories of personal data transferred:

- Audio and video data to provide the Services and Products,*
- Contact information, including names, emails and phone number(s), and*
- Personal Data that the Controller chooses to provide at its own direction*

Note: Data Importer does not process sensitive data except at the direction of or as permitted by Data Exporter.

The frequency of the transfer (e.g. whether the data is transferred on a one-off or continuous basis):

Continuous basis during the Term of the Agreement

Nature of the processing:

As specified under the Agreement (i.e., enterprise Software-as-a-Service platform for physical security)

Purpose(s) of the data transfer and further processing:

For the provision of the specific business purpose and services/Products under the Agreement

The period for which the personal data will be retained, or, if that is not possible, the criteria used to determine that period:

During the term of the Agreement and as provided therein.

For transfers to (sub-) processors, also specify subject matter, nature and duration of the processing:

During the Term of the Agreement for the purpose of providing the services/Products.

c. *COMPETENT SUPERVISORY AUTHORITY*

The competent supervisory authority/ies applicable to Data Exporter as notified to Data Importer in accordance with Section 13(a) of the Addendum.

ANNEX II – TECHNICAL AND ORGANISATIONAL MEASURES INCLUDING TECHNICAL AND ORGANISATIONAL MEASURES TO ENSURE THE SECURITY OF THE DATA

Data Importer (also referred to as Verkada below) has taken and will maintain appropriate administrative, technical, physical and procedural security measures, for the protection of the Personal Data, with such measures located here:

ANNEX III – LIST OF SUB-PROCESSORS

To view Data Importer’s list of sub-processors, please submit your request at:
<https://my.pima.app/p/verkada/verkada-subprocessors>

ANNEX IV

UK ADDENDUM TO EU STANDARD CONTRACTUAL CLAUSES

PART 1: TABLES

Table 1: Parties

Start date	Effective the date of the execution of the Addendum	
The Parties	Exporter (who sends the Restricted Transfer) As listed in Annex I	Importer (who receives the Restricted Transfer) As listed in Annex I
Parties’ Details	As listed in Annex I	As listed in Annex I
Key Contacts	As listed in Annex I	As listed in Annex I

Table 2: Selected SCCs, Modules and Selected Clauses

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"Addendum EU SCCs"	The version of the approved EU SCCs agreed to in the Addendum to which this UK Addendum is appended to, including the Appendix Information.
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Table 3: Appendix Information

"Appendix Information" means the information which must be provided for the selected modules as set out in the Appendix of the Approved SCCs (other than the Parties), and which for this UK Addendum is set out in:

Annex 1A: List of Parties: See Annex I
Annex 1B: Description of Transfer: Annex I
Annex II: Technical and organisational measures including technical and organisational measures to ensure the security of the data: Annex II
Annex III: List of Sub processors: Annex III

Table 4: Ending this Addendum when the Approved Addendum Changes

Ending this Addendum when the Approved Addendum changes	Which Parties may end this Addendum: <input type="checkbox"/> Importer
--	---

- | |
|---|
| <input type="checkbox"/> Exporter
<input type="checkbox"/> neither Party |
|---|

PART 2: MANDATORY CLAUSES

"Mandatory Clauses"	Part 2: Mandatory Clauses of the Approved Addendum, being the template Addendum B.1.0 issued by the ICO and laid before Parliament in accordance with s119A of the Data Protection Act 2018 on 2 February 2022, as it is revised under Section 18 of those Mandatory Clauses.
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7. Attachment D - Service Level Agreement

This Service Level Agreement is incorporated by reference into the Terms of Sale between Verkada Inc. (“**Verkada**”) and the customer (the “**Company**”) named therein (the “**Agreement**”). All capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the Agreement

Service Levels

Verkada will use commercially reasonable efforts to make the Platform available 99.99% or more of the time during any calendar month. Subject to the exclusions set forth below, an outage will be defined as any time when the Platform is not available due to a cause within the control of Verkada. The availability standard does not apply to any feature of the Platform that Verkada identifies as a “beta” feature or service.

Service Credits

If Verkada fails to achieve the availability percentage above, Company will be eligible to receive a credit (“**Service Credit**”) calculated as a certain number of days added to the end of Company’s paid Subscription Period. The Service Credits increase is based on the amount of aggregate outage as set forth below.

Service Availability	Service Credit
Less than 99.99%	3 days
Less than 99.9%	7 days
Less than 99%	15 days
Less than 90%	30 days

Service Credits are non-transferable. To receive a Service Credit, Company must

contact Verkada in writing within 30 days following the outage and demonstrate to Verkada's reasonable satisfaction that Company's use of the Platform was adversely affected as a result of the outage.

Exclusions

Verkada does not include in its calculation of downtime any time the Platform is not provided due to:

- Planned maintenance windows where notice of planned unavailability has been given, via the Platform, at least two business days prior to the outage, unless in the case of emergency changes;
- Force Majeure Events;
- Actions or inactions on Company's part;
- Events arising from Company's systems or any Company websites;
- ISP or Internet outages outside of Verkada's control; or
- Outages reasonably deemed necessary by Verkada.

Sole Remedy

Notwithstanding any terms to the contrary in the Terms of Sale, the Service Credits are Company's sole and exclusive remedy for any outage of the Platform.

Appendix C, DOC # 4

Texas Government Code 2270 Verification Form

House Bill 89 (85R Legislative Session), which adds Chapter 2270 to the Texas Government Code, provides that a governmental entity may not enter into a contract with a company without verification that the contracting vendor does not and will not boycott Israel during the term of the contract.

Furthermore, Senate Bill 252 (85R Legislative Session), which amends Chapter 2252 of the Texas Government Code to add Subchapter F, prohibits contracting with a company engaged in business with Iran, Sudan or a foreign terrorist organization identified on a list prepared by the Texas Comptroller.

I, Caleb Augustin, as an authorized representative of
Verkada Inc, a contractor engaged by
Insert Name of Company

Region 4 Education Service Center, 7145 West Tidwell Road, Houston, TX 77092, verify by this writing that the above-named company affirms that it (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future.

Also, our company is not listed on and we do not do business with companies that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>.

I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that the above-named Texas governmental entity will be notified in writing within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall be grounds for immediate contract termination without penalty to the above-named Texas governmental entity.

I swear and affirm that the above is true and correct.

Signed by:

4571F72A132E4F6...
 Signature of Named Authorized Company Representative

11/18/2024

Date

Exhibit F Federal Funds Certifications

FEDERAL CERTIFICATIONS

ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

TO WHOM IT MAY CONCERN:

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.

DEFINITIONS

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

Contractor means an entity that receives a contract as defined in Contract.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302–6305:

- (a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;
- (b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
- (c) The term does not include:
 - (1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
 - (2) An agreement that provides only:
 - (i) Direct United States Government cash assistance to an individual;
 - (ii) A subsidy;
 - (iii) A loan;
 - (iv) A loan guarantee; or
 - (v) Insurance.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

- (a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or
- (2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.
- (b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.
- (c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).
- (d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Obligations means, when used in connection with a non-Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Per FAR 52.204-24 and FAR 52.204-25, solicitations and resultant contracts shall contain the following provisions.

52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Oct 2020)

The Offeror shall not complete the representation at paragraph (d)(1) of this provision if the Offeror has represented that it "does not provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument" in paragraph (c)(1) in the provision at 52.204-26, Covered Telecommunications Equipment or Services—Representation, or in paragraph (v)(2)(i) of the provision at 52.212-3, Offeror Representations and Certifications-Commercial Items. The Offeror shall not complete the representation in paragraph (d)(2) of this provision if the Offeror has represented that it "does not use covered telecommunications equipment or services, or any equipment, system, or service that uses covered telecommunications equipment or services" in paragraph (c)(2) of the provision at 52.204-26, or in paragraph (v)(2)(ii) of the provision at 52.212-3.

(a) *Definitions.* As used in this provision—

Backhaul, covered telecommunications equipment or services, critical technology, interconnection arrangements, reasonable inquiry, roaming, and substantial or essential component have the meanings provided in the clause 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

(b) *Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract or extending or renewing a contract with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) *Procedures.* The Offeror shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for "covered telecommunications equipment or services".

(d) *Representation.* The Offeror represents that—

(1) It ☐ will, ☐ will not provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract or other contractual instrument resulting from this solicitation. The Offeror shall provide the additional disclosure information required at paragraph (e)(1) of this section if the Offeror responds "will" in paragraph (d)(1) of this section; and

(2) After conducting a reasonable inquiry, for purposes of this representation, the Offeror represents that—

It ☐ does, ☐ does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. The Offeror shall provide the additional disclosure information required at paragraph (e)(2) of this section if the Offeror responds "does" in paragraph (d)(2) of this section.

(e) *Disclosures.*

(1) Disclosure for the representation in paragraph (d)(1) of this provision. If the Offeror has responded "will" in the representation in paragraph (d)(1) of this provision, the Offeror shall provide the following information as part of the offer.

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the original equipment manufacturer (OEM) or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the Product Service Code (PSC) of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(2) Disclosure for the representation in paragraph (d)(2) of this provision. If the Offeror has responded "does" in the representation in paragraph (d)(2) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the OEM or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the PSC of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020).

(a) *Definitions.* As used in this clause—

Backhaul means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

Covered foreign country means The People's Republic of China.

Covered telecommunications equipment or services means—

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment; or

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Critical technology means—

(1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;

(2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled—

(i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or

(ii) For reasons relating to regional stability or surreptitious listening;

(3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);

(4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);

(5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or

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(6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

Interconnection arrangements means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

Reasonable inquiry means an inquiry designed to uncover any information in the entity's possession about the identity of the producer or provider of covered telecommunications equipment or services used by the entity that excludes the need to include an internal or third-party audit.

Roaming means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

Substantial or essential component means any component necessary for the proper function or performance of a piece of equipment, system, or service.

(b) *Prohibition.*

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The Contractor is prohibited from providing to the Government any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

(c) *Exceptions.* This clause does not prohibit contractors from providing—

(1) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements;
or

(2) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) *Reporting requirement.*

(1) In the event the Contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this clause to the Contracting Officer, unless elsewhere in this contract are established procedures for reporting the information; in the case of the Department of Defense, the Contractor shall report to the website at <https://dibnet.dod.mil>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil>.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause

(i) Within one business day from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

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
(e) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (e) and excluding paragraph (b)(2), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial items.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency’s subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200


(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES _____ Initials of Authorized Representative of offeror
N/A as this is not a construction contract

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non - Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work

Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror
N/A as this is not a construction contract

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror
N/A as this is not a construction contract

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror
N/A as Verkada is providing off the shelf hardware and SaaS only.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

In the event Federal Transit Administration (FTA) or Department of Transportation (DOT) funding is used by Participating Public Agency, Offeror also agrees to include Clean Air and Clean Water requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

Version June 26, 2024 N/A as Verkada is providing off the shelf hardware and SaaS only.

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(3) The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such subrecipients shall certify and disclose accordingly.

Does offeror agree? YES  _____ Initials of Authorized Representative of offeror

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES ☒ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES ☒ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition. Additionally:

- (1) The Contractor agrees to comply with 49 USC 5323(j) and 49 CFR Part 661, which provide that federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7.A general public interest waiver from the Buy America requirements applies to microprocessors, computers, microcomputers, software or other such devices, which are used solely for the purpose of processing or storing data. This general waiver does not extend to a product or device that merely contains a microprocessor or microcomputer and is not used solely for the purpose of processing or storing data. Separate requirements for rolling stock are set out at 5323(j)(2)(C) and 49 CFR 661.11.
- (2) A bidder or offeror must submit to the FTA recipient the appropriate Buy America certification with all bids on FTA-funded contracts, except those subject to a general waiver. Bids or offers that are not accompanied by a completed Buy America certification must be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

The following certificates titled FTA and DOT Buy America Certification should be completed and returned with the response as part of FTA and DOT requirements.

FEDERAL TRASIT ADMINISTRATION (FTA) AND DEPARTMENT OF TRANSPORTATION (DOT) - BUY AMERICA: CERTIFICATION REQUIREMENT FOR PROCUREMENTOF ROLLING STOCK

CERTIFICATE OF COMPLIANCE

(select one of the two options, NOT BOTH)

Certificate of Compliance with 49 USC §5323(j)

The proposer hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j), and the applicable regulations of 49 CFR 661.11.

Check for YES: ☐

OR

Certificate of Non-Compliance with 49 USC §5323(j)

The proposer hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but may qualify for an exception to the requirement consistent with 49 U.S.C. 5323(j)(2)(C), and the applicable regulations in 49 CFR 661.7.

Check for YES: ☐ Most of Verkada's products and services are exempt, because they are commerical electronics or information technology that is a commercial product. Will comply where applicable.

**FEDERAL TRASIT ADMINISTRATION (FTA) AND DEPARTMENT OF TRANSPORTATION (DOT) -
BUY AMERICA: CERTIFICATION REQUIREMENT FOR PROCUREMENT OF STEEL OR MANUFACTURED PRODUCTS**

CERTIFICATE OF COMPLIANCE (select one of the two options, NOT BOTH)

Certificate of Compliance with 49 USC §5323(j)(1)

The proposer hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j)(1), and the applicable regulations in 49 CFR part 661.

Check for YES: ☐

OR

Certificate of Non-Compliance with 49 USC §5323(j)(1)

The proposer hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but it may qualify for an exception to the requirement pursuant to 49 U.S.C. 5323(j)(2), as amended, and the applicable regulations in 49 CFR 661.7.

Check for YES: ☐ *Most of Verkada's products and services are exempt, because they are commercial electronics or information technology that is a commercial product*

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

Offeror's Name: Verkada Inc

Address, City, State, and Zip Code: 406 E 3rd Ave. San Mateo, CA 94401

Phone Number: 801-793-2634

Fax Number: _____

Printed Name and Title of Authorized Representative: Caleb Augustin, Director of Global Channel

Email Address: caleb.augustin@verkada.com

Signature of Authorized Representative: _____

Date: 11/18/2024

Signed by:
Caleb Augustin
4571F72A132E4F6...

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

COMMUNITY DEVELOPMENT BLOCK GRANTS

Purchases made under this contract may be partially or fully funded with federal grant funds. Funding for this work may include Federal Funding sources, including Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development. When such funding is provided, Offeror shall comply with all terms, conditions and requirements enumerated by the grant funding source, as well as requirements of the State statutes for which the contract is utilized, whichever is the more restrictive requirement. When using Federal Funding, Offeror shall comply with all wage and latest reporting provisions of the Federal Davis-Bacon Act. HUD-4010 Labor Provisions also applies to this contract.

Does offeror agree? YES ☐ *CA* _____ Initials of Authorized Representative of offeror

Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further

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acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Offeror's Name: Verkada Inc

Address, City, State, and Zip Code:

406 E 3rd Ave. San Mateo, CA 94401

Phone Number: 801-793-2634

Fax Number:

Printed Name and Title of Authorized Representative:

Caleb Augustin, Director of Global Channel

Email Address: caleb.augustin@verkada.com

Signature of Authorized Representative:
11/18/2024

Signed by:
Caleb Augustin
4571F72A132E4F6...

Date:

FEMA AND ADDITIONAL FEDERAL FUNDING SPECIAL CONDITIONS

Awarded Supplier(s) (also referred to as Contractors) may need to respond to events and losses where products and services are needed for the immediate and initial response to emergency situations such as, but not limited to, water damage, fire damage, vandalism cleanup, biohazard cleanup, sewage decontamination, deodorization, and/or wind damage during a disaster or emergency situation. By submitting a proposal, the Supplier is accepted these FEMA and Additional Federal Funding Special Conditions required by the Federal Emergency Management Agency (FEMA) and other federal entities.

“Contract” in the below pages under FEMA AND ADDITIONAL FEDERAL FUNDING SPECIAL CONDITIONS is also referred to and defined as the “Master Agreement”.

“Contractor” in the below pages under FEMA AND ADDITIONAL FEDERAL FUNDING SPECIAL CONDITIONS is also referred to and defined as “Supplier” or “Awarded Supplier”.

Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3. i. FEMA considers a “financial interest” to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an “apparent” conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of the Participating Public Agency nor the Participating Public Agency (“NFE”) must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE’s may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE’s written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE’s employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

Contractor Integrity

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended, as described in and subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security’s regulations at 2 C.F.R. Part 3000 (Non-procurement Debarment and Suspension), must be rejected and cannot receive contract awards at any level.

Notice of Legal Matters Affecting the Federal Government

In the event FTA or DOT funding is used by Participating Public Agency, Contractor agrees to:

- 1) The Contractor agrees that if a current or prospective legal matter that may affect the Federal Government emerges, the Contractor shall promptly notify the Participating Public Agency of the legal matter in accordance with 2 C.F.R. §§ 180.220 and 1200.220.

- 2) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.
- 3) The Contractor further agrees to include the above clause in each subcontract, at every tier, financed in whole or in part with Federal assistance provided by the FTA.

Public Policy

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

Affirmative Steps

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Prevailing Wage Requirements

When applicable, the awarded Contractor (s) and any and all subcontractor(s) agree to comply with all laws regarding prevailing wage rates including the Davis-Bacon Act, applicable to this solicitation and/or Participating Public Agencies. The Participating Public Agency shall notify the Contractor of the applicable pricing/prevailing wage rates and must apply any local wage rates requested. The Contractor and any subcontractor(s) shall comply with the prevailing wage rates set by the Participating Public Agency.

Federal Requirements

If products and services are issued in response to an emergency or disaster recovery the items below, located in this FEMA Special Conditions section of the Federal Funds Certifications, are activated and required when federal funding may be utilized.

2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses

1. CONTRACT REMEDIES

Contracts for more than the federal simplified acquisition threshold (SAT), the dollar amount below which an NFE may purchase property or services using small purchase methods, currently set at \$250,000 for procurements made on or after June 20, 2018,⁴ must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms and must provide for sanctions and penalties as appropriate.

1.1 Applicability

This contract provision is required for contracts over the SAT, currently set at \$250,000 for procurements made on or after June 20, 2018. Although not required for contracts at or below the SAT, FEMA suggests including a remedies provision.

1.2 Additional Considerations

For FEMA's Assistance to Firefighters Grant (AFG) Program, recipients must include a penalty clause in all contracts for any AFG-funded vehicle, regardless of dollar amount. In that situation, the contract must include a clause addressing that non-delivery by the contract's specified date or other vendor nonperformance will require a penalty of no less than \$100 per day until such time that the vehicle, compliant with the terms of the contract, has been accepted by the recipient. This penalty clause should, however, account for force majeure or acts of God. AFG recipients should refer to the applicable year's Notice of Funding Opportunity (NOFO) for additional information, which can be accessed at FEMA.gov.

2. TERMINATION FOR CAUSE AND CONVENIENCE

- a. Standard. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity, including the manner by which it will be effected and the basis for settlement. See 2 C.F.R. Part 200, Appendix II(B).
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.

3. EQUAL EMPLOYMENT OPPORTUNITY

When applicable:

- a. Standard. Except as otherwise provided under 41 C.F.R. Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, *Equal Employment Opportunity* (30 Fed. Reg. 12319, 12935, 3 C.F.R. Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, *Amending Executive Order 11246 Relating to Equal Employment Opportunity*, and implementing regulations at 41 C.F.R. Part 60 (Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor). See 2 C.F.R. Part 200, Appendix II(C).
- b. Key Definitions.
 - i. Federally Assisted Construction Contract. The regulation at 41 C.F.R. § 60-1.3 defines a "federally assisted construction contract" as any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any Federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the Government for a grant, contract,

loan, insurance, or guarantee under which the applicant itself participates in the construction work.

- ii. Construction Work. The regulation at 41 C.F.R. § 60-1.3 defines “construction work” as the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.
- c. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs.
- d. Required Language. The regulation at 41 C.F.R. Part 60-1.4(b) requires the insertion of the following contract clause.

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the

applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

4. DAVIS-BACON ACT

- a. Standard. All prime construction contracts in excess of \$2,000 awarded by non- Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction). See 2 C.F.R. Part 200, Appendix II(D). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.
- b. Applicability. The Davis-Bacon Act applies to the Emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program.
- c. Requirements. If applicable, the non-federal entity must do the following:
 - i. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
 - ii. Additionally, pursuant 2 C.F.R. Part 200, Appendix II(D), contracts subject to the Davis-Bacon Act, must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti- Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.
 - iii. Include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”).

Suggested Language. The following provides a sample contract clause:

Compliance with the Davis-Bacon Act

- a. All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- b. Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- c. Additionally, contractors are required to pay wages not less than once a week.

5. COPELAND ANTI-KICKBACK ACT

- a. Standard. Recipient and subrecipient contracts must include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”).
- b. Applicability. This requirement applies to all contracts for construction or repair work above \$2,000 in situations where the Davis-Bacon Act also applies. It DOES NOT apply to the FEMA Public Assistance Program.
- c. Requirements. If applicable, the non-federal entity must include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). Each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA. Additionally, in accordance with the regulation, each contractor and subcontractor must furnish each week a statement with respect to the wages paid each of its employees engaged in work covered by the Copeland Anti-Kickback Act and the Davis Bacon Act during the preceding weekly payroll period. The report shall be delivered by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency in charge at the site of the building or work.

Sample Language. The following provides a sample contract clause:

Compliance with the Copeland “Anti-Kickback” Act.

- a. Contractor. The contractor shall comply with 18 U.S.C. §874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- b. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts.

The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

- c. Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. §5.12."

6. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

- a. Standard. Where applicable (see 40 U.S.C. §§ 3701-3708), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II(E). Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Further, no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous.
- b. Applicability. This requirement applies to all FEMA contracts awarded by the non- federal entity in excess of \$100,000 under grant and cooperative agreement programs that involve the employment of mechanics or laborers. It is applicable to construction work. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- c. Suggested Language. The regulation at 29 C.F.R. § 5.5(b) provides contract clause language concerning compliance with the Contract Work Hours and Safety Standards Act. FEMA suggests including the following contract clause:

Compliance with the Contract Work Hours and Safety Standards Act.

(1) *Overtime requirements*. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in suchworkweek.

(2) *Violation; liability for unpaid wages; liquidated damages*. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of

\$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages.* The Federal agency or loan/grant recipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) *Subcontracts.* The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

7. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

- a.** Standard. If the FEMA award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II(F).
- b.** Applicability. This requirement applies to “funding agreements,” but it DOES NOT apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as FEMA awards under these programs do not meet the definition of “funding agreement.”
- c.** Funding Agreements Definition. The regulation at 37 C.F.R. § 401.2(a) defines “funding agreement” as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

8. CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT

- a.** Standard. If applicable, contracts must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q.) and the Federal Water Pollution Control Act

as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II(G).

- b.** Applicability. This requirement applies to contracts awarded by a non-federal entity of amounts in excess of \$150,000 under a federal grant.
- c.** Suggested Language. The following provides a sample contract clause.

Clean Air Act

1. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The contractor agrees to report each violation to the Participating Public Agency and understands and agrees that the Participating Public Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

1. The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The contractor agrees to report each violation to the Participating Public Agency and understands and agrees that the Participating Public Agency will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

9. DEBARMENT AND SUSPENSION

- a.** Standard. Non-Federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Non-procurement Debarment and Suspension).

- b.** Applicability. This requirement applies to all FEMA grant and cooperative

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agreement programs.

c. Requirements.

- i. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II(H); and 2 C.F.R. § 200.213. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530.
- ii. In general, an “excluded” party cannot receive a Federal grant award or a contract within the meaning of a “covered transaction,” to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a “covered transaction,” which is any non-procurement transaction (unless excepted) at either a “primary” or “secondary” tier. Although “covered transactions” do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS’s implementing regulations, it does include some contracts awarded by recipients and subrecipients.
- iii. Specifically, a covered transaction includes the following contracts for goods or services:
 1. The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
 2. The contract requires the approval of FEMA, regardless of amount.
 3. The contract is for federally-required audit services.
 4. A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
- d. Suggested Language. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified.

Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000,

subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

- (3) This certification is a material representation of fact relied upon by the Participating Public Agency. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Participating Public Agency, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

10. BYRD ANTI-LOBBYING AMENDMENT

- a. Standard. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. FEMA's regulation at 44 C.F.R. Part 18 implements the requirements of 31 U.S.C. § 1352 and provides, in Appendix A to Part 18, a copy of the certification that is required to be completed by each entity as described in 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Federal awarding agency.
- b. Applicability. This requirement applies to all FEMA grant and cooperative agreement programs. Contractors that apply or bid for a contract of \$100,000 or more under a federal grant must file the required certification. See 2 C.F.R. Part 200, Appendix II(I); 31 U.S.C. § 1352; and 44 C.F.R. Part 18.
- c. Suggested Language.

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

- d. Required Certification. If applicable, contractors must sign and submit to the non-federal

entity the following certification.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Verkada Inc, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signed by:
 _____
4571F7DA132E4FE

Signature of Contractor's Authorized Official

Caleb Augustin, Director of Global Channel

Name and Title of Contractor's Authorized Official

11/18/2024

Date

11. PROCUREMENT OF RECOVERED MATERIALS

N/A as Verkada is providing off the shelf hardware and SaaS only.

- a. Standard. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. See 2 C.F.R. Part 200, Appendix II(J); and 2 C.F.R. §200.322.
- b. Applicability. This requirement applies to all contracts awarded by a non- federal entity under FEMA grant and cooperative agreement programs.
- c. Requirements. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. Suggested Language.
 - i. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
 1. Competitively within a timeframe providing for compliance with the contract performance schedule;
 2. Meeting contract performance requirements; or
 3. At a reasonable price.
 - ii. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
 - iii. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.”

12. DOMESTIC PREFERENCES FOR PROCUREMENTS

As appropriate, and to the extent consistent with law, CONTRACTOR should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products or materials produced in the United States. This includes, but is not limited to, iron, aluminum, steel, cement, and other manufactured products.

Applicability For purchases in support of FEMA declarations and awards issued on or after November 12, 2020, all FEMA recipients and subrecipients are required to include in all contracts and purchase orders for work or products a contract provision encouraging domestic preference for procurements.

Domestic Preference for Procurements As appropriate, and to the extent consistent with law, the contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. For purposes of this clause: Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. Manufactured products mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.”

13. ACCESS TO RECORDS

- a. Standard. All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff. Recipients must give DHS/FEMA access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations *and* other applicable laws or program guidance. See DHS Standard Terms and Conditions: Version 8.1 (2018). Additionally, Section 1225 of the Disaster Recovery Reform Act of 2018 prohibits FEMA from providing reimbursement to any state, local, tribal, or territorial government, or private non-profit for activities made pursuant to a contract that purports to prohibit audits or internal reviews by the FEMA administrator or Comptroller General.

Access to Records. The following access to records requirements apply to this contract:

- i. The Contractor agrees to provide Participating Public Agency, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- ii. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- iii. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- iv. In compliance with the Disaster Recovery Act of 2018, the Participating Public Agency and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

14. CHANGES

- a. Standard. To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope.
- b. Applicability. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

15. DHS SEAL, LOGO, AND FLAGS

- a. Standard. Recipients must obtain permission prior to using the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials. See DHS Standard Terms and Conditions: Version 8.1 (2018).
- b. Applicability. FEMA recommends that all non-Federal entities place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
- c. "The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

16. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

- a. Standard. The recipient and its contractors are required to comply with all Federal laws, regulations, and executive orders.
- b. Applicability. FEMA recommends that all non-Federal entities place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable Federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- c. "This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives."

17. NO OBLIGATION BY FEDERAL GOVERNMENT

- a. Standard. FEMA is not a party to any transaction between the recipient and its contractor. FEMA is not subject to any obligations or liable to any party for any matter relating to the contract.
- b. Applicability. FEMA recommends that the non-Federal entity include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- c. "The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract."

18. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

- a. Standard. Recipients must comply with the requirements of The False Claims Act (31 U.S.C. §§ 3729-3733) which prohibits the submission of false or fraudulent claims for payment to the federal government. See DHS Standard Terms and Conditions: Version 8.1 (2018); and 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. Applicability. FEMA recommends that the non-Federal entity include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- c. "The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract."
- d. In the event FTA or DOT funding is used by a Participating Public Agency, Contractor further acknowledges U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, and apply to its actions pertaining to this Contract. Upon execution of the underlying Contract, Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Contract or the FTA assisted project for which this Contract Work is being performed.

In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on Contractor to the extent the Federal Government deems appropriate.

Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 (n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

Contractor agrees to include the above clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

Offeror agrees to comply with all terms and conditions outlined in the FEMA Special Conditions section of this solicitation.

Offeror's Name: Verkada Inc

Address, City, State, and Zip Code:
406 E 3rd Ave. San Mateo, CA 94401

Phone Number: 801-793-2634 Fax Number: _____

Printed Name and Title of Authorized Representative:
Caleb Augustin, Director of Global Channel

Email Address: caleb.augustin@verkada.com

Signature of Authorized Representative:  _____
Signed by: Caleb Augustin
4571F72A132E4F8

Date: 11/18/2024

Exhibit G
New Jersey Business Compliance

NEW JERSEY BUSINESS COMPLIANCE

Suppliers intending to do business in the State of New Jersey must comply with policies and procedures required under New Jersey statutes. All offerors submitting proposals must complete the following forms specific to the State of New Jersey. Completed forms should be submitted with the offeror's response to the RFP. Failure to complete the New Jersey packet will impact OMNIA Partners' ability to promote the Master Agreement in the State of New Jersey.

- DOC #1 Ownership Disclosure Form
- DOC #2 Non-Collusion Affidavit
- DOC #3 Affirmative Action Affidavit
- DOC #4 Political Contribution Disclosure Form
- DOC #5 Stockholder Disclosure Certification
- DOC #6 Disclosure of Investment Activities in Iran
- DOC #7 Certification of Non-Involvement in Prohibited Activities in Russia or Belarus
- DOC #8 New Jersey Business Registration Certificate
- DOC #9 EEOAA Evidence
- DOC #10 MacBride Principals Form

New Jersey suppliers are required to comply with the following New Jersey statutes when applicable:

- all anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38;
- Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act;
- Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26; and
- Bid and Performance Security, as required by the applicable municipal or state statutes.

STATEMENT OF OWNERSHIP DISCLOSURE

N.J.S.A. 52:25-24.2 (P.L. 1977, c.33, as amended by P.L. 2016, c.43)

This statement shall be completed, certified to, and included with all bid and proposal submissions. Failure to submit the required information is cause for automatic rejection of the bid or proposal.

Name of Organization: _____

Organization Address: _____

Part I Check the box that represents the type of business organization:

- ☐ Sole Proprietorship (skip Parts II and III, execute certification in Part IV)
- ☐ Non-Profit Corporation (skip Parts II and III, execute certification in Part IV)
- ☐ For-Profit Corporation (any type) ☐ Limited Liability Company (LLC)
- ☐ Partnership ☐ Limited Partnership ☐ Limited Liability Partnership (LLP)
- ☐ Other (be specific): _____

Part II

- ☐ The list below contains the names and addresses of all stockholders in the corporation who own 10 percent or more of its stock, of any class, or of all individual partners in the partnership who own a 10 percent or greater interest therein, or of all members in the limited liability company who own a 10 percent or greater interest therein, as the case may be. **(COMPLETE THE LIST BELOW IN THIS SECTION)**

OR

- ☐ No one stockholder in the corporation owns 10 percent or more of its stock, of any class, or no individual partner in the partnership owns a 10 percent or greater interest therein, or no member in the limited liability company owns a 10 percent or greater interest therein, as the case may be. **(SKIP TO PART IV)**

(Please attach additional sheets if more space is needed):

Name of Individual or Business Entity	Home Address (for Individuals) or Business Address

Part III DISCLOSURE OF 10% OR GREATER OWNERSHIP IN THE STOCKHOLDERS, PARTNERS OR LLC MEMBERS LISTED IN PART II

If a bidder has a direct or indirect parent entity which is publicly traded, and any person holds a 10 percent or greater beneficial interest in the publicly traded parent entity as of the last annual federal Security and Exchange Commission (SEC) or foreign equivalent filing, ownership disclosure can be met by providing links to the website(s) containing the last annual filing(s) with the federal Securities and Exchange Commission (or foreign equivalent) that contain the name and address of each person holding a 10% or greater beneficial interest in the publicly traded parent entity, along with the relevant page numbers of the filing(s) that contain the information on each such person. **Attach additional sheets if more space is needed.**

Website (URL) containing the last annual SEC (or foreign equivalent) filing	Page #'s

Please list the names and addresses of each stockholder, partner or member owning a 10 percent or greater interest in any corresponding corporation, partnership and/or limited liability company (LLC) listed in Part II **other than for any publicly traded parent entities referenced above.** The disclosure shall be continued until names and addresses of every noncorporate stockholder, and individual partner, and member exceeding the 10 percent ownership criteria established pursuant to N.J.S.A. 52:25-24.2 has been listed. **Attach additional sheets if more space is needed.**

Stockholder/Partner/Member and Corresponding Entity Listed in Part II	Home Address (for Individuals) or Business Address

Part IV Certification

I, being duly sworn upon my oath, hereby represent that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge: that I am authorized to execute this certification on behalf of the bidder/proposer; that the **<name of contracting unit>** is relying on the information contained herein and that I am under a continuing obligation from the date of this certification through the completion of any contracts with **<type of contracting unit>** to notify the **<type of contracting unit>** in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I am subject to criminal prosecution under the law and that it will constitute a material breach of my agreement(s) with the, permitting the **<type of contracting unit>** to declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print):		Title:	
Signature:		Date:	

DOC #2

NON-COLLUSION AFFIDAVIT

STANDARD BID DOCUMENT REFERENCE	
	Reference: VII-H
Name of Form:	NON-COLLUSION AFFIDAVIT
Statutory Reference:	No specific statutory reference State Statutory Reference N.J.S.A. 52:34-15
Instructions Reference:	Statutory and Other Requirements VII-H
Description:	The Owner's use of this form is optional. It is used to ensure that the bidder has not participated in any collusion with any other bidder or Owner representative or otherwise taken any action in restraint of free and competitive bidding.

NON-COLLUSION AFFIDAVIT

State of New Jersey
County of _____

ss:

I, _____ residing in _____
(name of affiant) (name of municipality)
in the County of _____ and State of _____ of
full age, being duly sworn according to law on my oath depose and say that:

I am _____ of the firm of _____
(title or position) (name of firm)

_____ the bidder making this Proposal for the bid

entitled _____, and that I executed the said proposal with
(title of bid proposal)

full authority to do so that said bidder has not, directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named project; and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that the _____
(name of contracting unit)

relies upon the truth of the statements contained in said Proposal and in the statements contained in this affidavit in awarding the contract for the said project.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by _____.

Subscribed and sworn to

before me this day

Signature

_____, 2____

(Type or print name of affiant under signature)

Notary public of

My Commission expires _____

(Seal)

**AFFIRMATIVE ACTION AFFIDAVIT
(P.L. 1975, C.127)**

Company Name: _____

Street: _____

City, State, Zip Code: _____

Proposal Certification:

Indicate below company's compliance with New Jersey Affirmative Action regulations. Company's proposal will be accepted even if company is not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

1. A photocopy of a valid letter that the contractor is operating under an existing Federally approved or sanctioned affirmative action program (good for one year from the date of the letter);

OR

2. A photocopy of a Certificate of Employee Information Report approval, issued in accordance with N.J.A.C. 17:27-4;

OR

3. A photocopy of an Employee Information Report (Form AA302) provided by the Division of Contract Compliance and Equal Employment Opportunity in Public Contracts and distributed to the public agency to be completed by the contractor in accordance with N.J.A.C. 17:27-4.

Public Work – Over \$50,000 Total Project Cost:

- A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201. A project contract ID number will be assigned to your firm upon receipt of the completed Initial Project Workforce Report (AA201) for this contract.
- B. Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

Date

Authorized Signature and Title

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE
PROCUREMENT, PROFESSIONAL AND SERVICE
CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

Signature of Procurement Agent

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). Please refer back to these instructions for the appropriate links, as the Local Finance Notices include links that are no longer operational.

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a “fair and open” process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the “County PCD Forms” link on the Pay-to-Play web site at <http://www.nj.gov/dca/divisions/dlgs/programs/lpcl.html#12>. They will be updated from time-to-time as necessary.
 - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
 - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d. The form may be used “as-is”, subject to edits as described herein.
 - e. The “Contractor Instructions” sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a “Stockholder Disclosure Certification.” This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract (See Local Finance Notice 2006-7 for additional information on this obligation at http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. NOTE: This section is not applicable to Boards of Education.

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county

The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs).

When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure.

Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report.

The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement.

The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act.

The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law. **NOTE: This section does not apply to Board of Education contracts.**

* N.J.S.A. 19:44A-3(s): “The term “legislative leadership committee” means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L. 1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.”

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Required Pursuant to N.J.S.A. 19:44A-20.26

This form or its permitted facsimile must be submitted to the local unit no later than 10 days prior to the award of the contract.

Part I – Vendor Information

Vendor Name:			
Address:			
City:		State:	Zip:

The undersigned being authorized to certify, hereby certifies that the submission provided herein represents compliance with the provisions of N.J.S.A. 19:44A-20.26 and as represented by the Instructions accompanying this form.

Signature

Printed Name

Title

Part II – Contribution Disclosure

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reportable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit.

☐ Check here if disclosure is provided in electronic form

[illegible]

☐ Check here if the information is continued on subsequent page(s)

List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 19:44A-20.26

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{County Executive}

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD FROM THE
PAY TO PLAY SECTION OF THE DLGS WEBSITE A COUNTY-BASED,
CUSTOMIZABLE FORM.**

STOCKHOLDER DISCLOSURE CERTIFICATION**Name of Business:**

☐ I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

☐ I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

☐ Partnership ☐ Corporation ☐ Sole Proprietorship

☐ Limited Partnership ☐ Limited Liability Corporation ☐ Limited Liability Partnership

☐ Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:

Subscribed and sworn before me this ____ day of _____, 2__.	_____
(Notary Public)	(Affiant)
My Commission expires:	_____
	(Print name & title of affiant)
	(Corporate Seal)



DOC #6

DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PURCHASE AND PROPERTY
33 WEST STATE STREET, P.O. BOX 230 TRENTON, NEW JERSEY 08625-0230

BID SOLICITATION # AND TITLE: _____

VENDOR NAME: _____

Pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4) any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must certify that neither the person nor entity, nor any of its parents, subsidiaries, or affiliates, is identified on the New Jersey Department of the Treasury's Chapter 25 List as a person or entity engaged in investment activities in Iran. The Chapter 25 list is found on the Division's website at <https://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Vendors/Bidders must review this list prior to completing the below certification. If the Director of the Division of Purchase and Property finds a person or entity to be in violation of the law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

CHECK THE APPROPRIATE BOX

☐ I certify, pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4), that neither the Vendor/Bidder listed above nor any of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List of entities determined to be engaged in prohibited activities in Iran.

OR

☐ I am unable to certify as above because the Vendor/Bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List. I will provide a detailed, accurate and precise description of the activities of the Vendor/Bidder, or one of its parents, subsidiaries or affiliates, has engaged in regarding investment activities in Iran by completing the information requested below.

Entity Engaged in Investment Activities

Relationship to Vendor/ Bidder

Description of Activities

Duration of Engagement

Anticipated Cessation Date

**Attach Additional Sheets If Necessary.*

CERTIFICATION

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I may be subject to criminal prosecution under the law, and it will constitute a material breach of my contract(s) with the State, permitting the State to declare any contract(s) resulting from this certification void and unenforceable.

Signature

Date

Print Name and Title

DPP Rev. 12.13.2021



CERTIFICATION OF NON-INVOLVEMENT IN PROHIBITED ACTIVITIES IN RUSSIA OR BELARUS

Pursuant to N.J.S.A. 52:32-60.1, et seq. (L. 2022, c. 3) any person or entity (hereinafter "Vendor"ⁱ) that seeks to enter into or renew a contract with a State agency for the provision of goods or services, or the purchase of bonds or other obligations, must complete the certification below indicating whether or not the Vendor is identified on the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list, available here: <https://sanctionssearch.ofac.treas.gov/>. If the Department of the Treasury finds that a Vendor has made a certification in violation of the law, it shall take any action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I, the undersigned, certify that I have read the definition of "Vendor" below, and have reviewed the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list, and having done so certify:

(Check the Appropriate Box)

- ☐ A. That the Vendor is not identified on the OFAC Specially Designated Nationals and Blocked Persons list on account of activity related to Russia and/or Belarus.
- OR
- ☐ B. That I am unable to certify as to "A" above, because the Vendor is identified on the OFAC Specially Designated Nationals and Blocked Persons list on account of activity related to Russia and/or Belarus.
- OR
- ☐ C. That I am unable to certify as to "A" above, because the Vendor is identified on the OFAC Specially Designated Nationals and Blocked Persons list. However, the Vendor is engaged in activity related to Russia and/or Belarus consistent with federal law, regulation, license or exemption. A detailed description of how the Vendor's activity related to Russia and/or Belarus is consistent with federal law is set forth below.
- _____
- _____
- _____
- _____
- _____
- (Attach Additional Sheets If Necessary.)

Signature of Vendor's Authorized Representative

Date

Print Name and Title of Vendor's Authorized Representative

Vendor's FEIN

Vendor's Name

Vendor's Phone Number

Vendor's Address (Street Address)

Vendor's Fax Number

Vendor's Address (City/State/Zip Code)

Vendor's Email Address

ⁱ Vendor means: (1) A natural person, corporation, company, limited partnership, limited liability partnership, limited liability company, business association, sole proprietorship, joint venture, partnership, society, trust, or any other nongovernmental entity, organization, or group; (2) Any governmental entity or instrumentality of a government, including a multilateral development institution, as defined in Section 1701(c)(3) of the International Financial Institutions Act, 22 U.S.C. 262r(c)(3); or (3) Any parent, successor, subunit, direct or indirect subsidiary, or any entity under common ownership or control with, any entity described in paragraph (1) or (2). NJ Rev. 1.22.2024

**NEW JERSEY BUSINESS REGISTRATION CERTIFICATE
(N.J.S.A. 52:32-44)**

Offerors wishing to do business in New Jersey must submit their State Division of Revenue issued Business Registration Certificate with their proposal here. Failure to do so will disqualify the Offeror from offering products or services in New Jersey through any resulting contract.

<https://www.njportal.com/DOR/BusinessRegistration/>

EEOAA EVIDENCE

Equal Employment Opportunity/Affirmative Action
Goods, Professional Services & General Service Projects

EEO/AA Evidence

Vendors are required to submit evidence of compliance with N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27 in order to be considered a responsible vendor.

One of the following must be included with submission:

- Copy of Letter of Federal Approval
- Certificate of Employee Information Report
- Fully Executed Form AA302
- Fully Executed EEO-1 Report

See _____ the _____ guidelines _____ at:
https://www.state.nj.us/treasury/contract_compliance/documents/pdf/guidelines/pa.pdf
for further information.

I certify that my bid package includes the required evidence per the above list and State website.

Name: _____ Title: _____

Signature: _____ Date: _____



DOC #10
MACBRIDE-PRINCIPLES

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PURCHASE
AND PROPERTY 33 WEST STATE STREET, P.O. BOX 230 TRENTON,
NEW JERSEY 08625-0230

BID SOLICITATION # AND TITLE: _____

VENDOR NAME: _____

Pursuant to Public Law 1995, c. 134, a responsible Vendor/Bidder is required to provide a certification in compliance with the MacBride Principles and Northern Ireland Act of 1989. Pursuant to N.J.S.A. 52:34-12.2, Vendor/Bidder must complete the certification below by checking one of the two options listed below and signing where indicated. If a Vendor/Bidder that would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Director may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another Vendor/ Bidder that has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Director finds contractors to be in violation of the principles that are the subject of this law, he/she shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I, the undersigned, on behalf the Vendor/Bidder, certify pursuant to N.J.S.A. 52:34-12.2 that:

CHECK THE APPROPRIATE BOX

☐

The Vendor/Bidder has no business operations in Northern Ireland; or

OR

☐

The Vendor/Bidder will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in section 2 of P.L. 1987, c. 177 (N.J.S.A. 52:18A-89.5) and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of its compliance with those principles.

CERTIFICATION

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I may be subject to criminal prosecution under the law, and it will constitute a material breach of my contract(s) with the State, permitting the State to declare any contract(s) resulting from this certification void and unenforceable.

Signature

Date

Print Name and Title

One Platform to Simplify School Security

Today, many schools are investing in modern security technology to create safer learning environments. Verkada is a fully integrated hardware and software solution that combines intelligent devices with an easy-to-use platform, making it simple to protect staff and students at scale.



Protect your campus perimeter



Speed up response



Improve reliability and minimize costs

Key benefits

Lockdown doors in seconds

Lockdown doors from a panic button, web browser or mobile app while still allowing first responders access.

Monitor from anywhere

Find, save, and share footage on-the-go. Plus, share live camera feeds with local authorities in seconds.

Detect vaping and bullying

Leverage sensor technology to detect smoking, vaping, and elevated noise levels in bathrooms and locker rooms.

Prevent unauthorized visitors

Conduct security screens with cloud-based visitor management that integrates with cameras and access control.

Proactively deter threats

Set proactive alerts for Motion, Vehicles, or People of Interest to be notified of intruders or suspicious after-hours activity.

Secure facilities with ease

Set door schedules around school hours and provision staff with role-based access to privileged areas.

Customer stories



Newtown Public School District

Newtown Public School District

"It's incredible that our team now has this powerful resource to see, share and respond to events in real-time."

Mark Pompano,
Director of Security



Chartwell School

"The sensors were up for three days before I received my first text alert. When vape smoke is detected we have immediate video context into the situation."

John Langrill,
Director of Information Technology and Campus Management



Andrew Independent School District

"In an emergency scenario, we can lockdown the campus directly from the mobile app to secure the entire campus in seconds."

Dennis Haynie,
Executive Director of Technology

Enhance Public Safety while Protecting Privacy

With Verkada's cloud-based security platform, government organizations are modernizing the way they manage security across public areas and their facilities. Learn how Verkada's powerful solution makes it simple to protect citizens and critical infrastructure from a centralized platform.



Protect citizens and privacy



Reduce overhead costs



Speed up investigations

Key benefits

Preserve privacy

Enable privacy features such as face blur and privacy regions, or monitor system usage with audit logs.

Monitor sites from anywhere

Find, save and share footage on-the-go. Plus, share live camera feeds with local authorities in seconds.

Control building access

Set door schedules around working hours and provision staff with role-based access to restricted areas.

Respond proactively to threats

Receive alerts for meaningful events, including the presence of vehicles or people of interest.

Secure high-crime or remote areas

Use video-verified intrusion detection and eliminate false alarms. Deploy Cradlepoint cameras for remote areas.

Lockdown doors in seconds

Lockdown doors from a panic button, web browser or mobile app while still allowing first responders access.

Customer stories



City of Las Vegas

"One simple, easy-to-use application made all the difference."

Michael Sherwood,
Chief Innovation Officer



City of Arlington

"We now manage all our physical security on one platform."

Jonathan Ventura,
Chief of Police



City of Edinburg

"My advice to others is: it's worth the switch from traditional to hybrid cloud."

Daniel Vera,
Director of IT

One Platform to Simplify Campus Safety

With the sheer size of many higher education institutions, physical security is an ongoing challenge that staff and administrators face. By bringing physical security to one easy-to-use platform, Verkada makes it simple to secure throughout campus grounds and automate emergency response.



Protect your campus perimeter



Speed up response



Improve reliability and minimize costs

Key benefits

Lockdown doors in seconds

Lockdown doors from a panic button, web browser, or mobile app, while still allowing first responders access.

Monitor campuses from anywhere

Find, save and share footage on-the-go. Plus, share live camera feeds with local authorities in seconds.

Detect vaping and hazing

Leverage integrated sensor technology to detect smoking, vaping and elevated noise levels in dorms, bathrooms and locker rooms.

Reduce administrative overhead

Automate manual tasks with visitor and delivery management software that pairs seamlessly with video security.

Proactively deter threats

Set proactive alerts for Motion, Vehicles, or People of Interest to be notified of intruders or suspicious afterhours activity.

Secure campus facilities

Set door schedules around class and office hours, along with site and role-based access to privileged areas.

Customer stories



Bath Spa University

"I'm able to do everything, end-to-end, from wherever I am."

Andy Williams,

Head of Facilities and Services



Greenfield Community College

"Verkada had everything I was looking for: centralized control, cloud-based, no servers required, and intuitive."

Alex Wiltz,

Director of Public Safety, Chief of Police and Emergency Management Coordinator



Pasadena City College

"I can open a browser or app and secure everything from my phone."

Matthew Camara,

Assistant Director of Technical Services

1.0 Scope of National Cooperative Contract

1.1 Requirement

Acknowledged

1.2 Marketing, Sales and Administrative Support

Acknowledged

1.3 Estimated Volume

Acknowledged

1.4 Award Basis

Acknowledged

1.5 Objectives of Cooperative Program

Acknowledged

2.0 REPRESENTATIONS AND COVENANTS

2.1 Corporate Commitment

Acknowledged and Agree

2.2 Pricing Commitment

We acknowledge the pricing commitment outlined in Section 2.2. Under this Master Agreement, authorized resellers are required to adhere to our bid pricing as outlined in Products and Pricing Attachment #1.

However, please note that Verkada's pricing in the open market is ultimately dictated by our resellers. While we strive to ensure competitive pricing, any adjustments or lower pricing through other cooperative contracts would be determined by our resellers.

2.3 Sales Commitment

We acknowledge these terms and will ensure that our sales force is trained, engaged, and various stakeholders are focused on marketing and promoting the Master Agreement to Public Agencies nationwide through OMNIA Partners.

We also confirm our commitment to accurately and promptly report all Master Agreement sales in compliance with the OMNIA Partners Administration Agreement.

Please note that the Executive Sales and Channel Support Letter and endorsements, further confirming the commitment from our direct sales leaders, have been included as attachments to our proposal for your review.

3.0 SUPPLIER RESPONSE

3.1 Company

A. Brief history and description of Supplier to include experience providing similar products and services.

Verkada was founded in 2016 by Filip Kaliszan and co-founders James Ren, Benjamin Bercovitz, and Hans Robertson. The company is headquartered in San Mateo, California, with additional offices in Texas, Utah, Florida, Arizona, Pennsylvania, and New York. Internationally, Verkada operates in the United Kingdom, Poland, Mexico, Australia, Taiwan, Japan, South Korea, and Singapore. Today, Verkada is a leading physical security platform, providing integrated cloud based solutions such as video security cameras, access control, environmental sensors, alarms, visitor management, and mailroom management. Verkada recently secured \$305M in Series D funding, bringing its valuation to \$3.2B double its valuation from two years ago. Despite a challenging market, Verkada's strong growth and investor confidence demonstrate the company's ongoing success and expansion. Verkada protects over 20,000 organizations worldwide, modernizing physical security with scalable, easy to manage solutions.

B. Total number and location of salespersons employed by Supplier.

[REDACTED]

C. Number and location of support centers (if applicable) and location of corporate Office.

U.S. Locations:

California (Global HQ)
406 E. 3rd Avenue
San Mateo, CA 94401
Phone: +1 (650) 514-2500

Texas
200 W. Cesar Chavez Street, Suite 350
Austin, TX 78701
Phone: +1 (737) 932-8950

Utah

1215 Wilmington Avenue, Suite 200
Salt Lake City, UT 84106
Phone: +1 (385) 563-1950

Florida

200 Central Avenue, Suite 900
St. Petersburg, FL 33701
Phone: +1 (813) 939-7550

Arizona

410 North Scottsdale Road, Suite 1400
Tempe, AZ 85288
Phone: +1 (623) 304-1200

International Locations:**United Kingdom (Europe, Middle East, Africa HQ)**

17th Floor, The Tower, The Bower
207 Old Street
London EC1V 9NR
United Kingdom
Phone: +44 (0) 20-3048-6050

Mexico and Latin America

C. Montes Urales 424, Office No. 03B-128
Lomas - Virreyes, Lomas de Chapultepec V
Secc., Miguel Hidalgo
Ciudad de México, CDMX 11000
Mexico
Phone: +52 (0) 55-9990-8275

Australia (Asia Pacific HQ)

1 Castlereagh Street, Level 21
Sydney, NSW
Australia
Phone: +61 (0) 2-7259-9300

Pennsylvania

1100 Ludlow Street, 7th Floor
Philadelphia, PA 19107
Phone: +1 (445) 214-0900

New York

250 Park Ave South, Suite 900
New York, NY 10003
Phone: +1 (212) 715-1100

Poland

LOFTMILL, ul. Jana Dekerta 24, Office No. D3
30 – 703 Kraków
Poland
Phone: +31 (0) 20-259-5249

Taiwan

Office No. 15-102, No. 97, Songren Road
Xinyi District
Taipei City, 110
Taiwan

Japan

1-17-4 Shibuya, Shibuya-ku, 9th Floor
Tokyo 150-0002
Japan
Phone: +81 (0) 50-5497-7800

South Korea

Office No. 13-130, 507 Teheran-ro, Gangnam-gu

Seoul, 06168

Republic of Korea

Phone: +82 (0) 30-864-0150

Singapore

9 Battery Road, Office 27-101

Singapore 049910

Phone: +65 6371-9700

D. Annual sales for the three previous fiscal years.



a. Submit FEIN and Dunn & Bradstreet report.

FEIN and Dunn & Bradstreet numbers are attached for reference. Formal reports are available upon request.

E. Describe any green or environmental initiatives or policies.

Verkada is dedicated to reducing its environmental impact through both immediate actions and long-term commitments:

Immediate Commitments:

- Measuring our carbon footprint using an environmental management system.
- Establishing sustainability practices with our vendors and suppliers.
- Implementing a recycling program for used Verkada hardware.

Long-Term Commitment:

- Achieving Net Zero emissions by 2045.

These initiatives reflect Verkada's dedication to environmental responsibility and sustainable growth.

Please refer to Verkada's 2024 Impact Report for further information.

<https://docs.verkada.com/docs/2024-Impact-Report.pdf>

F. Describe any diversity programs or partners supplier does business with and how

Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program. If there are any diversity programs, provide a list of diversity alliances and a copy of their Certifications.

Verkada does not have a formalized reseller diversity program today. However, with our broad network of reseller partners, participating agencies have a wide variety of diverse partners they can select to align with their specific requirements.

Pricing remains consistent regardless of the diversity program or partner selected, as pricing under the Master Agreement is standardized for all transactions.

G. Indicate if supplier holds any of the below certifications in any classified areas and include proof of such certification in the response:

N/A

H. List any relationships with subcontractors or affiliates intended to be used when providing services and identifying if subcontractors meet minority-owned standards. If any, list which certifications subcontractors hold and certifying agencies.

Where applicable, Verkada's reseller partners may engage certified minority-owned subcontractors to meet specific requirements or preferences.

I. Describe how supplier differentiates itself from its competitors.

At Verkada, we're highly regarded for our innovative approach to building management, offering cloud-based solutions that seamlessly integrate with modern technology. Known for our user-friendly interface, we make security management easy and accessible, even for those with minimal technical expertise. Our use of cutting edge AI and machine learning enhances video surveillance with smart analytics like motion detection and person recognition, setting us apart as a leader in innovation. These devices continuously receive updates and improvements without the need for new hardware, ensuring our customers always have access to the latest features. Our systems are praised for their scalability, allowing businesses of all sizes to effortlessly expand and manage their security needs. We deliver a forward-thinking solution that prioritizes user experience and security, making Verkada a standout in the industry.

J. Describe any present or past litigation, bankruptcy or reorganization involving Supplier.

Verkada is not subject to any final litigation or investigations that would materially impact the delivery of our products. Should Region 4 require further details, we can provide them upon request.

K. Felony Conviction Notice:

Person/owner IS NOT a convicted felon

L. Describe any debarment or suspension actions taken against supplier

N/A

3.2 Distribution, Logistics

A. Each offeror awarded an item under this solicitation may offer their complete product and service offering/a balance of line. Describe the full line of products and services offered by supplier.

Products:

Cameras:

Verkada's cameras combine advanced AI capabilities with a sleek design, offering cloud-based, high-definition video surveillance that's easy to manage from any device. With real-time analytics, encrypted storage, and proactive alerts, Verkada's cameras ensure secure and scalable solutions for modern security needs.

Connectivity:

Verkada's connectivity solutions provide seamless, secure internet access for all Verkada devices. Designed for reliability and ease of use, they ensure that every device remains connected, optimized for real-time updates, and protected against cyber threats.

Command Connector:

The Command Connector enables seamless integration between Verkada Command and other enterprise systems. It allows organizations to streamline workflows and automate processes while maintaining a unified platform for device management.

Access Control:

Verkada's access control system offers cloud-based door security with simple setup and seamless integration with video security. Manage access rights, monitor entry logs, and enhance building safety with a scalable solution tailored to any environment.

Air Quality Sensors:

Verkada's air quality sensors provide real-time monitoring of indoor environments, tracking key metrics like temperature, humidity, and air quality. Designed to promote healthy, safe, and energy-efficient spaces, these sensors integrate effortlessly with the broader Verkada ecosystem.

Intercom:

Verkada's intercom system provides crystal-clear audio and video communication for secure entry management. With cloud-based controls, user-friendly features, and seamless integration, it enhances building security and simplifies visitor management.

Alarms:

Verkada's alarm systems offer proactive security with instant notifications and automated responses. Fully integrated with other Verkada devices, they provide a comprehensive solution for intrusion detection and response.

Workplace:

Verkada's workplace solutions empower organizations with tools to enhance operational efficiency and workplace safety. From managing occupancy to streamlining visitor entry, these tools integrate seamlessly for a cohesive management experience.

Services:

Verkada and its reseller partners offer a comprehensive suite of services to complement their solutions. These services include Deployment Project Management for large-scale rollouts, tailored configuration and training for smaller deployments, and custom software engineering for specific customer needs. Reseller partners provide additional expertise by integrating products into existing systems, offering consultative support, and delivering unique solutions like off-the-grid setups. Installation and installation materials are also available through resellers.

Integrations:

Verkada offers several integrations to connect their security systems with leading enterprise tools, ensuring seamless workflows and enhanced operational efficiency. From identity management and access control to communication platforms and building automation, Verkada integrates with trusted partners like Okta, Microsoft Teams, Splunk, and more. Visit our integrations page at <https://www.verkada.com/integrations/partners/> for more details.

B. Describe how supplier proposes to distribute the products/service nationwide. Include any states where products and services will not be offered under the Master Agreement, including U.S. Territories and Outlying Areas.

[REDACTED]

C. Describe how Participating Agencies are ensured they will receive the Master Agreement pricing; include all distribution channels such as direct ordering, retail or in-store locations, through distributors, etc. Describe how Participating Agencies verify and audit pricing to ensure its compliance with the Master Agreement.

Customers can verify OMNIA contract pricing on the OMNIA and or Verkada website, or conduct contract quote reviews with our contracts team at govcontracts@verkada.com.

As the sole manufacturer and supplier of its products, Verkada ensures that all purchases are made exclusively through authorized reseller partners who are required to adhere to master agreement pricing. Verkada products are not available for direct purchase, retail, or in-store locations, ensuring pricing compliance through authorized channels.

To further maintain pricing integrity, partners requesting authorization under this agreement will undergo a selection process based on agreed upon standards. Approved partners will be trained on contract ordering policies, agree to adhere to contract pricing terms, and be subject to monitoring and transaction audits by Verkada's sales and contract management teams.

D. Identify all other companies that will be involved in processing, handling or shipping the products/service to the end user.

[REDACTED]

E. Provide the number, size and location of Supplier's distribution facilities,

warehouses and retail network as applicable.

[REDACTED]

3.3 Marketing and Sales

A. Given the public nature of the solicitation and contract, OMNIA Partners makes solicitation and contract documentation, including pricing documents, available on its website so Participating Public Agencies may easily conduct their due diligence. Describe any portions of the response that should not be available on the website and why those portions should not be available.

[Redacted proposal included in response attachments.](#)

B. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide.

[The first 30 days will focus on internal alignment and training. Verkada will distribute an internal announcement, introducing the Master Agreement as our primary cooperative contract. Live training sessions will be conducted for all government sales teams nationwide, with participation from executive leadership and OMNIA partners to ensure the strategic importance is communicated across the organization. In parallel, we will develop and distribute internal training materials, including FAQs, competitive positioning documents, and sales enablement guides, to ensure our teams are fully equipped to drive success.](#)

[In the next 30 days, we will conduct follow-up sessions and Q&A to address any questions from the field and share early success stories. Internal benchmarks will be established, and we will refine our reporting processes to track contract adoption and measure performance. Additionally, reseller partner training materials, including FAQs, competitive positioning, and ordering/compliance guides, will be developed and distributed to ensure our partners are aligned with the new go-to-market strategy.](#)

[By day 90, Verkada will conduct targeted regional and segment-specific training sessions to address any unique needs or opportunities. We will gather feedback through surveys and](#)

discussion groups with sales reps, evaluating the effectiveness of the training, resources, and reseller engagement. Internal alignment will be strengthened to ensure deliverables and processes are optimized and any areas for improvement are addressed.

As the Master Agreement becomes fully integrated into our public go to market strategy, Verkada will maintain ongoing training with sales teams, emphasizing best practices, wins, and continued executive leadership support. Resources will be continually allocated for training and support, and we will monitor feedback from reseller partners and the competitive landscape to adjust our approach as needed. We expect strong alignment with OMNIA throughout this process to ensure a successful implementation.

GTM Overview

- | | |
|-------------------|---|
| Days 1-30 | <ul style="list-style-type: none"> -Distribute an internal announcement introducing the agreement as our primary cooperative contract. -Conduct live training sessions for all government sales teams nationwide with executive leadership. -Develop and distribute internal training materials, including FAQs, competitive positioning, and sales enablement guides. |
| Days 30-60 | <ul style="list-style-type: none"> - Schedule follow up and Q&A sessions to address field questions and early success stories. -Establish internal benchmarks and refine reporting processes with our division to track contract adoption. -Develop and distribute reseller partner training materials, including FAQs, competitive positioning, ordering/compliance guides. |
| Days 60-90 | <ul style="list-style-type: none"> - Conduct targeted training for sales teams by region and segment. -Facilitate surveys and discussion groups with sales reps to gather feedback on training, resources, and reseller engagement. - Align with internal stakeholders on deliverables, processes, and areas for improvement. |

- Ongoing
- Maintain regular training with sales teams emphasizing best practices, wins, and leadership support.
 - Continue to allocate resources for training and support.
 - Monitor contract feedback and competitive landscape from reseller partners.

C. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award.

Upon award of the OMNIA Master Agreement, Verkada will execute a robust marketing and communication strategy across public-facing, digital, and internal channels to drive early awareness and participation from both existing and prospective public agency customers. Within the first 10 days, we will work with OMNIA to develop co-branded materials, including a press release and social media collateral, to announce the award across our public channels. This press release will be distributed to relevant trade publications, and additional promotional materials will be shared with OMNIA to help amplify the news through their networks. Verkada will also propose joint opportunities to further raise the profile of our partnership, such as pitching to targeted trade media and exploring other collaborative PR engagements.

Within the first 30 days, Verkada will publish Master Agreement details and contact information on a dedicated webpage, including links to key documents, product summaries, pricing, and OMNIA's registration page. A toll-free number and dedicated email address will be available to ensure easy access for potential agency customers. In parallel, we'll initiate email campaigns targeting current customers and partners, sharing co-branded marketing collateral to introduce them to the OMNIA Master Agreement's benefits.

In the next 30 days, Verkada will expand this outreach through co-branded digital campaigns, including social media and email, to engage prospective customers and partners who may not yet be familiar with the agreement. Additionally, Verkada will organize and host three webinars tailored to different segments: one for our current customers and partners, one for OMNIA Partners' Participating Public Agencies, and one for potential customers outside the agreement, to provide a comprehensive overview of the new contract and its offerings.

By day 90, Verkada will launch a national and regional advertising campaign in trade publications, with co-branded materials emphasizing the partnership's benefits. Verkada will also attend and actively participate in key industry events, such as the NIGP Annual Forum, in

coordination with OMNIA Partners, to continue promoting the agreement directly to relevant agencies. Throughout the term of the Master Agreement, Verkada will sustain ongoing marketing through case studies, targeted promotions, and a steady presence at trade shows, events, and in industry publications, continually adapting our resources and communication to support the partnership's growth and reach.

Verkada views this as a long-term strategic partnership and is committed to providing ongoing support and maintenance to maximize the agreement's impact. We will allocate dedicated resources from our creative, demand generation, and contract management teams to ensure continuous promotion, alignment, and responsiveness to OMNIA's needs. Periodic reviews with OMNIA will help us evaluate engagement, share insights, and adapt strategies to strengthen our joint approach, ensuring the OMNIA Master Agreement remains impactful and relevant across changing public sector landscapes.

Marketing GTM Overview

- | | |
|------------------|---|
| Days 1-30 | <ul style="list-style-type: none"> - Develop and distribute co-branded press releases and social media content. - Publish Master Agreement details on Verkada's website with contact info. - Launch internal announcements and training sessions. - Provide internal contract guides and resources for sales teams. - Start email campaigns introducing the agreement to current customers and partners. |
|------------------|---|

- | | |
|-------------------|--|
| Days 30-60 | <ul style="list-style-type: none"> - Run co-branded marketing campaigns on social media, email, and direct mail targeting prospective customers. - Host webinar targeting existing Verkada customers, OMNIA agencies, and prospective customers. |
|-------------------|--|

- | | |
|-------------------|--|
| Days 60-90 | <ul style="list-style-type: none"> - Launch advertising in national and regional trade publications. - Publish additional marketing collateral, such as case studies and event promotions. |
|-------------------|--|

- Ongoing
- Conduct regular reviews with OMNIA to gather feedback and adjust strategy as needed.
 - Attend and participate in industry events, including the NIGP Annual Forum, in partnership with OMNIA.
 - Maintain continuous marketing support through targeted campaigns.
 - Dedicate resources to optimize and adapt promotional activities to ensure sustained impact and growth of the partnership.

D. Describe how Supplier will transition any existing Public Agency customers' accounts to the Master Agreement available nationally through OMNIA Partners. Include a list of current cooperative contracts (regional and national) Supplier holds and describe how the Master Agreement will be positioned among the other cooperative agreements.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

E. Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners logo will require permission for reproduction, as well.

[Acknowledged](#)

F. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners. All sales materials are to use the OMNIA Partners logo. At a minimum, the Supplier's sales initiatives should communicate:

- i. Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency
- ii. Best government pricing
- iii. No cost to participate
- iv. Non-exclusive

[Acknowledged and Confirmed.](#)

G. Confirm Supplier will train its national sales force on the Master Agreement. At a minimum, sales training should include:

- i. Key features of Master Agreement
- ii. Working knowledge of the solicitation process
- iii. Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners
- iv. Knowledge of benefits of the use of cooperative contracts

[Acknowledged and Confirmed.](#)

H. Provide the name, title, email and phone number for the person(s), who will be responsible for:

- i. Executive Support
- ii. Marketing
- iii. Sales

iv. Sales Support

v. Financial Reporting

vi. Accounts Payable

vii. Contracts

Executive Support:

- Phuong Tran, Director, Sales Strategy & [REDACTED]
[REDACTED]
- Tony Cavallio, VP of Enterprise Sales [REDACTED]
[REDACTED]
- Caleb Augustin, Director of Global Channel [REDACTED]
[REDACTED]

Marketing:

- Federico Mobilia, Growth Manager, [REDACTED]

Sales:

- Anthony Cavallio, VP of Enterprise Sales [REDACTED]

Sales Support:

- Kayla Medina & Mimi Yu, Government Contracts Team, govcontracts@verkada.com , 801-793-2634
- John Rowe, Sales Enablement Manager [REDACTED]

Financial Reporting:

- Mimi Yu, Sales Strategy & Operations Sr. Specialist, [REDACTED]
[REDACTED]
- Rimsha Ahmed, Sr Accounts Receivable Specialist [REDACTED]
[REDACTED]

Accounts Payable:

- Kevin Marcotte, Manager FinOps & Revenue, [REDACTED]
[REDACTED]

Contracts:

- Kayla Medina, Program Manager Government Contracts, kayla.medina@verkada.com, 801-793-2634

- Mimi Yu, Sales Strategy & Operations Sr. Specialist [REDACTED]
[REDACTED]

I. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team.

[REDACTED]

[REDACTED]

[REDACTED]

I. Explain in detail how the sales teams will work with the OMNIA Partners team to implement, grow and service the national program.

Our sales teams will work closely utilizing OMNIA resources and tools to ensure the successful implementation, growth, and servicing of the national program. The process will start with onboarding and training, so our sales teams and reseller partners fully understand how OMNIA

Partners' program fits with Verkada's products and services. Our sales teams will be trained on OMNIA Partners as the default public sector buying vehicle

In addition to internal efforts, if awarded, Verkada seeks to host an OMNIA representative for a dedicated sales training session with our team and a separate dedicated reseller sales training. This training will provide valuable insights into optimizing our sales strategies and leveraging OMNIA procurement solutions.

Ongoing communication will be a key component of our partnership. Our teams will regularly touch base to ensure we're aligned on program updates, customer feedback, and any shifts in market needs. Together, we will develop joint sales strategies tailored to the national program, which will include collaborative marketing efforts, outreach, and lead generation initiatives..

In addition to the above, we are open to exploring any other methods or support that can further enhance our team's ability to effectively navigate the OMNIA partnership and drive success with this cooperative contract. We are eager to collaborate on this opportunity to strengthen our collective capabilities.

J. Explain in detail how Supplier will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc.

Our approach to managing this master agreement is driven by strong internal alignment across key functions. This collaborative approach brings together our demand generation, sales, sales strategy, sales enablement, legal, orders, channel, finance, deal desk, and other stakeholders enabling us to respond quickly and effectively to the needs of participating agencies. We view this opportunity with OMNIA/Region 4 as the potential for a strong partnership, built on collaboration and shared goals.

At Verkada, we have a dedicated government contract team solely focused on training, compliance, and support of our government cooperative contracts. This team provides tailored training programs for internal teams and reseller partners to navigate government procurement processes effectively. We are readily available to address any questions related to cooperative contracts, ensuring all stakeholders have the support needed for successful program implementation.

Throughout the program, we will monitor performance through regular audits, reporting, and feedback loops, ensuring smooth operations and identifying areas for improvement. This ongoing coordination allows us to make adjustments as necessary and continuously deliver the best experience for customers and reseller partners.

K. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.

[REDACTED]

You can learn more about our customers and various use cases at <https://www.verkada.com/customers/>

L. Describe Supplier's information systems capabilities and limitations regarding order management through receipt of payment, including description of multiple platforms that may be used for any of these functions.

[REDACTED]

M. Provide the Contract Sales (as defined in Section 12 of the OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement ("Guaranteed Contract Sales").

While we do not guarantee any specific number of sales through our contract, we expect up to [REDACTED] in Year 1 based on conservative estimates. This projection accounts for the extended government sales cycle and the time required to introduce the new award. For Year 2, we expect [REDACTED], and for Year 3, we project [REDACTED]

N. Even though it is anticipated many Public Agencies will be able to utilize the Master Agreement without further formal solicitation, there may be circumstances where Public Agencies will issue their own solicitations. The following options are available when responding to a solicitation for Products covered under the Master Agreement.

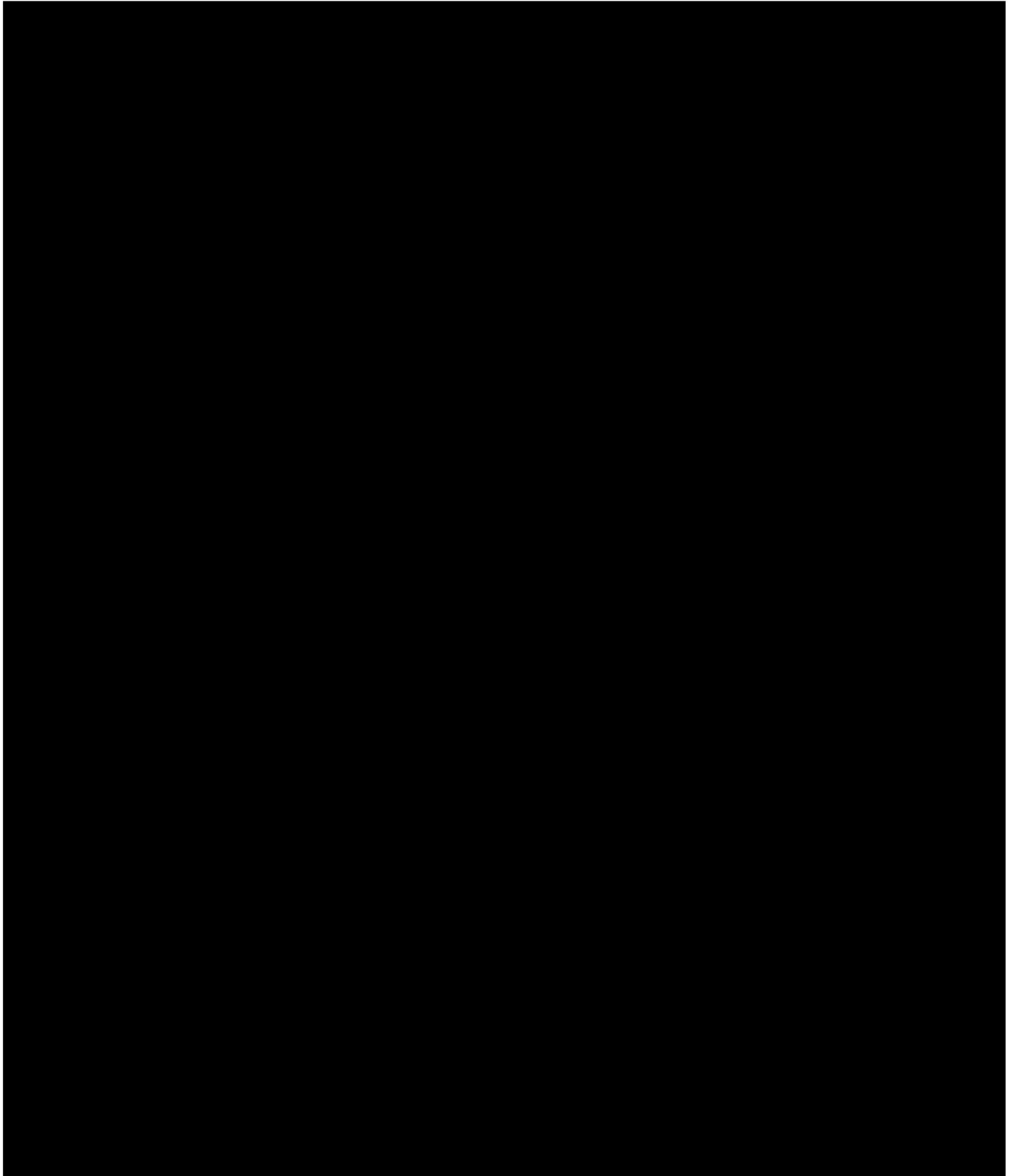
- i. Respond with Master Agreement pricing (Contract Sales reported to OMNIA Partners).
- ii. If competitive conditions require pricing lower than the standard Master Agreement not-to-exceed pricing, Supplier may respond with lower pricing through the Master Agreement. If Supplier is awarded

the contract, the sales are reported as Contract Sales to OMNIA Partners under the Master Agreement.

- iii. Respond with pricing higher than Master Agreement only in the unlikely event that the Public Agency refuses to utilize Master Agreement (Contract Sales are not reported to OMNIA Partners).
- iv. If alternative or multiple proposals are permitted, respond with pricing higher than Master Agreement, and include Master Agreement as the alternate or additional proposal.

Initially, Verkada will promote a sub-bid process with multiple authorized resellers to meet the Public Agency's further competitive requirements. Otherwise, we will encourage our authorized resellers to adopt these methods mentioned above.

Learn more about protecting your security camera hardware at
<https://info.verkada.com/security/camera-hardware/>





FEIN and Dunn & Bradstreet numbers are attached for reference. Formal reports are available upon request if necessary.

Legal Name: Verkada Inc





Exhibit C

June 24, 2025

Point One Electrical Systems, Inc
6751 Southfront Road
Livermore, California 94551-8218
US

Ref: Point One Electrical Systems, Inc as Verkada Authorized Reseller of Verkada's Hardware and Software

To Whom It May Concern,

This letter is to serve as proof that Point One Electrical Systems, Inc is an Authorized Reseller for Verkada's hardware, software and services. Please feel free to contact me if any further information with respect to Verkada's products is needed. My contact information is provided below.

Sincerely,

A handwritten signature in black ink, appearing to read 'Caleb Augustin'.

Caleb Augustin
Director of Global Channel
Verkada Inc.
405 E. 4th Ave
San Mateo, CA 94401
caleb.augustin@verkada.com

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

RESOLUTION AUTHORIZING A PURCHASE AGREEMENT FOR GOODS, COMMODITIES, AND ANCILLARY SERVICES WITH POINT ONE ELECTRICAL SYSTEMS, INC., UTILIZING THE OMNIA PARTNERS COOPERATIVE PURCHASING AGREEMENT (REGION 4 EDUCATIONAL SERVICE CENTER CONTRACT R250206) FOR THE PURCHASE AND INSTALLATION OF VERKADA CAMERAS, ACCESS CONTROL, AND RELATED EQUIPMENT FOR A NOT-TO-EXCEED AMOUNT OF \$1,500,000 PER CALENDAR YEAR AND SETTING A TERM THROUGH APRIL 1, 2032

WHEREAS, the City operates a diverse network of civic, public safety, utilities, transit, airport, cultural, and parks facilities that require reliable, modern physical security systems, including video surveillance, access control, intercom, and environmental sensors; and

WHEREAS, many existing sites rely on end-of-life or disparate systems that lack unified administration, modern analytics, and cyber-secure architectures, and a standardized camera and access control platform will improve reliability, security, and incident response; and

WHEREAS, OMNIA Partners, through Region 4 Educational Service Center ("Region 4 ESC"), competitively solicited and awarded Contract R250206 that includes Verkada hardware, software subscriptions, and related services, which the City may utilize; and

WHEREAS, Point One Electrical Systems, Inc. ("Point One") is a Verkada-authorized reseller capable of furnishing equipment and turnkey installation services pursuant to OMNIA/Region 4 ESC Contract R250206, and the City intends to enter into a General Services Agreement with Point One to facilitate Citywide deployment; and

WHEREAS, utilizing a cooperative purchasing agreement satisfies competitive procurement requirements and enables the City to leverage national volume pricing, standardized terms, and shorter lead times consistent with Tracy Municipal Code section 2.20.220; and

WHEREAS, authority to purchase under this cooperative contract will streamline procurement, accelerate deployment, lock in favorable pricing, and reduce repetitive staff workload associated with multiple individual procurements, while maintaining adherence to City purchasing policies; and

WHEREAS, this authorization establishes a not-to-exceed amount of One Million Five Hundred Thousand Dollars (\$1,500,000) per calendar year for as-needed, as-funded purchases and installations, and carries no additional budgetary appropriation since all purchases will occur within funds appropriated by the City Council in the applicable fiscal year; and

WHEREAS, the term for use of the OMNIA/Region 4 ESC Contract R250206 under this authorization will extend through April 1, 2032; now therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves a Purchase Agreement (General Services Agreement) with Point One Electrical Systems, Inc., utilizing OMNIA Partners cooperative purchasing agreement Region 4 ESC Contract R250206, for the purchase and installation of Verkada cameras, access control, intercoms, environmental sensors, associated licenses and subscriptions, and related equipment and services, in a total amount not to exceed \$1,500,000 per calendar year, with a term through April 1, 2032; and be it

FURTHER RESOLVED: That the City Council finds that use of the OMNIA Partners cooperative purchasing agreement (Region 4 ESC Contract R250206) satisfies competitive procurement requirements in the best interests of the City under Tracy Municipal Code section 2.20.220; and be it

FURTHER RESOLVED: That the City Council authorizes the City Manager, or designee, to execute the Purchase Agreement and all implementing documents, including purchase orders, task orders, and minor or administrative amendments necessary to carry out the intent of this Resolution, provided such actions do not increase the annual not-to-exceed amount or extend the approved term; and be it

FURTHER RESOLVED: That all purchases made pursuant to this authorization shall be subject to the availability of funds appropriated by the City Council in the adopted budget(s), and shall comply with applicable City purchasing policies and standards for cybersecurity, privacy, device hardening, records retention settings, and audit logging.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Agenda Item 1.Q

RECOMMENDATION

Staff recommends that City Council adopt a Resolution (1) approving a Master Professional Services Agreement with Harris & Associates for program management services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$800,000, and (2) approving a Master Professional Services Agreement with Harris & Associates for reimbursement and audit services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$200,000, and (3) authorizing two administrative options to extend for one-year term each.

EXECUTIVE SUMMARY

This agenda item seeks approval of two Master Professional Services Agreements (MPSAs) with Harris & Associates (Consultant) for program management services with a not-to-exceed amount of \$800,000 per fiscal year and for reimbursement and audit services with a not-to-exceed amount of \$200,000 per fiscal year. Each MPSA is for an initial term of 3 years. Staff is also requesting an authorization for two administrative options to extend for one-year terms, based on performance, if needed. The Consultant was selected through a competitive Request for Proposals (RFP) process.

BACKGROUND AND LEGISLATIVE HISTORY

On June 2, 2025, staff released a Request for Proposal (RFP) for program management services and received one response from the Consultant. After review of their proposal, it was determined that the Consultant has the skills needed to support the City.

ANALYSIS

The Consultant is currently providing program management services and is familiar with the City's development impact fee programs. The Consultant's work has been satisfactory to date and they have been an integral part in successfully managing the program. Program management services primarily involves updating development impact fees, preparing impact fee quotes, preparing revenue projections, tracking credits and reimbursements, updating Finance and Implementation Plans (FIPs), forecasting fee revenue and project expenses, updating construction cost estimates, forming benefit districts, assisting in acquisition of infrastructure through Community Facilities Districts (CFDs), calculating reimbursements and managing infrastructure master plans. Due to a high level of development and the specialized nature of the scope of work, the services of a consultant are required to continue providing effective program management services.

FISCAL IMPACT

The cost to provide such services are covered through development impact fees, Cost Recovery Agreements paid by developers, and administrative fees levied through CFDs.

Harris has provided services to the City previously. For program management services the City paid Harris an average of \$560,000 per year over the last 5 years. For audit and

reimbursement services the City paid Harris an average of \$70,000 per year over the last 6 years.

CEQA DETERMINATION

The proposed on-call agreement is for program management services only and is therefore not a “project” under the California Environmental Quality Act. Pursuant to CEQA Guidelines Section 15061(b)(3), there is no possibility that executing an MPSA will have a physical effect on the environment.

STRATEGIC PRIORITY

This agenda item is not related to a City Council Strategic Priority.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that City Council adopt a Resolution (1) approving a Master Professional Services Agreement with Harris & Associates for program management services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$800,000, and (2) approving a Master Professional Services Agreement with Harris & Associates for reimbursement and audit services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$200,000, and (3) authorizing two administrative options to extend for one-year term each.

Prepared By: Veronica Child, Management Analyst II
Reviewed by: Forrest Ebbs, Director of Community and Economic Development
Sara Castro, Director of Finance
Daniella Green, Assistant City Attorney
Arturo Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A – Master Professional Service Agreement with Harris & Associates for Program Management Services
Attachment B - Master Professional Service Agreement with Harris & Associates for Reimbursement and Audit Services

**CITY OF TRACY
MASTER PROFESSIONAL SERVICES AGREEMENT WITH**

Harris & Associates, Inc.
Program Management Services HA25-01, Development Engineering Division

This Master Professional Services Agreement (“Agreement”) is entered into between the City of Tracy, a municipal corporation (“City”), and Harris & Associates, Inc., a California corporation (“Consultant”). City and Consultant are referred to individually as “Party” and collectively as “Parties.”

Recitals

A. City desires to retain Consultant to provide program management services for new development, including coordinating, managing and providing technical assistance, updating existing and completing new finance and implementation plans, assisting with City budget reviews, reimbursement assistance and a variety of other program management services as further described herein and in Exhibit A.

B. On June 2, 2025, the City issued a Request for Proposals (RFP) for certain services. On July 3, 2025, Consultant submitted its proposal for the services to the City. Pursuant to Tracy Municipal Code Sections 2.20.140(a)(2) and 2.20.130, the City has determined that Consultant demonstrated that it was the best qualified and most responsible proposer, and best fits the City’s needs for competence and professional qualifications necessary for the satisfactory performance of the Services.

C. After negotiations between the City and Consultant, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement was approved on _____ pursuant to Tracy Municipal Code Section 2.20.140, and City Council Resolution No. _____.

NOW THEREFORE, for good and valuable consideration the sufficiency of which the Parties hereby acknowledge, the Parties mutually agree as follows:

1. Scope of Services. Consultant shall perform professional services, tasks, and scope of work further described in Exhibit A hereto (“Services”) for the City’s benefit on an as-needed basis pursuant to individual approved Task Orders for services within the in accordance with the terms and conditions of this Agreement. The Services shall be performed by, or under the direct supervision of, Consultant’s Authorized Representative: Alison Bouley. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit A, nor shall Consultant use or replace any subcontractor or subconsultant, without City’s prior written consent. A failure to obtain the City’s prior written consent for any change or replacement in personnel or subcontractor/subconsultant may result in the termination of this Agreement.

1.1 Task Order Forms. The Services within the Scope of Work will be comprised of Task Order Forms (in the form provided in Exhibit C hereto, or a similar format as approved by the City Project Manager), approved, executed and delivered by the City Project Manager of Community and Economic Development (“PM”) from time-to-time during the Term of this Agreement, on an as-needed basis. The Consultant cannot start performing any Work until the PM has executed a Task Order for such work. The City has no obligation to issue any Task Orders under this Master Agreement. The City

may issue any number of Task Orders provided that the sum of the maximum compensation of all approved Task Orders cannot exceed the Total Not-to-Exceed amount stated in Section 3.1.

1.2 Non-Exclusive Agreement. The City reserves the right to contract with other consultants providing the same Services or similar scope of services described above during the term of this Agreement. The City further reserves the right to assign work, at its sole discretion, to consultants other than Consultant based on City's budget, experience, and skills of consultants based on the City's specific needs.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance and shall complete all required services no later than the dates set forth in each individual Task Order. Any services for which times for performance are not specified in each individual Task Order shall be started and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated by the City to the Consultant. Consultant shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall commence on September 15, 2025 and expire and terminate automatically on September 14, 2028 or earlier by termination pursuant to Section 6 of this Agreement ("Term"). Subject to the Not-To-Exceed Amount defined in Section 3.1, the Term of this Agreement may be extended with express written amendment incorporating this Agreement signed by both Parties and one of the following City approvals: (a) City Council approval or (b) City Manager approval. An administrative extension of this Agreement shall be limited to two (2), one (1) year terms based on performance, if needed.

3. Compensation. City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit B attached and incorporated by reference for services performed under this Agreement.

3.1 Annual Total Not to Exceed Amount. Consultant's total compensation for all Task Orders and Services under this Agreement shall not exceed \$800,000.00 (Eight Hundred Thousand Dollars) per City fiscal year ("Total Not-to-Exceed Amount"). Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the Total Not-to-Exceed Amount. Consultant acknowledges City has no obligation to compensate or reimburse Consultant for any fees or costs incurred in excess of the Total Not-to-Exceed Amount. Effective July 1, 2026, Consultant's billing rates under this Agreement, as set forth in Exhibit B hereto, may be annually increased in January of each year by the lesser of 3.5% or the annual increase in the Cost of Living Index - All Items, for the Sacramento Metropolitan Region.

3.1.2 For each Task Order issued under this Agreement, Consultant's Services shall not exceed the maximum compensation stated in that Task Order.

3.2 Invoices. No less than Ninety (90) days after performing Services, Consultant shall submit monthly written invoice(s) to the City that include copies of approved Task Orders, the Services performed, and identify times, dates, and names of persons performing the services.

3.2.1 If Consultant is providing services in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2 Consultant's failure to submit invoice(s) in accordance with these requirements may result in the City rejecting said invoice(s) and thereby delaying payment to Consultant.

3.2.3 Consultant shall submit invoices no later than 90 days after completion of a Task Order or portion of the Services. City has no obligation to pay invoices delivered greater than 90 days after the date of performance of the Services.

3.3 Payment. Within 30 days after the City's receipt of invoice(s), City shall make payment to the Consultant based upon the services described on the invoice(s) and approved by the City.

3.4 City Budget Limitations. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will automatically terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the City Council. Consultant's assumption of risk of possible non-appropriation is part of the consideration for this Agreement. The payment of any compensation under this Agreement shall be subject to the City of Tracy appropriation of funds for the Services. This Agreement shall terminate in the event that such funds are not appropriated.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel -reasonably accepted to the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence, or willful misconduct of the City. In this section, "City" means the City, its officials, officers, agents, employees, and authorized volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to". The Consultant's indemnification obligation applies to the maximum extent allowed by law and includes defending the City as set forth in Sections 2778 and 2782.8 of the California Civil Code. Upon the City's written request, the Consultant, at its own expense, shall defend any suit or action that is subject to this indemnification obligation. The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions.

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant's Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination.

6.1 The Parties may terminate this Agreement for any reason, including, but not limited to, convenience, by giving ten (10) days' written notice to the other Party. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

6.2 This Agreement shall automatically terminate immediately without notice to Consultant upon any of the following occurrences: (a) material breach of this Agreement by Consultant; (b) lack of City funds appropriated. In the event of termination by material breach of Consultant, if the City

replaces any incomplete or defective Services from another consultant at a greater cost, the Consultant is responsible for such excess cost in addition to any other remedies available to the City.

6.3 Upon termination, Consultant shall return the City all original documents, including preliminary drafts and supporting documents, prepared by Consultant in connection with the Services performed under this Agreement.

7. Ownership of Work. All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Consultant's services, or upon demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

8. Independent Contractor Status. Consultant is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Consultant is free to work for other entities while under contract with the City. Consultant, and its agents or employees, are not entitled to City benefits.

9. Conflicts of Interest. Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest. The Consultant represents that it is familiar with the local and state conflict of interest laws, and agrees to comply with those laws in performing this Agreement. The Consultant represents and warrants that the representations made by the Consultant concerning unfair competitive advantage and conflicts of interest in connection with its submissions in response to the City's procurement for this Agreement were true and accurate both when made and as of the date of this Agreement. Consultant represents and warrants that it has not and shall not offer or deliver any City officer, public official, or employee any gifts or donations in violation Federal, State and/or local law.

10. Rebates, Kickbacks, or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

To Consultant:

Veronica Child
Management Analyst II
Development Engineering Division
333 Civic Center Plaza
Tracy, CA 95376

Alison Bouley
Vice President
Harris & Associates
1401 Willow Pass Road, Suite 500
Concord, CA 94520

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

12. Miscellaneous.

12.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

12.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

12.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

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12.6.1 Prevailing Wage Laws. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates; employment of apprentices (§ 1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. These prevailing rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents, harmless from any and all claims, costs, penalties, or interests arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

12.6.2 Non-discrimination. Consultant represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Consultant shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

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12.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

12.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

12.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

13. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, the City and Consultant agree to the full performance of the foregoing terms as of the last signature date.

City of Tracy

By: Dan Arriola

Title: Mayor

Date: _____

Attest:

April B. A. Quintanilla, City Clerk

Approved as to form:

David Nefouse, City Attorney

Consultant

Signed by:


B31F7F9EC781470...

By: Alison Bouley

Title: Vice President

Date: 9/10/2025 | 11:12 AM PDT

Federal Employer Tax ID No. _____

Signed by:


221A7F107C51486...

By: Karen Freeman

Title: Chief Financial Officer

Date: 9/10/2025 | 10:57 AM PDT

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)
- C Task Order Form

EXHIBIT A - Services

The Consultant shall provide the services and deliverables set forth in this **Exhibit A**. The Consultant shall provide all services and deliverables required by this **Exhibit A** to the satisfaction of the City.

General Description of Project and Services for which Consultant will Provide: Services for various programs included in this MPSA will include but are not limited to the following development areas within the City and its sphere of influence:

- Plan C Development Area
- South MacArthur Development Area
- North East Industrial Phase I and Phase II
- ISP South
- Gateway
- Presidio
- Infill Development Area
- I-205 Specific Plan
- Citywide Master Plans
- New General Plan Areas
- Cordes Ranch
- Ellis Specific Plan
- Tracy Hills Specific Plan

The City reserves the right to add or delete any of the areas or Specific Plans listed above from the proposed scope of work at any time during the period of this Master Professional Services Agreement.

Work assignments will be issued by issuing a Notice to Proceed, which will specify the scope of services, schedule, duration, staffing, hourly rates, not-to-exceed fee, and other relevant items. Notices to Proceed may be amended in accordance with provisions of the MPSA. The specific scope of services for a Notice to Proceed may include, but are not limited to, the following tasks:

- Review and update Development Impact Fees.
- Assist in reconciliation of various funds related to Development Impact Fees.
- Assist in close-out of programs as requested by the City.
- Preparation and/or update of Finance and Implementation Plans for various Specific Plans.
- Coordinate with the infrastructure consultants, and manage, review and recommend City approval of various infrastructure studies/master plans.
- Assist in the formation of Benefit Districts.
- Prepare City Council agenda items and make presentations during City Council

- meetings.
- Meet with City staff, development community and other consultants to strategize and implement various elements of the programs.
- Prepare cost estimates of various infrastructure projects.
- Assist in calculating and monitoring reimbursements owed to developers for infrastructure design and construction.
- Assist in calculating and monitoring credits for infrastructure design and construction.
- Assist the City in the annual budget review of the CIP projects.
- Answer questions from developers and prepare fee estimates as needed.

PROJECT PERSONNEL. Consultant shall assign the following personnel to perform the tasks set forth in this agreement. Additional staff may be assigned subject to approval of CITY.

Principal-in-Charge:	Alison Bouley, PE
Project Manager:	Adam Marston
Project Manager:	Joel Nagamine, PE
Director:	Megan Quinn
Director:	Donna Segura
Project Manager:	Diana Sheng
Senior Analyst:	Arn Richland
Project Manager:	Anna Tan-Gatue, PE
Analyst:	Alexa Ludke
Analyst:	Anthony Duarte
Senior Analyst:	Sonya Williams
Project Manager:	Connie Fife
Senior Project Manager:	Tamora Bryant, PE
Senior Project Manager:	Lynn Kelly
Deputy Project Manager:	Sonny De La Cruz
Deputy Project Manager:	Francisco Rojas

Deputy Project Manager: Christina Ridley

EXHIBIT B

Compensation

FY 25-26 Billing Rates

Harris Position	2025 Billing Rates
Vice President	\$290 - \$330
Senior Directors	\$270 - \$310
Directors	\$260 - \$300
Senior Consultants	\$270 - \$310
Assessment Engineer	\$220 - \$320
Senior Project Managers	\$220 - \$260
Project Managers	\$180 - \$240
Deputy Project Managers	\$170 - \$195
Senior Project Engineers	\$185 - \$230
Project Engineers	\$150 - \$195
Senior Project Analyst	\$150 - \$185
Project Analyst	\$125 - \$160
Technical Support	\$120 - \$155
Administration	\$100 - \$130

See section 3.1 of the contract regarding annual increases to rates. Rates may change in case of promotions.

EXHIBIT C - Task Order Form

(See Attached)

TASK ORDER FORM

Project:	
Consultant:	
Project Task Order Number:	[X of X]
Description of Task and Services:	
Maximum Compensation for Task:	\$ _____ .00
Task Completion Time:	The Consultant must complete the services and deliverable for this task in On or before: [DATE]
Year-to-Date Total Authorized Task Order Compensation:	\$ _____ .00
Remaining Total Not to Exceed Amount upon completion of this Task:	\$ _____ .00

APPROVED BY CITY REPRESENTATIVE

[Insert Name and Position]

Date

**CITY OF TRACY
MASTER PROFESSIONAL SERVICES AGREEMENT WITH**

Harris & Associates, Inc.
Program Management - Audit Services HA25-02, Development Engineering Division

This Master Professional Services Agreement (“Agreement”) is entered into between the City of Tracy, a municipal corporation (“City”), and Harris & Associates, Inc., a California corporation (“Consultant”). City and Consultant are referred to individually as “Party” and collectively as “Parties.”

Recitals

A. City desires to retain Consultant to provide reimbursement audit services for new development which includes reviewing contracts, change order, invoices, checks, and lien releases to establish the acquisition price of developer constructed facilities as further described herein and in Exhibit A.

B. On June 2, 2025, the City issued a Request for Proposals (RFP) for certain services. On July 3, 2025, Consultant submitted its proposal for the services to the City. Pursuant to Tracy Municipal Code Sections 2.20.140(a)(2) and 2.20.130, the City has determined that Consultant demonstrated that it was the best qualified and most responsible proposer, and best fits the City’s needs for competence and professional qualifications necessary for the satisfactory performance of the Services.

C. After negotiations between the City and Consultant, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement was approved on _____ pursuant to Tracy Municipal Code Section 2.20.140, and City Council Resolution No. _____.

NOW THEREFORE, for good and valuable consideration the sufficiency of which the Parties hereby acknowledge, the Parties mutually agree as follows:

1. Scope of Services. Consultant shall perform professional services, tasks, and scope of work further described in Exhibit A hereto (“Services”) for the City’s benefit on an as-needed basis pursuant to individual approved Task Orders for services within the in accordance with the terms and conditions of this Agreement. The Services shall be performed by, or under the direct supervision of, Consultant’s Authorized Representative: Alison Bouley. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit A, nor shall Consultant use or replace any subcontractor or subconsultant, without City’s prior written consent. A failure to obtain the City’s prior written consent for any change or replacement in personnel or subcontractor/subconsultant may result in the termination of this Agreement.

1.1 Task Order Forms. The Services within the Scope of Work will be comprised of Task Order Forms (in the form provided in Exhibit C hereto, or a similar format as approved by the City Project Manager), approved, executed and delivered by the City Project Manager of Community and Economic Development (“PM”) from time-to-time during the Term of this Agreement, on an as-needed basis. The Consultant cannot start performing any Work until the PM has executed a Task Order for such work. The City has no obligation to issue any Task Orders under this Master Agreement. The City may issue any number of Task Orders provided that the sum of the maximum compensation of all approved Task Orders cannot exceed the Total Not-to-Exceed amount stated in Section 3.1.

1.2 Non-Exclusive Agreement. The City reserves the right to contract with other consultants providing the same Services or similar scope of services described above during the term of this Agreement. The City further reserves the right to assign work, at its sole discretion, to consultants other than Consultant based on City's budget, experience, and skills of consultants based on the City's specific needs.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance and shall complete all required services no later than the dates set forth in each individual Task Order. Any services for which times for performance are not specified in each individual Task Order shall be started and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated by the City to the Consultant. Consultant shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall commence on September 15, 2025 and expire and terminate automatically on September 18, 2028 or earlier by termination pursuant to Section 6 of this Agreement ("Term"). Subject to the Not-To-Exceed Amount defined in Section 3.1, the Term of this Agreement may be extended with express written amendment incorporating this Agreement signed by both Parties and one of the following City approvals: (a) City Council approval or (b) City Manager approval. An administrative extension of this Agreement shall be limited to two (2), one (1) year terms based on performance, if needed.

3. Compensation. City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit B attached and incorporated by reference for services performed under this Agreement.

3.1 Annual Total Not to Exceed Amount. Consultant's total compensation for all Task Orders and Services under this Agreement shall not exceed \$200,000.00 (Two Hundred Thousand Dollars) per City fiscal year ("Total Not-to-Exceed Amount"). Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the Total Not-to-Exceed Amount. Consultant acknowledges City has no obligation to compensate or reimburse Consultant for any fees or costs incurred in excess of the Total Not-to-Exceed Amount. Effective July 1, 2026, Consultant's billing rates under this Agreement, as set forth in Exhibit B hereto, may be annually increased in January of each year by the lesser of 3.5% or the annual increase in the Cost of Living Index - All Items, for the Sacramento Metropolitan Region.

3.1.2 For each Task Order issued under this Agreement, Consultant's Services shall not exceed the maximum compensation stated in that Task Order.

3.2 Invoices. No less than Ninety (90) days after performing Services, Consultant shall submit monthly written invoice(s) to the City that include copies of approved Task Orders, the Services performed, and identify times, dates, and names of persons performing the services.

3.2.1 If Consultant is providing services in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2 Consultant's failure to submit invoice(s) in accordance with these requirements may result in the City rejecting said invoice(s) and thereby delaying payment to Consultant.

3.2.3 Consultant shall submit invoices no later than 90 days after completion of a Task Order or portion of the Services. City has no obligation to pay invoices delivered greater than 90 days after the date of performance of the Services.

3.3 Payment. Within 30 days after the City's receipt of invoice(s), City shall make payment to the Consultant based upon the services described on the invoice(s) and approved by the City.

3.4 City Budget Limitations. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will automatically terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the City Council. Consultant's assumption of risk of possible non-appropriation is part of the consideration for this Agreement. The payment of any compensation under this Agreement shall be subject to the City of Tracy appropriation of funds for the Services. This Agreement shall terminate in the event that such funds are not appropriated.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel -reasonably accepted to the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence, or willful misconduct of the City. In this section, "City" means the City, its officials, officers, agents, employees, and authorized volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to". The Consultant's indemnification obligation applies to the maximum extent allowed by law and includes defending the City as set forth in Sections 2778 and 2782.8 of the California Civil Code. Upon the City's written request, the Consultant, at its own expense, shall defend any suit or action that is subject to this indemnification obligation. The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability “claims made” coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions.

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional “insured.”

5.5.2 For any claims related to this Agreement, Consultant’s coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant’s insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant’s Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination.

6.1 The Parties may terminate this Agreement for any reason, including, but not limited to, convenience, by giving ten (10) days’ written notice to the other Party. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

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333 Civic Center Plaza
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12.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

12.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

13. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, the City and Consultant agree to the full performance of the foregoing terms as of the last signature date.

City of Tracy

By: Dan Arriola

Title: Mayor

Date: _____

Attest:

April B. A. Quintanilla, City Clerk

Approved as to form:

David Nefouse, City Attorney

Consultant

Signed by:



By: Alison Bouley

Title: Vice President

Date: 9/10/2025 | 11:12 AM PDT

Federal Employer Tax ID No. _____

Signed by:



By: Karen Freeman

Title: Chief Financial Officer

Date: 9/10/2025 | 10:57 AM PDT

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)
- C Task Order Form

EXHIBIT A - Services

The Consultant shall provide the services and deliverables set forth in this **Exhibit A**. The Consultant shall provide all services and deliverables required by this **Exhibit A** to the satisfaction of the City.

General Description of Project and Services for which Consultant will Provide: Harris will review reimbursement requests relating to the City's master plan/program fees received from developers and determine a recommended eligible reimbursement amount. This includes reviewing all invoices, proof of payment, cancelled checks, approved change orders, and construction documents. As required, Harris will prepare and submit an additional information request (AIR) to the developer in order to request missing documentation or clarify any information received.

Once all questions have been answered, Harris will prepare a written Audit Report that includes:

1. A summary of costs to be reimbursed by the improvement fund for each eligible facility and/or discrete component, as specified in the Acquisition Agreement
2. An executive summary and audit summary
3. Improvement location map
4. A summary listing of hard and soft costs by eligible facility
5. A contract summary outlining the original price, change orders (if any), final contract price, and the eligible portions for reimbursement
6. Verification that invoices, canceled checks, and unconditional lien releases have been submitted
7. A recommendation of the costs that are eligible and appropriate for reimbursement
8. A description of any cost that have been disallowed or determined to be ineligible for reimbursement

Harris will prepare and maintain a submittal tracking spreadsheet that will track dates of all submittals, due dates, and approved amounts. Harris will provide the spreadsheet to the City and developer as necessary and give status reports as requested.

Harris will participate in a conference call with the City and developer to review the audit report and recommendations as needed.

PROJECT PERSONNEL. Consultant shall assign the following personnel to perform the tasks set forth in this agreement. Additional staff may be assigned subject to approval of CITY.

Principal-in-Charge:	Alison Bouley, PE
Project Manager:	Adam Marston
Project Manager:	Joel Nagamine, PE
Director:	Megan Quinn
Director:	Donna Segura
Project Manager:	Diana Sheng
Senior Analyst:	Arn Richland
Project Manager:	Anna Tan-Gatue, PE
Analyst:	Alexa Ludke
Analyst:	Anthony Duarte
Senior Analyst:	Sonya Williams
Project Manager:	Connie Fife
Senior Project Manager:	Tamora Bryant, PE
Senior Project Manager:	Lynn Kelly
Deputy Project Manager:	Sonny De La Cruz
Deputy Project Manager:	Francisco Rojas
Deputy Project Manager:	Christina Ridley

EXHIBIT B

Compensation

FY 25-26 Billing Rates

Harris Position	2025 Billing Rates
Vice President	\$290 - \$330
Senior Directors	\$270 - \$310
Directors	\$260 - \$300
Senior Consultants	\$270 - \$310
Assessment Engineer	\$220 - \$320
Senior Project Managers	\$220 - \$260
Project Managers	\$180 - \$240
Deputy Project Managers	\$170 - \$195
Senior Project Engineers	\$185 - \$230
Project Engineers	\$150 - \$195
Senior Project Analyst	\$150 - \$185
Project Analyst	\$125 - \$160
Technical Support	\$120 - \$155
Administration	\$100 - \$130

See section 3.1 of the contract regarding annual increases to rates. Rates may change in case of promotions.

EXHIBIT C - Task Order Form

(See Attached)

TASK ORDER FORM

Project:	
Consultant:	
Project Task Order Number:	[X of X]
Description of Task and Services:	
Maximum Compensation for Task:	\$ _____ .00
Task Completion Time:	The Consultant must complete the services and deliverable for this task in On or before: [DATE]
Year-to-Date Total Authorized Task Order Compensation:	\$ _____ .00
Remaining Total Not to Exceed Amount upon completion of this Task:	\$ _____ .00

APPROVED BY CITY REPRESENTATIVE

[Insert Name and Position]

Date

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

(1) APPROVING A MASTER PROFESSIONAL SERVICES AGREEMENT WITH HARRIS & ASSOCIATES FOR PROGRAM MANAGEMENT SERVICES FOR AN INITIAL TERM OF 3 YEARS WITH A NOT-TO-EXCEED FISCAL YEAR AMOUNT OF \$800,000 AND (2) APPROVING A MASTER PROFESSIONAL SERVICES AGREEMENT WITH HARRIS & ASSOCIATES FOR REIMBURSEMENT AND AUDIT SERVICES FOR AN INITIAL TERM OF 3 YEARS WITH A NOT-TO-EXCEED FISCAL YEAR AMOUNT OF \$200,000 AND (3) AUTHORIZING TWO ADMINISTRATIVE OPTIONS TO EXTEND FOR A ONE-YEAR TERM EACH.

WHEREAS, on June 2, 2025, staff released a Request for Proposal (RFP) for program management services and received one response from the Harris & Associates (Consultant). After review of their proposal, it was determined that the Consultant has the skills needed to support the City; and

WHEREAS, the Consultant is currently providing program management services and is familiar with the City's development impact fee programs. The Consultant's work has been satisfactory to date and they have been an integral part in successfully managing the program; and

WHEREAS, program management services primarily involves updating development impact fees, preparing impact fee quotes, preparing revenue projections, tracking credits and reimbursements, updating Finance and Implementation Plans (FIPs), forecasting fee revenue and project expenses, updating construction cost estimates, forming benefit districts, assisting in acquisition of infrastructure through Community Facilities Districts (CFDs), calculating reimbursements and managing infrastructure master plans; and

WHEREAS, due to a high level of development and the specialized nature of the scope of work, the services of a consultant are required to continue providing effective program management services; and

WHEREAS, the cost to provide such services are covered through development impact fees, Cost Recovery Agreements paid by developers, and administrative fees levied through CFDs; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves a Master Professional Services Agreement with Harris & Associates for program management services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$800,000; and be it

FURTHER RESOLVED: That the City Council approves a Master Professional Services Agreement with Harris & Associates for reimbursement and audit services for an initial term of 3 years with a not-to-exceed fiscal year amount of \$200,000; and be it

FURTHER RESOLVED: That the City Council authorizes two administrative options to extend for a one-year term each.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025 by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

AGENDA ITEM 1.R

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

(1) Waiving the review of the Tracy Homelessness Advisory Committee per Sections 4.3.1 and 4.3.2 in the Council Meeting Protocols and Rules of Procedure adopted by revised Resolution number 2023-102 for the purchase of a pre-manufactured administrative modular building for administrative and case management functions at the Temporary Emergency Housing Facility (TEHF), from Mobile Modular Management Corporation, a division of McGrath RentCorp;

(2) Determining that compliance with the standard procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180(b)(4) for this purchase; and

(3) Approving a Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp, of Livermore, California, a California Corporation, for the pre-manufactured administrative modular building to be installed as part of Phase II-Site Improvements at the Temporary Emergency Housing Facility on Arbor Avenue, CIP 71112, at 370 W. Arbor Avenue, for a not-to-exceed amount of \$131,120.

EXECUTIVE SUMMARY

Staff recommends that the City Council adopt a resolution waiving the requirement of review by the Tracy Homelessness Advisory Committee per Sections 4.3.1 and 4.3.2 in the Council Meeting Protocols and Rules of Procedure adopted by revised Resolution number 2023-102 for the purchase of a pre-manufactured administrative modular building for administrative and case management functions at the Temporary Emergency Housing Facility (TEHF), from Mobile Modular Management Corporation, a division of McGrath RentCorp, and determining that compliance with the standard procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180(b)(4) for this purchase, and approving a Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp, of Livermore, California, a California Corporation, for the pre-manufactured administrative modular building to be installed as part of Phase II-Site Improvements at the Temporary Emergency Housing Facility on Arbor Avenue, CIP 71112, at 370 W. Arbor Avenue, for a not-to-exceed amount of \$131,120; .

On August 19, 2025 at the Regular City Council Meeting, due to the time sensitivity of the work, Council Member Bedolla, with a second from Mayor Pro Tem Abercrombie (per Sections 4.3.1 and 4.3.2 of the Council Meeting Protocols and Rules of Procedure), have requested this item be placed on the agenda for Council approval. This will bypass and waive the review of the Tracy Homeless Advisory Committee.

BACKGROUND

On March 10, 2020, the City Council adopted Resolution No. 2020-052, which declared a shelter crisis pursuant to California Government Code Section 8698.2. On September 1, 2020, City Council authorized the creation of a Capital Improvement Project for the Temporary Emergency Housing Facility (TEHF) on Arbor Avenue, CIP 71112 (Project) to create a safe and dignified facility for residents experiencing homelessness. For the subsequent two years, the City actively pursued the development and construction of an interim temporary emergency housing shelter on City-owned land located at 370 West Arbor Avenue to serve as an interim full-service temporary housing solution for the City's unsheltered (Project) until the completion of the permanent project improvements.

Phase I of the TEHF Project included demolition of the existing structures, site and preparation, and underground utilities and began in May of 2022. Phase I was accepted as complete on June 2023 per Resolution 2023-098.

Phase II-Site Improvements including installation of a high-tension membrane structure, referred to as the Sprung Structure, was advertised for bids in June of 2022. However, all bids were rejected under Resolution 2023-150 because the bids exceeded the available funds at that time.

Resolution 2023-150 authorized staff to readvertise the project. Additional funding was obtained from the San Joaquin County Board of Supervisors, in the form of a grant of American Rescue Plan Act funding in the amount of \$7.1 million and a federal Housing and Urban Development Community Project Funding Grant in the amount of \$3 million, that now allows for the construction of Phase II.

Phase III consisted of the leasing and installation of modular units from Mobile Modulares and is referred to as the "Interim Project". This phase was opened in December of 2022, and consists of 48 units in a modular space with an administration building to serve meals and meet with case managers. Phase IV opened in December 2023, providing 38 additional beds in individual units in eight (8) custom containers with temporary restrooms and showers

On April 15, 2024, staff prepared the plans, specifications and bid documents for the Phase II Site Improvements at the TEHF, CIP 71112, for competitive bids. On May 7, 2024, Bids were received and publicly opened. The bid documents included four (4) schedules: Base Bid, Additive Bid Item No. 1 (ABI-1) Landscaping, Additive Bid Item No. 2 (ABI-2) Bike & Pet Enclosures and Additive Bid Item No. 3 (ABI-3) Shade Structures with adequate funding available in the project to fund the construction of both the Base Bid and Additive Bid Item No. 1 Landscaping. The Base Bid amount was used to determine the lowest bidder and Quiring General, LLC. was determined to be the lowest responsible bidder

On July 2, 2024, the City Council adopted Resolution No. 2024-123, awarding a construction contract to Quiring General, LLC., of Pleasanton, California in the amount of \$9,349,630 for the Phase II Site Improvements at the Temporary Emergency Housing Facility (TEHF) Project, CIP 71112 including the Base Bid and ABI-1 schedules and change orders up to the contingency amount of \$934,963.04 if needed by approval of the City Manager.

The proposed Phase II-Site Improvements project included plans for an administration modular as part of the site design, but it was postponed due to available funds at the time.

On January 22, 2024 the City applied for the Community Development Block Grant (CDBG) FY 2024-2025 to purchase an administration modular that will be used on site to allow the City to advance future projects, including partnering with the community and other organizations to increase transitional housing options, administrative and case management functions and robust integration of support in line with the City's "Campus Concept" to the unsheltered population.

On March 5, 2024, the City Council, pursuant to Resolution 2024-032 approved the allocation of the County-approved CDBG and HOME grant funds in the amount of \$211,795 for the purchase of the administration modular.

ANALYSIS

On June 6, 2025, the City of Tracy Homeless Services Manager and KPA visited the Mobile Modular headquarters at 5700 Las Positas Road in Livermore to view an existing 24'x40' modular building that the City may be interested in purchasing as an administration building for the Temporary Emergency Housing Project. Phase II was designed and permitted to house a new modular administration building and the utilities related to the administration building that are currently included in the existing Site Improvements construction contract.

The modular in its current state does require some rehabilitation and the Vendor provides an option for pre-prepared services. The previous use was a developer model home office. Some rehabilitation is relative to items that will be required once on-site at shelter site, including installation of break sink, counter top and cabinets, modular ramp system/ installation and any touch up of interior required. the City has the option to purchase the building in its current state and subsequent completion of improvements by another contractor for a reduction in costs. The cost for some rehabilitation will be roughly \$100k.

Staff recommends the City purchase the 24'x40' administration modular from the Vendor as part of the Phase II-Site improvements at the TEHF as the use of prefabricated structures continues to meet the City's goals and facility occupancy schedule. Purchasing the administration modular from the Vendor in its current state also allows the City the opportunity to contract out the rehab work and have more control over construction materials, quality along and choice regarding City's desired improvements of the modular.

Staff did inquire with other vendors about purchasing similar administration buildings. These vendors were either non-responsive or could not deliver the product within the time frame that Quiring was able to deliver and install; or were unfamiliar with California's specific requirements related to Modular Buildings. It was determined that using the current Vendor is in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180 (b)(4) as the Vendor is responsive, able to deliver the product within the requested time frame and is familiar with the TEHF site and able to work around the active construction. The Vendor has also demonstrated in the past the ability to provide immediate support to the City through "interim solutions" by leasing the City four (4) modular dormitory units and one (1) modular administration structure under Phase III for use at the shelter site to provide support to the unhoused population. The City also has an active Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp for the fully self-contained pre-manufactured structure commercial kitchen which is part of Phase II-Site Improvements.

On July 15, 2025, the City received a quote from Mobile Modular for the purchase and delivery of a preowned 24'x40' administration modular in the amount of \$131,120 which includes a 10% contingency for unforeseen expenses for the modular and/or delivery. The not-to-exceed total includes:

Equipment and Accessories	Qty	Purchase Price	Extended Purchase Price	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-standard Configuration. Size excludes 3' towbar.)	1		\$92,074.00	Y
Delivery	2	\$544.00	1,088.00	N
Delivery Pilot	2	\$427.00	\$854.00	N
Delivery Permit	2	\$117.00	\$234.00	N
Block and Level Building	1	\$3,750.00	\$3,750.00	N
Foundation, Installation	16	\$135.00	\$2,160.00	Y
Drawings (foundation/tie down plans, we stamped electronic)	1	\$704.00	\$704.00	N
Essential Material Handling Fee	2	\$75.00	\$150.00	N
Fee, License or Registration for Sale	1	\$2,301.85	\$2,301.85	N
Removal, Towbar/Hitch	1	\$145	\$145.00	N
Modification (In House Labor) (piers and pads)	1	\$1,880.00	\$1,880.00	Y
Additional Labor, Tape, Txtr, Paint ModLines	1	\$3,050.00	\$3,050.00	Y
Skirting, Install	128	\$24.50	\$3,136.00	Y
			Subtotal	\$111,526.85
10% Contingency for Unforeseen Expenses for Modular and/or Delivery				\$11,152.69
			Taxes	\$8,439.75
			Agreement Not to Exceed Amount	\$131,120.00

Construction details required for the administration modular, including site preparation, utility connections, earthwork and asphalt pad are included in Quiring's construction contract in Base Bid. Additionally, notations regarding the City purchase of administration modular are currently included in the existing Phase II-Site Improvements project as part of the site design.

FISCAL IMPACT

The Temporary Emergency Homeless Shelter, CIP 71112, is an approved Capital Improvement Project with a total budget of \$23,029,441. There are sufficient funds available in the project for the proposed Amendment with the Vendor, with funding as follows:

<u>Funding Source</u>	<u>Budget</u>	<u>Expense / Committed</u>	<u>Balance</u>
American Rescue Plan Act - City of Tracy	\$ 5,274,093	\$ 5,268,305	\$ 5,788
San Joaquin County (ARPA) R1	\$ 3,661,113	\$ 3,661,113	\$ -
San Joaquin County (ARPA) R2	\$ 7,167,798	\$ 7,167,798	\$ -
HHAP	\$ 329,240	\$ 329,240	\$ -
HHAP R2	\$ 414,042	\$ 414,042	\$ -
Federal Grant	\$ 3,000,000	\$ 3,000,000	\$ -
CDBG (4 Grants)	\$ 1,347,555	\$ 1,210,464	\$ 137,091
Housing Asset Funds	\$ 690,000	\$ 449,074	\$ 240,926
Redevelopment	\$ 1,145,600	\$ 980,470	\$ 165,130
Current Budget	\$ 23,029,441	\$ 22,480,506	\$ 548,935

CEQA/NEPA DETERMINATION

Government Code section 8698.4 exempts the application of the California Environmental Quality Act (CEQA) to various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis. In addition, the interim solutions taken thus far are in furtherance of and related to the permanent solution that will be implemented, referred to as the Temporary Emergency Housing Facility on Arbor Avenue (CIP 71112). A Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects). No environmental impacts beyond those already analyzed for the CIP exist; accordingly, no further CEQA analysis is needed.

San Joaquin County, as the responsible entity under the National Environmental Protection Act (NEPA) for the federal grants related to this Project, conducted an Environmental Assessment in 2023 and released a Finding of No Significant Impact on January 18, 2024, in compliance with NEPA and applicable federal regulations.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted 2023-2025 Strategic Priorities: Quality of Life Strategy Plan, Goal No. 5, Continue to implement the Council-Adopted Homelessness Strategic Plan.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution:

(1) Waiving the review of the Tracy Homelessness Advisory Committee per Sections 4.3.1 and 4.3.2 in the Council Meeting Protocols and Rules of Procedure adopted by revised Resolution number 2023-102 for the purchase of a pre-manufactured administrative modular building for administrative and case management functions at the Temporary Emergency Housing Facility (TEHF), from Mobile Modular Management Corporation, a division of McGrath RentCorp;

(2) Determining that compliance with the standard procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180(b)(4) for this purchase; and

(3) Approving a Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp, of Livermore, California, a California Corporation, for the pre-manufactured administrative modular building to be installed as part of Phase II-Site Improvements at the Temporary Emergency Housing Facility on Arbor Avenue, CIP 71112, at 370 W. Arbor Avenue, for a not-to-exceed amount of \$131,120.

Prepared by: Virginia Carney, Homeless Services Manager

Reviewed by: Sara Castro, Director of Finance
Brian MacDonald, Director of Parks, Recreation and Community Services
Arturo M. Sanchez, Assistant City Manager
Kamal Gill, Deputy City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A - Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp

Attachment B-Floor Plan of 24'x40' Admin Building

Attachment C-Placement of 24'x40' Admin Building at TEHF

Attachment A

**CITY OF TRACY
PURCHASE AGREEMENT FOR GOODS COMMODITIES, AND ANCILLARY SERVICES WITH
MCGRATH RENTCORP AND SUBSIDIARIES DBA MOBILE MODULAR MANAGEMENT CORP.,
LIVERMORE, CALIFORNIA**

This Purchase Agreement for Goods, Commodities, and Ancillary Services (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), Mobile Modular Management Corporation, a division of McGrath RentCorp, a California Corporation (**Vendor**). City and Vendor are referred to individually as “Party” and collectively as “Parties.”

Recitals

A. City is actively pursuing the construction of the Temporary Emergency Housing Facility, CIP 71112 which consists of four construction phases, to provide housing on a nightly basis to unhoused residents in the City, along with ancillary services (**Project**), on City-owned property of 4.8 acres located at 370 W. Arbor Avenue (**Project Site**).

B. Upon completion of construction, Phase II of the Temporary Emergency Housing Facility will include a Navigation Center and auxiliary buildings (kitchen and main administrative building). With the completion of Phase II construction, the entire site – Phase II, III, and IV, could have the ability to serve up to 150+ individuals in both congregate and non-congregate facilities. The administrative building would provide space for additional service providers to offer the support needed to provide a full range of services to the unhoused residents at the shelter.

C. Project is being funded by Community Development Block Grant (**CDBG**) funds, American Rescue Plan Act (**ARPA**) funds, Homeless Housing, Assistance and Prevention (**HHAP**) funds, Department of Housing and Urban Development (**HUD**) Community Project Funding Grant funds, and other grant funding sources.

D. During preliminary design City staff researched all the available options for providing an administrative building (as further described in **Exhibit A** attached hereto, Goods) for use at the Temporary Emergency Housing Facility, CIP 71112. The Vendor currently works with the City under an existing lease providing the modular dormitories under Phase III-Modular Units for use at the shelter site. The vendor is the only local manufacturer able to provide the required structure and furnishings that meet the City’s requirements for permanent installation at the project site.

E. Staff determined that Vendor possesses the skills, experience, and certifications required to provide the requisite Goods for the Project and that the Vendor was the only manufacturer able to provide the City with the required Goods within the City’s timelines.

F. Under Chapter 14.1.4 Non-competitive Proposals section of the CDBG procurement guidelines, the City can procure an item without competitive bidding when that item is only available from that single source.

G. After negotiations between the City and Vendor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

H. This Agreement is being executed pursuant to Resolution No. 2025-_____, approved by Tracy City Council on _____, 2025.

Now therefore, the Parties mutually agree as follows:

1. CITY PURCHASE.

1.1 GOODS. The City agrees to purchase, and the Vendor agrees to sell, the Goods as more specifically outlined and described in the attached **Exhibit A**, which is incorporated herein by this reference. The Goods shall comply with all of the standards and specifications outlined in **Exhibit A**.

1.2 SERVICES. The City also agrees to purchase from Vendor the services related to the design, approval and delivery, and installation of such Goods, as more specifically outlined and described in the attached **Exhibit A**, which is incorporated herein by this reference. Ancillary Services shall be provided in a manner consistent with the level of care and skill ordinarily exercised by members in the same profession, practicing in the same locality under similar conditions.

1.3 NO SUBSTITUTIONS; AUTHORIZED REPRESENTATIVE. There shall be no substitution of Goods or Ancillary Services, without the prior written authorization of the City. All Ancillary Services shall be performed by or under the direct supervision of, the Vendor's Authorized Representative: Matt Benas, Commercial Sales Representative. Vendor shall not replace its Authorized Representative without City's prior written consent. If Vendor fails to obtain the City's prior written consent for any change or replacement in personnel, Goods, or Ancillary Services, the City may terminate this Agreement.

2. DELIVERY DATES. The Vendor shall ship Goods and the Goods must arrive at the destination of 370 W Arbor Avenue, Tracy CA, 95304 and Ancillary Services must be provided by the Vendor as outlined in the detailed Delivery Timeline, specified in **Exhibit B**.

2.1 Any failure by the vendor to meet the Delivery Timeline will constitute a material default of this Agreement. If the Vendor fails to meet the delivery timeline set out in this Agreement in **Exhibit B**, the City may cancel the order of any Goods and Ancillary Services not delivered by the required time, without liability, and/or may terminate this Agreement. The Vendor must notify the City immediately if the Vendor reasonably believes the Vendor will not be able to meet the Delivery Timeline for any reason and provide the City with a schedule that the Vendor reasonably believes it will be able to meet. It is within the City's discretion whether it will accept the revised timeline.

3. PURCHASE PRICE. The City shall pay Vendor on a fixed fee basis, at the fee amounts outlined in **Exhibit C**, attached hereto and incorporated herein by this reference. The purchase price will be broken down by price of the Goods, and the price of the Ancillary Services, with a total calculation at the end.

3.1 NOT TO EXCEED AMOUNT. Vendor's total contract amount, for the aggregate of the Goods and the Ancillary Services, under this Agreement shall not exceed \$131,120. The Not to Exceed Amount includes all applicable sales taxes, license, and transfer fees. Unless specifically stated otherwise or agreed to in a writing signed by all Parties, the fees proposed by Vendor, as set forth in Exhibit C hereto, shall remain unchanged for the entire term of this Agreement and any extensions of this Agreement. It is understood and agreed that Vendor may not receive compensation up to the "not-to-exceed" amount (or any other amount), and Vendor's total compensation under this Agreement will depend on the Goods requested and approved by the City. Vendor's billing rates shall cover all costs and expenses for Vendor's performance of this Agreement. No work shall be performed by Vendor in excess of the "not-to-exceed" amount provided in this section without the City's prior written approval.

3.2 INVOICES. Vendor shall submit monthly invoice(s) to the City that describe in detail satisfactory to the City: the services performed, the times and dates of performance, and the names of the person(s) performing the Services.

3.2.1. If Vendor is providing Services in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2. Vendor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Vendor.

3.3 PAYMENT. Within 30 days after the City's receipt of invoice, City shall make payment to the Vendor based upon the Goods and Ancillary Services described on the invoice and approved by the City. City shall not have an obligation to remit any payments for damaged Goods, Good that are not accepted in writing or delivery of Goods beyond the deadlines agreed upon by the parties in **Exhibit C**.

3.4 FINAL PAYMENT. The acceptance by Vendor of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for payment to Vendor for the Goods and Ancillary Services. Vendor agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Vendor or its employees, subcontractors, agents and subconsultants for the accuracy and competency of the information provided and/or services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor, its employees, subcontractors, agents and subconsultants.

3.5 BOOKS AND ACCOUNTS. Vendor agrees to maintain books, accounts, payroll records and other information relating to the performance of Vendor's obligations under the Agreement, which shall adequately and correctly reflect the expenses incurred by the Vendor in the performance of Vendor's work under the Agreement. Such books and records shall be open to inspection and audit by the City during regular business hours for three years after expiration or termination of this Agreement at City's sole cost and expense, for the limited purpose of ensuring proper billing.

4. CANCELLATION AND TERMINATION. The City reserves the right to terminate or cancel any portion of this Purchase Agreement at any time prior to the delivery of Goods and Ancillary Services, for cause in the event of a breach of this Agreement by Vendor, by giving Vendor written notice as set forth in Section 14 below. There shall be no period of grace after giving the notice of cancellation or termination. Notwithstanding the terms of Section 14 below, cancellation or termination shall become effective immediately upon the date the written notice is delivered to Vendor.

5. BREACH. In the event of a breach of the Purchase Agreement by Vendor, City may terminate the Purchase Agreement immediately without notice, may reduce payment to the Vendor in the amount necessary to offset City's resulting damages, may procure substitute Goods at Vendor's expense, and/or may pursue any other available recourse against Vendor. Vendor may not terminate this Purchase Agreement except for cause.

6. DELIVERY RISK OF LOSS. All orders will be Free on Board (FOB) origin if not otherwise specified. Risk of loss or damage to the Goods shall remain with the Vendor until the Goods have been delivered to the City. All Goods and Ancillary Services will be received by the City subject to its right of inspection, rejection, and revocation of acceptance under the Uniform Commercial Code. The City will

be allowed a reasonable period of time to inspect the Goods and to notify Vendor of any nonconformance with the terms and conditions of the specifications. The City may reject any Goods that do not conform to the terms and conditions outlined under **Exhibit A** through **Exhibit C**. Any Goods and Ancillary Services rejected may be returned to the Vendor at the Vendor's risk and expense. Any loss of or damage to the Goods after delivery shall not alleviate City's obligation to pay Vendor any remaining balance of the purchase price existing at the time of the loss, except to the extent any such loss or damage is caused by negligence or willful misconduct, or by the failure of the Goods to conform to the warranties or specifications set forth in this Agreement (including without limitation any Exhibits hereto). Title to the Goods shall not pass to the City before the entire purchase price has been paid to Vendor.

7. INDEMNIFICATION. Vendor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against, and reimburse the City for, any and all third party liabilities, obligations, losses, damages, injunctions, suits, actions, fines, penalties, claims, demands, administrative and judicial proceedings and order, judgments, remedial action requirements, costs and expenses of every kind or nature, and all costs and expenses incurred in connection therewith, including, without limitation, reasonable attorneys' fees and court costs ("**Claims**") arising directly or indirectly from or out of (including any and all related costs and expenses), relating or pertaining to or resulting from, in whole or in part, this Agreement; the Goods and the Ancillary Services; any act, omission, or event relating in any way to Vendor's obligations under this Agreement, but only to the extent such Claim is caused by the negligence or willful misconduct of the Vendor.

7.1 DEFINITION. For the purposes of this section, "City" means the City, its officials, officers, agents, employees, and volunteers; "Vendor" means the Vendor, its employees, and agents and subcontractors.

In the event there is a finding and/or determination that Vendor is not an independent contractor and/or is an employee of City, including but not limited to any such finding and/or determination made by the California Public Employees' Retirement System (CalPERS), the Department of Industrial Relations (DIR), or the Internal Revenue Service (IRS), Vendor shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless the City from and against any and all Claims relating to or in connection with such a finding and/or determination.

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

Vendor and City mutually waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either Party's termination of this Agreement.

Vendor is an independent contractor and is solely responsible for the acts of its employees or agents or anyone acting on Vendor's behalf, including any negligent acts or omissions. Vendor is not City's employee and Vendor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Vendor, and its agents or employees, are not entitled to City benefits. Vendor shall be solely responsible for, and shall save the City harmless from, all matters relating to the payment of Vendor's employees, agents, subcontractors and subconsultants, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations.

The City shall indemnify and hold Vendor harmless from any and all Claims arising out of or relating to (A) the City's negligence or willful misconduct; (B) the City's failure to comply with applicable law; and/or (C) the City's modification of the Goods or the removal, application, or use of attachments, accessories, or parts on Goods, which have not been given approval in writing by an officer of Vendor.

The provisions of this section survive the expiration or the termination of this Agreement and are not limited by the provisions of Section 8 relating to insurance.

8 INSURANCE. Vendor shall, throughout the duration of this Agreement, maintain insurance to cover Vendor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

8.1 COMMERCIAL GENERAL LIABILITY. Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

8.2 AUTOMOBILE LIABILITY. (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

8.3 WORKERS' COMPENSATION. coverage shall be maintained as required by the State of California.

8.4 PROFESSIONAL LIABILITY "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Vendor in an amount not less than \$1,000,000 per claim.

8.5 ENDORSEMENTS. Vendor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

8.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

8.5.2 To the extent of the liabilities assumed by Vendor under this Agreement, Vendor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Vendor's insurance and shall not contribute with it.

8.6 NOTICE OF CANCELLATION. Vendor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Vendor shall immediately obtain a replacement policy.

8.7 AUTHORIZED INSURERS. All insurance companies providing coverage to Vendor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

8.8 INSURANCE CERTIFICATE. Vendor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

8.9 SUBSTITUTE CERTIFICATES. Vendor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

8.10 VENDOR'S OBLIGATION. Maintenance of insurance by the Vendor as specified in this Agreement shall in no way be interpreted as relieving the Vendor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Vendor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

8.11 CITY'S INSURANCE OBLIGATION. Upon delivery of the Goods and until the City has paid for the Goods in full, City shall provide, maintain, and pay all premiums for property insurance covering the loss, theft, destruction, or damage to the Goods in an amount not less than the full replacement value and will name Vendor as loss payee of the proceeds, unless City has paid Vendor the entire purchase price in full prior to the scheduled delivery of the Goods. The City shall also provide, maintain, and pay all premiums for general liability insurance in the amount of \$1,000,000.00 (one million dollars) and name Vendor as an additional insured, but only until the City has paid for the Goods in full. All insurance shall be in a form and with a company having an A.M. Best rating of A- or better and shall not be subject to cancellation without thirty (30) days prior written notice to Vendor. The City shall deliver to Vendor insurance certificates, or evidence of insurance proving the existence of policies meeting the above requirements, upon execution of the Agreement. Notwithstanding the foregoing, subject to the City providing to Vendor proof of self-insurance satisfying requirements equivalent to those imposed under this Section 8.10, the City may maintain self-insurance sufficient to satisfy the potential liabilities arising hereunder, in full satisfaction of the above insurance requirements

9 PACKING AND SHIPPING. Deliveries must be made as specified in Exhibit C, without charge, for boxing, crating, or storage unless otherwise specified. As set forth in this Agreement and the exhibits hereto, Vendor will construct and assemble certain structures away from the Project Site and deliver (or cause to be delivered) said pre-constructed structures to the Project Site. Vendor, not the City or any of its employees, shall accept all deliveries under this Agreement (including pieces of equipment that were not included in the original pre-constructed structure) for installation at a secure location and safeguard such deliveries until they are installed at the Project Site. The Vendor shall not direct deliveries of equipment to be installed within the pre-constructed structure to the Project Site or any other City facility or location, unless Vendor will be on site to accept and safeguard such delivery. City will not receive any deliveries on the Vendor's behalf at any City facility. Goods must be suitably packed to secure the lowest transportation costs and, in accordance with the requirements of common carriers, in a manner to assure against damage from weather or transportation. The City's order numbers and symbols must be plainly marked on all invoices, packages, and shipping orders. Packing lists specifying the quantity, description, and Purchase Agreement Number must accompany each box or packing shipment and must be submitted to the City as verification that the installed equipment is per the final design and Agreement.

10 TAXES. The Vendor must separately state on all invoices any taxes imposed by the local, state, or federal state government applicable to furnishing of Goods; provided, however, where a tax exemption is available, the tax must be subtracted from the total price and identified. Unless otherwise outlined in the Purchase Agreement, the Purchase Price will not be considered to include California state and city sales or use tax.

11 WARRANTY. The Vendor warrants and represents that the Goods being sold pursuant to this Agreement will conform to the description set forth on this Agreement. Except for the foregoing sentence VENDOR MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AND THE CITY ACKNOWLEDGES THAT THE GOODS ARE BEING SOLE AS IS AND WITH ALL FAULTS.

12 REBATES, KICKBACKS, OR OTHER UNLAWFUL CONSIDERATIONS. Vendor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work performed, or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13 NOTICES. All notices, demands, or other communications that this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party at the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
Brian MacDonald
Director of Parks & Recreation
City of Tracy,
333 Civic Center Plaza
Tracy, CA 95376

To Vendor:
Matt Benas
Sales Representative
McGrath RentCorp and Subsidiaries
DBA Mobile Modular Management Corp.
5700 Las Positas Road
Livermore, CA 94551

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14 MISCELLANEOUS

14.1 STANDARD OF CARE. Unless otherwise specified in this Agreement, the standard of care applicable to Vendor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 AMENDMENTS. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 WAIVER. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. No waiver shall be effective unless it is in writing and signed by the waiving party.

14.4 ASSIGNMENT AND DELEGATION. Vendor may not assign, transfer, or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment, transfer or delegation shall not be deemed to be consent to any subsequent assignment, transfer or delegation.

14.5 JURISDICTION AND VENUE. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 COMPLIANCE WITH THE LAW. The Parties shall comply with all applicable local, state, and federal laws, including, without limitation, those identified below, whether or not such laws are expressly stated in this Agreement.

14.6.1 HAZARDOUS MATERIAL. Vendor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services, but only to the extent such spill is caused or contributed to by Vendor's negligence, willful misconduct, or otherwise culpable act.

14.6.2 NON-DISCRIMINATION. Vendor represents and warrants that it is an equal opportunity employer, and it shall not discriminate against any third-party vendor, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Vendor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 BUSINESS ENTITY STATUS. Vendor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Vendor. By entering into this Agreement, Vendor represents that it is not a suspended corporation. If Vendor is a suspended corporation at the time, it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 BUSINESS LICENSE. Before the City signs this Agreement, Vendor shall obtain a City of Tracy Business License. Vendor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 SUCCESSORS AND ASSIGNS. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 CONSTRUCTION OF AGREEMENT. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11 SEVERABILITY. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 CONTROLLING PROVISIONS. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Vendor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Vendor's proposal (if any), the Exhibits shall control.

14.13 ENTIRE AGREEMENT. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.

14.14 COUNTERPARTS. City and Vendor agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original

14.15 EXPENSES FOR ENFORCEMENT. Vendor and City agree that the prevailing party's reasonable costs, attorneys' fees and expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

14.16 OWNERSHIP OF WORK. All original documents prepared by Vendor relating to the Goods or Ancillary Services, whether complete or in progress, are the property of the City, and shall be given to the City upon termination of this Agreement or within five (5) days of any demand from the City. No such documents shall be revealed or made available by Vendor to any third party without the City's prior written consent.

15 SIGNATURES. The individuals executing this Agreement on behalf of Vendor represent and warrant that they have the right, power, legal capacity, and authority to enter and execute this Agreement on behalf of Vendor.

[SIGNATURES ON FOLLOWING PAGE]

City of Tracy – Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

April Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

Vendor

Mobile Modular Management Corporation, a division of McGrath RentCorp.

Signed by: Philip Hawkins
E5305621E38E4ED
By: Philip Hawkins
Title: Chief Operating Officer
Date: 9/4/2025 | 5:13 AM PDT

Signed by: Keith Pratt
A46E68E5D2244E1
By: Keith Pratt
Title: Executive VP and CFO
Date: 9/4/2025 | 8:56 AM PDT

Federal Employer Tax ID No. 94-2579843

City of Tracy – Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp.

Exhibits:

- A Description of Goods
- B Delivery Timeline
- C Purchase Price and Payment Terms

EXHIBIT A-DESCRIPTION OF GOODS

- A. The Vendor will deliver and install to the City a total of one (1) used/pre-prepped 24'x40' modular building that the City will use as an administration building with the following specifications.
1. Purchase quote: Used/pre-prepped 24'x40' sales office type modular building with sheetrock interior walls and new carpet tile flooring.
 2. Fire Related Items: Unless noted, fire related items (alarms, sprinklers, smoke & hear detectors, and fire-rated walls, etc.) are not included.
 3. Yes-Prevailing Wage: Pricing includes prevailing wage and certified payroll for installation work performed on site.
 4. Support post(s): Please note- this floor plan may have an exposed support post(s) placed on the modline.
 5. Used building sale: Quotation is for a used modular building sold in "as is" condition. Unless stated otherwise, MMMC will only perform a general cleaning & repair, reseal the roof, doors & windows, and test the electrical, mechanical and the plumbing systems to ensure working condition at the of delivery.
 6. Stairs and Ramps: Have not been included.

The Vendor shall deliver and install one (1) used/pre-prepped 24'x40' modular building, providing all required components, and providing installation, labor and materials as described in the attached quotes and descriptions, and shipping the completed used/pre-prepped 24'x40' modular building to the City's project site to arrive at a time coordinated with the City and the City's general construction contractor.

Additionally, the Vendor's scope of work is limited to cope of work is limited to (1) the procurement and/or preparation of the Equipment and Accessories (if any) to meet the specifications set forth in this Agreement; and (2) performance of the Services. The Total Price excludes all additional services, accessories, ancillary items or equipment and additional on-site labor. The following are obligations of the Buyer and specifically excluded from Seller's obligations under this Agreement: (i) permits and licensing related to the Site; (ii) Site engineering or other design services; (iii) selection or preparation of the Site (iv) utilities or temporary power, and (viii) utility connections, whether temporary or permanent. City may request changes or alterations in Vendor's scope of work, which Vendor may or may not agree to in Vendor's sole discretion. Any written change orders shall be incorporated by reference into this Agreement and subject to all Terms and Conditions set forth herein.

The descriptions of each pre-manufactured structure can be found on the attached exhibits:

Exhibit A-1- 24'X40' Mobile Modular Admin Building Floor Plan

Exhibit A-2- Sellers Quotation and Agreement

EXHIBIT A-1- 24'X40' MOBILE MODULAR ADMIN BUILDING FLOOR PLAN

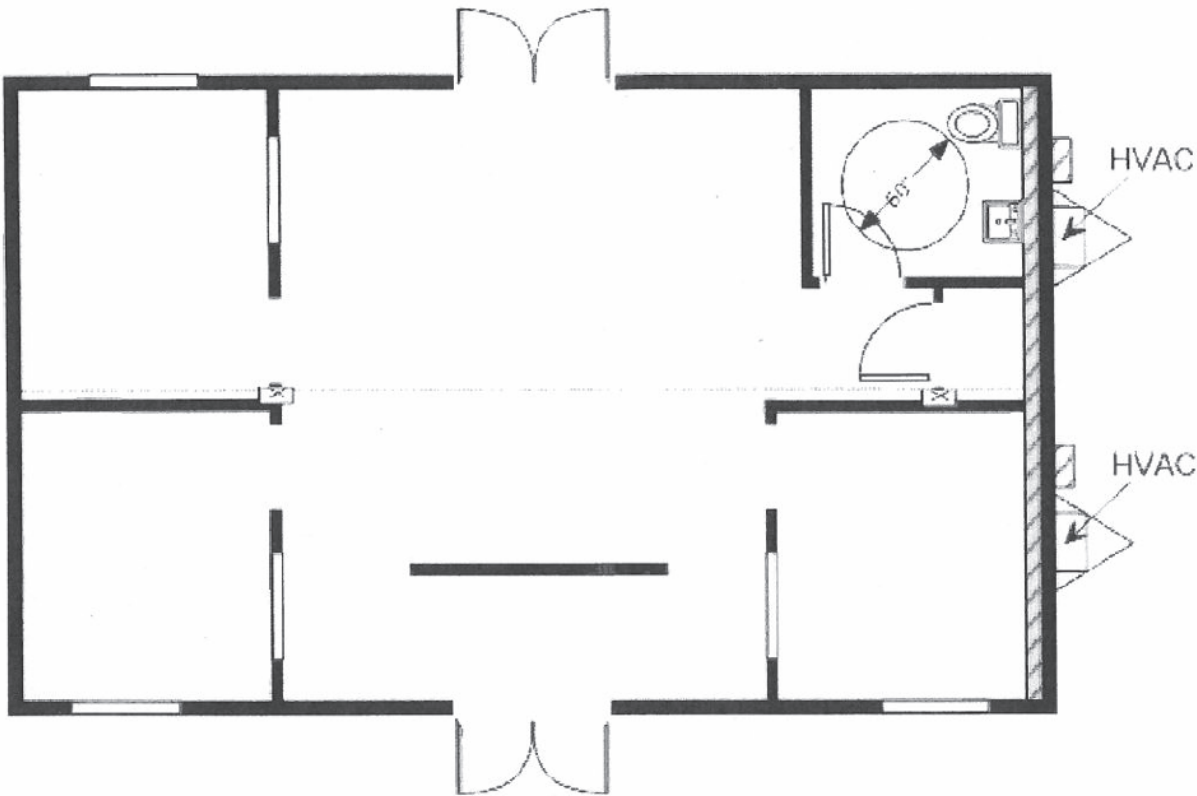


Mobile Modular Management Corporation
5700 Las Positas Road
Livermore, CA 94551
(925) 606-9000 Fax: (925) 453-3201
www.mobilemodular.com

External Floorplan	
Building Size:	24 X 40
Building ID:	42802
Number of Floors:	2
A#:	

Floor Plan
Sales Office, 24x40 HCD (NonStd)

Actual Layout



City of Tracy – Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp.

EXHIBIT A-2- SELLERS QUOTATION AND AGREEMENT



a Division of McGrath RentCorp
Corporate Headquarters
5700 Las Positas Rd
Livermore, CA 94551
925-606-9000
www.mgrc.com

Sale Quotation and Agreement

Quote #	Q-537045
Date of Quote	07/15/2025
Quote Expiration Date:	08/14/2025
Estimate Del Date	07/15/2025
Buyer PO#:	

Buyer Name and Billing Address	Site Information	Seller Name
City of Tracy ("Buyer") 333 Civic Center Drive Tracy, CA 95376 Virginia Carney Phone #: 1 (209) 831-6000	Cell:	Mobile Modular Management Corporation a Division of McGrath RentCorp ("Seller") Questions? Contact: Matt Benas matt.benas@mobilemodular.com Direct Phone: 1 (925) 453-3122

Equipment and Accessories	Qty	Purchase Price	Extended Purchase Price	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-Standard Configuration.Size excludes 3' towbar.)	1		\$92,074.00	Y
Charges Upon Delivery	Qty	Charge Each	Total One Time	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-Standard Configuration.Size excludes 3' towbar.)				
Delivery	2	\$544.00	\$1,088.00	N
Delivery Pilot	2	\$427.00	\$854.00	N
Delivery Permit	2	\$117.00	\$234.00	N
Block and Level Building	1	\$3,750.00	\$3,750.00	N
Foundation, Installation	16	\$135.00	\$2,160.00	Y
Drawings (foundation/tie down plans, wet stamped electronic)	1	\$704.00	\$704.00	N
Essential Material Handling Fee	2	\$75.00	\$150.00	N
Fee, License or Registration for Sale	1	\$2,301.85	\$2,301.85	N
Removal, Towbar/Hitch	1	\$145.00	\$145.00	N
Modification (In House Labor) (piers and pads)	1	\$1,880.00	\$1,880.00	Y
Additional Labor, Tape,Txtr,Paint	1	\$3,050.00	\$3,050.00	Y
ModLines	1	\$3,050.00	\$3,050.00	Y
Skirting, Install	128	\$24.50	\$3,136.00	Y
Total Estimated Charges				
			Subtotal	\$111,526.85
			Taxes	\$8,439.78
			Total Charges (including tax)	\$119,966.63

Special Notes

Purchase quote: Used/pre-prepped 24x4-0 sales office type modular building with sheetrock interior walls and new carpet tile flooring.

Fire Related Items: Unless noted, fire related items (alarms, sprinklers, smoke & heat detectors, and fire-rated walls, etc.) are not included.

General: Customer's site must be dry, compacted, level and accessible by normal truck delivery. Pricing does not include any clearing or grading of sites, obstruction removal, site or final building clean up , any asphalt transitions,

EXHIBIT A-2- SELLERS QUOTATION AND AGREEMENT (CONTINUED)



a Division of McGrath RentCorp
Corporate Headquarters
5700 Las Positas Rd
Livermore, CA 94551
925-606-9000
www.mgrc.com

Sale Quotation and Agreement

Quote #	Q-537045
Date of Quote	07/15/2025
Quote Expiration Date:	08/14/2025
Estimate Del Date	07/15/2025
Buyer PO#:	

dolly, crane, forklift, electrical or plumbing connections, window coverings, furniture, casework, appliances, doorstops, phone or data lines, gutters, downspouts or tie-in, temporary power, temporary fencing, traffic control, flagmen, soil and/or pull test, custom engineering, fees associated with inspections, city or county submittals and/or use permits, security screens, door bars and any item not specifically listed as being included.

Yes - Prevailing Wage: Pricing includes prevailing wage and certified payroll for installation work performed on site.

Support post(s): Please note - this floor plan may have an exposed support post(s) placed on the modline.

Used building sale: Quotation is for a used modular building sold in "as is" condition. Unless stated otherwise, MMMC will only perform a general cleaning & repair, reseal the roof, doors & windows, and test the electrical, mechanical & plumbing systems to ensure working condition at the time of delivery.

Stairs and Ramps: Have not been included.

Site Installation Requirements: Prior to delivery, Customer shall mark the four corners where the building is to be placed on the site/pad location, and shall also mark the locations of door(s) and ramp(s). Should special handling be required to position, install, or remove the classroom on Customer's site due to site conditions/constraints and/or obstructions, Customer will be responsible for additional charges. Additional rolling charges may be applicable as site conditions necessitate.

Clarifications

- The Total Price quoted in this Agreement shall be valid through the Quote Expiration Date set forth herein or for 30 days from the Date of Quote, whichever is earlier. Notwithstanding the foregoing, in the event this Agreement is signed by Buyer after the applicable expiration date, Seller shall have the option to either accept as set forth below or reject the Agreement in writing. Seller may accept the Agreement by: (1) signing the Agreement below; (2) notifying Buyer in writing of Seller's acceptance; or (3) beginning performance of the Services set forth herein.
- This transaction is subject to prior approval of Buyer's credit to the sole satisfaction of Seller.
- Buyer is responsible for proper preparation of the Site prior to delivery of the Equipment in accordance with the terms and conditions of this Agreement.
- In-fleet used Equipment is subject to availability at the time of Buyer's signing of this Agreement.
- Unless otherwise noted, all Equipment is previously leased and in used condition. Any floor plans attached or provided are conceptual only. Materials, dimensions, and specifications might vary. Detailed specifications may be available upon request.
- A down payment may be required at the time of Buyer's execution of this Agreement, as specified in the Payment section of the Sale Terms and Conditions, or as may otherwise be specified in this Agreement.
- Sales and any other taxes will be calculated based on the applicable rates at the time of invoicing and the Total Price will be adjusted accordingly.
- Unless otherwise noted, prices do not include prevailing wages, Davis-Bacon Act wages or benefits, or other special or certified wages or benefits.

EXHIBIT B-DELIVERY COORDINATION AND SCHEDULE

- A. Site Installation Requirements:** Prior to delivery, City shall mark the four corners where the building is to be placed on the site/pad location and shall also mark the locations of door(s) and ramp(s). Should special handling be required to position, install, or remove the classroom on City's site due to site conditions/constraints and/or obstructions, City will be responsible for additional charges. Additional rolling charges may be applicable as site conditions necessitate.
- B. Delivery:** The Vendor shall deliver and install one (1) used/pre-prepped 24'x40' modular building, providing all required components, and providing installation, labor and materials as described in the attached quotes and descriptions, and shipping the completed used/pre-prepped 24'x40' modular building to the City's project site to arrive at a time coordinated with the City and the City's general construction contractor.
- C. Schedule and Delays:**
- a. City will schedule operations such that delivery and installation of the Equipment may be carried out by Vendor in one continuous operation and in proper sequence. Should there be delays in the City's preparation of the Site which would delay delivery and/or installation of the Equipment, City shall notify Vendor no less than ten (10) days in advance of the Estimated Delivery Date. In the event City fails to comply with the foregoing requirements, City will reimburse Vendor for actual costs and damages incurred, including a reasonable markup for overhead and profit for work performed by Vendor, resulting from such delay. Any such delay resulting therefrom will extend Vendor's period of performance, which may not be a day for day extension of time.
 - b. If City delays delivery of the Equipment for any reason for thirty (30) days or longer from the original Estimated Delivery Date, Vendor, in its sole discretion may take one or more of the following actions which City shall be notified of in writing: (1) revise prices to reflect current market rates for materials, equipment or services, which Vendor shall notify City of in a written change order prior to delivery of the Equipment; (2) require City to pay any remaining balance of the Purchase Price in full; (3) require City to pay a monthly fee for storage of the Equipment; and (4) terminate the Agreement and in so doing, City shall be responsible for payment to Seller of a termination fee ("Termination Fee") for the costs incurred and profits lost as a result of Vendor's performance of its obligations under this Agreement prior to such termination, and which must be paid to Vendor within ten (10) business days of receipt of written notice from Vendor. Any partial payments previously made to Vendor will be credited against the Termination Fee and amounts in excess of the Termination Fee may be refunded to City. In the event that City fails to timely pay the Termination Fee, Vendor shall have the right to collect the full Purchase Price plus all additional costs, including attorneys' fees, incurred due to City's failure to timely take delivery of the Equipment and/or to pay such Termination Fee.
 - c. Business Days are defined as all Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays regardless of City of Tracy business operations or holidays. The parties acknowledge that there are currently supply chain delays within the industry, and some components and equipment leased hereunder may have longer lead times, which may delay the anticipated timelines. Notwithstanding anything herein to the contrary, all timelines in this Exhibit C will be subject to Equipment availability.

EXHIBIT B-DELIVERY COORDINATION AND SCHEDULE (CONTINUED)

- D. Equipment Inspection; Acceptance:** Following delivery and installation of the Equipment, City shall inspect the Equipment within forty-eight (48) hours of substantial completion of Vendor's scope of work for such Equipment. City shall immediately notify Vendor in writing of any observed defects upon completion of such inspection and should City fail to submit such written documentation within the foregoing timeframe, it shall be conclusively presumed between City and Vendor that City has inspected the Equipment and that all Equipment is in conformance with the Agreement and has been accepted by City.

EXHIBIT C - PURCHASE PRICE AND PAYMENT SCHEDULE

Goods as described in Exhibit A: One (1) used/pre-prepped 24'x40' modular building that the City will use as an administration building at 370 W. Arbor Avenue, Tracy, California

Equipment and Accessories	Qty	Purchase Price	Extended Purchase Price	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-standard Configuration. Size excludes 3' towbar.)	1		\$92,074.00	Y
Delivery	2	\$544.00	1,088.00	N
Delivery Pilot	2	\$427.00	\$854.00	N
Delivery Permit	2	\$117.00	\$234.00	N
Block and Level Building	1	\$3,750.00	\$3,750.00	N
Foundation, Installation	16	\$135.00	\$2,160.00	Y
Drawings (foundation/tie down plans, we stamped electronic)	1	\$704.00	\$704.00	N
Essential Material Handling Fee	2	\$75.00	\$150.00	N
Fee, License or Registration for Sale	1	\$2,301.85	\$2,301.85	N
Removal, Towbar/Hitch	1	\$145	\$145.00	N
Modification (In House Labor) (piers and pads)	1	\$1,880.00	\$1,880.00	Y
Additional Labor, Tape, Txtr, Paint ModLines	1	\$3,050.00	\$3,050.00	Y
Skirting, Install	128	\$24.50	\$3,136.00	Y
			Subtotal	\$111,526.85
10% Contingency for Unforeseen Expenses for Modular and/or Delivery				\$11,152.69
			Taxes	\$8,439.78
			Agreement Not to Exceed Amount	\$131,120.00

PAYMENT TERMS

After Vendor receipt of executed Agreement, a down payment may be required at the time of City's execution of this Agreement, invoices shall be submitted on the following schedule:

Used Equipment and Services Payment Schedule.

- Twenty-five percent (25%) of the Total Price upon City's execution of this Agreement.
- Sixty-five percent (65%) of the Total Price no less than three (3) business days prior to the scheduled delivery of the Equipment to the Site.
- Ten percent (10%) of the Total Price Net 30 days from the date of substantial completion of Seller's scope of work (substantial completion does not include punch list items).

24'X40' MOBILE MODULAR ADMIN BUILDING

Floor Plan

The current floor plan of the facility is provided below.



Mobile Modular Management Corporation
 5700 Las Positas Road
 Livermore, CA 94551
 (925) 606-9000 Fax: (925) 453-3201
www.mobilemodular.com

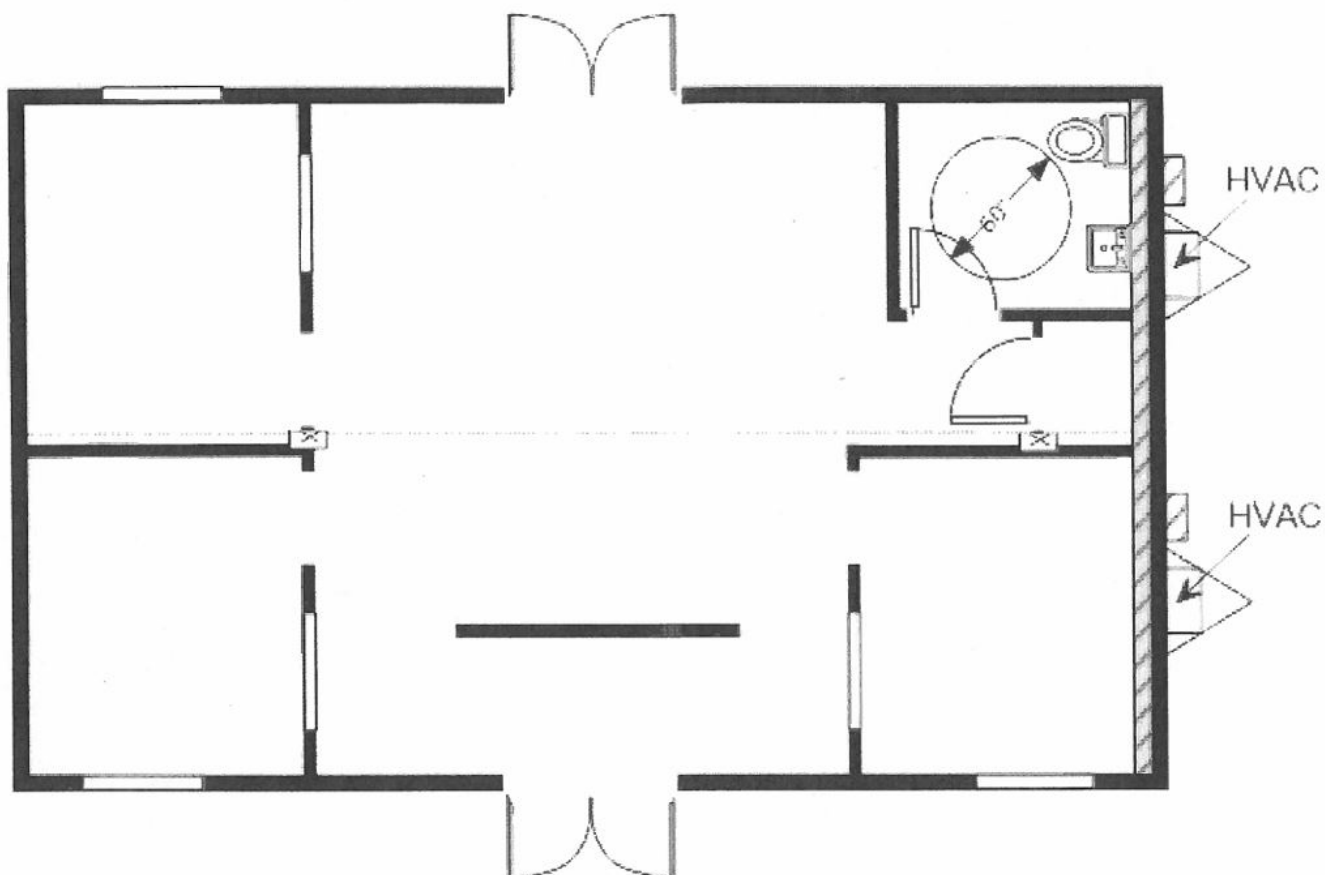
External Floorplan

Building Size:	24 X 40
Building ID:	42802
Number of Floors:	2
A#:	

Floor Plan

Sales Office, 24x40 HCD (NonStd)

Actual Layout



24'X40' MOBILE MODULAR ADMIN BUILDING

Placement of 24'x40' Building at Temporary Emergency Housing Facility

A diagram is shown below depicting the proposed 24'x40' building at the current location defined for an administration building at the Temporary Emergency Housing site.



CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

(1) WAIVING THE REQUIRMENT OF REVIEW BY THE TRACY HOMELESSNESS ADVISORY COMMITTEE PURSUANT TO SECTION 4.3.1 AND 4.3.2 IN THE COUNCIL MEETING PROTOCOLS AND RULES OF PROCEDURE FOR THE PURCHASE OF A PRE-MANUFACTURED ADMINISTRATIVE MODULAR BUILDING FOR ADMINISTRATIVE AND CASE MANAGEMENT FUNCTIONS AT THE TEMPORARY EMERGENCY HOUSING FACILITY (TEHF), FROM MOBILE MODULAR MANAGEMENT CORPORATION, A DIVISION OF MCGRATH RENTCORP AND

(2) DETERMINING THAT COMPLIANCE WITH THE STANDARD PROCUREMENT PROCESS IS NOT IN THE BEST INTEREST OF THE CITY PURSUANT TO TRACY MUNICIPAL CODE SECTION 2.20.180(B)(4) FOR THIS PURCHASE; AND

(3) APPROVING A PURCHASE AGREEMENT FOR GOODS, COMMODITIES, AND ANCILLARY SERVICES WITH MOBILE MODULAR MANAGEMENT CORPORATION, A DIVISION OF MCGRATH RENTCORP, OF LIVERMORE, CALIFORNIA, A CALIFORNIA CORPORATION, FOR THE PRE-MANUFACTURED ADMINISTRATIVE MODULAR BUILDING TO BE INSTALLED AS PART OF PHASE II-SITE IMPROVEMENTS AT THE TEMPORARY EMERGENCY HOUSING FACILITY ON ARBOR AVENUE, , CIP 71112, AT 370 W. ARBOR AVENUE, FOR A NOT-TO-EXCEED AMOUNT OF\$131,120.

WHEREAS, on March 10, 2020, the City Council adopted Resolution No. 2020-052, declaring a shelter crisis pursuant to California Government Code Section 8698.2; and

WHERAS, on September 1, 2020, the City Council authorized the creation of Capital Improvement Project (CIP) 71112 for the Temporary Emergency Housing Facility (TEHF) located at 370 West Arbor Avenue to provide a safe and dignified facility for residents experiencing homelessness; and

WHEREAS, for the subsequent two years, the City actively pursued the development and construction of an interim temporary emergency housing shelter on City-owned land located at 370 West Arbor Avenue to serve as an interim full-service temporary housing solution for the City's unsheltered (Project) until the completion of the permanent project improvements; and

WHEREAS, Phase I of the TEHF Project included demolition of the existing structures, site and preparation, and underground utilities and began in May of 2022. Phase I was accepted as complete on June 2023 per Resolution 2023-098; and

WHEREAS, Phase II-Site Improvements including installation of a high-tension membrane structure, referred to as the Sprung Structure, was advertised for bids in June of 2022. However, all bids were rejected under Resolution 2023-150 because the bids exceeded the available funds at that time; and

WHEREAS, the City was able to obtain additional grant funding through the San Joaquin County Board of Supervisors, in the form of a grant of American Rescue Plan Act (ARPA), Community Development Block Grant (CDBG) and HOME funds to readvertise the project under Resolution 2023-150; and

WHEREAS, Phase III consisted of the leasing and installation of modular units from Mobile Modulars and is referred to as the "Interim Project". This phase was opened in December of 2022, and consists of 48 units in a modular space with an administration building to serve meals and meet with case managers. Phase IV opened in December 2023, providing 38 additional beds in individual units in eight (8) custom containers with temporary restrooms and showers

WHEREAS, On April 15, 2024, staff prepared the plans, specifications and bid documents for the Phase II Site Improvements at the TEHF, CIP 71112, for competitive bids. On May 7, 2024, Bids were received and publicly opened; and

WHEREAS, On July 2, 2024, the City Council adopted Resolution No. 2024-123, awarding a construction contract to Quiring General, LLC., of Pleasanton, California in the amount of \$9,349,630 for the Phase II Site Improvements at the Temporary Emergency Housing Facility (TEHF) Project, CIP 71112 including the Base Bid and ABI-1 schedules and change orders up to the contingency amount of \$934,963.04 if needed by approval of the City Manager; and

WHEREAS, Phase II-Site Improvements of the TEHF Project included plans for an administration modular as part of the site design to support administrative and case management functions, but funding constraints delayed its acquisition; and

WHEREAS, on March 5, 2024, the City Council, pursuant to Resolution 2024-032 approved the allocation of the CDBG FY 2024-2025 and the City has now secured sufficient grant funding to purchase an administration modular that will be used on site to allow the City to advance future projects, including partnering with the community and other organizations to increase transitional housing options, administrative and case management functions and robust integration of support in line with the City's "Campus Concept" to the unsheltered population; and

WHEREAS, On June 6, 2025, the City of Tracy Homeless Services Manager and KPA visited the Mobile Modular headquarters at 5700 Las Positas Road in Livermore to view an existing 24'x40' modular building that the City may be interested in purchasing as an administration building for the Temporary Emergency Housing Project. Phase II was designed and permitted to house a new modular administration building and the utilities related to the administration building that are currently included in the existing Site Improvements construction contract; and

WHEREAS, on July 15, 2025, the City received a quote from Mobile Modular for the purchase and delivery of a pre-owned 24'x40' administration modular in the amount of \$131,120

which includes a 10% contingency for unforeseen expenses for the modular and/or delivery; and

WHEREAS, staff recommends the City purchase the 24'x40' administration modular from the Vendor as part of the Phase II-Site improvements at the TEHF as the use of prefabricated structures continues to meet the City's goals and facility occupancy schedule and the construction details required for the administration modular, including site preparation, utility connections, earthwork and asphalt pad are included in Quiring's construction contract in Base Bid and that utilizing this vendor is in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180(b)(4); and

WHEREAS, On August 19, 2025 at the Regular City Council Meeting, due to the time sensitivity of the work, Council Member Bedolla, with a second from Mayor Pro Tem Abercrombie (per Section 4.3.1 and 4.3.2 of the Council Meeting Protocols and Rules of Procedure), have requested this item be placed on the agenda for Council approval. This will bypass the review of the Tracy Homeless Advisory Committee; and

NOW THEREFORE, be it

RESOLVED: That the City Council finds that this action is exempt from California Environmental Quality Act (CEQA) pursuant to the Notice of Exemption was issued on October 16, 2020, for the TEHF in accordance with Government Code sections 65660-65662 for low barrier navigation Centers and Section 15269(c) of the CEQA Guidelines and this action is consistent with the project considered in the Notice of Exemption and no further environmental review is necessary. San Joaquin County, as the responsible entity under the National Environmental Protection Act (NEPA) for the federal grants related to this Project, conducted an Environmental Assessment in 2023 and released a Finding of No Significant Impact on January 18, 2024, in compliance with NEPA and applicable federal regulations; and be it

FURTHER RESOLVED: That the City Council hereby waives the requirement of review by the Tracy Homelessness Advisory Committee pursuant to Section 4.3.1 and 4.3.2 in the Council Meeting Protocols and Rules of Procedure for the purchase of a pre-manufactured administrative modular building for administrative and case management functions at the Temporary Emergency Housing Facility (TEHF), from Mobile Modular Management Corporation, a division of McGrath RentCorp;

FURTHER RESOLVED That the City Council of the City of Tracy hereby findsthat compliance with the standard procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.180(b)(4) for the purchase of a pre-manufactured administrative modular building for administrative and case management functions at the Temporary Emergency Housing Facility (TEHF), from Mobile Modular Management Corporation, a division of McGrath RentCorp; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy approves the Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp, of Livermore, California, for the purchase of a pre-manufactured administrative modular building in an amount not to exceed \$131,120 and to be installed as part of Phase II- Site Improvements at The Temporary Emergency Housing Facility on Arbor Avenue, CIP 71112, at 370 W. Arbor Avenue attached hereto as Exhibit A; and be it

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Exhibits:

Exhibit A – Purchase Agreement for Goods, Commodities, and Ancillary Services with Mobile Modular Management Corporation, a division of McGrath RentCorp

Exhibit B - Floor Plan of 24'x40' Admin Building

Exhibit C - Placement of 24'x40' Admin Building at TEHF

Exhibit 1

CITY OF TRACY
PURCHASE AGREEMENT FOR GOODS COMMODITIES, AND ANCILLARY SERVICES WITH
MCGRATH RENTCORP AND SUBSIDIARIES DBA MOBILE MODULAR MANAGEMENT CORP.,
LIVERMORE, CALIFORNIA

This Purchase Agreement for Goods, Commodities, and Ancillary Services (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), Mobile Modular Management Corporation, a division of McGrath RentCorp, a California Corporation (**Vendor**). City and Vendor are referred to individually as “Party” and collectively as “Parties.”

Recitals

A. City is actively pursuing the construction of the Temporary Emergency Housing Facility, CIP 71112 which consists of four construction phases, to provide housing on a nightly basis to unhoused residents in the City, along with ancillary services (**Project**), on City-owned property of 4.8 acres located at 370 W. Arbor Avenue (**Project Site**).

B. Upon completion of construction, Phase II of the Temporary Emergency Housing Facility will include a Navigation Center and auxiliary buildings (kitchen and main administrative building). With the completion of Phase II construction, the entire site – Phase II, III, and IV, could have the ability to serve up to 150+ individuals in both congregate and non-congregate facilities. The administrative building would provide space for additional service providers to offer the support needed to provide a full range of services to the unhoused residents at the shelter.

C. Project is being funded by Community Development Block Grant (**CDBG**) funds, American Rescue Plan Act (**ARPA**) funds, Homeless Housing, Assistance and Prevention (**HHAP**) funds, Department of Housing and Urban Development (**HUD**) Community Project Funding Grant funds, and other grant funding sources.

D. During preliminary design City staff researched all the available options for providing an administrative building (as further described in **Exhibit A** attached hereto, Goods) for use at the Temporary Emergency Housing Facility, CIP 71112. The Vendor currently works with the City under an existing lease providing the modular dormitories under Phase III-Modular Units for use at the shelter site. The vendor is the only local manufacturer able to provide the required structure and furnishings that meet the City’s requirements for permanent installation at the project site.

E. Staff determined that Vendor possesses the skills, experience, and certifications required to provide the requisite Goods for the Project and that the Vendor was the only manufacturer able to provide the City with the required Goods within the City’s timelines.

F. Under Chapter 14.1.4 Non-competitive Proposals section of the CDBG procurement guidelines, the City can procure an item without competitive bidding when that item is only available from that single source.

G. After negotiations between the City and Vendor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

H. This Agreement is being executed pursuant to Resolution No. 2025-_____, approved by Tracy City Council on _____, 2025.

Now therefore, the Parties mutually agree as follows:

1. CITY PURCHASE.

1.1 GOODS. The City agrees to purchase, and the Vendor agrees to sell, the Goods as more specifically outlined and described in the attached **Exhibit A**, which is incorporated herein by this reference. The Goods shall comply with all of the standards and specifications outlined in **Exhibit A**.

1.2 SERVICES. The City also agrees to purchase from Vendor the services related to the design, approval and delivery, and installation of such Goods, as more specifically outlined and described in the attached **Exhibit A**, which is incorporated herein by this reference. Ancillary Services shall be provided in a manner consistent with the level of care and skill ordinarily exercised by members in the same profession, practicing in the same locality under similar conditions.

1.3 NO SUBSTITUTIONS; AUTHORIZED REPRESENTATIVE. There shall be no substitution of Goods or Ancillary Services, without the prior written authorization of the City. All Ancillary Services shall be performed by or under the direct supervision of, the Vendor's Authorized Representative: Matt Benas, Commercial Sales Representative. Vendor shall not replace its Authorized Representative without City's prior written consent. If Vendor fails to obtain the City's prior written consent for any change or replacement in personnel, Goods, or Ancillary Services, the City may terminate this Agreement.

2. DELIVERY DATES. The Vendor shall ship Goods and the Goods must arrive at the destination of 370 W Arbor Avenue, Tracy CA, 95304 and Ancillary Services must be provided by the Vendor as outlined in the detailed Delivery Timeline, specified in **Exhibit B**.

2.1 Any failure by the vendor to meet the Delivery Timeline will constitute a material default of this Agreement. If the Vendor fails to meet the delivery timeline set out in this Agreement in **Exhibit B**, the City may cancel the order of any Goods and Ancillary Services not delivered by the required time, without liability, and/or may terminate this Agreement. The Vendor must notify the City immediately if the Vendor reasonably believes the Vendor will not be able to meet the Delivery Timeline for any reason and provide the City with a schedule that the Vendor reasonably believes it will be able to meet. It is within the City's discretion whether it will accept the revised timeline.

3. PURCHASE PRICE. The City shall pay Vendor on a fixed fee basis, at the fee amounts outlined in **Exhibit C**, attached hereto and incorporated herein by this reference. The purchase price will be broken down by price of the Goods, and the price of the Ancillary Services, with a total calculation at the end.

3.1 NOT TO EXCEED AMOUNT. Vendor's total contract amount, for the aggregate of the Goods and the Ancillary Services, under this Agreement shall not exceed \$131,120. The Not to Exceed Amount includes all applicable sales taxes, license, and transfer fees. Unless specifically stated otherwise or agreed to in a writing signed by all Parties, the fees proposed by Vendor, as set forth in Exhibit C hereto, shall remain unchanged for the entire term of this Agreement and any extensions of this Agreement. It is understood and agreed that Vendor may not receive compensation up to the "not-to-exceed" amount (or any other amount), and Vendor's total compensation under this Agreement will depend on the Goods requested and approved by the City. Vendor's billing rates shall cover all costs and expenses for Vendor's performance of this Agreement. No work shall be performed by Vendor in excess of the "not-to-exceed" amount provided in this section without the City's prior written approval.

3.2 INVOICES. Vendor shall submit monthly invoice(s) to the City that describe in detail satisfactory to the City: the services performed, the times and dates of performance, and the names of the person(s) performing the Services.

3.2.1. If Vendor is providing Services in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2. Vendor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Vendor.

3.3 PAYMENT. Within 30 days after the City's receipt of invoice, City shall make payment to the Vendor based upon the Goods and Ancillary Services described on the invoice and approved by the City. City shall not have an obligation to remit any payments for damaged Goods, Good that are not accepted in writing or delivery of Goods beyond the deadlines agreed upon by the parties in **Exhibit C**.

3.4 FINAL PAYMENT. The acceptance by Vendor of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for payment to Vendor for the Goods and Ancillary Services. Vendor agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Vendor or its employees, subcontractors, agents and subconsultants for the accuracy and competency of the information provided and/or services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor, its employees, subcontractors, agents and subconsultants.

3.5 BOOKS AND ACCOUNTS. Vendor agrees to maintain books, accounts, payroll records and other information relating to the performance of Vendor's obligations under the Agreement, which shall adequately and correctly reflect the expenses incurred by the Vendor in the performance of Vendor's work under the Agreement. Such books and records shall be open to inspection and audit by the City during regular business hours for three years after expiration or termination of this Agreement at City's sole cost and expense, for the limited purpose of ensuring proper billing.

4. CANCELLATION AND TERMINATION. The City reserves the right to terminate or cancel any portion of this Purchase Agreement at any time prior to the delivery of Goods and Ancillary Services, for cause in the event of a breach of this Agreement by Vendor, by giving Vendor written notice as set forth in Section 14 below. There shall be no period of grace after giving the notice of cancellation or termination. Notwithstanding the terms of Section 14 below, cancellation or termination shall become effective immediately upon the date the written notice is delivered to Vendor.

5. BREACH. In the event of a breach of the Purchase Agreement by Vendor, City may terminate the Purchase Agreement immediately without notice, may reduce payment to the Vendor in the amount necessary to offset City's resulting damages, may procure substitute Goods at Vendor's expense, and/or may pursue any other available recourse against Vendor. Vendor may not terminate this Purchase Agreement except for cause.

6. DELIVERY RISK OF LOSS. All orders will be Free on Board (FOB) origin if not otherwise specified. Risk of loss or damage to the Goods shall remain with the Vendor until the Goods have been delivered to the City. All Goods and Ancillary Services will be received by the City subject to its right of inspection, rejection, and revocation of acceptance under the Uniform Commercial Code. The City will

be allowed a reasonable period of time to inspect the Goods and to notify Vendor of any nonconformance with the terms and conditions of the specifications. The City may reject any Goods that do not conform to the terms and conditions outlined under **Exhibit A** through **Exhibit C**. Any Goods and Ancillary Services rejected may be returned to the Vendor at the Vendor's risk and expense. Any loss of or damage to the Goods after delivery shall not alleviate City's obligation to pay Vendor any remaining balance of the purchase price existing at the time of the loss, except to the extent any such loss or damage is caused by negligence or willful misconduct, or by the failure of the Goods to conform to the warranties or specifications set forth in this Agreement (including without limitation any Exhibits hereto). Title to the Goods shall not pass to the City before the entire purchase price has been paid to Vendor.

7. INDEMNIFICATION. Vendor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against, and reimburse the City for, any and all third party liabilities, obligations, losses, damages, injunctions, suits, actions, fines, penalties, claims, demands, administrative and judicial proceedings and order, judgments, remedial action requirements, costs and expenses of every kind or nature, and all costs and expenses incurred in connection therewith, including, without limitation, reasonable attorneys' fees and court costs ("**Claims**") arising directly or indirectly from or out of (including any and all related costs and expenses), relating or pertaining to or resulting from, in whole or in part, this Agreement; the Goods and the Ancillary Services; any act, omission, or event relating in any way to Vendor's obligations under this Agreement, but only to the extent such Claim is caused by the negligence or willful misconduct of the Vendor.

7.1 DEFINITION. For the purposes of this section, "City" means the City, its officials, officers, agents, employees, and volunteers; "Vendor" means the Vendor, its employees, and agents and subcontractors.

In the event there is a finding and/or determination that Vendor is not an independent contractor and/or is an employee of City, including but not limited to any such finding and/or determination made by the California Public Employees' Retirement System (CalPERS), the Department of Industrial Relations (DIR), or the Internal Revenue Service (IRS), Vendor shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless the City from and against any and all Claims relating to or in connection with such a finding and/or determination.

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

Vendor and City mutually waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either Party's termination of this Agreement.

Vendor is an independent contractor and is solely responsible for the acts of its employees or agents or anyone acting on Vendor's behalf, including any negligent acts or omissions. Vendor is not City's employee and Vendor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Vendor, and its agents or employees, are not entitled to City benefits. Vendor shall be solely responsible for, and shall save the City harmless from, all matters relating to the payment of Vendor's employees, agents, subcontractors and subconsultants, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations.

The City shall indemnify and hold Vendor harmless from any and all Claims arising out of or relating to (A) the City's negligence or willful misconduct; (B) the City's failure to comply with applicable law; and/or (C) the City's modification of the Goods or the removal, application, or use of attachments, accessories, or parts on Goods, which have not been given approval in writing by an officer of Vendor.

The provisions of this section survive the expiration or the termination of this Agreement and are not limited by the provisions of Section 8 relating to insurance.

8 INSURANCE. Vendor shall, throughout the duration of this Agreement, maintain insurance to cover Vendor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

8.1 COMMERCIAL GENERAL LIABILITY. Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

8.2 AUTOMOBILE LIABILITY. (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

8.3 WORKERS' COMPENSATION. coverage shall be maintained as required by the State of California.

8.4 PROFESSIONAL LIABILITY "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Vendor in an amount not less than \$1,000,000 per claim.

8.5 ENDORSEMENTS. Vendor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

8.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

8.5.2 To the extent of the liabilities assumed by Vendor under this Agreement, Vendor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Vendor's insurance and shall not contribute with it.

8.6 NOTICE OF CANCELLATION. Vendor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Vendor shall immediately obtain a replacement policy.

8.7 AUTHORIZED INSURERS. All insurance companies providing coverage to Vendor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

8.8 INSURANCE CERTIFICATE. Vendor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

8.9 SUBSTITUTE CERTIFICATES. Vendor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

8.10 VENDOR'S OBLIGATION. Maintenance of insurance by the Vendor as specified in this Agreement shall in no way be interpreted as relieving the Vendor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Vendor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

8.11 CITY'S INSURANCE OBLIGATION. Upon delivery of the Goods and until the City has paid for the Goods in full, City shall provide, maintain, and pay all premiums for property insurance covering the loss, theft, destruction, or damage to the Goods in an amount not less than the full replacement value and will name Vendor as loss payee of the proceeds, unless City has paid Vendor the entire purchase price in full prior to the scheduled delivery of the Goods. The City shall also provide, maintain, and pay all premiums for general liability insurance in the amount of \$1,000,000.00 (one million dollars) and name Vendor as an additional insured, but only until the City has paid for the Goods in full. All insurance shall be in a form and with a company having an A.M. Best rating of A- or better and shall not be subject to cancellation without thirty (30) days prior written notice to Vendor. The City shall deliver to Vendor insurance certificates, or evidence of insurance proving the existence of policies meeting the above requirements, upon execution of the Agreement. Notwithstanding the foregoing, subject to the City providing to Vendor proof of self-insurance satisfying requirements equivalent to those imposed under this Section 8.10, the City may maintain self-insurance sufficient to satisfy the potential liabilities arising hereunder, in full satisfaction of the above insurance requirements

9 PACKING AND SHIPPING. Deliveries must be made as specified in Exhibit C, without charge, for boxing, crating, or storage unless otherwise specified. As set forth in this Agreement and the exhibits hereto, Vendor will construct and assemble certain structures away from the Project Site and deliver (or cause to be delivered) said pre-constructed structures to the Project Site. Vendor, not the City or any of its employees, shall accept all deliveries under this Agreement (including pieces of equipment that were not included in the original pre-constructed structure) for installation at a secure location and safeguard such deliveries until they are installed at the Project Site. The Vendor shall not direct deliveries of equipment to be installed within the pre-constructed structure to the Project Site or any other City facility or location, unless Vendor will be on site to accept and safeguard such delivery. City will not receive any deliveries on the Vendor's behalf at any City facility. Goods must be suitably packed to secure the lowest transportation costs and, in accordance with the requirements of common carriers, in a manner to assure against damage from weather or transportation. The City's order numbers and symbols must be plainly marked on all invoices, packages, and shipping orders. Packing lists specifying the quantity, description, and Purchase Agreement Number must accompany each box or packing shipment and must be submitted to the City as verification that the installed equipment is per the final design and Agreement.

10 TAXES. The Vendor must separately state on all invoices any taxes imposed by the local, state, or federal state government applicable to furnishing of Goods; provided, however, where a tax exemption is available, the tax must be subtracted from the total price and identified. Unless otherwise outlined in the Purchase Agreement, the Purchase Price will not be considered to include California state and city sales or use tax.

11 WARRANTY. The Vendor warrants and represents that the Goods being sold pursuant to this Agreement will conform to the description set forth on this Agreement. Except for the foregoing sentence VENDOR MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AND THE CITY ACKNOWLEDGES THAT THE GOODS ARE BEING SOLE AS IS AND WITH ALL FAULTS.

12 REBATES, KICKBACKS, OR OTHER UNLAWFUL CONSIDERATIONS. Vendor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work performed, or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13 NOTICES. All notices, demands, or other communications that this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party at the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
Brian MacDonald
Director of Parks & Recreation
City of Tracy,
333 Civic Center Plaza
Tracy, CA 95376

To Vendor:
Matt Benas
Sales Representative
McGrath RentCorp and Subsidiaries
DBA Mobile Modular Management Corp.
5700 Las Positas Road
Livermore, CA 94551

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14 MISCELLANEOUS

14.1 STANDARD OF CARE. Unless otherwise specified in this Agreement, the standard of care applicable to Vendor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 AMENDMENTS. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 WAIVER. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. No waiver shall be effective unless it is in writing and signed by the waiving party.

14.4 ASSIGNMENT AND DELEGATION. Vendor may not assign, transfer, or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment, transfer or delegation shall not be deemed to be consent to any subsequent assignment, transfer or delegation.

14.5 JURISDICTION AND VENUE. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 COMPLIANCE WITH THE LAW. The Parties shall comply with all applicable local, state, and federal laws, including, without limitation, those identified below, whether or not such laws are expressly stated in this Agreement.

14.6.1 HAZARDOUS MATERIAL. Vendor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services, but only to the extent such spill is caused or contributed to by Vendor's negligence, willful misconduct, or otherwise culpable act.

14.6.2 NON-DISCRIMINATION. Vendor represents and warrants that it is an equal opportunity employer, and it shall not discriminate against any third-party vendor, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Vendor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 BUSINESS ENTITY STATUS. Vendor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Vendor. By entering into this Agreement, Vendor represents that it is not a suspended corporation. If Vendor is a suspended corporation at the time, it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 BUSINESS LICENSE. Before the City signs this Agreement, Vendor shall obtain a City of Tracy Business License. Vendor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 SUCCESSORS AND ASSIGNS. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 CONSTRUCTION OF AGREEMENT. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11 SEVERABILITY. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 CONTROLLING PROVISIONS. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Vendor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Vendor's proposal (if any), the Exhibits shall control.

14.13 ENTIRE AGREEMENT. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.

14.14 COUNTERPARTS. City and Vendor agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original

14.15 EXPENSES FOR ENFORCEMENT. Vendor and City agree that the prevailing party's reasonable costs, attorneys' fees and expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

14.16 OWNERSHIP OF WORK. All original documents prepared by Vendor relating to the Goods or Ancillary Services, whether complete or in progress, are the property of the City, and shall be given to the City upon termination of this Agreement or within five (5) days of any demand from the City. No such documents shall be revealed or made available by Vendor to any third party without the City's prior written consent.

15 SIGNATURES. The individuals executing this Agreement on behalf of Vendor represent and warrant that they have the right, power, legal capacity, and authority to enter and execute this Agreement on behalf of Vendor.

[SIGNATURES ON FOLLOWING PAGE]

City of Tracy – Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

April Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

Vendor

Mobile Modular Management Corporation, a division of McGrath RentCorp.

Signed by: Philip Hawkins
E5305621E38E4ED
By: Philip Hawkins
Title: Chief Operating Officer
Date: 9/4/2025 | 5:13 AM PDT

Signed by: Keith Pratt
A46E68E5D2244E1
By: Keith Pratt
Title: Executive VP and CFO
Date: 9/4/2025 | 8:56 AM PDT

Federal Employer Tax ID No. 94-2579843

City of Tracy – Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp.

Exhibits:

- A Description of Goods
- B Delivery Timeline
- C Purchase Price and Payment Terms

EXHIBIT A-DESCRIPTION OF GOODS

- A. The Vendor will deliver and install to the City a total of one (1) used/pre-prepped 24'x40' modular building that the City will use as an administration building with the following specifications.
1. Purchase quote: Used/pre-prepped 24'x40' sales office type modular building with sheetrock interior walls and new carpet tile flooring.
 2. Fire Related Items: Unless noted, fire related items (alarms, sprinklers, smoke & hear detectors, and fire-rated walls, etc.) are not included.
 3. Yes-Prevailing Wage: Pricing includes prevailing wage and certified payroll for installation work performed on site.
 4. Support post(s): Please note- this floor plan may have an exposed support post(s) placed on the modline.
 5. Used building sale: Quotation is for a used modular building sold in "as is" condition. Unless stated otherwise, MMMC will only perform a general cleaning & repair, reseal the roof, doors & windows, and test the electrical, mechanical and the plumbing systems to ensure working condition at the of delivery.
 6. Stairs and Ramps: Have not been included.

The Vendor shall deliver and install one (1) used/pre-prepped 24'x40' modular building, providing all required components, and providing installation, labor and materials as described in the attached quotes and descriptions, and shipping the completed used/pre-prepped 24'x40' modular building to the City's project site to arrive at a time coordinated with the City and the City's general construction contractor.

Additionally, the Vendor's scope of work is limited to cope of work is limited to (1) the procurement and/or preparation of the Equipment and Accessories (if any) to meet the specifications set forth in this Agreement; and (2) performance of the Services. The Total Price excludes all additional services, accessories, ancillary items or equipment and additional on-site labor. The following are obligations of the Buyer and specifically excluded from Seller's obligations under this Agreement: (i) permits and licensing related to the Site; (ii) Site engineering or other design services; (iii) selection or preparation of the Site (iv) utilities or temporary power, and (viii) utility connections, whether temporary or permanent. City may request changes or alterations in Vendor's scope of work, which Vendor may or may not agree to in Vendor's sole discretion. Any written change orders shall be incorporated by reference into this Agreement and subject to all Terms and Conditions set forth herein.

The descriptions of each pre-manufactured structure can be found on the attached exhibits:

Exhibit A-1- 24'X40' Mobile Modular Admin Building Floor Plan

Exhibit A-2- Sellers Quotation and Agreement

EXHIBIT A-1- 24'X40' MOBILE MODULAR ADMIN BUILDING FLOOR PLAN

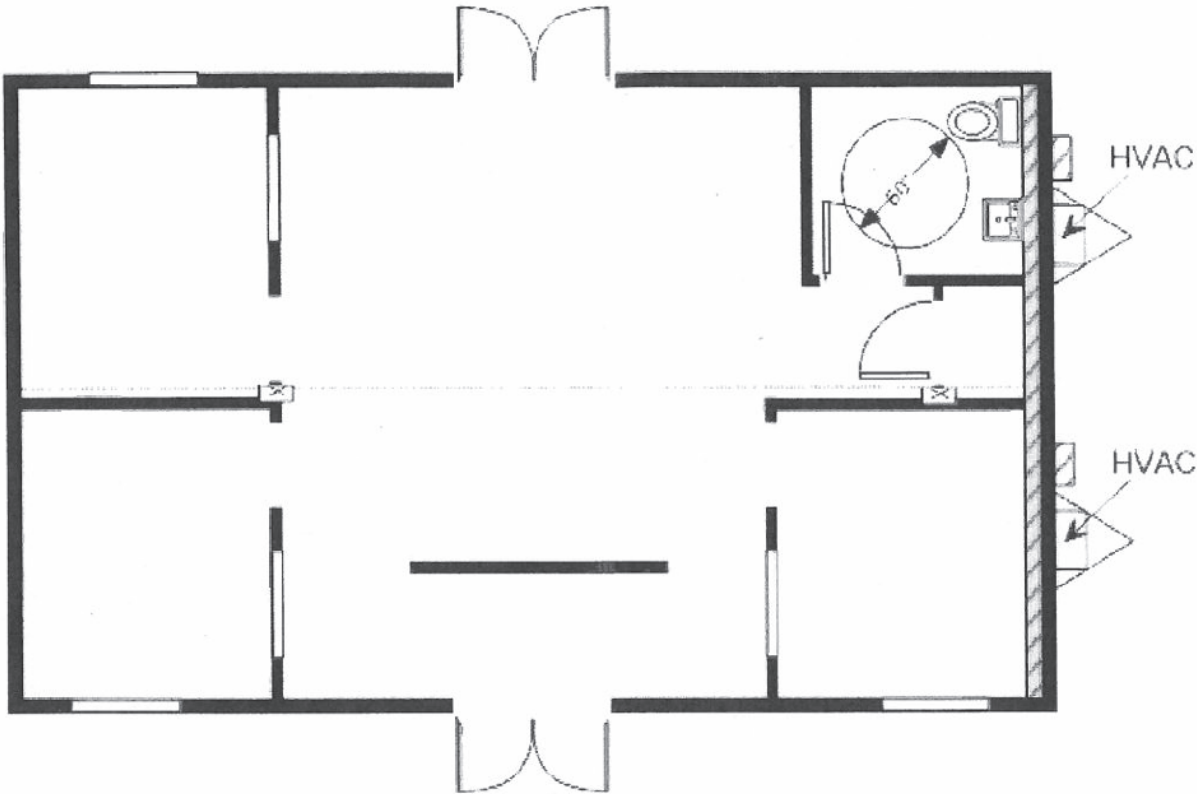


Mobile Modular Management Corporation
5700 Las Positas Road
Livermore, CA 94551
(925) 606-9000 Fax: (925) 453-3201
www.mobilemodular.com

External Floorplan	
Building Size:	24 X 40
Building ID:	42802
Number of Floors:	2
A#:	

Floor Plan
Sales Office, 24x40 HCD (NonStd)

Actual Layout



City of Tracy – Purchase Agreement with Mobile Modular Management Corporation, a division of McGrath RentCorp.

EXHIBIT A-2- SELLERS QUOTATION AND AGREEMENT



a Division of McGrath RentCorp
Corporate Headquarters
5700 Las Positas Rd
Livermore, CA 94551
925-606-9000
www.mgrc.com

Sale Quotation and Agreement

Quote #	Q-537045
Date of Quote	07/15/2025
Quote Expiration Date:	08/14/2025
Estimate Del Date	07/15/2025
Buyer PO#:	

Buyer Name and Billing Address	Site Information	Seller Name
City of Tracy ("Buyer") 333 Civic Center Drive Tracy, CA 95376 Virginia Carney Phone #: 1 (209) 831-6000	Cell:	Mobile Modular Management Corporation a Division of McGrath RentCorp ("Seller") Questions? Contact: Matt Benas matt.benas@mobilemodular.com Direct Phone: 1 (925) 453-3122

Equipment and Accessories	Qty	Purchase Price	Extended Purchase Price	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-Standard Configuration.Size excludes 3' towbar.)	1		\$92,074.00	Y
Charges Upon Delivery	Qty	Charge Each	Total One Time	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-Standard Configuration.Size excludes 3' towbar.)				
Delivery	2	\$544.00	\$1,088.00	N
Delivery Pilot	2	\$427.00	\$854.00	N
Delivery Permit	2	\$117.00	\$234.00	N
Block and Level Building	1	\$3,750.00	\$3,750.00	N
Foundation, Installation	16	\$135.00	\$2,160.00	Y
Drawings (foundation/tie down plans, wet stamped electronic)	1	\$704.00	\$704.00	N
Essential Material Handling Fee	2	\$75.00	\$150.00	N
Fee, License or Registration for Sale	1	\$2,301.85	\$2,301.85	N
Removal, Towbar/Hitch	1	\$145.00	\$145.00	N
Modification (In House Labor) (piers and pads)	1	\$1,880.00	\$1,880.00	Y
Additional Labor, Tape,Txtr,Paint	1	\$3,050.00	\$3,050.00	Y
ModLines	1	\$3,050.00	\$3,050.00	Y
Skirting, Install	128	\$24.50	\$3,136.00	Y
Total Estimated Charges				
			Subtotal	\$111,526.85
			Taxes	\$8,439.78
			Total Charges (including tax)	\$119,966.63

Special Notes

Purchase quote: Used/pre-prepped 24x4-0 sales office type modular building with sheetrock interior walls and new carpet tile flooring.

Fire Related Items: Unless noted, fire related items (alarms, sprinklers, smoke & heat detectors, and fire-rated walls, etc.) are not included.

General: Customer's site must be dry, compacted, level and accessible by normal truck delivery. Pricing does not include any clearing or grading of sites, obstruction removal, site or final building clean up , any asphalt transitions,

EXHIBIT A-2- SELLERS QUOTATION AND AGREEMENT (CONTINUED)



a Division of McGrath RentCorp
Corporate Headquarters
5700 Las Positas Rd
Livermore, CA 94551
925-606-9000
www.mgrc.com

Sale Quotation and Agreement

Quote #	Q-537045
Date of Quote	07/15/2025
Quote Expiration Date:	08/14/2025
Estimate Del Date	07/15/2025
Buyer PO#:	

dolly, crane, forklift, electrical or plumbing connections, window coverings, furniture, casework, appliances, doorstops, phone or data lines, gutters, downspouts or tie-in, temporary power, temporary fencing, traffic control, flagmen, soil and/or pull test, custom engineering, fees associated with inspections, city or county submittals and/or use permits, security screens, door bars and any item not specifically listed as being included.

Yes - Prevailing Wage: Pricing includes prevailing wage and certified payroll for installation work performed on site.

Support post(s): Please note - this floor plan may have an exposed support post(s) placed on the modline.

Used building sale: Quotation is for a used modular building sold in "as is" condition. Unless stated otherwise, MMMC will only perform a general cleaning & repair, reseal the roof, doors & windows, and test the electrical, mechanical & plumbing systems to ensure working condition at the time of delivery.

Stairs and Ramps: Have not been included.

Site Installation Requirements: Prior to delivery, Customer shall mark the four corners where the building is to be placed on the site/pad location, and shall also mark the locations of door(s) and ramp(s). Should special handling be required to position, install, or remove the classroom on Customer's site due to site conditions/constraints and/or obstructions, Customer will be responsible for additional charges. Additional rolling charges may be applicable as site conditions necessitate.

Clarifications

- The Total Price quoted in this Agreement shall be valid through the Quote Expiration Date set forth herein or for 30 days from the Date of Quote, whichever is earlier. Notwithstanding the foregoing, in the event this Agreement is signed by Buyer after the applicable expiration date, Seller shall have the option to either accept as set forth below or reject the Agreement in writing. Seller may accept the Agreement by: (1) signing the Agreement below; (2) notifying Buyer in writing of Seller's acceptance; or (3) beginning performance of the Services set forth herein.
- This transaction is subject to prior approval of Buyer's credit to the sole satisfaction of Seller.
- Buyer is responsible for proper preparation of the Site prior to delivery of the Equipment in accordance with the terms and conditions of this Agreement.
- In-fleet used Equipment is subject to availability at the time of Buyer's signing of this Agreement.
- Unless otherwise noted, all Equipment is previously leased and in used condition. Any floor plans attached or provided are conceptual only. Materials, dimensions, and specifications might vary. Detailed specifications may be available upon request.
- A down payment may be required at the time of Buyer's execution of this Agreement, as specified in the Payment section of the Sale Terms and Conditions, or as may otherwise be specified in this Agreement.
- Sales and any other taxes will be calculated based on the applicable rates at the time of invoicing and the Total Price will be adjusted accordingly.
- Unless otherwise noted, prices do not include prevailing wages, Davis-Bacon Act wages or benefits, or other special or certified wages or benefits.

EXHIBIT B-DELIVERY COORDINATION AND SCHEDULE

- A. Site Installation Requirements:** Prior to delivery, City shall mark the four corners where the building is to be placed on the site/pad location and shall also mark the locations of door(s) and ramp(s). Should special handling be required to position, install, or remove the classroom on City's site due to site conditions/constraints and/or obstructions, City will be responsible for additional charges. Additional rolling charges may be applicable as site conditions necessitate.
- B. Delivery:** The Vendor shall deliver and install one (1) used/pre-prepped 24'x40' modular building, providing all required components, and providing installation, labor and materials as described in the attached quotes and descriptions, and shipping the completed used/pre-prepped 24'x40' modular building to the City's project site to arrive at a time coordinated with the City and the City's general construction contractor.
- C. Schedule and Delays:**
- a. City will schedule operations such that delivery and installation of the Equipment may be carried out by Vendor in one continuous operation and in proper sequence. Should there be delays in the City's preparation of the Site which would delay delivery and/or installation of the Equipment, City shall notify Vendor no less than ten (10) days in advance of the Estimated Delivery Date. In the event City fails to comply with the foregoing requirements, City will reimburse Vendor for actual costs and damages incurred, including a reasonable markup for overhead and profit for work performed by Vendor, resulting from such delay. Any such delay resulting therefrom will extend Vendor's period of performance, which may not be a day for day extension of time.
 - b. If City delays delivery of the Equipment for any reason for thirty (30) days or longer from the original Estimated Delivery Date, Vendor, in its sole discretion may take one or more of the following actions which City shall be notified of in writing: (1) revise prices to reflect current market rates for materials, equipment or services, which Vendor shall notify City of in a written change order prior to delivery of the Equipment; (2) require City to pay any remaining balance of the Purchase Price in full; (3) require City to pay a monthly fee for storage of the Equipment; and (4) terminate the Agreement and in so doing, City shall be responsible for payment to Seller of a termination fee ("Termination Fee") for the costs incurred and profits lost as a result of Vendor's performance of its obligations under this Agreement prior to such termination, and which must be paid to Vendor within ten (10) business days of receipt of written notice from Vendor. Any partial payments previously made to Vendor will be credited against the Termination Fee and amounts in excess of the Termination Fee may be refunded to City. In the event that City fails to timely pay the Termination Fee, Vendor shall have the right to collect the full Purchase Price plus all additional costs, including attorneys' fees, incurred due to City's failure to timely take delivery of the Equipment and/or to pay such Termination Fee.
 - c. Business Days are defined as all Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays regardless of City of Tracy business operations or holidays. The parties acknowledge that there are currently supply chain delays within the industry, and some components and equipment leased hereunder may have longer lead times, which may delay the anticipated timelines. Notwithstanding anything herein to the contrary, all timelines in this Exhibit C will be subject to Equipment availability.

EXHIBIT B-DELIVERY COORDINATION AND SCHEDULE (CONTINUED)

- D. Equipment Inspection; Acceptance:** Following delivery and installation of the Equipment, City shall inspect the Equipment within forty-eight (48) hours of substantial completion of Vendor's scope of work for such Equipment. City shall immediately notify Vendor in writing of any observed defects upon completion of such inspection and should City fail to submit such written documentation within the foregoing timeframe, it shall be conclusively presumed between City and Vendor that City has inspected the Equipment and that all Equipment is in conformance with the Agreement and has been accepted by City.

EXHIBIT C - PURCHASE PRICE AND PAYMENT SCHEDULE

Goods as described in Exhibit A: One (1) used/pre-prepped 24'x40' modular building that the City will use as an administration building at 370 W. Arbor Avenue, Tracy, California

Equipment and Accessories	Qty	Purchase Price	Extended Purchase Price	Taxable
Sales Office, 24x40 HCD (NonStd) (Non-standard Configuration. Size excludes 3' towbar.)	1		\$92,074.00	Y
Delivery	2	\$544.00	1,088.00	N
Delivery Pilot	2	\$427.00	\$854.00	N
Delivery Permit	2	\$117.00	\$234.00	N
Block and Level Building	1	\$3,750.00	\$3,750.00	N
Foundation, Installation	16	\$135.00	\$2,160.00	Y
Drawings (foundation/tie down plans, we stamped electronic)	1	\$704.00	\$704.00	N
Essential Material Handling Fee	2	\$75.00	\$150.00	N
Fee, License or Registration for Sale	1	\$2,301.85	\$2,301.85	N
Removal, Towbar/Hitch	1	\$145	\$145.00	N
Modification (In House Labor) (piers and pads)	1	\$1,880.00	\$1,880.00	Y
Additional Labor, Tape, Txtr, Paint ModLines	1	\$3,050.00	\$3,050.00	Y
Skirting, Install	128	\$24.50	\$3,136.00	Y
			Subtotal	\$111,526.85
10% Contingency for Unforeseen Expenses for Modular and/or Delivery				\$11,152.69
			Taxes	\$8,439.78
			Agreement Not to Exceed Amount	\$131,120.00

PAYMENT TERMS

After Vendor receipt of executed Agreement, a down payment may be required at the time of City's execution of this Agreement, invoices shall be submitted on the following schedule:

Used Equipment and Services Payment Schedule.

- Twenty-five percent (25%) of the Total Price upon City's execution of this Agreement.
- Sixty-five percent (65%) of the Total Price no less than three (3) business days prior to the scheduled delivery of the Equipment to the Site.
- Ten percent (10%) of the Total Price Net 30 days from the date of substantial completion of Seller's scope of work (substantial completion does not include punch list items).

24'X40' MOBILE MODULAR ADMIN BUILDING

Floor Plan

The current floor plan of the facility is provided below.



Mobile Modular Management Corporation
 5700 Las Positas Road
 Livermore, CA 94551
 (925) 606-9000 Fax: (925) 453-3201
www.mobilemodular.com

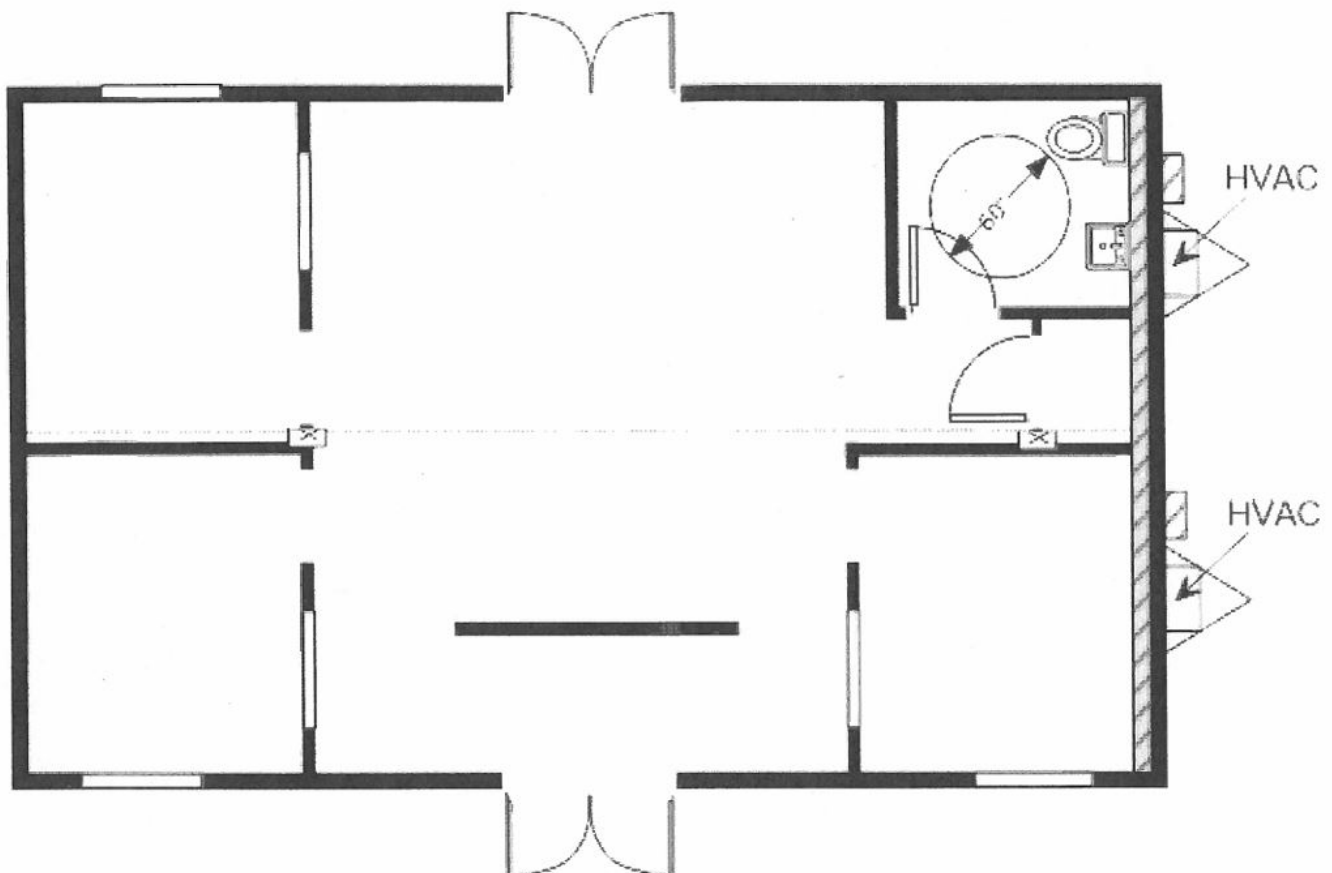
External Floorplan

Building Size:	24 X 40
Building ID:	42802
Number of Floors:	2
A#:	

Floor Plan

Sales Office, 24x40 HCD (NonStd)

Actual Layout



Placement of 24'x40' Building at Temporary Emergency Housing Facility

A diagram is shown below depicting the proposed 24'x40' building at the current location defined for an administration building at the Temporary Emergency Housing site.



Agenda Item 3.A

RECOMMENDATION

As required by the California Health and Safety Code section 116470(b) on drinking water, The City Council:

- 1. Conduct a public hearing; and upon conclusion of the report,**
- 2. Adopt a resolution accepting the City of Tracy's 2025 Public Health Goals Triennial Report on drinking water**

EXECUTIVE SUMMARY

California Health and Safety Code (CHSC) section 116470, subsection (b) requires that every three years a public water system that serves more than 10,000 service connections prepare and present a written report examining the concentrations of any contaminants in the water that exceed the Public Health Goals (PHG) during the last three years.

From sampling and monitoring data collected and analyzed during the reporting period of 2022 - 2024, it was identified that the City's potable water sources had four (4) constituent categories that were above the PHGs or MCLGs, however, the City's potable water supply meets all Federal and State primary drinking water standards to protect public health. The purpose of this request is to comply with the public hearing requirements under this section of the CHSC. It is recommended that Council conduct a public hearing and accept the 2025 Public Health Goals Triennial Report ("REPORT") (Attachment A) as presented.

BACKGROUND AND LEGISLATIVE HISTORY

A public water system serving more than 10,000 connections must prepare a brief report every three years if the concentration of contaminants in the drinking water exceeds one or more PHG or MCLGs. PHGs are non-enforceable water quality public health goals established by California Office of Environmental Health Hazard Assessment (OEHHA). The United States Environmental Protection Agency (USEPA) has also established similar non-enforceable Maximum Contaminant Level Goals (MCLGs) for contaminants in the drinking water. While OEHHA and USEPA establish PHGs and MCLGs, these goals consider only potential public health risks and ignore the analytical detection limits, availability, and effectiveness of the existing treatment technology or associated costs.

The City prepares a federally mandated annual water quality report, also known the Consumer Confidence Report (CCR), listing various contaminants in the drinking water that must be distributed to all utility bill account holders before July 1st, annually (Attachment B). This CCR is a comprehensive and detailed report on the City's water supplies, type of treatment, and any water quality contaminant that may have occurred during the previous year. The City currently has more than 27,000 service connections and continues to remain in compliance with these primary drinking water standards as set forth by both the Federal and State governments under their respective drinking water regulations. However, under the CHSC Section 116470(b) requirement, the City does not meet five PHG or MCLGs in its drinking water. Non-enforceable PHGs and MCLGs are established by the respective OEHHA and USEPA, solely on public health risk consideration without considering analytical detection capabilities, best available technology

(BAT), benefit and costs.

This PHG report was prepared by the City's consultant, EKI Environmental & Water, who has extensive knowledge of the City's water system characterization. The report presents an analysis of the City's drinking water quality data collected between 2022 and 2024. This report accomplished the following:

- Identifies each contaminant detected in drinking water at a level that exceeds the PHG, or MCLG if no PHG has been identified,
- Discloses the numerical public health risk associated with the MCLG and PHG for each detected contaminant,
- Identifies the category of risk to public health associated with each detected contaminant,
- Describes the Best Available Technology (BAT), if available, to remove the contaminant, and,
- Estimates the aggregate cost and cost per customer of utilizing the BAT to reduce the concentration of each contaminant to a concentration at or below the PHG or MCLG.

This report also provides information on the methodology and results of the evaluation and recommends further actions, if needed. The analysis does not include the constituents Asbestos, Synthetic Organic Chemicals, Gross Alpha Particle Activity, Radium, Radon, Uranium, Gross Beta Particle Activity, Strontium-90 and Tritium, as they are required to be collected and analyzed only once every nine years.

ANALYSIS

The PHG report identified five (5) contaminants that were detected as above the applicable PHG or MCLG in one or more of the City's drinking water supplies. These contaminants described below were arsenic, copper, hexavalent chromium (Cr6), perfluorooctanoic acid (PFOA), and total coliform/*Escherichia coli*. It is important to note that while these contaminants are above the PHG/MCLGs, they were below the federal MCL for primary drinking water standards and meet all state and federal standards. The PHGs and MCLGs are not demonstrated to be practically achievable, and therefore, no further action is required at this time.

- Arsenic is a naturally occurring element in the earth's crust and is spread throughout the natural environment. In the City, this contaminant results from natural mineral deposits that contain arsenic and are found in the City's water supply, usually in its groundwater sources.
- Copper is a naturally occurring, essential nutrient whose presence in drinking water is contributable to copper pipe in drinking water distribution systems including household plumbing. There is currently no MCL established for copper.
 - The City currently adds corrosion control chemicals through polyorthophosphate injection at the John Jones Water Treatment Plant (JJWTP) to reduce the concentrations at the taps. It is not recommended at this time to add additional injection into the system due to the low-level amount and possible other water quality concerns this injection could cause.

- Hexavalent Chromium (Cr6) is a naturally occurring metal that is also widely used in various industrial processes. In water, chromium can exist in either the Cr3 or Cr6 form. Chromium found in drinking water sources may originate from industrial activities, such as electroplating, leather tanning, and textile manufacturing, or from natural processes like the erosion and leaching of chromium-rich rocks (OEHHA, 2011). Studies of the region's groundwater indicate that the presence of Cr6 in the City's groundwater supply is likely due to naturally occurring chromium in the local geology.
- Perfluorooctanoic Acid (PFOA) is a synthetic compound that belongs to the broader class of per- and polyfluoroalkyl substances (PFAS), which are characterized by their strong carbon-fluorine bonds. Historically, PFOA was widely used in the manufacturing of consumer and industrial products, such as nonstick cookware, stain-resistant carpets, cleaning agents, and aqueous film-forming foam used in firefighting. Due to its classification as a carcinogen, the United States voluntarily phased out the use of PFOA by 2015 (OEHHA, 2024).

PFOA can enter both surface water and groundwater sources through multiple pathways, such as runoff or leaching from industrial sites, landfills, wastewater treatment plant discharges, or areas where PFAS-containing firefighting foams were historically used (OEHHA, 2024). The presence of PFOA in the City's groundwater supply is possibly attributable to the widespread historical use of PFOA-containing products, particularly through runoff from areas where such products were used or disposed.

- Total Coliform/Escherichia coli (*E. coli*) are a broad group of naturally occurring bacteria found in the environment, including soil, surface water, and the intestines of warm-blooded animals. *E. coli*, a type of fecal coliform, is specifically associated with the intestinal tracts of animals, and its presence in water typically indicates recent fecal contamination. Coliform bacteria can enter drinking water sources and distribution systems through various pathways, including inadequate treatment, bacterial regrowth within the distribution system, or intrusion through cracks or breaks in the distribution infrastructure (USEPA, 2025b). The established MCLG is zero meaning no positive test versus a numerical limit.
 - Of the over 3,000 samples taken for *E. coli* throughout the City's distribution system from 2022 through 2024, only one sample was positive for *E. coli* in August 2023 (City of Tracy, 2025a). As such, the MCL goal for *E. coli* was exceeded for that month. However, both the follow-up total coliform and *E. coli* samples were negative; therefore, the MCL for *E. coli* was not exceeded.

The City's drinking water quality for the five contaminants discussed above is in compliance with all primary drinking water standards established by the State Water Resources Control Board Division of Drinking Water (SWRCB) and the USEPA to protect public health; therefore, no additional treatment is proposed at this time. However, additional treatment could be implemented at the City's groundwater wells and the JJWTP to reduce the levels of certain contaminants, like arsenic, below the respective PHGs understanding that this requires significant capital improvements and annual additional operational costs in the tens of millions of dollars. Further, it is uncertain whether implementation of any action would have any significant public health benefits given that chemical concentrations are already currently below Federal and State primary drinking water standards.

Total coliform levels could be partially achieved by treating groundwater with both chlorine and ammonia which the City is currently doing at four of its eight wells. The City is already proceeding ahead with ammonia treatment projects at the remaining four wells. The City had only one

positive sample in three years followed by repeat negative tests. Unfortunately, appropriate and suitable technology is still not available for removal of certain contaminants to negligible or detectable levels. It is uncertain whether implementation of any action would have any significant public health benefits given that chemical concentrations are already currently below Federal and State primary drinking water standards.

In summary, the City's water supply system is in compliance with all State and Federal drinking water requirements. The City will continue to maintain its groundwater wells, the JJWTP, and the distribution system in proper operational condition ensuring high quality water. It will make appropriate improvements to monitor its potable water system in order to determine whether any operational changes are warranted to continue to maintain high water quality. With continued effective maintenance and monitoring of the system, the drinking water will continue to remain at or above safe standards.

FISCAL IMPACT

The costs associated with this project were funded through the City Council approved annual Water Plant Operations and Maintenance budget. No additional funding is being requested at this time.

CEQA DETERMINATION

This action is not a project under the California Environmental Quality Act (CEQA) and is therefore not subject to environmental review.

STRATEGIC PLAN

This agenda item is consistent with the City's Quality of Life Strategy and meets the goals to ensure physical infrastructure and systems necessary for the health and safety of the Tracy community.

ACTION REQUESTED OF THE CITY COUNCIL

As required by the California Health and Safety Code section 116470(b) on drinking water:

1. Conduct a public hearing; and upon conclusion of the report,
2. Adopt a resolution accepting the City of Tracy's 2025 Public Health Goals Triennial Report on drinking water

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Attachments: A – 2025 Public Health Goals Triennial Report for 2022-2024
B – Consumer Confidence Report



2025 Public Health Goals Triennial Report for 2022-2024

City of Tracy



June 2025
EKI C40247.03



2025 Public Health Goal Triennial Report for 2022-2024

City of Tracy

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ABBREVIATIONS

ACWA	Association of California Water Agencies
AFY	acre-feet per year
BAT	best available technology
CA	California
CCR	California Code of Regulations
CCT	corrosion control treatment
City	City of Tracy
Cr3	trivalent chromium
Cr6	hexavalent chromium
CVP	Central Valley Project
DBP	disinfection by-products
DBPR	Disinfectants and Disinfection Byproducts Rule
DDW	Division of Drinking Water
DGWTP	Nick C. DeGroot Water Treatment Plant
DLR	Detection Limit for Purposes of Reporting
DMC	Delta-Mendota Canal
DWR	Department of Water Resources
<i>E. coli</i>	Escherichia coli
ENR	Engineering News-Record
EPA	Environmental Protection Agency
Escalon	City of Escalon
GAC	granular activated carbon
gpm	gallons per minute
HSC	California Health and Safety Code
JJWTP	John Jones Water Treatment Plant
MCL	Maximum Contaminant Level
MCLG	Maximum Contaminant Level Goal
MG	million gallons
mg/L	milligrams per liter
MGD	million gallons per day

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MRDL	maximum residual disinfectant level
ND	non-detect
NF	nanofiltration
O&M	operations and maintenance
OEHHA	Office of Environmental Health Hazard Assessment
PFAS	per- and polyfluoroalkyl substances
PFOA	perfluorooctanoic acid
PFOS	perfluorooctanesulfonic acid
PHG	Public Health Goal
RO	reverse osmosis
RTCR	Revised Total Coliform Rule
SCWSP	South County Water Supply Program
SOCs	Synthetic Organic Chemicals
SSJID	South San Joaquin Irrigation District
SWRCB	State Water Resources Control Board
USBR	United States Bureau of Reclamation
USEPA	United States Environmental Protection Agency



1 INTRODUCTION

1.1 Background and Purpose

Section 116470(b) of the California Health and Safety Code (HSC) requires public water systems that serve more than 10,000 service connections to prepare a written report, referred to herein as a Public Health Goal (PHG) Report, every three years if any contaminants have been detected in drinking water at concentrations exceeding their respective PHGs during the preceding three-year reporting period.

The PHGs are non-enforceable, health-based goals published by the California Office of Environmental Health Hazard Assessment (OEHHA) that represent the concentrations of contaminants in drinking water below which there are no known or expected risks to human health. Unlike enforceable standards, such as Maximum Contaminant Levels (MCLs) set by the United States Protection Agency (US EPA) and the California State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW), PHGs are set by the OEHHA solely based on public health risk and do not consider factors such as analytical detection limits, available treatment technologies, or associated treatment costs. In cases where a PHG has not yet been established for a specific contaminant, the Maximum Contaminant Level Goal (MCLG) set by the US EPA must be evaluated in its place until a PHG is adopted by OEHHA. Like PHGs, MCLGs are non-enforceable and are based solely on considerations of public health risk.

The primary purpose of the PHG Report is to provide the public with information about contaminants detected in drinking water at levels that, although they may be below MCLs, exceed the PHGs or MCLGs. While these contaminants may meet enforceable regulatory standards, they may still pose potential health risks. As such, the PHG Report is intended to provide consumers with information about their drinking water beyond what is required to be included in the annual Consumer Confidence Reports per California Code of Regulations (CCR) Title 22 § 64480 through 64483 and HSC § 116470.

The PHG Report must identify contaminants with concentrations that exceeded their PHGs or MCLGs during the preceding three-year reporting period and include a discussion of public health risks associated with these exceedances. Additionally, the PHG Report must include an estimation of the cost to reduce the concentrations to levels at or below the PHGs or MCLGs. It is important to note that only contaminants with both a state or federal MCL and an established PHG or MCLG are required to be considered in the PHG Report,¹ and only those detected at levels exceeding a PHG or MCLG must be discussed.

There is currently no formal guidance from California's regulatory agencies, including DDW and OEHHA, for the preparation of PHG Reports. Therefore, the City of Tracy (City) has developed this

¹ A list of contaminants that must be considered in the PHG reporting process can be found in Attachment 1 of the Association of California Water Agencies' (ACWA's) *Public Health Goals Report Guidelines* (Guidelines; ACWA, 2025).



PHG Report using the Association of California Water Agencies (ACWA) Guidelines, dated April 2025 (ACWA, 2025).

1.2 Applicability to the City of Tracy

HSC § 116470(b)

(b) On or before July 1, 1998, and every three years thereafter, public water systems serving more than 10,000 service connections that detect one or more contaminants in drinking water that exceed the applicable public health goal, shall prepare a brief written report in plain language that does all of the following:

- (1) Identifies each contaminant detected in drinking water that exceeds the applicable public health goal.*
- (2) Discloses the numerical public health risk, determined by the office, associated with the maximum contaminant level for each contaminant identified in paragraph (1) and the numerical public health risk determined by the office associated with the public health goal for that contaminant.*
- (3) Identifies the category of risk to public health, including, but not limited to, carcinogenic, mutagenic, teratogenic, and acute toxicity, associated with exposure to the contaminant in drinking water, and includes a brief plainly worded description of these terms.*
- (4) Describes the best available technology, if any is then available on a commercial basis, to remove the contaminant or reduce the concentration of the contaminant. The public water system may, solely at its own discretion, briefly describe actions that have been taken on its own, or by other entities, to prevent the introduction of the contaminant into drinking water supplies.*
- (5) Estimates the aggregate cost and the cost per customer of utilizing the technology described in paragraph (4), if any, to reduce the concentration of that contaminant in drinking water to a level at or below the public health goal.*
- (6) Briefly describes what action, if any, the local water purveyor intends to take to reduce the concentration of the contaminant in public drinking water supplies and the basis for that decision.*

The City currently provides water service to more than 27,000 service connections. Given that the number of service connections served by the City exceeds 10,000, the City is required to prepare a PHG Report in accordance with HSC § 116470(b) if one or more contaminants are detected in drinking water at levels that exceed the applicable PHG or MCLG. As such, the City has prepared this PHG Report, which includes the following:

- The identification of contaminants detected above their applicable PHGs;
- The numerical public health risk associated with each detected contaminant at both the MCL and PHG levels, as determined by OEHHA;
- A discussion of the type of risk to public health (e.g., carcinogenic, mutagenic) associated with each detected contaminant;
- A description of the best available technology (BAT) for contaminant removal or reduction of each detected contaminant;
- An estimation of the total and per-customer cost to reduce contaminant levels to meet PHGs for each detected contaminant; and

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- A summary of recommended actions.

Development of this PHG Report follows the guidance presented in the ACWA Guidelines, with additional Sections 2 and 3 included to enhance readability and provide context on the City's potable water system. The report is organized as follows:

- Section 1: Introduction
- Section 2: Water Distribution System
- Section 3: Methodology
- Section 4: Constituents Detected That Exceed the PHG or MCLG
- Section 5: Recommendations for Further Action
- Section 6: References



2 WATER DISTRIBUTION SYSTEM

The City's service area is located in southwestern San Joaquin County, California, approximately 68 miles south of Sacramento and 60 miles east of San Francisco. The municipal potable water system currently provides water service to approximately 27,078 active connections for the purposes of residential, commercial (including institutional/governmental), industrial, and landscapes use (City of Tracy, 2025d). The City provides water service to all customers within the City Limits, the majority of which are associated with single-family residential accounts, as well as approximately 118 residences in the Larch-Clover Community Services District (City of Tracy, 2021; City of Tracy, 2025d).

The City utilizes a combination of surface water and groundwater for its potable water supply, relying on the following sources:

- Surface water from the Stanislaus River, treated and supplied by South San Joaquin Irrigation District (SSJID);
- Surface water from the Delta-Mendota Canal, treated at the City's John Jones Water Treatment Plant (JJWTP); and
- Groundwater from eight City-operated production wells, seven of which are currently active².

The annual water production volumes for each supply source over the three-year reporting period are summarized in **Table 1** below. As shown therein, from 2022 to 2024, surface water accounted for approximately 96% of the City's potable water supply on average, ranging from a minimum of 94% in 2022 and 2024 to a maximum of 99% in 2023. Groundwater from the City's production wells made up the remaining supply, averaging 4.4% from 2022 to 2024, with a minimum of 1.2% in 2023 and a maximum of 6.0% in 2022 and 2024 (City of Tracy, 2025c).

Surface Water

From 2022 to 2024, treated water supplied by SSJID accounted for approximately 58% of the City's surface water supply, with raw surface water from the Delta Mendota Canal comprising the remaining 42%. The City purchases treated surface water from SSJID through the South County Water Supply Program (SCWSP), which is a partnership between the City, SSJID and the cities of Manteca, Lathrop, and Escalon. Under the SCWSP, the City has a total contractual entitlement of 13,135 acre-feet per year (AFY), or 4,280 million gallons per year (MGY), of Stanislaus River Water, including the following: 10,000 AFY, or 3,259 MGY, from its original contract with SSJID; 1,120 AFY, or 365 MGY, purchased from the City of Lathrop³; and 2,015 AFY,

² The City owns and operates nine municipal wells. However, only eight of these wells are production wells. The remaining well (Well 8) is utilized for the City's Aquifer Storage and Recovery (ASR) Program.

³ In August 2013, the City acquired an additional 1,120 AFY of SCWSP water from the City of Lathrop through the Lathrop-Tracy Purchase (City of Tracy, 2021).



or 657 MGY, purchased on an interim basis from the City of Escalon (Escalon)⁴. The City anticipates that its temporary contract with Escalon will terminate after 2025, at which point the City's contractual allocation of SCWSP water will be reduced to 11,120 AFY, or 3,623 MGY (City of Tracy, 2021).

The City's SCWSP water from the Stanislaus River is treated at the Nick C. DeGroot Water Treatment Plant (DGWTP), which is located in Stanislaus County, California, near the Woodward Reservoir. The DGWTP currently has a treatment capacity of 36 million gallons per day (MGD), of which 17 MGD is allocated for the City. Raw Stanislaus River influent undergoes a multi-step treatment process at the DGWTP, including pre-chlorination, coagulation, dissolved air flotation pretreatment for the removal of solids and dissolved materials, chemical stabilization to reduce pipe corrosion, membrane filtration, and disinfection through chlorination (City of Tracy, 2021).

In addition to purchased water from SSJID, the City also purchases Central Valley Project (CVP) water from the Delta-Mendota Canal (DMC; conjunctively referred to as DMC/CVP water) through contracts with the United States Bureau of Reclamation (USBR) and the Byron Bethany Irrigation District (BBID). The City's DMC/CVP water is treated at the John Jones Water Treatment Plant (JJWTP), which is located east of the DMC and the California Aqueduct in the southern portion of the City. The JJWTP currently has a permitted treatment capacity of 30 MGD, which is adequate to treat the entirety of the City's DMC/CVP water supply⁵. At the plant, the treatment process of raw DMC/CVP influent includes chemical oxidation, temperature equalization, coagulation, flocculation, sedimentation, filtration using granular activated carbon, ultraviolet (UV) and free chlorine disinfection, followed by chloramination for residual disinfectant.

Groundwater

The City's purchased surface water supply is supplemented by local groundwater pumped from the Tracy Subbasin (Department of Water Resources [DWR] 5-22.15) of the San Joaquin Valley Groundwater Basin (DWR 5-22). As stated above, from 2022 to 2024, approximately 4.4% of the City's water supply was provided by local groundwater production (City of Tracy, 2025c). The City currently owns and operates nine municipal wells, eight of which are production wells and one of which is utilized for the City's ASR Program⁶. The pumping capacity of these production wells ranges between 1,400 gallons per minute (gpm) and 2,500 gpm. Of the City's eight production wells, Wells 1 through 4 (shown in **Table 1** below) are located at the City's JJWTP, while the remaining four wells (Lincoln Well, Lewis Manor Well [Well 5], Park and Ride Well [Well 6], and

⁴ In March 2006, the City entered into a temporary contract with Escalon to purchase Escalon's allocation of 2,015 AFY of SCWSP supply until Escalon constructs the necessary infrastructure needed to convey the SCWSP water (City of Tracy, 2021).

⁵ The JJWTP is hydraulically designed for an ultimate treatment capacity of 45 MGD, which may be utilized in the future for expanded plant capacity (City of Tracy, 2021).

⁶ Well 8 (shown in **Table 1** below) is currently used for the City's ASR Program but can be utilized as an extraction well when needed (City of Tracy, 2021).



Ball Park Well [Well 7]) are located throughout the City. Well 5 was not in active use during the 2022 to 2024 reporting period. Groundwater pumped from the City's production wells is either treated at the wellhead or at the JJWTP (City of Tracy, 2021).

Table 1. Potable Water Production Volumes by Source

Potable Water Source	Annual Water Production (MG)			Average Annual Production (2022-2024) (MG)
	2022	2023	2024	
Surface Water				
SSJID	3,822	2,770	3,744	3,445
JJWTP	2,045	3,306	2,273	2,541
Total Surface Water Supply [a]	5,867	6,076	6,017	5,987
Groundwater				
Lincoln Well	3.7	0.047	155	53
Well 1	94	59	102	85
Well 2	181	6.1	99	95
Well 3	32	5.7	19	19
Well 4	3.0	1.4	4.3	2.9
Well 5 (Lewis Manor Well) [b]	0	0	0	0
Well 6 (Park and Ride Well)	31	0.14	4.9	12
Well 7 (Ball Park Well)	29	0.059	0.90	10
Well 8 [c]	0	0	0	0
Total Groundwater Supply	374	72	385	277
TOTAL SUPPLY	6,241	6,148	6,402	6,264

Abbreviations:

"ASR" = Aquifer Storage and Recovery

"MG" = million gallons

"JJWTP" = John Jones Water Treatment Plant

"SSJID" = South San Joaquin Irrigation District

Notes:

[a] Totals may not sum due to rounding.

[b] Well 5 was inactive during the 2022 through 2024 PHG reporting period.

[c] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.



3 METHODOLOGY

As stated in Section 1.1, neither DDW nor OEHHA has published guidance for the preparation of PHG reports. Therefore, the City has prepared this PHG Report using the suggested ACWA Guidelines, with supplemental sections included to provide context on the City's potable water system and the report's development. Specifically, this section offers a detailed discussion of the City's water quality data and the methodology used to prepare this report.

3.1 Water Quality Data and Analysis

The ACWA Guidelines recommend that water quality data from the three consecutive calendar years preceding the reporting year should be evaluated for inclusion in the PHG Report (ACWA, 2025). Accordingly, this report utilizes available water quality data from the following sources for the 2022 through 2024 period to determine whether any of its water supplies exceeded applicable PHGs or MCLGs as part of the preparation of this PHG Report⁷:

- Treated surface water, purchased from SSJID and sampled at the DGWTP after disinfection (2022 through 2024);
- Treated surface water, obtained from the DMC/CVP and sampled at the City's JJWTP following disinfection (2022 through 2024);
- Groundwater from each production well following disinfection (2022 through 2024);
- Copper and lead monitoring at water service taps throughout the City's distribution system (2024); and
- Monthly (and in some cases, weekly) total coliform and *Escherichia coli* (*E. coli*) monitoring at water service taps throughout the City's water distribution system (2022 through 2024).

Consistent with the ACWA Guidelines and DDW guidance, non-detect results, or results that were reported below the state regulatory Detection Limit for Purposes of Reporting (DLR) established in the CCR Title 22 § 64432 & § 64445.1, were treated as zero for inorganic, organic, and radioactive contaminants for purposes of comparing to the PHGs and MCLGs (ACWA, 2025). For purposes of this PHG Report, the only exception to this practice is gross alpha particle activity, for which half of the DLR is used to calculate the annual average⁸. This approach is taken due to

⁷ Consistent with the recommendations in the ACWA Guidelines, the City analyzed post-treatment water quality data, and individual well data was utilized in the case that the well fed directly into the City's distribution system.

⁸ Only one of the City's groundwater production wells was monitored for gross alpha during the 2022 to 2024 reporting period, with sampling conducted in 2023 (City of Tracy, 2025a). Although the result was non-detect, the methodology used to determine average concentrations and interpret non-detect values for gross alpha particle activity is included in this report for completeness.



the fact that some laboratories report results lower than the state-established DLR (ACWA, 2025).

In the context of PHGs, there are no specific regulatory definitions for what constitutes a PHG “exceedance”. As such, the ACWA Guidelines recommend applying the same procedures used to determine compliance with MCLs, as outlined in Title 22 of the CCR, to assess exceedances of PHGs or MCLGs (ACWA, 2025). For example, in cases where Title 22 requires averaging multiple sample results from a single source to compare against the MCL for determining exceedance, the same averaging method should be used to assess whether the PHG, or MCLG in the case that no PHG has been established, has been exceeded.

Based on this guidance, average concentrations for inorganic, organic, and radioactive contaminants were calculated by water source and compared to the applicable PHG or MCLG. For lead and copper, in accordance with Title 22 of the CCR, the 90th percentile concentrations were calculated from samples collected at water service taps throughout the City’s distribution system and compared to the respective PHGs. For microbial contaminants, such as total coliform and *E. coli*, the total number of positive detections during the 2022 through 2024 reporting period was identified, with each positive sample considered an exceedance of the MCLG⁹.

Several contaminants with established PHGs or MCLGs were not analyzed for in some or all of the City’s water supply sources during the 2022 through 2024 reporting period. These contaminants, along with the reasons they were not monitored during the reporting period, are outlined below:

- **Asbestos:** The City is required to monitor asbestos throughout its distribution system every nine years. The most recent monitoring was completed in August 2017, with the next round due in August 2026. As a result, asbestos monitoring was not conducted during the 2022 through 2024 reporting period, and data for this timeframe are not available.
- **Gross Alpha Particle Activity:** The City is required to monitor gross alpha particle activity once every nine years for each of its water supply sources, assuming the monitoring results in results below the DLR of 3.0 pCi/L for gross alpha. During the 2022 through 2024 period, the potable water source for the City requiring monitoring for Gross Alpha was Well 5 (Lewis Manor Well), which was monitored in 2023 and yielded a non-detect result.
- **Gross Beta Particle Activity, Strontium-90, and Tritium:** Based on the City’s annual inspection reports, because the City’s water supplies were previously determined to not be vulnerable to contamination by nuclear facilities, the City is not required to monitor

⁹ A PHG has not been established by OEHHA for either total coliform or *E. coli* (OEHHA, 2025). However, an MCLG of zero has been set for both, which is interpreted as no allowable positive detections from 2022 through 2024 (ACWA, 2025). As such, any detection of total coliform or *E. coli* within the three-year reporting period is considered an exceedance of the MCLG and must be reported in this PHG Report.



gross beta particle activity, strontium-90, and tritium. Compliance with radioactive contaminant standards is assessed solely based on gross alpha particle activity.

- **Hexavalent Chromium (Cr6):** Based on the SWRCB DDW's *Hexavalent Chromium Compliance Plan Guidance*, published in November 2024, the City is required to sample Cr6 from its raw groundwater and surface water sources prior to treatment (SWRCB, 2024). In accordance with this guidance, the City did not sample Cr6 in treated surface water purchased from SSJID or in effluent from its JJWTP during the three-year reporting period, as these are considered treated water.
- **Radium, Radon, and Uranium:** Consistent with CCR Title 22 § 64442(f), the City does not monitor radium-226, radium-228, radon, or uranium because gross alpha particle activity in its water sources consistently remains below the MCL of 5 picocuries per liter (pCi/L).
- **Synthetic Organic Chemicals (SOCs):** The City is required to monitor SOC's once every nine years. During the reporting period from 2022 through 2024, the following SOC's were monitored in one or more of the City's water supplies at least once during the three-year reporting period:
 - Atrazine – Atrazine was monitored at least once in all eight of the City's production wells, as well as in treated water from both SSJID and the JJWTP, and all results were non-detect.
 - Alachlor – Alachlor was monitored only in treated water from SSJID during the 2022 through 2024 period, resulting in a non-detect.
 - Dibromochloropropane – Dibromochloropropane was monitored in 2024 for all of the production wells, with the exception of Well 2 and Well 7 (Ball Park Well), with all results yielding non-detects. Additionally, dibromochloropropane was monitored in treated water from the JJWTP in 2022 and 2023 and yielded non-detects but was not monitored in SSJID treated water during the 2022 through 2024 period.
 - Ethylene – Ethylene was monitored in 2024 for all of the production wells, with the exception of Well 2 and Well 7 (Ball Park Well), with all results yielding non-detects. Additionally, ethylene was monitored in treated water from the JJWTP in 2022 and 2023 and yielded non-detects but was not monitored in SSJID treated water during the 2022 through 2024 period.
 - Simazine – Simazine was monitored and yielded non-detects for all of the City's water sources at least once during the 2022 through 2024 period, with the exception of Well 2 and Well 7 (Ball Park Well).

3.2 Assessment of Public Health Risk

Pursuant to HSC § 116470(b), the PHG Report must include the numerical public health risk, as determined by OEHH, for each identified contaminant at both the MCL and PHG. The report



must also specify the associated category of risk (e.g., carcinogenic, mutagenic) for each identified contaminant and include a brief description of the associated category of risk in plain language.

The category of public health risk associated with each identified contaminant, along with the corresponding numerical health risks, was determined using OEHHA's *Health Risk Information for Public Health Goal Exceedance Reports* (OEHHA, 2025). Additionally, PHG technical support documents developed by OEHHA have been developed for each chemical with an established PHG, which include information on the adverse health effects associated with each chemical. These documents, which are available on the OEHHA website¹⁰, were utilized to gather information for a brief description of health effects for each identified contaminant.

Categories of public health risk for each identified contaminant are outlined in Sections 4.1.3, 4.2.3, 4.3.3, 4.4.3, and 4.5.3.

3.3 Estimation of Treatment Cost

Pursuant to HSC § 116470(b), the PHG Report must include a description of the BAT¹¹ for the removal or reduction of each identified contaminant, along with estimated total and per-customer costs to reduce contaminant concentrations to below the applicable PHG or MCLG. CCR Title 22 § 64447 through § 64447.4 presents the BATs for the removal or reduction of specific contaminants. For the purposes of this PHG Report, the BAT, or BATs in the case that more than one is appropriate, for the removal of each identified contaminant were selected based on those presented in the CCR. It is important to note that the BATs presented in the CCR are intended to achieve compliance with MCLs, and not necessarily to reach the more stringent PHG or MCLG levels. As such, it is unclear whether the BATs presented in the CCR would adequately reduce contaminant concentrations to below the applicable PHG or MCLG in all cases.

Preliminary cost estimates for treating the City's water sources that exceeded the applicable PHG or MCLG during the 2022 through 2024 reporting period were developed using unit cost data from Attachment 3 of the ACWA Guidelines. These unit costs represent a range of installation and operational expenses for various BATs and were compiled from multiple sources, including: (1) a 2012 ACWA member agency survey, (2) independently gathered data from other agencies, and (3) historical data from previous ACWA guidance documents (ACWA, 2025). The estimates reflect a variety of system sizes, source water types, and target contaminants for reduction or removal. All unit costs presented in Attachment 3 of the ACWA Guidelines were updated to 2024 dollars using the average 2024 Engineering News-Record (ENR) Cost Index and include both

¹⁰ <https://oehha.ca.gov/water/public-health-goals-phgs>

¹¹ The California HSC does not explicitly define the term "BAT". In CCR Title 22 § 64447, § 64447.2, and § 64447.4, the term is used specifically in the context of achieving compliance with established MCLs. Based on guidance provided in the ACWA Guidelines and HSC § 116470(b)(4), for the purposes of this report, it is assumed that the "BAT" refers to the best available technology to reduce the contaminant to a level at or below the PHG or MCLG.



annualized capital and operations and maintenance (O&M) costs (ACWA, 2025)¹². Using this information, cost estimates, including the annual and per-service connection costs, were calculated based on the selected BAT or BATs for each identified contaminant and the production capacity of each of the City's water facilities with exceedances during the 2022 through 2024 reporting period.

The cost estimates presented in Section 4 of this PHG Report are preliminary in nature and do not reflect site-specific constraints related to the City's water supplies or additional considerations, such as space limitations, operational constraints, or the effectiveness of each selected BAT in reducing the contaminant levels to meet PHG or MCLG targets. Rather, the preliminary cost estimates included herein are intended to provide a general range of potential treatment costs. As such, the true cost of implementation and O&M for each selected BAT could be significantly higher or lower than those presented in this PHG Report.

¹² As part of the 2025 update to the ACWA Guidelines, ACWA provided revised treatment cost information, updating the values previously published in its 2022 guidelines. Accordingly, the unit cost estimates used in this PHG Report reflect the updated 2025 values and may differ slightly from those presented in the City's 2022 PHG Report for the 2019 to 2021 reporting period for the same treatment technologies (ACWA, 2025).



4 CONSTITUENTS DETECTED THAT EXCEED THE PHG OR MCLG

As discussed in Section 1.1 and in accordance with HSC § 116470(b), the PHG Report must identify each contaminant detected in drinking water that exceeds the applicable PHG, or the MCLG in the case that a PHG has not yet been set for a contaminant. For each identified contaminant, the report must also: disclose the numerical public health risk associated with both the MCL and the PHG, as determined by OEHHA; identify the category of public health risk; discuss the BAT for removing or reducing the concentration of the contaminant; and provide an estimate of the cost to implement the BAT to reduce the concentration to a level at or below the PHG. Following the methodology outlined in Section 3 of this PHG Report, the City identified the following contaminants at levels above the PHG or MCLG in one or more of the City's potable water supplies during the 2022 through 2024 reporting period:

- Arsenic;
- Copper;
- Cr6;
- Perfluorooctanoic acid (PFOA); and
- Total Coliform/*E. coli*.

This section provides further detail on the above contaminants detected in the City's water system, including observed concentrations, associated health risks, typical sources of contamination, and BAT options and associated estimated implementation costs.

4.1 Arsenic

4.1.1 Comparison to PHG/MCLG

Arsenic has a state MCL (CA MCL) of 0.010 milligrams per liter (mg/L), or 10 micrograms per liter (µg/L), and a PHG of 0.000004 mg/L, or 0.004 µg/L (OEHHA, 2025). Because both an MCL and PHG have been established for arsenic, the City is required to consider arsenic in the PHG reporting process and identify any instances where detected concentrations exceeded the PHG during the 2022 through 2024 reporting period.

The City tested each of its potable water sources for arsenic at least once during the three-year period. Purchased surface water from both SSJID and DMC/CVP water treated at the JJWTP was tested annually in 2022, 2023, and 2024, with all results being non-detect. Additionally, each of the City's groundwater wells, including the City's ASR well (Well 8), were tested for arsenic in 2024. Six of the wells yielded non-detect results for arsenic, while two wells (Well 5 [Lewis Manor Well] and Well 6 [Park and Ride Well]) reported arsenic concentrations exceeding the PHG of 0.004 µg/L (City of Tracy, 2025a). Although arsenic levels in these two wells were approximately three orders of magnitude above the PHG, they remained well below the CA MCL. A summary of these results by water source is provided below in **Table 2**.



Table 2. Average Arsenic Concentration by Source (2022-2024)

Potable Water Source	Average Arsenic Concentration (2022-2024) (µg/L)
Surface Water [a]	
SSJID	ND
JJWTP	ND
Groundwater [b]	
Lincoln Well	ND
Well 1	ND
Well 2	ND
Well 3	ND
Well 4	ND
Well 5 (Lewis Manor Well) [c]	2.7
Well 6 (Park and Ride Well)	3.0
Well 7 (Ball Park Well)	ND
Well 8 [d]	ND

Abbreviations:

“ASR” = Aquifer Storage and Recovery

“JJWTP” = John Jones Water Treatment Plant

“ND” = non-detect

“SSJID” = South San Joaquin Irrigation District

“µg/L” = micrograms per liter

Notes:

[a] Treated surface water from both SSJID and JJWTP was tested once per year for arsenic during the 2022 through 2024 period, with all results yielding non-detects.

[b] Each of the City’s nine groundwater wells was tested once for arsenic during the 2022 through 2024 period in 2024. Therefore, the results shown in Table 2 for the City’s groundwater wells reflect a single testing event rather than an average of multiple events over the reporting period.

[c] Well 5 was inactive during the 2022 through 2024 PHG reporting period.

[d] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

4.1.2 Contaminant Sources

Arsenic in drinking water primarily originates from natural sources, as it is a naturally-occurring element found in the earth’s crust. In many regions, arsenic can dissolve into groundwater from surrounding geologic formations, particularly in areas with high natural mineral content (OEHA, 2004). While natural sources are the most common, arsenic can also enter water supplies through human activities such as mining, waste chemical disposal, industrial processes involving the combustion of fossil fuels, and the improper use of arsenic-containing pesticides (OEHA, 2004).

The presence of arsenic in the City’s groundwater supplies is primarily due to natural mineral deposits in the surrounding area. Specifically, arsenic in the region’s groundwater supplies can



primarily be attributed to the reductive dissolution of iron or manganese oxyhydroxides in Sierra Nevada sands or to the desorption of aquifer sediments under high-pH conditions (Dubrovsky et. al, 1991; Fram, 2017). A more recent study in the Western San Joaquin Valley further supports this conclusion, finding that pesticides are not a likely source of arsenic in the region's groundwater and that its presence is primarily due to natural sources (Fram, 2017).

4.1.3 Public Health Risk

Ingestion of arsenic may lead to gastrointestinal symptoms such as nausea, vomiting, diarrhea, and irritation of the digestive tract (OEHHA, 2004). Long-term exposure to lower concentrations of arsenic has been linked to a range of health effects, such as the reduced production of red and white blood cells, cardiovascular irregularities, damage to blood vessels, liver and/or kidney impairment, and nerve dysfunction, particularly in the hands and feet (OEHHA, 2004). Additionally, long-term ingestion of arsenic has been linked to an increased risk of cancer, particularly in the lungs, bladder, kidneys, and liver. Chronic exposure has also been associated with skin abnormalities that may progress to skin cancer, and ingesting large doses of arsenic may be fatal (OEHHA, 2004).

For these reasons, OEHHA classifies arsenic as a carcinogen, meaning that long-term exposure may increase the risk of developing cancer (OEHHA, 2025). At the CA MCL of 10 µg/L, OEHHA estimates the lifetime cancer risk from arsenic exposure to be 2.5 per one thousand, while at the PHG of 0.004 µg/L, the estimated lifetime cancer risk is one per one million (OEHHA, 2025)¹³.

4.1.4 Estimation of Treatment Cost

Table 64447.2-A of CCR Title 22 § 64447.2 identifies the following BATs for removing or reducing arsenic concentrations to levels below the CA MCL:

- Activated Alumina;
- Coagulation/Filtration;
- Ion Exchange;
- Lime Softening;
- Reverse Osmosis;
- Electrodialysis; and
- Oxidation/Filtration.

The estimated costs associated with implementing three of the above BATs for arsenic – coagulation/filtration, ion exchange, and reverse osmosis – were calculated using cost data

¹³ The OEHHA cancer risk values, along with the corresponding Health Risk Categories, for contaminants required for consideration in the PHG Report are provided in Table 1 of Attachment 2 to the ACWA Guidelines (ACWA, 2025).



provided in Attachment 3 of the ACWA Guidelines¹⁴. Per the ACWA Guidelines, the estimated unit costs, which include both annualized capital expenses and ongoing O&M costs, are as follows:

- **Coagulation/Filtration:** \$0.50 per one thousand gallons, based on a case study of arsenic removal costs at a 2.9 MGD treatment facility in San Bernardino County, California;
- **Ion Exchange:** \$2.65 per one thousand gallons, based on a case study of the reduction of arsenic in groundwater in Coachella Valley, California; and
- **Reverse Osmosis:** \$8.99 per one thousand gallons, based on an arsenic removal study conducted in the City of Scottsdale, Arizona, for a 1.0 MGD plant operated at 40% capacity (ACWA, 2025).

Using these estimated unit costs, the annual treatment costs for the City’s groundwater wells, as well as the associated cost per service connection, were calculated for each BAT based on the production capacity of wells with PHG exceedances and are presented in **Table 3** below. As shown therein, the estimated annual treatment costs for implementation across the City’s groundwater wells with reported PHG exceedances are \$1,060,000 for coagulation/filtration, \$5,610,000 for ion exchange, and \$19,000,000 for reverse osmosis.

Table 3. Estimated Costs for Arsenic Treatment

Parameter	Annual Treatment Cost, \$/year		
	Coagulation/Filtration	Ion Exchange	Reverse Osmosis
Estimated unit cost (\$/one thousand gallons)	\$0.50	\$2.65	\$8.99
Well 5 and Well 6 Total (\$/year) [a]	\$1,190,000	\$6,290,000	\$21,300,000
Total per service connection (\$/year)	\$45	\$241	\$818

Abbreviations:

“MGD” = million gallons per day

Notes:

- [a] The annual treatment cost for each selected BAT is estimated based on the individual production capacities of wells with reported PHG exceedances during the 2022 through 2024 reporting period for arsenic. Well 5 (Lewis Manor Well) and Well 6, both of which reported exceedances, have a capacity of 3.6 MGD and 2.9 MGD, respectively (City of Tracy, 2023). As such, the annual treatment cost for each BAT is estimated as the cost associated with treating 6.5 MGD of groundwater supply from these two wells.

¹⁴ The three BATs identified herein were selected for cost estimation because the ACWA Guidelines provide relevant case studies and cost data for arsenic reduction, making them suitable for evaluating potential implementation at the City’s groundwater wells.



4.2 Copper

4.2.1 Comparison to PHG/MCLG

While an MCL for copper has not yet been established, OEHHA has set a PHG for copper in drinking water of 0.3 mg/L, or 300 µg/L (OEHHA, 2025). In addition to this PHG, per CCR Title 22 § 64678, the 90th percentile concentration of copper at water service taps throughout a distribution system may not exceed an action level of 1.3 mg/L, or 1,300 µg/L. During the 2022 through 2024 reporting period, copper was not detected at levels exceeding the PHG in any of the City's water supplies outlined in **Table 2**. However, tap monitoring conducted in 2024 yielded a 90th percentile copper concentration of 0.42 mg/L, or 420 µg/L, based on 35 samples collected throughout the City's distribution system. While these concentrations were consistently below the action level for copper of 1,300 µg/L, because the 90th percentile concentration of the samples collected exceeded 300 µg/L, the PHG for copper was exceeded based on the ACWA Guidelines.

4.2.2 Contaminant Sources

The presence of copper throughout the human environment is very widespread, as it is both a naturally-occurring element found in many minerals and a commonly-used material in industrial and household applications. Copper is present in the air due to both anthropogenic activities, such as mining, smelting, metal processing, and fuel combustion, and natural sources, including volcanic eruptions, windblown dust, and ocean spray. Additionally, copper is present in soil due to its natural occurrence in minerals and atmospheric deposition and through sources such as treated wastewater discharge, urban runoff from household or industrial use, agriculture, and mining activities (OEHHA, 2008).

Copper in soil can leach into groundwater or run off into surface water, potentially contaminating drinking water sources. Additionally, copper may enter drinking water through the corrosion of copper pipes in the distribution system, depending on the water's alkalinity and hardness (OEHHA, 2008). Since copper concentrations in the City's source water are below the PHG, it is likely that the copper detected during tap monitoring primarily originates from copper household service pipelines and plumbing rather than leaching or runoff.

4.2.3 Public Health Risk

Copper is an essential nutrient that supports several fundamental bodily functions, such as red blood cell formation, carbohydrate metabolism, and connective tissue development (OEHHA, 2008). However, consuming water with high levels of copper can lead to a range of adverse health effects. Mild symptoms may include nausea, vomiting, diarrhea, abdominal cramps, dizziness, and headaches. More severe symptoms, such as liver and kidney damage, hepatic and renal necrosis, coma, and death, are also associated with exposure to elevated copper concentrations in cases of copper poisoning (OEHHA, 2008).



For these reasons, OEHHA classifies copper as posing a “digestive system toxicity” health risk, meaning that exposure may cause digestive issues (OEHHA, 2025). OEHHA has not yet quantified the numerical health risk associated with the long-term ingestion of copper at levels at or above the MCL or PHG (OEHHA, 2025). As such, no such numerical health risks are identified herein.

4.2.4 Estimation of Treatment Cost

CCR Title 22 Chapter 17.5 establishes monitoring requirements, action levels, treatment techniques, and public notification provisions for lead and copper in drinking water systems, primarily focusing on corrosion control to minimize leaching from plumbing materials. While the CCR does not explicitly define a BAT for copper reduction in drinking water, CCR Title 22 Chapter 17.5 § 64670 identifies the optimization of corrosion control treatment (CCT) as a common method used to minimize copper concentrations at consumers’ taps.

Corrosion control chemicals are currently added to the City’s treated DMC/CVP surface water supply through polyorthophosphate injection at JJWTP. Beyond the corrosion control measures implemented at JJWTP, no corrosion control chemicals are added to the City’s groundwater sources or to surface water purchased from SSJID. To further reduce the concentration of copper in water service taps throughout the distribution system, the City could install corrosion control chemical addition systems at each well site. However, given that copper concentrations in the City’s distribution system are consistently below the action level, the use of additional corrosion control chemicals is not recommended, as the addition of these chemicals could introduce additional water quality concerns and would not necessarily guarantee the reduction of copper concentrations to below the PHG. As such, a cost estimate for implementing CCT has not been prepared for inclusion in this PHG Report.

As a public water system, the City is required to comply with the Lead and Copper Rule outlined in CCR § 64670 and in the past, has consistently complied with the monitoring requirements and action levels for both copper and lead. In accordance with Table 64675-A of CCR § 64675, the City conducts reduced tap monitoring for copper and lead every three years at a minimum of 30 sites throughout the distribution system based on the number of service connections served by the City. As discussed in Section 4.2.1, the last reduced tap monitoring event was conducted by the City between July and August 2024, during which 35 sites were sampled. As such, the next reduced tap monitoring event will occur during or before July 2027 (City of Tracy, 2025b).

In addition to reduced tap monitoring, the City conducts weekly monitoring of corrosion-related parameters, such as pH and water temperature, throughout the distribution system, as well as annual monitoring of parameters like specific conductance, hardness, alkalinity, and total dissolved solids (TDS) at various system entry points. In the case that a monitoring event results in an exceedance of the action level for copper or lead, the City will implement appropriate measures to ensure effective corrosion control in response to the observed conditions.



4.3 Hexavalent Chromium (Cr6)

4.3.1 Comparison to PHG/MCLG

Cr6 has a CA MCL of 0.01 mg/L, or 10 µg/L,¹⁵ and a PHG of 0.00002 mg/L, or 0.02 µg/L (OEHHA, 2025). Because both an MCL and PHG have been established for Cr6, the City is required to consider Cr6 in the PHG reporting process and identify any instances where detected concentrations exceeded the PHG during the 2022 through 2024 reporting period.

Between 2022 and 2024, each of the City's groundwater wells, including the City's ASR well (Well 8), were tested for Cr6 in 2024. Seven of the wells reported concentrations exceeding the PHG of 0.02 µg/L, with only one well (Well 5 [Lewis Manor Well]) yielding a non-detect result (City of Tracy, 2025a). Although Cr6 levels in the wells with PHG exceedances ranged from approximately one to three orders of magnitude above the PHG, they remained below the CA MCL. A summary of these results by water source is provided below in **Table 4**.

¹⁵ The CA MCL of 10 µg/L for Cr6 went into effect on 1 October 2024 (AWSDA, 2025).



Table 4. Average Cr6 Concentration by Source (2022-2024)

Potable Water Source	Average Cr6 Concentration (2022-2024) (µg/L)
Surface Water [a]	
SSJID	--
JJWTP	--
Groundwater [b]	
Lincoln Well	0.40
Well 1	7.0
Well 2	6.3
Well 3	4.5
Well 4	4.3
Well 5 (Lewis Manor Well) [c]	ND
Well 6 (Park and Ride Well)	1.3
Well 7 (Ball Park Well)	7.2
Well 8 [d]	0.95

Abbreviations:

“ASR” = Aquifer Storage and Recovery

“Cr6” = Hexavalent Chromium

“JJWTP” = John Jones Water Treatment Plant

“ND” = non-detect

“SSJID” = South San Joaquin Irrigation District

“µg/L” = micrograms per liter

Notes:

- [a] As indicated in Section 3.1, the City did not test for Cr6 in its treated surface water supplies during the 2022 through 2024 period, as Cr6 sampling is only required for the City’s raw water supplies.
- [b] Each of the City’s nine groundwater wells was tested once for Cr6 during the 2022 through 2024 period, in 2024. Therefore, the results shown in Table 2 for the City’s groundwater wells reflect a single testing event rather than an average of multiple events over the reporting period.
- [c] Well 5 was inactive during the 2022 through 2024 PHG reporting period.
- [d] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

4.3.2 Contaminant Sources

Chromium is a naturally-occurring metal that is also widely used in various industrial processes. Of its two common ionic forms, hexavalent chromium (Cr6) is significantly more toxic, more water-soluble, and more readily absorbed by living cells than trivalent chromium (Cr3). In the environment, chromium is typically found in crustal rocks and soils, primarily as an insoluble oxide. It can be released into the air through natural processes such as windblown dust, sea spray, or erosion, as well as through human activities like smelting and tobacco smoke (OEHHA, 2011).

In water, chromium can exist in either the Cr3 or Cr6 form. Chromium found in drinking water sources may originate from industrial activities, such as electroplating, leather tanning, and



textile manufacturing, or from natural processes like the erosion and leaching of chromium-rich rocks (OEHHA, 2011). Studies of the region's groundwater indicate that the presence of Cr6 in the City's groundwater supply is likely due to naturally occurring chromium in the local geology. Specifically, Cr6 concentrations within the region have been found to correlate strongly with areas containing serpentine rock outcrops (Hausladen et al., 2018; Morrison et al., 2009). Additionally, it has been suggested that agricultural activities in the region could contribute to Cr6 concentrations in groundwater through the oxidation of Cr3 during irrigation cycles (Hausladen et al., 2018).

4.3.3 Public Health Risk

The long-term ingestion of water containing elevated levels of Cr6 has been linked to increased risk of cancer, particularly stomach cancer, as well as liver and kidney damage (OEHHA, 2011). Because of its toxicity and associated potential health effects, OEHHA classifies Cr6 as a carcinogen, meaning that long-term exposure may increase the risk of developing cancer (OEHHA, 2025). At the CA MCL of 10 µg/L, OEHHA estimates the lifetime cancer risk from Cr6 exposure to be five per ten thousand, while at the PHG of 0.02 µg/L, the estimated lifetime cancer risk is one per one million (OEHHA, 2025)¹⁶.

4.3.4 Estimation of Treatment Cost

Table 64447.2-A of CCR Title 22 § 64447.2 identifies the following BATs for removing or reducing Cr6 concentrations to levels below the CA MCL:

- Ion Exchange;
- Reverse Osmosis; and
- Reduction/Coagulation/Filtration.

The estimated costs associated with implementing two of the above BATs for Cr6 – ion exchange and reduction/coagulation/filtration – were calculated using cost data provided in Attachment 3 of the ACWA Guidelines¹⁷. Per the ACWA Guidelines, the estimated unit costs, which include both annualized capital expenses and ongoing O&M costs, are as follows:

- **Ion Exchange:** \$2.19 to \$9.16 per one thousand gallons, based on a case study conducted in Los Angeles County, California, evaluating the reduction of Cr6 concentrations to below 1 µg/L for flow rates ranging from 100 to 2,000 gpm.

¹⁶ The OEHHA cancer risk values, along with the corresponding Health Risk Categories, for contaminants required for consideration in the PHG Report are provided in Table 1 of Attachment 2 to the ACWA Guidelines (ACWA, 2025).

¹⁷ A relevant case study for reverse osmosis for the purposes of the removal or reduction of Cr6 was not provided as part of Attachment 3 to the ACWA Guidelines. As such, an estimated cost was not prepared for reverse osmosis. Rather, the estimated costs associated with ion exchange and reduction/coagulation/filtration were calculated based on cost estimates provided in Attachment 3 to the ACWA Guidelines.



- **Reduction/Coagulation/Filtration:** \$2.14 to \$13.38 per one thousand gallons, based on a case study conducted in Los Angeles County, California, evaluating the reduction of Cr6 concentrations to below 1 µg/L for flow rates ranging from 100 to 2,000 gpm.

Using these estimated unit cost ranges, the minimum and maximum annual treatment costs for the City’s groundwater wells with PHG exceedances, as well as the associated cost per service connection, were calculated for each BAT based on the City’s total well production capacity, with the exclusion of Well 5, and are presented in **Table 5** below. As shown therein, the estimated annual treatment cost for implementation across the City’s groundwater wells with PHG exceedances for Cr6 ranges from \$19,700,000 to \$82,200,000 for ion exchange and \$19,200,000 to \$120,000,000 for reduction/coagulation/filtration.

Table 5. Estimated Costs for Cr6 Treatment

Parameter	Annual Treatment Cost, \$/year			
	Ion Exchange		Reduction/Coagulation/Filtration	
	Minimum	Maximum	Minimum	Maximum
Estimated unit cost (\$/one thousand gallons)	\$2.19	\$9.16	\$2.14	\$13.38
Wells 1-4, 6-8, and Lincoln Well Total (\$/year) [a]	\$19,700,000	\$82,200,000	\$19,200,000	\$120,000,000
Total Annual Cost per service connection (\$/year)	\$754	\$3,150	\$737	\$4,610

Abbreviations:

“MGD” = million gallons per day

Notes:

[a] Annual treatment costs are estimated based on the individual production capacities of the City’s groundwater wells, which range from 2.2 to 3.6 MGD (City of Tracy, 2023). Since all of the City’s wells, with the exception of Well 5 (Lewis Manor Well), reported Cr6 concentrations exceeding the PHG during the 2022 through 2024 reporting period, the total annual treatment costs included in Table 5 reflect the estimated cost of treating the City’s total groundwater production capacity, excluding Well 5.

4.4 Perfluorooctanoic Acid (PFOA)

4.4.1 Comparison to PHG/MCLG

While a CA MCL has not yet been established for PFOA, a federal MCL has been set by the USEPA of 4×10^{-6} mg/L, or 0.004 µg/L¹⁸. Additionally, OEHHA has established a PHG of 7×10^{-9} mg/L, or 7×10^{-6} µg/L, for PFOA (OEHHA, 2025). Because both an MCL and PHG have been established for

¹⁸ The federal MCL of 0.004 µg/L for PFOA went into effect on 25 June 2024 (USEPA, 2025a).



PFOA, the City is required to consider PFOA in the PHG reporting process and identify any instances where detected concentrations exceeded the PHG from 2022 through 2024.

Each of the City's groundwater wells, including the City's ASR well (Well 8), were tested for PFOA at least once during the 2022 through 2024 reporting period, with the exception of Well 5 (Lewis Manor Well)¹⁹. Of the eight wells tested for PFOA, six yielded non-detect results across all samples collected, while two wells (Well 2 and Well 3) showed concentrations exceeding the PHG in one or more samples. Specifically, at Well 2, five samples were collected between 2023 and 2024, with an average PFOA concentration of 0.0041 µg/L and two of these samples exceeding both the PHG and MCL. At Well 3, the average concentration from five samples collected during the same period was 0.0019 µg/L, with two non-detect results and three samples exceeding the PHG but below the MCL (City of Tracy, 2025a).

Additionally, treated surface water from SSJID and effluent from the JJWTP were each tested for PFOA during four separate sampling events in 2024, all of which yielded non-detect results (City of Tracy, 2025a). A summary of these results by water source is provided below in **Table 6**.

¹⁹ Well 5 (Lewis Manor Well) was not tested for PFOA or perfluorooctanesulfonic acid (PFOS) during the 2022 through 2024 reporting period due to the well being inactive during this period.



Table 6. Average PFOA Concentration by Source (2022-2024)

Potable Water Source	Number of Sampling Events (2022-2024)	Average PFOA Concentration (2022-2024) (µg/L)
Surface Water		
SSJID	4	ND
JJWTP	4	ND
Groundwater [a]		
Lincoln Well	2	ND
Well 1	5	ND
Well 2	5	0.0041
Well 3	5	0.0019
Well 4	3	ND
Well 5 (Lewis Manor Well) [b]	--	--
Well 6 (Park and Ride Well)	1	ND
Well 7 (Ball Park Well)	1	ND
Well 8 [c]	2	ND

Abbreviations:

“ASR” = Aquifer Storage and Recovery

“JJWTP” = John Jones Water Treatment Plant

“ND” = non-detect

“PFOA” = perfluorooctanoic acid

“SSJID” = South San Joaquin Irrigation District

“µg/L” = micrograms per liter

Notes:

[a] Each of the City’s nine groundwater wells was tested at least once for PFOA during the 2022 through 2024 period, with the exception of Well 5.

[b] Well 5 was inactive during the 2022 through 2024 PHG reporting period. As such, this well was not sampled for PFOA.

[c] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

4.4.2 Contaminant Sources

PFOA is a synthetic compound that belongs to the broader class of per- and polyfluoroalkyl substances (PFAS), which are characterized by their strong carbon-fluorine bonds. These bonds make PFAS highly resistant to biological and environmental degradation, which allows them to persist in the environment for long periods of time. Historically, PFOA was widely used in the manufacturing of consumer and industrial products, such as nonstick cookware, stain-resistant carpets, cleaning agents, and aqueous film-forming foam used in firefighting. Due to its classification as a carcinogen, the United States voluntarily phased out the use of PFOA by 2015 (OEHHA, 2024).

Despite this phase-out, PFOA remains present in the environment due to its environmental persistence and bioaccumulative nature. PFOA can enter both surface water and groundwater sources through multiple pathways, such as runoff or leaching from industrial sites, landfills,



wastewater treatment plant discharges, or areas where PFAS-containing firefighting foams were historically used (OEHHA, 2024). The presence of PFOA in the City's groundwater supply is possibly attributable to the widespread historical use of PFOA-containing products, particularly through runoff from areas where such products were used or disposed.

4.4.3 Public Health Risk

The long-term ingestion of water containing elevated levels of PFOA has been associated with increased total cholesterol, liver and immune system toxicity, thyroid toxicity, and developmental/reproductive toxicity in humans, as well as preeclampsia and pregnancy-related hypertension. Additionally, exposure to PFOA has been linked to an increased risk of cancer, specifically related to the kidneys (OEHHA, 2024).

For these reasons, OEHHA classifies PFOA as a carcinogen, meaning that long-term exposure may increase the risk of developing cancer (OEHHA, 2025). At the PHG of 7×10^{-6} µg/L, OEHHA estimates the lifetime cancer risk to be one per one million (OEHHA, 2025). Given that a CA MCL has not yet been established for PFOA, OEHHA has not yet quantified the numerical health risk associated with the long-term ingestion of PFOA at the CA MCL or the federal MCL (OEHHA, 2025). As such, no such numerical health risk associated with the MCL is identified herein.

4.4.4 Estimation of Treatment Cost

CCR Title 22 § 64447 through § 64447.4 does not identify the BATs for the removal or reduction of any PFAS, including PFOA. However, as part of the final PFAS National Primary Drinking Water Regulation, the USEPA identified the following BATs for removing or reducing concentrations of PFAS, including PFOA, to levels below the federal MCLs:

- Granular Activated Carbon (GAC);
- Anion Exchange;
- Reverse Osmosis; and
- Nanofiltration (USEPA, 2024).

Because a BAT for PFOA removal is not identified in CCR Title 22 § 64447 through § 64447.4, the ACWA Guidelines do not include cost estimates for implementing each of the above BATs for the purposes of PFOA removal (ACWA, 2025). Therefore, unit cost estimates, including both annualized capital and O&M costs, were developed using cost estimate data from a March 2024 USEPA technical guidance document (2024 USEPA document) outlining treatment technologies for PFAS removal (USEPA, 2024).

Given the differences between the cost estimation information provided in the ACWA Guidelines and the 2024 USEPA document, the methodology used to estimate treatment costs for each BAT



for PFOA removal differs from that described in Section 3.3²⁰. Specific details about the assumptions and estimation approach, as well as the annual total and per-connection costs associated with each BAT, are included below in **Table 7**²¹. As shown therein, the estimated annual treatment costs for implementation across the City's groundwater wells with reported PFOA exceedances (Well 2 and Well 3) ranges from approximately \$1,460,000 for both pressure and gravity GAC to \$3,280,000 for reverse osmosis/nanofiltration.

²⁰ Unlike the ACWA Guidelines, which provide the total estimated annual cost (including capital and O&M costs) for the implementation of each BAT in 2024 dollars, the 2024 USEPA document provides the necessary information to calculate the *lifetime* capital and *annual* O&M costs in 2022 dollars based on the system's design size and average flow, respectively (USEPA, 2024). For comparison purposes and consistency with the estimates provided in the ACWA Guidelines, estimated costs calculated using the 2024 USEPA document were annualized and converted to 2024 dollars using the ENR Construction Cost Index for 2024, consistent with the methodology used in the ACWA Guidelines (ACWA, 2025).

²¹ The 2024 USEPA document provides cost estimation information for two types of GAC systems, pressure GAC and gravity GAC, as well as a single cost estimation approach applicable to both reverse osmosis and nanofiltration systems. Additionally, the document provides information to estimate the cost of implementing anion exchange (USEPA, 2024). Accordingly, costs were estimated using each of these provided methods, as shown in **Table 7**.



Table 7. Estimated Costs for PFOA Treatment

Parameter	BAT [a]			
	Pressure GAC	Gravity GAC	Anion Exchange	RO/NF
Estimated unit cost (\$/one thousand gallons) [b]	\$0.69	\$0.69	\$0.80	\$1.55
Capital Cost				
Well 2 and Well 3 (\$/lifetime) [c]	\$9,593,000	\$8,990,000	\$6,710,000	\$13,600,000
Annualized Well 2 and Well 3 Capital Cost (\$/year) [d]	\$640,000	\$599,000	\$447,000	\$906,000
Annualized capital cost per service connection (\$/year)	\$25	\$23	\$17	\$35
Annual O&M Cost				
Well 2 and Well 3 (\$/year) [e]	\$819,000	\$859,000	\$1,250,000	\$2,380,000
Annual O&M cost per service connection (\$/year)	\$31	\$33	\$48	\$91
Total Annual Treatment Cost (\$/year) [f]	\$1,460,000	\$1,460,000	\$1,690,000	\$3,280,000
Total Annual Cost per service connection (\$/year)	\$56	\$56	\$65	\$126

Abbreviations:

“ACWA” = Association of California Water Agencies

“GAC” = granular activated carbon

“BAT” = million gallons per day

“NF” = nanofiltration

“ENR” = Engineering News-Record

“RO” = reverse osmosis

Notes:

- [a] The ENR Construction Cost Index for 2024 was used to adjust cost estimates calculated using the 2024 USEPA document from 2022 to 2024 dollars for consistency with the ACWA Guidelines and other cost estimates included in this PHG Report. Totals in Table 7 may not sum due to rounding.
- [b] Estimated unit costs per one thousand gallons treated are not provided in the 2024 USEPA document. Estimated unit costs included in Table 7 were calculated based on the estimated total annual treatment cost and the total production capacity of wells with PHG exceedances. As such, estimated unit costs are included herein solely for comparison purposes.
- [c] The total capital cost associated with each BAT was calculated based on the individual production capacities of wells with PHG exceedances for PFOA (Wells 2 and 3). Given that the 2024 USEPA document provides guidance for calculating total capital costs based on design capacity, design capacity was assumed to be equal to the production capacity of each well exceeding the PHG, which was 2.9 MGD in both cases.
- [d] For consistency with the ACWA Guidelines and other cost estimates included in this PHG Report, total capital costs estimated using the 2024 USEPA document were annualized based on a standard assumed BAT lifespan of 15 years.
- [e] The total annual O&M cost for each BAT was calculated based on the individual production capacities of each well with recorded PHG exceedances for PFOA (Wells 2 and 3). Given that the 2024 USEPA document provides guidance for calculating total annual O&M cost based on average flow, average flow was assumed to be equal to the production capacity of each well exceeding the PHG, which was 2.9 MGD in both cases. Because the City’s production wells are not expected to operate at their full production capacity on average, the estimated annual O&M costs are considered conservative.
- [f] The estimated total annual treatment cost reflects the sum of annualized capital and O&M costs associated with each BAT.



4.5 Total Coliform/*Escherichia coli* (*E. Coli*)

4.5.1 Comparison to PHG/MCLG

The federal Revised Total Coliform Rule (RTCR) became effective in April 2016, establishing new routine and repeat sampling requirements for water suppliers, replacing the total coliform MCL, and setting an MCL and MCLG for *E. coli*. Following the adoption of the federal RTCR, the California RTCR became effective in July 2021. Revisions in the California RTCR include a new Coliform Treatment Technique requirement, a new *E. coli* MCL regulatory limit, and guidance for monthly reporting requirements and exceedances of total coliform and *E. coli*. Although PHGs have not been set by OEHHA, because both MCLs and MCLGs have been established for total coliform and *E. coli*, the City is required to consider them in the PHG reporting process and identify any instances of MCLG exceedances during the 2022 through 2024 reporting period.

Total Coliform

An MCLG of zero has been established for total coliform. Based on guidance provided in the ACWA Guidelines, the MCLG of zero for total coliform can be interpreted as zero samples positive during the 2022 through 2024 reporting period. As such, any total coliform detections that occur throughout the three-year period would be considered exceedances of the MCLG and must be included in this PHG report. Additionally, for systems collecting at least 40 total coliform samples per month,²² a monthly MCL of 5.0% has been set for total coliform, meaning that no more than 5.0% of the samples collected by a water system in any given month can be total coliform-positive.

Of the over 3,000 samples taken for total coliform throughout the City's distribution system from 2022 through 2024, 17 were positive (City of Tracy, 2025a). During this three-year period, the highest monthly percent of samples positive for total coliform was 4.9%. As such, the total coliform MCLG was exceeded during nine of the 36 months corresponding to these exceedances, but the monthly MCL of 5.0% was consistently complied with.

E. coli

Based on guidance provided in the ACWA Guidelines, the MCLG of zero for *E. coli* can be interpreted as zero samples positive during the 2022 through 2024 reporting period. As such, any *E. coli* detections that occur throughout the three-year period would be considered exceedances of the MCLG and must be included in this PHG report. In addition to the MCLG, under the RTCR, a water system would exceed the *E. coli* MCL when any of the following triggers are met:

²² Pursuant to Table 64423-A of CCR Title 22 § 64423, the City is required to take a minimum of 90 routine total coliform samples per month throughout its distribution system. As such, the monthly MCL for total coliform of 5.0% is applicable to the City.



- An *E. coli*-positive repeat sample is observed following a total coliform-positive routine sample;
- A total coliform-positive repeat sample is observed following an *E. coli*-positive routine sample;
- A water system fails to collect all required repeat samples following a positive *E. coli* routine sample; or
- A water system fails to test for *E. coli* when any repeat sample is positive for total coliform.

Of the over 3,000 samples taken for *E. coli* throughout the City's distribution system from 2022 through 2024, only one sample was positive for *E. coli* in August 2023 (City of Tracy, 2025a). As such, the MCLG for *E. coli* was exceeded for that month. However, both the follow-up total coliform and *E. coli* samples were negative; therefore, the MCL for *E. coli* was not exceeded.

4.5.2 Contaminant Sources

Total coliforms are a broad group of naturally occurring bacteria found in the environment, including soil, surface water, and the intestines of warm-blooded animals. *E. coli*, a type of fecal coliform, is specifically associated with the intestinal tracts of animals, and its presence in water typically indicates recent fecal contamination. Coliform bacteria can enter drinking water sources and distribution systems through various pathways, including inadequate treatment, bacterial regrowth within the distribution system, or intrusion through cracks or breaks in the distribution infrastructure (USEPA, 2025b).

4.5.3 Public Health Risk

While most total coliform bacteria are not harmful to humans, their presence in drinking water may indicate the presence of other, potentially harmful pathogens (i.e., bacteria, parasites, and viruses). Specifically, *E. coli*, a type of fecal coliform bacteria, is commonly used as an indicator of fecal contamination, as it is a fecal coliform bacteria found in the feces of animals, including humans. Although not necessarily harmful itself, the presence of *E. coli* suggests an increased risk of exposure to harmful pathogens and fecal contamination. As such, total coliforms and *E. coli* can be used to evaluate the effectiveness of water treatment processes and the integrity of distribution systems (USEPA, 2013; USEPA, 2025b).

Because coliform bacteria are generally not pathogenic, OEHHA has not established a numerical health risk associated with long-term exposure to total coliforms or *E. coli* (OEHHA, 2025). As such, no such numerical health risk is identified herein.



4.5.4 Estimation of Treatment Cost

CCR Title 22 § 64447 identifies the following BATs for achieving compliance with the *E. coli* MCL:

- Appropriate placement and construction of groundwater wells to protect from fecal contamination;
- Maintenance of an adequate disinfectant residual throughout the distribution system;
- Proper maintenance of the distribution system;
- Filtration and/or disinfection of surface or groundwater sources; and
- For systems utilizing groundwater for their supply, compliance with the Drinking Water Source Assessment and Protection Program.

Although the BATs included in CCR Title 22 § 64447 are identified for achieving compliance with the *E. coli* MCL, the ACWA Guidelines suggest that these BATs are also generally applicable to total coliforms. Additionally, the ACWA Guidelines indicate that many systems likely already implement the identified BATs and that the most effective action to reduce the presence of total coliforms in a system would likely be to increase the disinfectant residual (ACWA, 2025). While this approach may help mitigate health risks associated with microbial pathogens, it may also lead to elevated levels of disinfection by-products (DBPs), which are associated with potential chronic health effects. As such, any increase in disinfectant residual should be evaluated prior to implementation to ensure compliance with the maximum residual disinfectant levels (MRDLs) established under the Disinfectants and Disinfection Byproducts Rule (DBPR; ACWA, 2025).

As discussed in Section 2, the City's surface water supplies are treated through multi-step processes and are disinfected prior to entering the City's distribution system. Specifically, DMC/CVP water treated at the JJWTP is disinfected with free chlorine, and a chloramine residual is established through the addition of both chlorine and ammonia. Surface water purchased from SSJID is treated at the DGWTP, with disinfection by chlorine as the final treatment step. Ammonia can also be added to treated SSJID water at the Mossdale Pump, which delivers water from SSJID to the City's distribution system, for the purposes of chloramine formation. In addition, in the City's surface water supply, chlorine is added for disinfection at several of the City's active groundwater production wells (City of Tracy, 2022).

The City conducts weekly monitoring of total chlorine and chloramine residuals at all locations where total coliform samples are collected and regularly performs maintenance, such as routine flushing, throughout the distribution system. In the event that chlorine concentrations need to be boosted to ensure an adequate disinfectant residual throughout the distribution system, chlorine can be added at the Linne Reservoir or the Northeast Industrial Reservoir (City of Tracy, 2022).

The City aims to maintain a combined chlorine (monochloramine) concentration of at least 1.8 mg/L, with typical levels ranging from 1.0 to 2.5 mg/L. This target is well below the MRDL of 4.0



mg/L “as Cl₂”, ensuring compliance with regulatory limits and avoiding potential adverse health impacts. Given that the free chlorine concentration in surface water from SSJID’s DGWTP is typically 1.0 mg/L or less, following the addition of ammonia, the combined chlorine concentration of this surface supply is typically 1.0 mg/L or lower due to the conversion of free chlorine to monochloramine (City of Tracy, 2022).

Several of the City’s wells currently utilize chlorine as a disinfectant. When chlorinated well water is blended with chloraminated surface water, the free chlorine can react with monochloramine, potentially oxidizing it to dichloramine, trichloramine, or complete oxidation of the ammonia to nitrogen gas. The extent of these reactions depends on the concentrations of chlorine and monochloramine in the respective sources, as well as the blending ratio. These interactions can lead to the consumption of both disinfectants, potentially resulting in inadequate chloramine or monochloramine residuals in the treated water (City of Tracy, 2022).

During the 2022 through 2024 reporting period, the City completed a project to modify two of its production wells to allow for the addition of both chlorine and ammonia in order to establish a chloramine residual directly in the well water. This improvement was made to enhance the stability of the disinfectant residual in the well water and help reduce the potential for reactions with treated surface water that could otherwise deplete disinfectant levels within the distribution system (City of Tracy, 2022).

To reduce the potential for MCLG exceedances for total coliforms, the City could increase disinfectant residuals within its distribution system. However, higher disinfectant residuals may lead to increased formation of DBPs and associated potential health risks. Elevated free chlorine residuals can also impact secondary drinking water standards, such as taste and odor. Given the need to balance regulatory compliance, aesthetic water quality, and the minimization of both microbial contamination and DBP formation, it is not recommended that the City increase disinfectant residuals for the purposes of reducing total coliforms given that the City consistently complies with the MCLs for both total coliform and *E. coli*.



5 RECOMMENDATIONS FOR FURTHER ACTION

As discussed in Section 4, the City identified exceedances of PHGs or MCLGs in one or more of its groundwater wells during the 2022 through 2024 reporting period for the following contaminants: arsenic, copper, Cr6, PFOA, and total coliform and *E. coli*. Despite these exceedances, the City's drinking water supply consistently complied with all enforceable drinking water standards established by the SWRCB and USEPA to protect public health throughout the three-year reporting period.

During the PHG reporting period, the City completed a project to modify two of its groundwater wells to allow for the addition of both chlorine and ammonia, enabling the formation of a chloramine residual directly within the well water. With these modifications completed, the City anticipates that these improvements will enhance the stability and consistency of disinfectant residuals throughout the distribution system, thereby reducing the system's vulnerability to microbial contamination. By maintaining a more effective residual disinfectant, the project is expected to reduce potential health risks associated with the consumption of pathogenic microorganisms in the City's drinking water supply and decrease the likelihood of MCLG exceedances for total coliforms, including *E. coli*.

To reduce the concentrations of additional contaminants identified in this PHG report, additional treatment processes would be required. The BATs for contaminants with PHG or MCLG exceedances, along with the estimated total annual implementation costs for each treatment option, are discussed in Section 4. However, as noted in Section 3.3, the BATs identified in the CCR and included in this PHG Report are intended to achieve compliance with MCLs, not necessarily to reach the more stringent PHGs or MCLGs. As such, it is uncertain whether these BATs would be sufficient to reduce contaminant concentrations below the respective PHGs or MCLGs.

Given the uncertainty surrounding the public health benefits of implementing additional BATs, the significant capital and O&M costs associated with such projects, and the fact that the City's water supply remained consistently in compliance with the MCLs for the contaminants identified in this PHG Report, no further treatment is proposed at this time beyond the City's ongoing improvement efforts, such as the well modification project. Instead, it is recommended that the City continue maintaining its wells, treatment processes, and distribution system in good operational condition and continue routine water quality monitoring to ensure ongoing compliance with enforceable drinking water standards. Should future monitoring indicate that water quality no longer meets these standards, the City may consider implementing the appropriate BATs identified in this PHG Report based on the specific contaminant of concern.



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2024 Water Quality Report

City of Tracy, California



► Contact Information

City of Tracy

Public Works Department - Utilities Division

209-831-6330

Lea Emmons, *Water Operations Superintendent*

[https://www.cityoftracy.org/our-city/departments/
utilities/water-resources/water-quality-supply](https://www.cityoftracy.org/our-city/departments/utilities/water-resources/water-quality-supply)

utilitieshelp@cityoftracy.org

► Public Participation

Regular City Council meetings are held at 7:00pm on the first and third Tuesdays of each month. Meetings are held at the Council Chambers at City Hall, 333 Civic Center Plaza, Tracy, CA 95376

► For Landlords

Water customers who are landlords receiving this report are asked to share this information with any tenant or user on the premises.

Para acceder al Informe de Calidad del Agua 2024 en Español:

Haga clic aquí para ver el documento en español.

Llame al 209-831-6330 para obtener una copia impresa.

Where Does Your Water Come From?

The City of Tracy receives its water supplies from the Stanislaus River Watershed, the Delta-Mendota Canal, and groundwater pumped from nine wells in the Tracy Subbasin. This entire water system operates through **520 miles of underground pipelines** and **28,000 water meters**, maintained by a dedicated team of around **50 staff members** who ensure you continue to receive the high-quality water you rely on.

In 2024...

36%

2.2 billion gallons

from the **Delta-Mendota Canal**

57%

3.5 billion gallons

from the **Stanislaus River**

6%

0.38 billion gallons

from the **groundwater supply**

Water Quality Control

Before the water reaches you, samples are collected and tested in State-certified laboratories. The City has a water quality monitoring program and inspection system ensures safe drinking water is delivered to you and your family. **The City takes on average 3000 samples a year, most of which are done on a weekly basis.**

As required by the Federal Safe Drinking Water Act, the City's water supplies must meet stringent water quality standards set by the State Water Resource Control Board Division of Drinking Water and the United States Environmental Protection Agency. The City of Tracy completed a watershed sanitary survey of its drinking water sources in 2021.

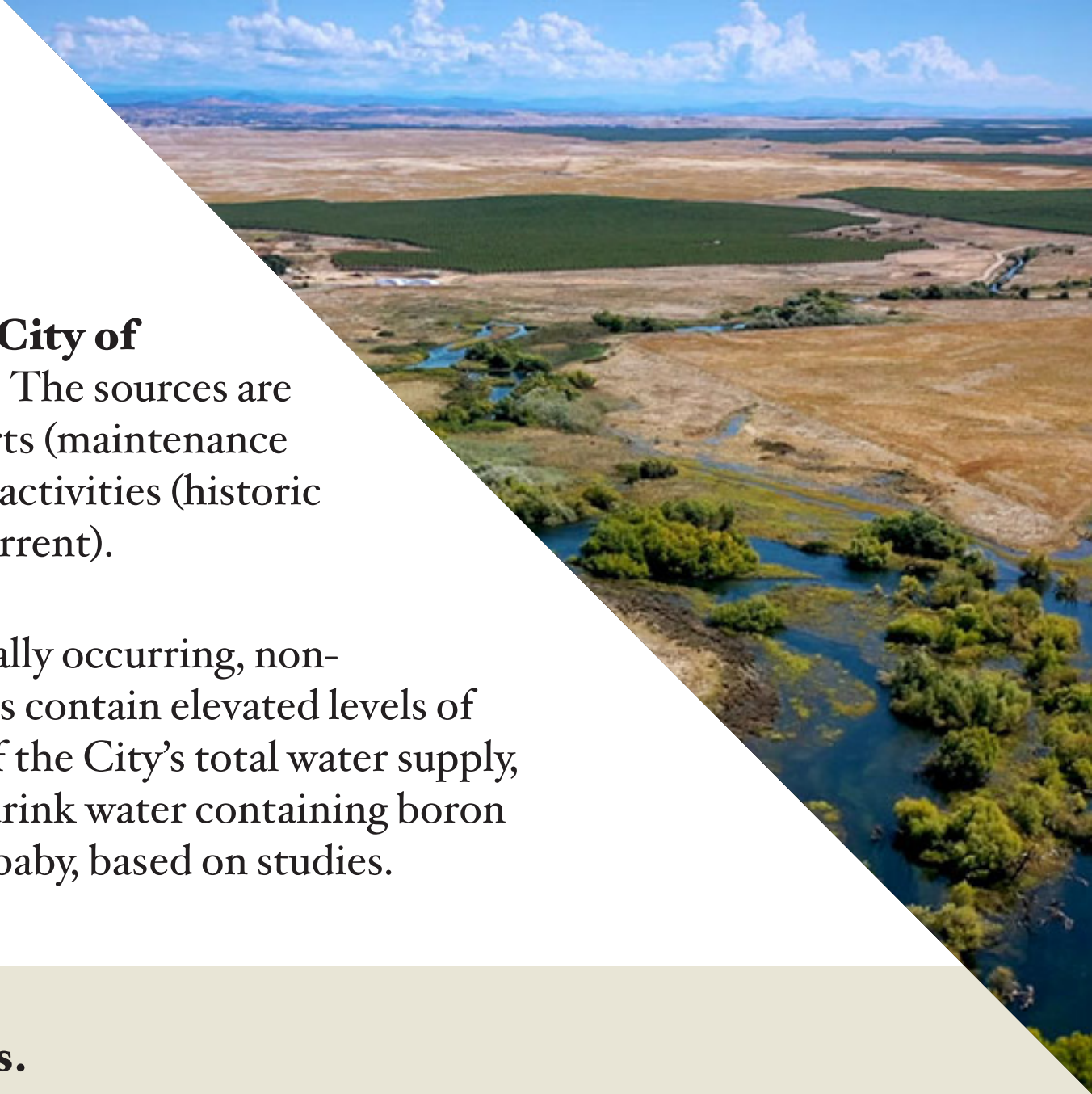


Water Source Assessment

An assessment of the drinking water sources for the City of Tracy's water system was completed in January 2021. The sources are considered most vulnerable to the following activities: airports (maintenance and fueling areas), gas stations (historic and current), mining activities (historic and current), septic and waste landfill dumps (historic and current).

The native groundwater under Tracy contains boron, a naturally occurring, non-carcinogenic, unregulated contaminant. Six of the City's wells contain elevated levels of boron. Although well water comprises only a small portion of the City's total water supply, well water does contain boron. Some pregnant women who drink water containing boron may have an increased risk of developmental effects in their baby, based on studies.

See page 7 for the City of Tracy's current Boron levels.



Reporting Levels of Detected

The City of Tracy is pleased to report that from January 1 - December 31, 2023, the water delivered to your home or business complied with, or exceeded, all state and federal drinking water requirements!

In California, drinking water standards, also called Maximum Contaminant Levels (MCLs), are set in two categories: **Primary Standards** related to public health, and **Secondary Standards** which relate to the aesthetic qualities such as taste, odor, and color. On the following pages you will find a complete listing of both types of standards along with the results of the analysis of your water supply, including:

- Detectable and non-detectable substances found in the City's drinking water
- The maximum allowable substance levels set by United States Environmental Protection Agency (USEPA)
- Regulated contaminants – *organized by contaminant type or source*
- Unregulated contaminants
- Sodium & hardness
- Monitoring contaminated outside but didn't detect, must be outside of the table for detectable
- Explanation for monitoring that is not annual. **EXAMPLE**—The State allows us to monitor for some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, are more than one year old.

Key Definitions

Maximum Contaminant Level (MCL):

The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG):

The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

Public Health Goal (PHG):

The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Primary Drinking Water Standard (PDWS):

MCLs, MRDLs and treatment techniques (TTs) for contaminants that affect health, along with their monitoring and reporting requirements.

Maximum Residual Disinfectant Level (MRDL):

The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG):

The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

Regulatory Action Level (AL):

The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

Treatment Technique (TT):

A required process intended to reduce the level of a contaminant in drinking water.

Water Quality Report - Primary Standards

	TREATED SURFACE WATER		WELL WATER			REGULATORY LIMIT			MAJOR SOURCES IN DRINKING WATER
CONTAMINANT (CCR UNITS)	SOUTH SAN JOAQUIN IRRIGATION DISTRICT	JOHN JONES WATER TREATMENT PLANT	AVERAGE	RANGE	SAMPLE DATE	MAXIMUM CONTAMINANT LEVEL (MCL)	MCLG OR PHG	VIOLATION	
INORGANIC									
Arsenic (µg/L)	ND	ND	0.6	0-3.0	2024	10	0.004	No	Erosion of natural deposits; runoff from orchards; run off from glass and electronics production wastes
Boron (mg/L)	ND	0.11	1.6	0.32-2.5	2021 & 2024	10	N/A	No	Derived from the leaching of rocks and soils, wastewater and fertilizers/pesticides.
Chromium [total] (µg/L)	ND	ND	1.11	0-10	2024	50	N/A	No	Discharge from steel and pulp mills and chrome plating; erosion of natural deposits
Chromium (hexavalent) (µg/L)	N/A	N/A	3.55	0-7.20	2024	10	0.02	No	Erosion of natural deposits; transformation of naturally occurring trivalent chromium to hexavalent chromium by natural processes and human activities such as discharges from electroplating factories, leather tanneries, wood preservation
Fluoride (mg/L)	ND	ND	0.11	0-0.21	2024	2	1	No	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum factories
NITRATE / NITRITE									
Nitrate (as N) (mg/L)	ND	0.59	2	0-2.8	2024	10	10	No	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
NITRATE / NITRITE									
Gross Alpha Particle Activity (pCi/L)	N/A	N/A	0.33	0-3.000+	2024	15	0	No	Erosion of natural deposits

Water Quality Report - Secondary Standards

	TREATED SURFACE WATER		WELL WATER			REGULATORY LIMIT		MAJOR SOURCES IN DRINKING WATER
CONTAMINANT (CCR UNITS)	SOUTH SAN JOAQUIN IRRIGATION DISTRICT	JOHN JONES WATER TREATMENT PLANT	AVERAGE	RANGE	SAMPLE DATE	MAXIMUM CONTAMINANT LEVEL (MCL)	MCLG OR PHG	
AESTHETIC - RELATED								
Color (Color Unit)	ND	3	2.67	0-5	2024	15	N/A	Naturally-occurring organic materials
Iron (µg/L)	ND	ND	45	0-170	2024	300	N/A	Leaching from natural deposits; industrial waste
Manganese (µg/L)	ND	ND	13	0-110	2024	50	N/A	Leaching from natural deposits
Odor (TON)	ND	N/A	0.11	0-1.0	2024	3	N/A	Naturally-occurring organic materials
Turbidity (NTU)	0.10	N/A	0.73	0.2-2.8	2024	5	N/A	Soil runoff
TDS (mg/L)	68	150	668	110-890	2024	1000	N/A	Runoff/leaching from natural deposits
Specific Conductance (umhos/cm)	85	270	1039	160-1400	2024	1600	N/A	Substances that form ions when in water
Chloride (mg/L)	2.9	30	114	9.1-210	2024	500	N/A	Runoff/leaching from natural deposits
Sulfate (mg/L)	1.6	39	221	13-320	2024	500	N/A	Runoff/leaching from natural deposits; industrial wastes
Sodium (mg/L)	2.3	N/A	119	11-150	2024	N/A	N/A	“Sodium” refers to the salt present in the water and is generally naturally occurring.
Total Hardness (mg/L)	23.0	N/A	264	58-390	2024	N/A	N/A	

Water Quality Report

WATER DISTRIBUTION DATA SHEET							
ANALYTICAL PARAMETER	RUNNING ANNUAL AVERAGE	RANGE	YEAR	VIOLATION	MCL	MCLG OR PHG	TYPICAL SOURCES
BACTERIOLOGICAL (% PRESENT)							
Coliform Density	<1	<1	2024	No	5%Present/mo	0	Municipal and industrial waste discharge
ORGANICS (UG/L)							
Total Trihalomethane (ug/L)	40	26-78	2024	No	80	N/A	By-products of drinking water disinfection
Total Haloacetic Acids (ug/L)	21	0-30	2024	No	60	N/A	By-products of drinking water disinfection

Water Quality Report

UCMR₅ & Lead Copper

SAMPLING RESULTS SHOWING THE DETECTION OF LEAD AND COPPER						
	# OF SAMPLES COLLECTED	SAMPLE DATE	90TH PERCENTILE LEVEL DETECTED	# SITES EXCEEDING AL	AL	MCLG
Lead (ppm)	35	2024	0	0	0.015	0
	TYPICAL SOURCE OF CONTAMINANT					
	Internal corrosion of household water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits.					
Copper (ppm)	35	2024	0.396	0	1.3	1.3
	TYPICAL SOURCE OF CONTAMINANT					
	Internal corrosion of household water plumbing systems; erosion of natural deposits; leaching from wood preservatives.					

UCMR 5-LITHIUM AND PFAS					
ANALYTICAL PARAMETER	RUNNING ANNUAL AVERAGE	RANGE	YEAR	MINIMUM REPORTING LEVEL (MRL)	VIOLATION
Lithium	8.00	0-28.5	2024-2025	9	Yes
11-chloroeicosafuoro-3-oxaundecane-1-sulfonic acid (11Cl-PF3OUdS)	ND	ND	2024-2025	0.005	No
1H,1H, 2H, 2H-perfluorodecane sulfonic acid (8:2FTS)	ND	ND	2024-2025	0.005	No
1H,1H, 2H, 2H-perfluorohexane sulfonic acid (4:2FTS)	ND	ND	2024-2025	0.003	No
1H,1H, 2H, 2H-perfluorooctane sulfonic acid (6:2FTS)	ND	ND	2024-2025	0.005	No
4,8-dioxa-3H-perfluorononanoic acid (ADONA)	ND	ND	2024-2025	0.003	No
9-chlorohexadecafluoro-3-oxanonane-1-sulfonic acid (9Cl-PF3ONS)	ND	ND	2024-2025	0.002	No
hexafluoropropylene oxide dimer acid (HFPO-DA)(GenX)	ND	ND	2024-2025	0.005	No
nonafluoro-3,6-dioxaheptanoic acid (NFDHA)	ND	ND	2024-2025	0.02	No
perfluoro (2-ethoxyethane) sulfonic acid (PFEEA)	ND	ND	2024-2025	0.003	No
perfluoro-3-methoxypropanoic acid (PFMPA)	ND	ND	2024-2025	0.004	No
perfluoro-4-methoxybutanoic acid (PFMBA)	ND	ND	2024-2025	0.003	No
perfluorobutanesulfonic acid (PFBS)	ND	ND	2024-2025	0.003	No
perfluorobutanoic acid (PFBA)	ND	ND	2024-2025	0.005	No
perfluorodecanoic acid (PFDA)	ND	ND	2024-2025	0.003	No
perfluorododecanoic acid (PFDoA)	ND	ND	2024-2025	0.003	No
perfluoroheptanesulfonic acid (PFHpS)	ND	ND	2024-2025	0.003	No
perfluoroheptanoic acid (PFHpA)	ND	ND	2024-2025	0.003	No
perfluorohexanesulfonic acid (PFHxS)	ND	ND	2024-2025	0.003	No
perfluorohexanoic acid (PFHxA)	ND	ND	2024-2025	0.003	No
perfluorononanoic acid (PFNA)	ND	ND	2024-2025	0.004	No
perfluorooctanesulfonic acid (PFOS)	ND	ND	2024-2025	0.004	No
perfluorooctanoic acid (PFOA)	ND	ND	2024-2025	0.004	No
perfluoropentanesulfonic acid (PFPeS)	ND	ND	2024-2025	0.004	No
perfluoropentanoic acid (PFPeA)	ND	ND	2024-2025	0.003	No
perfluoroundecanoic acid (PFUnA)	ND	ND	2024-2025	0.002	No
N-ethyl perfluorooctanesulfonamidoacetic acid (NEtFOSAA)	ND	ND	2024-2025	0.005	No
N-methyl perfluorooctanesulfonamidoacetic acid (NMeFOSAA)	ND	ND	2024-2025	0.006	No
perfluorotetradecanoic acid (PFTA)	ND	ND	2024-2025	0.008	No
perfluorotridecanoic acid (PFTrDA)	ND	ND	2024-2025	0.007	No

Reporting of Cryptosporidium, radon, chromium (hexavalent), and other contaminants

Other Contaminants with no MCL – PFAS constituents

Compliance with Other Drink Water Regulations

No Violations existed in 2024

Ground Water – No corrections existed in 2024

In 2017, the City formed an exclusive GSA for its jurisdiction. The other agencies in the area partnered to develop a GSP that was adopted in January 2022.

Variances

No Violations



Educational Information



The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- **Microbial contaminants**, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic contaminants**, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- **Pesticides and herbicides**, that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- **Organic chemical contaminants**, including synthetic and volatile organic chemicals, that are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application, and septic systems.
- **Radioactive contaminants**, that can be naturally-occurring or be the result of oil and gas production and mining activities.



In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (U.S. EPA) and the State Water Resources Control Board (State Water Board) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. U.S. Food and Drug Administration regulations and California law also establish limits for contaminants in bottled water that provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. EPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. U.S. EPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).



U.S. EPA's
**Safe Drinking
Water Hotline**
1-800-426-4791

Nitrate in drinking water at levels above 10 mg/L is a health risk for infants of less than six months of age.

Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin. Nitrate levels above 10 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should ask advice from your health care provider.

Nitrate in drinking water at levels above 10 mg/L can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin.



The City of Tracy has conducted all required inspections of its water distribution and service lines. There are no lead-containing pipes in the distribution system. The City maintains an inventory of all homes and regularly updates this baseline information. You can find a copy of the inventory online at <https://www.cityoftracy.org/our-city/departments/utilities/water-resources/water-quality-supply>.

Lead can cause serious health effects in people of all ages, especially pregnant people, infants (both formula-fed and breastfed), and young children. Lead in drinking water is primarily from materials and parts used in service lines and in home plumbing. City of Tracy is responsible for providing high quality drinking water and removing lead pipes but cannot control the variety of materials used in the plumbing in your home. Because lead levels may vary over time, lead exposure is possible even when your tap sampling results do not detect lead at one point in time. You can help protect yourself and your family by identifying and removing lead materials within your home plumbing and taking steps to reduce your family's risk. Using a filter, certified by an American National Standards Institute accredited certifier to reduce lead, is effective in reducing lead exposures. Follow the instructions provided with the filter to ensure the filter is used properly. Use only cold water for drinking, cooking, and making baby formula. Boiling water does not remove lead from water. Before using tap water for drinking, cooking, or making baby formula, flush your pipes for several minutes. You can do this by running your tap, taking a shower, doing laundry or a load of dishes. If you have a lead service line or galvanized requiring replacement service line, you may need to flush your pipes for a longer period. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available at <https://www.epa.gov/safewater/lead>.

If you are concerned about lead in your water, you may wish to have your water tested by a certified lab. More information about lead in drinking water can be found through the Safe Drinking Water Hotline (1-800-426-4791) or at www.epa.gov/safewater/lead.

Cross Connection Protection

Backflow prevention assemblies are designed to allow water to flow into your home or office from the public water system but not allow water to flow in the reverse direction, creating effective cross connection protection. **Reverse flow can carry untreated pollutants and contaminants back to the public water system, compromising the water quality for all customers.** Backflow prevention assemblies are required to be tested annually to ensure they are effectively protecting the public water system. If your residence has an active well on the premises or your business has fire sprinklers and/or landscaping, you should have a backflow prevention assembly.

All backflow devices are required to be tested before June 30th every year.

Visit <https://www.cityoftracy.org/our-city/departments/operations-and-utilities-department/utilities/cross-connection-backflows> for more information.

Make Conservation a Way Of Life.

New laws require that all water suppliers, like the City of Tracy, must reduce their daily water consumption for all users. This includes indoor and outdoor water uses, as well as commercial, industrial and institutional water uses. In order to meet the ever-increasing mandates by the State, the City of Tracy enacts Water Stages for conservation measures. Currently, the City is in Stage 3 of its Water Conservation Ordinance. This limits outdoor water use, such as irrigating your landscape, to the hours of 7:00 p.m. to 9:00 a.m., three days per week depending on your odd or even address. It also prohibits using water from your hose to wash off driveways, patios and other hardscapes.

What are you able to do to help? Some simple indoor measures include: **taking shorter showers, turning water off while shampooing, washing full loads of laundry, never using the toilet as a trash receptacle, repairing drips and leaking faucets quickly, and always turning off water while brushing teeth.** Businesses might also consider changing out high-water-consuming appliances and toilets to more efficient models.

The biggest use of water by homeowners and businesses is outdoor activities. Mandatory outdoor water conservation measures include: using a triggered handheld sprayer and bucket when washing your own car; and turning off non-recirculating fountains and ornamental water features. Some simple voluntary measures are: turning off irrigation timers in the winter months; never water landscaping on a windy day or within 48 hours of a rain event (water pooling); and do not water for longer than eight minutes per cycle.

Report water waste by calling (209)831-6330, online at <https://app.govoutreach.com/tracy>, or using the GoTracy! app

Your continued efforts will assist the City in attaining its water conservation goals!

City of Tracy Water Rates

Tracy has historically offered the lowest water rates in the region, particularly for providing high-quality treated water. The water system is funded by utility rate payers through their utility bills and must follow the Proposition 218 process to increase any rates. The last rate increase for customers occurred in 2019 with the prior one being 20 years ago.

Revenue has declined due to various conservation efforts aimed at preserving water and infrequent rate reviews, which are necessary to keep up with rising expenses. This situation has forced the utility to focus only on urgent repairs and maintenance while postponing the maintenance or replacement of aging infrastructure.

The Utility Division is now committed to reviewing rates every five years to ensure they remain appropriate and to continue providing Tracy with the quality water it is known for. More information regarding the Water Fund can be found at <https://city-tracy-ca-budget-book.cleargov.com/15422/fund-summaries/water>.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

**ACCEPTING THE CITY OF TRACY'S 2025 PUBLIC HEALTH GOALS
TRIENNIAL REPORT ON DRINKING WATER AS REQUIRED BY THE
CALIFORNIA HEALTH AND SAFETY CODE SECTION 116470(B) ON
DRINKING WATER**

WHEREAS, California Health and Safety Code (CHSC) section 116470, subsection (b) requires that every three years, a public water system that serves more than 10,000 service connections prepare and present a written report examining the concentrations of any contaminants in the water that exceed the Public Health Goals (PHG) during the last three years; and

WHEREAS, PHGs are non-enforceable water quality goals published by the California Office of Environmental Health Hazard Assessment (OEHHA); and

WHEREAS, the United States Environmental Protection Agency (USEPA) has also established similar non-enforceable Maximum Contaminant Level Goals (MCLGs) for contaminants in the drinking water. While OEHHA and USEPA establish PHGs and MCLGs, these goals consider only potential public health risks and ignore the analytical detection limits, availability, and effectiveness of the existing treatment technology or associated costs; and

WHEREAS, sampling and monitoring data collected and analyzed during the reporting period of 2022 - 2024 identified that the City's potable water sources had four (4) constituent categories that were above the PHG levels or Maximum Contaminant Level Goals (MCLG), however, the City's potable water supply meets all Federal and State primary drinking water standards to protect public health; and

WHEREAS, the PHG report identified five (5) contaminants that were detected as above the applicable PHG or MCLG in one or more of the City's drinking water supplies. These contaminants described below were arsenic, copper, hexavalent chromium (Cr6), perfluorooctanoic acid (PFOA), and total coliform/*Escherichia coli*; and

WHEREAS, it is important to note that while these contaminants are above the PHG/MCLGs, they were below the federal MCL for primary drinking water standards and meet all state and federal standards; and

WHEREAS, the City's water supply system is in compliance with all State and Federal drinking water requirements. The City will continue to maintain its groundwater wells, the JJWTP, and the distribution system in proper operational condition ensuring high quality water; and

WHEREAS, the City will continue providing effective maintenance and monitoring of the system, whereby the drinking water will continue to remain at or above safe standards; now, therefore be it

RESOLVED: that the above recitals are true and correct; and be it, further

RESOLVED: That the City Council of the City of Tracy, hereby, accepts the City of Tracy's 2025 Public Health Goals Triennial report.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Exhibit 1 – 2025 Public Health Goals Triennial Report for 2022-2024
Exhibit 2 – Consumer Confidence Report



2025 Public Health Goals Triennial Report for 2022-2024

City of Tracy



June 2025
EKI C40247.03



2025 Public Health Goal Triennial Report for 2022-2024

City of Tracy

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ABBREVIATIONS

ACWA	Association of California Water Agencies
AFY	acre-feet per year
BAT	best available technology
CA	California
CCR	California Code of Regulations
CCT	corrosion control treatment
City	City of Tracy
Cr3	trivalent chromium
Cr6	hexavalent chromium
CVP	Central Valley Project
DBP	disinfection by-products
DBPR	Disinfectants and Disinfection Byproducts Rule
DDW	Division of Drinking Water
DGWTP	Nick C. DeGroot Water Treatment Plant
DLR	Detection Limit for Purposes of Reporting
DMC	Delta-Mendota Canal
DWR	Department of Water Resources
<i>E. coli</i>	Escherichia coli
ENR	Engineering News-Record
EPA	Environmental Protection Agency
Escalon	City of Escalon
GAC	granular activated carbon
gpm	gallons per minute
HSC	California Health and Safety Code
JJWTP	John Jones Water Treatment Plant
MCL	Maximum Contaminant Level
MCLG	Maximum Contaminant Level Goal
MG	million gallons
mg/L	milligrams per liter
MGD	million gallons per day

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2025 Public Health Goal Triennial Report for 2022-2024

City of Tracy



MRDL	maximum residual disinfectant level
ND	non-detect
NF	nanofiltration
O&M	operations and maintenance
OEHHA	Office of Environmental Health Hazard Assessment
PFAS	per- and polyfluoroalkyl substances
PFOA	perfluorooctanoic acid
PFOS	perfluorooctanesulfonic acid
PHG	Public Health Goal
RO	reverse osmosis
RTCR	Revised Total Coliform Rule
SCWSP	South County Water Supply Program
SOCs	Synthetic Organic Chemicals
SSJID	South San Joaquin Irrigation District
SWRCB	State Water Resources Control Board
USBR	United States Bureau of Reclamation
USEPA	United States Environmental Protection Agency



1 INTRODUCTION

1.1 Background and Purpose

Section 116470(b) of the California Health and Safety Code (HSC) requires public water systems that serve more than 10,000 service connections to prepare a written report, referred to herein as a Public Health Goal (PHG) Report, every three years if any contaminants have been detected in drinking water at concentrations exceeding their respective PHGs during the preceding three-year reporting period.

The PHGs are non-enforceable, health-based goals published by the California Office of Environmental Health Hazard Assessment (OEHHA) that represent the concentrations of contaminants in drinking water below which there are no known or expected risks to human health. Unlike enforceable standards, such as Maximum Contaminant Levels (MCLs) set by the United States Protection Agency (US EPA) and the California State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW), PHGs are set by the OEHHA solely based on public health risk and do not consider factors such as analytical detection limits, available treatment technologies, or associated treatment costs. In cases where a PHG has not yet been established for a specific contaminant, the Maximum Contaminant Level Goal (MCLG) set by the US EPA must be evaluated in its place until a PHG is adopted by OEHHA. Like PHGs, MCLGs are non-enforceable and are based solely on considerations of public health risk.

The primary purpose of the PHG Report is to provide the public with information about contaminants detected in drinking water at levels that, although they may be below MCLs, exceed the PHGs or MCLGs. While these contaminants may meet enforceable regulatory standards, they may still pose potential health risks. As such, the PHG Report is intended to provide consumers with information about their drinking water beyond what is required to be included in the annual Consumer Confidence Reports per California Code of Regulations (CCR) Title 22 § 64480 through 64483 and HSC § 116470.

The PHG Report must identify contaminants with concentrations that exceeded their PHGs or MCLGs during the preceding three-year reporting period and include a discussion of public health risks associated with these exceedances. Additionally, the PHG Report must include an estimation of the cost to reduce the concentrations to levels at or below the PHGs or MCLGs. It is important to note that only contaminants with both a state or federal MCL and an established PHG or MCLG are required to be considered in the PHG Report,¹ and only those detected at levels exceeding a PHG or MCLG must be discussed.

There is currently no formal guidance from California's regulatory agencies, including DDW and OEHHA, for the preparation of PHG Reports. Therefore, the City of Tracy (City) has developed this

¹ A list of contaminants that must be considered in the PHG reporting process can be found in Attachment 1 of the Association of California Water Agencies' (ACWA's) *Public Health Goals Report Guidelines* (Guidelines; ACWA, 2025).



PHG Report using the Association of California Water Agencies (ACWA) Guidelines, dated April 2025 (ACWA, 2025).

1.2 Applicability to the City of Tracy

HSC § 116470(b)

(b) On or before July 1, 1998, and every three years thereafter, public water systems serving more than 10,000 service connections that detect one or more contaminants in drinking water that exceed the applicable public health goal, shall prepare a brief written report in plain language that does all of the following:

- (1) Identifies each contaminant detected in drinking water that exceeds the applicable public health goal.*
- (2) Discloses the numerical public health risk, determined by the office, associated with the maximum contaminant level for each contaminant identified in paragraph (1) and the numerical public health risk determined by the office associated with the public health goal for that contaminant.*
- (3) Identifies the category of risk to public health, including, but not limited to, carcinogenic, mutagenic, teratogenic, and acute toxicity, associated with exposure to the contaminant in drinking water, and includes a brief plainly worded description of these terms.*
- (4) Describes the best available technology, if any is then available on a commercial basis, to remove the contaminant or reduce the concentration of the contaminant. The public water system may, solely at its own discretion, briefly describe actions that have been taken on its own, or by other entities, to prevent the introduction of the contaminant into drinking water supplies.*
- (5) Estimates the aggregate cost and the cost per customer of utilizing the technology described in paragraph (4), if any, to reduce the concentration of that contaminant in drinking water to a level at or below the public health goal.*
- (6) Briefly describes what action, if any, the local water purveyor intends to take to reduce the concentration of the contaminant in public drinking water supplies and the basis for that decision.*

The City currently provides water service to more than 27,000 service connections. Given that the number of service connections served by the City exceeds 10,000, the City is required to prepare a PHG Report in accordance with HSC § 116470(b) if one or more contaminants are detected in drinking water at levels that exceed the applicable PHG or MCLG. As such, the City has prepared this PHG Report, which includes the following:

- The identification of contaminants detected above their applicable PHGs;
- The numerical public health risk associated with each detected contaminant at both the MCL and PHG levels, as determined by OEHHA;
- A discussion of the type of risk to public health (e.g., carcinogenic, mutagenic) associated with each detected contaminant;
- A description of the best available technology (BAT) for contaminant removal or reduction of each detected contaminant;
- An estimation of the total and per-customer cost to reduce contaminant levels to meet PHGs for each detected contaminant; and

Introduction

2025 Public Health Goal Triennial Report for 2022-2024

City of Tracy



- A summary of recommended actions.

Development of this PHG Report follows the guidance presented in the ACWA Guidelines, with additional Sections 2 and 3 included to enhance readability and provide context on the City's potable water system. The report is organized as follows:

- Section 1: Introduction
- Section 2: Water Distribution System
- Section 3: Methodology
- Section 4: Constituents Detected That Exceed the PHG or MCLG
- Section 5: Recommendations for Further Action
- Section 6: References



2 WATER DISTRIBUTION SYSTEM

The City's service area is located in southwestern San Joaquin County, California, approximately 68 miles south of Sacramento and 60 miles east of San Francisco. The municipal potable water system currently provides water service to approximately 27,078 active connections for the purposes of residential, commercial (including institutional/governmental), industrial, and landscapes use (City of Tracy, 2025d). The City provides water service to all customers within the City Limits, the majority of which are associated with single-family residential accounts, as well as approximately 118 residences in the Larch-Clover Community Services District (City of Tracy, 2021; City of Tracy, 2025d).

The City utilizes a combination of surface water and groundwater for its potable water supply, relying on the following sources:

- Surface water from the Stanislaus River, treated and supplied by South San Joaquin Irrigation District (SSJID);
- Surface water from the Delta-Mendota Canal, treated at the City's John Jones Water Treatment Plant (JJWTP); and
- Groundwater from eight City-operated production wells, seven of which are currently active².

The annual water production volumes for each supply source over the three-year reporting period are summarized in **Table 1** below. As shown therein, from 2022 to 2024, surface water accounted for approximately 96% of the City's potable water supply on average, ranging from a minimum of 94% in 2022 and 2024 to a maximum of 99% in 2023. Groundwater from the City's production wells made up the remaining supply, averaging 4.4% from 2022 to 2024, with a minimum of 1.2% in 2023 and a maximum of 6.0% in 2022 and 2024 (City of Tracy, 2025c).

Surface Water

From 2022 to 2024, treated water supplied by SSJID accounted for approximately 58% of the City's surface water supply, with raw surface water from the Delta Mendota Canal comprising the remaining 42%. The City purchases treated surface water from SSJID through the South County Water Supply Program (SCWSP), which is a partnership between the City, SSJID and the cities of Manteca, Lathrop, and Escalon. Under the SCWSP, the City has a total contractual entitlement of 13,135 acre-feet per year (AFY), or 4,280 million gallons per year (MGY), of Stanislaus River Water, including the following: 10,000 AFY, or 3,259 MGY, from its original contract with SSJID; 1,120 AFY, or 365 MGY, purchased from the City of Lathrop³; and 2,015 AFY,

² The City owns and operates nine municipal wells. However, only eight of these wells are production wells. The remaining well (Well 8) is utilized for the City's Aquifer Storage and Recovery (ASR) Program.

³ In August 2013, the City acquired an additional 1,120 AFY of SCWSP water from the City of Lathrop through the Lathrop-Tracy Purchase (City of Tracy, 2021).



or 657 MGY, purchased on an interim basis from the City of Escalon (Escalon)⁴. The City anticipates that its temporary contract with Escalon will terminate after 2025, at which point the City's contractual allocation of SCWSP water will be reduced to 11,120 AFY, or 3,623 MGY (City of Tracy, 2021).

The City's SCWSP water from the Stanislaus River is treated at the Nick C. DeGroot Water Treatment Plant (DGWTP), which is located in Stanislaus County, California, near the Woodward Reservoir. The DGWTP currently has a treatment capacity of 36 million gallons per day (MGD), of which 17 MGD is allocated for the City. Raw Stanislaus River influent undergoes a multi-step treatment process at the DGWTP, including pre-chlorination, coagulation, dissolved air flotation pretreatment for the removal of solids and dissolved materials, chemical stabilization to reduce pipe corrosion, membrane filtration, and disinfection through chlorination (City of Tracy, 2021).

In addition to purchased water from SSJID, the City also purchases Central Valley Project (CVP) water from the Delta-Mendota Canal (DMC; conjunctively referred to as DMC/CVP water) through contracts with the United States Bureau of Reclamation (USBR) and the Byron Bethany Irrigation District (BBID). The City's DMC/CVP water is treated at the John Jones Water Treatment Plant (JJWTP), which is located east of the DMC and the California Aqueduct in the southern portion of the City. The JJWTP currently has a permitted treatment capacity of 30 MGD, which is adequate to treat the entirety of the City's DMC/CVP water supply⁵. At the plant, the treatment process of raw DMC/CVP influent includes chemical oxidation, temperature equalization, coagulation, flocculation, sedimentation, filtration using granular activated carbon, ultraviolet (UV) and free chlorine disinfection, followed by chloramination for residual disinfectant.

Groundwater

The City's purchased surface water supply is supplemented by local groundwater pumped from the Tracy Subbasin (Department of Water Resources [DWR] 5-22.15) of the San Joaquin Valley Groundwater Basin (DWR 5-22). As stated above, from 2022 to 2024, approximately 4.4% of the City's water supply was provided by local groundwater production (City of Tracy, 2025c). The City currently owns and operates nine municipal wells, eight of which are production wells and one of which is utilized for the City's ASR Program⁶. The pumping capacity of these production wells ranges between 1,400 gallons per minute (gpm) and 2,500 gpm. Of the City's eight production wells, Wells 1 through 4 (shown in **Table 1** below) are located at the City's JJWTP, while the remaining four wells (Lincoln Well, Lewis Manor Well [Well 5], Park and Ride Well [Well 6], and

⁴ In March 2006, the City entered into a temporary contract with Escalon to purchase Escalon's allocation of 2,015 AFY of SCWSP supply until Escalon constructs the necessary infrastructure needed to convey the SCWSP water (City of Tracy, 2021).

⁵ The JJWTP is hydraulically designed for an ultimate treatment capacity of 45 MGD, which may be utilized in the future for expanded plant capacity (City of Tracy, 2021).

⁶ Well 8 (shown in **Table 1** below) is currently used for the City's ASR Program but can be utilized as an extraction well when needed (City of Tracy, 2021).



Ball Park Well [Well 7]) are located throughout the City. Well 5 was not in active use during the 2022 to 2024 reporting period. Groundwater pumped from the City's production wells is either treated at the wellhead or at the JJWTP (City of Tracy, 2021).

Table 1. Potable Water Production Volumes by Source

Potable Water Source	Annual Water Production (MG)			Average Annual Production (2022-2024) (MG)
	2022	2023	2024	
Surface Water				
SSJID	3,822	2,770	3,744	3,445
JJWTP	2,045	3,306	2,273	2,541
Total Surface Water Supply [a]	5,867	6,076	6,017	5,987
Groundwater				
Lincoln Well	3.7	0.047	155	53
Well 1	94	59	102	85
Well 2	181	6.1	99	95
Well 3	32	5.7	19	19
Well 4	3.0	1.4	4.3	2.9
Well 5 (Lewis Manor Well) [b]	0	0	0	0
Well 6 (Park and Ride Well)	31	0.14	4.9	12
Well 7 (Ball Park Well)	29	0.059	0.90	10
Well 8 [c]	0	0	0	0
Total Groundwater Supply	374	72	385	277
TOTAL SUPPLY	6,241	6,148	6,402	6,264

Abbreviations:

"ASR" = Aquifer Storage and Recovery

"MG" = million gallons

"JJWTP" = John Jones Water Treatment Plant

"SSJID" = South San Joaquin Irrigation District

Notes:

[a] Totals may not sum due to rounding.

[b] Well 5 was inactive during the 2022 through 2024 PHG reporting period.

[c] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.



3 METHODOLOGY

As stated in Section 1.1, neither DDW nor OEHHA has published guidance for the preparation of PHG reports. Therefore, the City has prepared this PHG Report using the suggested ACWA Guidelines, with supplemental sections included to provide context on the City's potable water system and the report's development. Specifically, this section offers a detailed discussion of the City's water quality data and the methodology used to prepare this report.

3.1 Water Quality Data and Analysis

The ACWA Guidelines recommend that water quality data from the three consecutive calendar years preceding the reporting year should be evaluated for inclusion in the PHG Report (ACWA, 2025). Accordingly, this report utilizes available water quality data from the following sources for the 2022 through 2024 period to determine whether any of its water supplies exceeded applicable PHGs or MCLGs as part of the preparation of this PHG Report⁷:

- Treated surface water, purchased from SSJID and sampled at the DGWTP after disinfection (2022 through 2024);
- Treated surface water, obtained from the DMC/CVP and sampled at the City's JJWTP following disinfection (2022 through 2024);
- Groundwater from each production well following disinfection (2022 through 2024);
- Copper and lead monitoring at water service taps throughout the City's distribution system (2024); and
- Monthly (and in some cases, weekly) total coliform and *Escherichia coli* (*E. coli*) monitoring at water service taps throughout the City's water distribution system (2022 through 2024).

Consistent with the ACWA Guidelines and DDW guidance, non-detect results, or results that were reported below the state regulatory Detection Limit for Purposes of Reporting (DLR) established in the CCR Title 22 § 64432 & § 64445.1, were treated as zero for inorganic, organic, and radioactive contaminants for purposes of comparing to the PHGs and MCLGs (ACWA, 2025). For purposes of this PHG Report, the only exception to this practice is gross alpha particle activity, for which half of the DLR is used to calculate the annual average⁸. This approach is taken due to

⁷ Consistent with the recommendations in the ACWA Guidelines, the City analyzed post-treatment water quality data, and individual well data was utilized in the case that the well fed directly into the City's distribution system.

⁸ Only one of the City's groundwater production wells was monitored for gross alpha during the 2022 to 2024 reporting period, with sampling conducted in 2023 (City of Tracy, 2025a). Although the result was non-detect, the methodology used to determine average concentrations and interpret non-detect values for gross alpha particle activity is included in this report for completeness.



the fact that some laboratories report results lower than the state-established DLR (ACWA, 2025).

In the context of PHGs, there are no specific regulatory definitions for what constitutes a PHG “exceedance”. As such, the ACWA Guidelines recommend applying the same procedures used to determine compliance with MCLs, as outlined in Title 22 of the CCR, to assess exceedances of PHGs or MCLGs (ACWA, 2025). For example, in cases where Title 22 requires averaging multiple sample results from a single source to compare against the MCL for determining exceedance, the same averaging method should be used to assess whether the PHG, or MCLG in the case that no PHG has been established, has been exceeded.

Based on this guidance, average concentrations for inorganic, organic, and radioactive contaminants were calculated by water source and compared to the applicable PHG or MCLG. For lead and copper, in accordance with Title 22 of the CCR, the 90th percentile concentrations were calculated from samples collected at water service taps throughout the City’s distribution system and compared to the respective PHGs. For microbial contaminants, such as total coliform and *E. coli*, the total number of positive detections during the 2022 through 2024 reporting period was identified, with each positive sample considered an exceedance of the MCLG⁹.

Several contaminants with established PHGs or MCLGs were not analyzed for in some or all of the City’s water supply sources during the 2022 through 2024 reporting period. These contaminants, along with the reasons they were not monitored during the reporting period, are outlined below:

- **Asbestos:** The City is required to monitor asbestos throughout its distribution system every nine years. The most recent monitoring was completed in August 2017, with the next round due in August 2026. As a result, asbestos monitoring was not conducted during the 2022 through 2024 reporting period, and data for this timeframe are not available.
- **Gross Alpha Particle Activity:** The City is required to monitor gross alpha particle activity once every nine years for each of its water supply sources, assuming the monitoring results in results below the DLR of 3.0 pCi/L for gross alpha. During the 2022 through 2024 period, the potable water source for the City requiring monitoring for Gross Alpha was Well 5 (Lewis Manor Well), which was monitored in 2023 and yielded a non-detect result.
- **Gross Beta Particle Activity, Strontium-90, and Tritium:** Based on the City’s annual inspection reports, because the City’s water supplies were previously determined to not be vulnerable to contamination by nuclear facilities, the City is not required to monitor

⁹ A PHG has not been established by OEHHA for either total coliform or *E. coli* (OEHHA, 2025). However, an MCLG of zero has been set for both, which is interpreted as no allowable positive detections from 2022 through 2024 (ACWA, 2025). As such, any detection of total coliform or *E. coli* within the three-year reporting period is considered an exceedance of the MCLG and must be reported in this PHG Report.



gross beta particle activity, strontium-90, and tritium. Compliance with radioactive contaminant standards is assessed solely based on gross alpha particle activity.

- **Hexavalent Chromium (Cr6):** Based on the SWRCB DDW's *Hexavalent Chromium Compliance Plan Guidance*, published in November 2024, the City is required to sample Cr6 from its raw groundwater and surface water sources prior to treatment (SWRCB, 2024). In accordance with this guidance, the City did not sample Cr6 in treated surface water purchased from SSJID or in effluent from its JJWTP during the three-year reporting period, as these are considered treated water.
- **Radium, Radon, and Uranium:** Consistent with CCR Title 22 § 64442(f), the City does not monitor radium-226, radium-228, radon, or uranium because gross alpha particle activity in its water sources consistently remains below the MCL of 5 picocuries per liter (pCi/L).
- **Synthetic Organic Chemicals (SOCs):** The City is required to monitor SOC's once every nine years. During the reporting period from 2022 through 2024, the following SOC's were monitored in one or more of the City's water supplies at least once during the three-year reporting period:
 - Atrazine – Atrazine was monitored at least once in all eight of the City's production wells, as well as in treated water from both SSJID and the JJWTP, and all results were non-detect.
 - Alachlor – Alachlor was monitored only in treated water from SSJID during the 2022 through 2024 period, resulting in a non-detect.
 - Dibromochloropropane – Dibromochloropropane was monitored in 2024 for all of the production wells, with the exception of Well 2 and Well 7 (Ball Park Well), with all results yielding non-detects. Additionally, dibromochloropropane was monitored in treated water from the JJWTP in 2022 and 2023 and yielded non-detects but was not monitored in SSJID treated water during the 2022 through 2024 period.
 - Ethylene – Ethylene was monitored in 2024 for all of the production wells, with the exception of Well 2 and Well 7 (Ball Park Well), with all results yielding non-detects. Additionally, ethylene was monitored in treated water from the JJWTP in 2022 and 2023 and yielded non-detects but was not monitored in SSJID treated water during the 2022 through 2024 period.
 - Simazine – Simazine was monitored and yielded non-detects for all of the City's water sources at least once during the 2022 through 2024 period, with the exception of Well 2 and Well 7 (Ball Park Well).

3.2 Assessment of Public Health Risk

Pursuant to HSC § 116470(b), the PHG Report must include the numerical public health risk, as determined by OEHH, for each identified contaminant at both the MCL and PHG. The report



must also specify the associated category of risk (e.g., carcinogenic, mutagenic) for each identified contaminant and include a brief description of the associated category of risk in plain language.

The category of public health risk associated with each identified contaminant, along with the corresponding numerical health risks, was determined using OEHHA's *Health Risk Information for Public Health Goal Exceedance Reports* (OEHHA, 2025). Additionally, PHG technical support documents developed by OEHHA have been developed for each chemical with an established PHG, which include information on the adverse health effects associated with each chemical. These documents, which are available on the OEHHA website¹⁰, were utilized to gather information for a brief description of health effects for each identified contaminant.

Categories of public health risk for each identified contaminant are outlined in Sections 4.1.3, 4.2.3, 4.3.3, 4.4.3, and 4.5.3.

3.3 Estimation of Treatment Cost

Pursuant to HSC § 116470(b), the PHG Report must include a description of the BAT¹¹ for the removal or reduction of each identified contaminant, along with estimated total and per-customer costs to reduce contaminant concentrations to below the applicable PHG or MCLG. CCR Title 22 § 64447 through § 64447.4 presents the BATs for the removal or reduction of specific contaminants. For the purposes of this PHG Report, the BAT, or BATs in the case that more than one is appropriate, for the removal of each identified contaminant were selected based on those presented in the CCR. It is important to note that the BATs presented in the CCR are intended to achieve compliance with MCLs, and not necessarily to reach the more stringent PHG or MCLG levels. As such, it is unclear whether the BATs presented in the CCR would adequately reduce contaminant concentrations to below the applicable PHG or MCLG in all cases.

Preliminary cost estimates for treating the City's water sources that exceeded the applicable PHG or MCLG during the 2022 through 2024 reporting period were developed using unit cost data from Attachment 3 of the ACWA Guidelines. These unit costs represent a range of installation and operational expenses for various BATs and were compiled from multiple sources, including: (1) a 2012 ACWA member agency survey, (2) independently gathered data from other agencies, and (3) historical data from previous ACWA guidance documents (ACWA, 2025). The estimates reflect a variety of system sizes, source water types, and target contaminants for reduction or removal. All unit costs presented in Attachment 3 of the ACWA Guidelines were updated to 2024 dollars using the average 2024 Engineering News-Record (ENR) Cost Index and include both

¹⁰ <https://oehha.ca.gov/water/public-health-goals-phgs>

¹¹ The California HSC does not explicitly define the term "BAT". In CCR Title 22 § 64447, § 64447.2, and § 64447.4, the term is used specifically in the context of achieving compliance with established MCLs. Based on guidance provided in the ACWA Guidelines and HSC § 116470(b)(4), for the purposes of this report, it is assumed that the "BAT" refers to the best available technology to reduce the contaminant to a level at or below the PHG or MCLG.



annualized capital and operations and maintenance (O&M) costs (ACWA, 2025)¹². Using this information, cost estimates, including the annual and per-service connection costs, were calculated based on the selected BAT or BATs for each identified contaminant and the production capacity of each of the City's water facilities with exceedances during the 2022 through 2024 reporting period.

The cost estimates presented in Section 4 of this PHG Report are preliminary in nature and do not reflect site-specific constraints related to the City's water supplies or additional considerations, such as space limitations, operational constraints, or the effectiveness of each selected BAT in reducing the contaminant levels to meet PHG or MCLG targets. Rather, the preliminary cost estimates included herein are intended to provide a general range of potential treatment costs. As such, the true cost of implementation and O&M for each selected BAT could be significantly higher or lower than those presented in this PHG Report.

¹² As part of the 2025 update to the ACWA Guidelines, ACWA provided revised treatment cost information, updating the values previously published in its 2022 guidelines. Accordingly, the unit cost estimates used in this PHG Report reflect the updated 2025 values and may differ slightly from those presented in the City's 2022 PHG Report for the 2019 to 2021 reporting period for the same treatment technologies (ACWA, 2025).



4 CONSTITUENTS DETECTED THAT EXCEED THE PHG OR MCLG

As discussed in Section 1.1 and in accordance with HSC § 116470(b), the PHG Report must identify each contaminant detected in drinking water that exceeds the applicable PHG, or the MCLG in the case that a PHG has not yet been set for a contaminant. For each identified contaminant, the report must also: disclose the numerical public health risk associated with both the MCL and the PHG, as determined by OEHHA; identify the category of public health risk; discuss the BAT for removing or reducing the concentration of the contaminant; and provide an estimate of the cost to implement the BAT to reduce the concentration to a level at or below the PHG. Following the methodology outlined in Section 3 of this PHG Report, the City identified the following contaminants at levels above the PHG or MCLG in one or more of the City's potable water supplies during the 2022 through 2024 reporting period:

- Arsenic;
- Copper;
- Cr6;
- Perfluorooctanoic acid (PFOA); and
- Total Coliform/*E. coli*.

This section provides further detail on the above contaminants detected in the City's water system, including observed concentrations, associated health risks, typical sources of contamination, and BAT options and associated estimated implementation costs.

4.1 Arsenic

4.1.1 Comparison to PHG/MCLG

Arsenic has a state MCL (CA MCL) of 0.010 milligrams per liter (mg/L), or 10 micrograms per liter (µg/L), and a PHG of 0.000004 mg/L, or 0.004 µg/L (OEHHA, 2025). Because both an MCL and PHG have been established for arsenic, the City is required to consider arsenic in the PHG reporting process and identify any instances where detected concentrations exceeded the PHG during the 2022 through 2024 reporting period.

The City tested each of its potable water sources for arsenic at least once during the three-year period. Purchased surface water from both SSJID and DMC/CVP water treated at the JJWTP was tested annually in 2022, 2023, and 2024, with all results being non-detect. Additionally, each of the City's groundwater wells, including the City's ASR well (Well 8), were tested for arsenic in 2024. Six of the wells yielded non-detect results for arsenic, while two wells (Well 5 [Lewis Manor Well] and Well 6 [Park and Ride Well]) reported arsenic concentrations exceeding the PHG of 0.004 µg/L (City of Tracy, 2025a). Although arsenic levels in these two wells were approximately three orders of magnitude above the PHG, they remained well below the CA MCL. A summary of these results by water source is provided below in **Table 2**.



Table 2. Average Arsenic Concentration by Source (2022-2024)

Potable Water Source	Average Arsenic Concentration (2022-2024) (µg/L)
Surface Water [a]	
SSJID	ND
JJWTP	ND
Groundwater [b]	
Lincoln Well	ND
Well 1	ND
Well 2	ND
Well 3	ND
Well 4	ND
Well 5 (Lewis Manor Well) [c]	2.7
Well 6 (Park and Ride Well)	3.0
Well 7 (Ball Park Well)	ND
Well 8 [d]	ND

Abbreviations:

“ASR” = Aquifer Storage and Recovery

“JJWTP” = John Jones Water Treatment Plant

“ND” = non-detect

“SSJID” = South San Joaquin Irrigation District

“µg/L” = micrograms per liter

Notes:

[a] Treated surface water from both SSJID and JJWTP was tested once per year for arsenic during the 2022 through 2024 period, with all results yielding non-detects.

[b] Each of the City’s nine groundwater wells was tested once for arsenic during the 2022 through 2024 period in 2024. Therefore, the results shown in Table 2 for the City’s groundwater wells reflect a single testing event rather than an average of multiple events over the reporting period.

[c] Well 5 was inactive during the 2022 through 2024 PHG reporting period.

[d] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

4.1.2 Contaminant Sources

Arsenic in drinking water primarily originates from natural sources, as it is a naturally-occurring element found in the earth’s crust. In many regions, arsenic can dissolve into groundwater from surrounding geologic formations, particularly in areas with high natural mineral content (OEHA, 2004). While natural sources are the most common, arsenic can also enter water supplies through human activities such as mining, waste chemical disposal, industrial processes involving the combustion of fossil fuels, and the improper use of arsenic-containing pesticides (OEHA, 2004).

The presence of arsenic in the City’s groundwater supplies is primarily due to natural mineral deposits in the surrounding area. Specifically, arsenic in the region’s groundwater supplies can



primarily be attributed to the reductive dissolution of iron or manganese oxyhydroxides in Sierra Nevada sands or to the desorption of aquifer sediments under high-pH conditions (Dubrovsky et. al, 1991; Fram, 2017). A more recent study in the Western San Joaquin Valley further supports this conclusion, finding that pesticides are not a likely source of arsenic in the region's groundwater and that its presence is primarily due to natural sources (Fram, 2017).

4.1.3 Public Health Risk

Ingestion of arsenic may lead to gastrointestinal symptoms such as nausea, vomiting, diarrhea, and irritation of the digestive tract (OEHHA, 2004). Long-term exposure to lower concentrations of arsenic has been linked to a range of health effects, such as the reduced production of red and white blood cells, cardiovascular irregularities, damage to blood vessels, liver and/or kidney impairment, and nerve dysfunction, particularly in the hands and feet (OEHHA, 2004). Additionally, long-term ingestion of arsenic has been linked to an increased risk of cancer, particularly in the lungs, bladder, kidneys, and liver. Chronic exposure has also been associated with skin abnormalities that may progress to skin cancer, and ingesting large doses of arsenic may be fatal (OEHHA, 2004).

For these reasons, OEHHA classifies arsenic as a carcinogen, meaning that long-term exposure may increase the risk of developing cancer (OEHHA, 2025). At the CA MCL of 10 µg/L, OEHHA estimates the lifetime cancer risk from arsenic exposure to be 2.5 per one thousand, while at the PHG of 0.004 µg/L, the estimated lifetime cancer risk is one per one million (OEHHA, 2025)¹³.

4.1.4 Estimation of Treatment Cost

Table 64447.2-A of CCR Title 22 § 64447.2 identifies the following BATs for removing or reducing arsenic concentrations to levels below the CA MCL:

- Activated Alumina;
- Coagulation/Filtration;
- Ion Exchange;
- Lime Softening;
- Reverse Osmosis;
- Electrodialysis; and
- Oxidation/Filtration.

The estimated costs associated with implementing three of the above BATs for arsenic – coagulation/filtration, ion exchange, and reverse osmosis – were calculated using cost data

¹³ The OEHHA cancer risk values, along with the corresponding Health Risk Categories, for contaminants required for consideration in the PHG Report are provided in Table 1 of Attachment 2 to the ACWA Guidelines (ACWA, 2025).



provided in Attachment 3 of the ACWA Guidelines¹⁴. Per the ACWA Guidelines, the estimated unit costs, which include both annualized capital expenses and ongoing O&M costs, are as follows:

- **Coagulation/Filtration:** \$0.50 per one thousand gallons, based on a case study of arsenic removal costs at a 2.9 MGD treatment facility in San Bernardino County, California;
- **Ion Exchange:** \$2.65 per one thousand gallons, based on a case study of the reduction of arsenic in groundwater in Coachella Valley, California; and
- **Reverse Osmosis:** \$8.99 per one thousand gallons, based on an arsenic removal study conducted in the City of Scottsdale, Arizona, for a 1.0 MGD plant operated at 40% capacity (ACWA, 2025).

Using these estimated unit costs, the annual treatment costs for the City’s groundwater wells, as well as the associated cost per service connection, were calculated for each BAT based on the production capacity of wells with PHG exceedances and are presented in **Table 3** below. As shown therein, the estimated annual treatment costs for implementation across the City’s groundwater wells with reported PHG exceedances are \$1,060,000 for coagulation/filtration, \$5,610,000 for ion exchange, and \$19,000,000 for reverse osmosis.

Table 3. Estimated Costs for Arsenic Treatment

Parameter	Annual Treatment Cost, \$/year		
	Coagulation/Filtration	Ion Exchange	Reverse Osmosis
Estimated unit cost (\$/one thousand gallons)	\$0.50	\$2.65	\$8.99
Well 5 and Well 6 Total (\$/year) [a]	\$1,190,000	\$6,290,000	\$21,300,000
Total per service connection (\$/year)	\$45	\$241	\$818

Abbreviations:

“MGD” = million gallons per day

Notes:

- [a] The annual treatment cost for each selected BAT is estimated based on the individual production capacities of wells with reported PHG exceedances during the 2022 through 2024 reporting period for arsenic. Well 5 (Lewis Manor Well) and Well 6, both of which reported exceedances, have a capacity of 3.6 MGD and 2.9 MGD, respectively (City of Tracy, 2023). As such, the annual treatment cost for each BAT is estimated as the cost associated with treating 6.5 MGD of groundwater supply from these two wells.

¹⁴ The three BATs identified herein were selected for cost estimation because the ACWA Guidelines provide relevant case studies and cost data for arsenic reduction, making them suitable for evaluating potential implementation at the City’s groundwater wells.



4.2 Copper

4.2.1 Comparison to PHG/MCLG

While an MCL for copper has not yet been established, OEHHA has set a PHG for copper in drinking water of 0.3 mg/L, or 300 µg/L (OEHHA, 2025). In addition to this PHG, per CCR Title 22 § 64678, the 90th percentile concentration of copper at water service taps throughout a distribution system may not exceed an action level of 1.3 mg/L, or 1,300 µg/L. During the 2022 through 2024 reporting period, copper was not detected at levels exceeding the PHG in any of the City's water supplies outlined in **Table 2**. However, tap monitoring conducted in 2024 yielded a 90th percentile copper concentration of 0.42 mg/L, or 420 µg/L, based on 35 samples collected throughout the City's distribution system. While these concentrations were consistently below the action level for copper of 1,300 µg/L, because the 90th percentile concentration of the samples collected exceeded 300 µg/L, the PHG for copper was exceeded based on the ACWA Guidelines.

4.2.2 Contaminant Sources

The presence of copper throughout the human environment is very widespread, as it is both a naturally-occurring element found in many minerals and a commonly-used material in industrial and household applications. Copper is present in the air due to both anthropogenic activities, such as mining, smelting, metal processing, and fuel combustion, and natural sources, including volcanic eruptions, windblown dust, and ocean spray. Additionally, copper is present in soil due to its natural occurrence in minerals and atmospheric deposition and through sources such as treated wastewater discharge, urban runoff from household or industrial use, agriculture, and mining activities (OEHHA, 2008).

Copper in soil can leach into groundwater or run off into surface water, potentially contaminating drinking water sources. Additionally, copper may enter drinking water through the corrosion of copper pipes in the distribution system, depending on the water's alkalinity and hardness (OEHHA, 2008). Since copper concentrations in the City's source water are below the PHG, it is likely that the copper detected during tap monitoring primarily originates from copper household service pipelines and plumbing rather than leaching or runoff.

4.2.3 Public Health Risk

Copper is an essential nutrient that supports several fundamental bodily functions, such as red blood cell formation, carbohydrate metabolism, and connective tissue development (OEHHA, 2008). However, consuming water with high levels of copper can lead to a range of adverse health effects. Mild symptoms may include nausea, vomiting, diarrhea, abdominal cramps, dizziness, and headaches. More severe symptoms, such as liver and kidney damage, hepatic and renal necrosis, coma, and death, are also associated with exposure to elevated copper concentrations in cases of copper poisoning (OEHHA, 2008).



For these reasons, OEHHA classifies copper as posing a “digestive system toxicity” health risk, meaning that exposure may cause digestive issues (OEHHA, 2025). OEHHA has not yet quantified the numerical health risk associated with the long-term ingestion of copper at levels at or above the MCL or PHG (OEHHA, 2025). As such, no such numerical health risks are identified herein.

4.2.4 Estimation of Treatment Cost

CCR Title 22 Chapter 17.5 establishes monitoring requirements, action levels, treatment techniques, and public notification provisions for lead and copper in drinking water systems, primarily focusing on corrosion control to minimize leaching from plumbing materials. While the CCR does not explicitly define a BAT for copper reduction in drinking water, CCR Title 22 Chapter 17.5 § 64670 identifies the optimization of corrosion control treatment (CCT) as a common method used to minimize copper concentrations at consumers’ taps.

Corrosion control chemicals are currently added to the City’s treated DMC/CVP surface water supply through polyorthophosphate injection at JJWTP. Beyond the corrosion control measures implemented at JJWTP, no corrosion control chemicals are added to the City’s groundwater sources or to surface water purchased from SSJID. To further reduce the concentration of copper in water service taps throughout the distribution system, the City could install corrosion control chemical addition systems at each well site. However, given that copper concentrations in the City’s distribution system are consistently below the action level, the use of additional corrosion control chemicals is not recommended, as the addition of these chemicals could introduce additional water quality concerns and would not necessarily guarantee the reduction of copper concentrations to below the PHG. As such, a cost estimate for implementing CCT has not been prepared for inclusion in this PHG Report.

As a public water system, the City is required to comply with the Lead and Copper Rule outlined in CCR § 64670 and in the past, has consistently complied with the monitoring requirements and action levels for both copper and lead. In accordance with Table 64675-A of CCR § 64675, the City conducts reduced tap monitoring for copper and lead every three years at a minimum of 30 sites throughout the distribution system based on the number of service connections served by the City. As discussed in Section 4.2.1, the last reduced tap monitoring event was conducted by the City between July and August 2024, during which 35 sites were sampled. As such, the next reduced tap monitoring event will occur during or before July 2027 (City of Tracy, 2025b).

In addition to reduced tap monitoring, the City conducts weekly monitoring of corrosion-related parameters, such as pH and water temperature, throughout the distribution system, as well as annual monitoring of parameters like specific conductance, hardness, alkalinity, and total dissolved solids (TDS) at various system entry points. In the case that a monitoring event results in an exceedance of the action level for copper or lead, the City will implement appropriate measures to ensure effective corrosion control in response to the observed conditions.



4.3 Hexavalent Chromium (Cr6)

4.3.1 Comparison to PHG/MCLG

Cr6 has a CA MCL of 0.01 mg/L, or 10 µg/L,¹⁵ and a PHG of 0.00002 mg/L, or 0.02 µg/L (OEHHA, 2025). Because both an MCL and PHG have been established for Cr6, the City is required to consider Cr6 in the PHG reporting process and identify any instances where detected concentrations exceeded the PHG during the 2022 through 2024 reporting period.

Between 2022 and 2024, each of the City's groundwater wells, including the City's ASR well (Well 8), were tested for Cr6 in 2024. Seven of the wells reported concentrations exceeding the PHG of 0.02 µg/L, with only one well (Well 5 [Lewis Manor Well]) yielding a non-detect result (City of Tracy, 2025a). Although Cr6 levels in the wells with PHG exceedances ranged from approximately one to three orders of magnitude above the PHG, they remained below the CA MCL. A summary of these results by water source is provided below in **Table 4**.

¹⁵ The CA MCL of 10 µg/L for Cr6 went into effect on 1 October 2024 (AWSDA, 2025).



Table 4. Average Cr6 Concentration by Source (2022-2024)

Potable Water Source	Average Cr6 Concentration (2022-2024) (µg/L)
Surface Water [a]	
SSJID	--
JJWTP	--
Groundwater [b]	
Lincoln Well	0.40
Well 1	7.0
Well 2	6.3
Well 3	4.5
Well 4	4.3
Well 5 (Lewis Manor Well) [c]	ND
Well 6 (Park and Ride Well)	1.3
Well 7 (Ball Park Well)	7.2
Well 8 [d]	0.95

Abbreviations:

"ASR" = Aquifer Storage and Recovery

"Cr6" = Hexavalent Chromium

"JJWTP" = John Jones Water Treatment Plant

"ND" = non-detect

"SSJID" = South San Joaquin Irrigation District

"µg/L" = micrograms per liter

Notes:

- [a] As indicated in Section 3.1, the City did not test for Cr6 in its treated surface water supplies during the 2022 through 2024 period, as Cr6 sampling is only required for the City's raw water supplies.
- [b] Each of the City's nine groundwater wells was tested once for Cr6 during the 2022 through 2024 period, in 2024. Therefore, the results shown in Table 2 for the City's groundwater wells reflect a single testing event rather than an average of multiple events over the reporting period.
- [c] Well 5 was inactive during the 2022 through 2024 PHG reporting period.
- [d] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

4.3.2 Contaminant Sources

Chromium is a naturally-occurring metal that is also widely used in various industrial processes. Of its two common ionic forms, hexavalent chromium (Cr6) is significantly more toxic, more water-soluble, and more readily absorbed by living cells than trivalent chromium (Cr3). In the environment, chromium is typically found in crustal rocks and soils, primarily as an insoluble oxide. It can be released into the air through natural processes such as windblown dust, sea spray, or erosion, as well as through human activities like smelting and tobacco smoke (OEHHA, 2011).

In water, chromium can exist in either the Cr3 or Cr6 form. Chromium found in drinking water sources may originate from industrial activities, such as electroplating, leather tanning, and



textile manufacturing, or from natural processes like the erosion and leaching of chromium-rich rocks (OEHHA, 2011). Studies of the region's groundwater indicate that the presence of Cr6 in the City's groundwater supply is likely due to naturally occurring chromium in the local geology. Specifically, Cr6 concentrations within the region have been found to correlate strongly with areas containing serpentine rock outcrops (Hausladen et al., 2018; Morrison et al., 2009). Additionally, it has been suggested that agricultural activities in the region could contribute to Cr6 concentrations in groundwater through the oxidation of Cr3 during irrigation cycles (Hausladen et al., 2018).

4.3.3 Public Health Risk

The long-term ingestion of water containing elevated levels of Cr6 has been linked to increased risk of cancer, particularly stomach cancer, as well as liver and kidney damage (OEHHA, 2011). Because of its toxicity and associated potential health effects, OEHHA classifies Cr6 as a carcinogen, meaning that long-term exposure may increase the risk of developing cancer (OEHHA, 2025). At the CA MCL of 10 µg/L, OEHHA estimates the lifetime cancer risk from Cr6 exposure to be five per ten thousand, while at the PHG of 0.02 µg/L, the estimated lifetime cancer risk is one per one million (OEHHA, 2025)¹⁶.

4.3.4 Estimation of Treatment Cost

Table 64447.2-A of CCR Title 22 § 64447.2 identifies the following BATs for removing or reducing Cr6 concentrations to levels below the CA MCL:

- Ion Exchange;
- Reverse Osmosis; and
- Reduction/Coagulation/Filtration.

The estimated costs associated with implementing two of the above BATs for Cr6 – ion exchange and reduction/coagulation/filtration – were calculated using cost data provided in Attachment 3 of the ACWA Guidelines¹⁷. Per the ACWA Guidelines, the estimated unit costs, which include both annualized capital expenses and ongoing O&M costs, are as follows:

- **Ion Exchange:** \$2.19 to \$9.16 per one thousand gallons, based on a case study conducted in Los Angeles County, California, evaluating the reduction of Cr6 concentrations to below 1 µg/L for flow rates ranging from 100 to 2,000 gpm.

¹⁶ The OEHHA cancer risk values, along with the corresponding Health Risk Categories, for contaminants required for consideration in the PHG Report are provided in Table 1 of Attachment 2 to the ACWA Guidelines (ACWA, 2025).

¹⁷ A relevant case study for reverse osmosis for the purposes of the removal or reduction of Cr6 was not provided as part of Attachment 3 to the ACWA Guidelines. As such, an estimated cost was not prepared for reverse osmosis. Rather, the estimated costs associated with ion exchange and reduction/coagulation/filtration were calculated based on cost estimates provided in Attachment 3 to the ACWA Guidelines.



- **Reduction/Coagulation/Filtration:** \$2.14 to \$13.38 per one thousand gallons, based on a case study conducted in Los Angeles County, California, evaluating the reduction of Cr6 concentrations to below 1 µg/L for flow rates ranging from 100 to 2,000 gpm.

Using these estimated unit cost ranges, the minimum and maximum annual treatment costs for the City’s groundwater wells with PHG exceedances, as well as the associated cost per service connection, were calculated for each BAT based on the City’s total well production capacity, with the exclusion of Well 5, and are presented in **Table 5** below. As shown therein, the estimated annual treatment cost for implementation across the City’s groundwater wells with PHG exceedances for Cr6 ranges from \$19,700,000 to \$82,200,000 for ion exchange and \$19,200,000 to \$120,000,000 for reduction/coagulation/filtration.

Table 5. Estimated Costs for Cr6 Treatment

Parameter	Annual Treatment Cost, \$/year			
	Ion Exchange		Reduction/Coagulation/Filtration	
	Minimum	Maximum	Minimum	Maximum
Estimated unit cost (\$/one thousand gallons)	\$2.19	\$9.16	\$2.14	\$13.38
Wells 1-4, 6-8, and Lincoln Well Total (\$/year) [a]	\$19,700,000	\$82,200,000	\$19,200,000	\$120,000,000
Total Annual Cost per service connection (\$/year)	\$754	\$3,150	\$737	\$4,610

Abbreviations:

“MGD” = million gallons per day

Notes:

[a] Annual treatment costs are estimated based on the individual production capacities of the City’s groundwater wells, which range from 2.2 to 3.6 MGD (City of Tracy, 2023). Since all of the City’s wells, with the exception of Well 5 (Lewis Manor Well), reported Cr6 concentrations exceeding the PHG during the 2022 through 2024 reporting period, the total annual treatment costs included in Table 5 reflect the estimated cost of treating the City’s total groundwater production capacity, excluding Well 5.

4.4 Perfluorooctanoic Acid (PFOA)

4.4.1 Comparison to PHG/MCLG

While a CA MCL has not yet been established for PFOA, a federal MCL has been set by the USEPA of 4×10^{-6} mg/L, or 0.004 µg/L¹⁸. Additionally, OEHHA has established a PHG of 7×10^{-9} mg/L, or 7×10^{-6} µg/L, for PFOA (OEHHA, 2025). Because both an MCL and PHG have been established for

¹⁸ The federal MCL of 0.004 µg/L for PFOA went into effect on 25 June 2024 (USEPA, 2025a).



PFOA, the City is required to consider PFOA in the PHG reporting process and identify any instances where detected concentrations exceeded the PHG from 2022 through 2024.

Each of the City's groundwater wells, including the City's ASR well (Well 8), were tested for PFOA at least once during the 2022 through 2024 reporting period, with the exception of Well 5 (Lewis Manor Well)¹⁹. Of the eight wells tested for PFOA, six yielded non-detect results across all samples collected, while two wells (Well 2 and Well 3) showed concentrations exceeding the PHG in one or more samples. Specifically, at Well 2, five samples were collected between 2023 and 2024, with an average PFOA concentration of 0.0041 µg/L and two of these samples exceeding both the PHG and MCL. At Well 3, the average concentration from five samples collected during the same period was 0.0019 µg/L, with two non-detect results and three samples exceeding the PHG but below the MCL (City of Tracy, 2025a).

Additionally, treated surface water from SSJID and effluent from the JJWTP were each tested for PFOA during four separate sampling events in 2024, all of which yielded non-detect results (City of Tracy, 2025a). A summary of these results by water source is provided below in **Table 6**.

¹⁹ Well 5 (Lewis Manor Well) was not tested for PFOA or perfluorooctanesulfonic acid (PFOS) during the 2022 through 2024 reporting period due to the well being inactive during this period.



Table 6. Average PFOA Concentration by Source (2022-2024)

Potable Water Source	Number of Sampling Events (2022-2024)	Average PFOA Concentration (2022-2024) (µg/L)
Surface Water		
SSJID	4	ND
JJWTP	4	ND
Groundwater [a]		
Lincoln Well	2	ND
Well 1	5	ND
Well 2	5	0.0041
Well 3	5	0.0019
Well 4	3	ND
Well 5 (Lewis Manor Well) [b]	--	--
Well 6 (Park and Ride Well)	1	ND
Well 7 (Ball Park Well)	1	ND
Well 8 [c]	2	ND

Abbreviations:

“ASR” = Aquifer Storage and Recovery

“JJWTP” = John Jones Water Treatment Plant

“ND” = non-detect

“PFOA” = perfluorooctanoic acid

“SSJID” = South San Joaquin Irrigation District

“µg/L” = micrograms per liter

Notes:

[a] Each of the City’s nine groundwater wells was tested at least once for PFOA during the 2022 through 2024 period, with the exception of Well 5.

[b] Well 5 was inactive during the 2022 through 2024 PHG reporting period. As such, this well was not sampled for PFOA.

[c] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

4.4.2 Contaminant Sources

PFOA is a synthetic compound that belongs to the broader class of per- and polyfluoroalkyl substances (PFAS), which are characterized by their strong carbon-fluorine bonds. These bonds make PFAS highly resistant to biological and environmental degradation, which allows them to persist in the environment for long periods of time. Historically, PFOA was widely used in the manufacturing of consumer and industrial products, such as nonstick cookware, stain-resistant carpets, cleaning agents, and aqueous film-forming foam used in firefighting. Due to its classification as a carcinogen, the United States voluntarily phased out the use of PFOA by 2015 (OEHHA, 2024).

Despite this phase-out, PFOA remains present in the environment due to its environmental persistence and bioaccumulative nature. PFOA can enter both surface water and groundwater sources through multiple pathways, such as runoff or leaching from industrial sites, landfills,



wastewater treatment plant discharges, or areas where PFAS-containing firefighting foams were historically used (OEHHA, 2024). The presence of PFOA in the City's groundwater supply is possibly attributable to the widespread historical use of PFOA-containing products, particularly through runoff from areas where such products were used or disposed.

4.4.3 Public Health Risk

The long-term ingestion of water containing elevated levels of PFOA has been associated with increased total cholesterol, liver and immune system toxicity, thyroid toxicity, and developmental/reproductive toxicity in humans, as well as preeclampsia and pregnancy-related hypertension. Additionally, exposure to PFOA has been linked to an increased risk of cancer, specifically related to the kidneys (OEHHA, 2024).

For these reasons, OEHHA classifies PFOA as a carcinogen, meaning that long-term exposure may increase the risk of developing cancer (OEHHA, 2025). At the PHG of 7×10^{-6} µg/L, OEHHA estimates the lifetime cancer risk to be one per one million (OEHHA, 2025). Given that a CA MCL has not yet been established for PFOA, OEHHA has not yet quantified the numerical health risk associated with the long-term ingestion of PFOA at the CA MCL or the federal MCL (OEHHA, 2025). As such, no such numerical health risk associated with the MCL is identified herein.

4.4.4 Estimation of Treatment Cost

CCR Title 22 § 64447 through § 64447.4 does not identify the BATs for the removal or reduction of any PFAS, including PFOA. However, as part of the final PFAS National Primary Drinking Water Regulation, the USEPA identified the following BATs for removing or reducing concentrations of PFAS, including PFOA, to levels below the federal MCLs:

- Granular Activated Carbon (GAC);
- Anion Exchange;
- Reverse Osmosis; and
- Nanofiltration (USEPA, 2024).

Because a BAT for PFOA removal is not identified in CCR Title 22 § 64447 through § 64447.4, the ACWA Guidelines do not include cost estimates for implementing each of the above BATs for the purposes of PFOA removal (ACWA, 2025). Therefore, unit cost estimates, including both annualized capital and O&M costs, were developed using cost estimate data from a March 2024 USEPA technical guidance document (2024 USEPA document) outlining treatment technologies for PFAS removal (USEPA, 2024).

Given the differences between the cost estimation information provided in the ACWA Guidelines and the 2024 USEPA document, the methodology used to estimate treatment costs for each BAT



for PFOA removal differs from that described in Section 3.3²⁰. Specific details about the assumptions and estimation approach, as well as the annual total and per-connection costs associated with each BAT, are included below in **Table 7**²¹. As shown therein, the estimated annual treatment costs for implementation across the City's groundwater wells with reported PFOA exceedances (Well 2 and Well 3) ranges from approximately \$1,460,000 for both pressure and gravity GAC to \$3,280,000 for reverse osmosis/nanofiltration.

²⁰ Unlike the ACWA Guidelines, which provide the total estimated annual cost (including capital and O&M costs) for the implementation of each BAT in 2024 dollars, the 2024 USEPA document provides the necessary information to calculate the *lifetime* capital and *annual* O&M costs in 2022 dollars based on the system's design size and average flow, respectively (USEPA, 2024). For comparison purposes and consistency with the estimates provided in the ACWA Guidelines, estimated costs calculated using the 2024 USEPA document were annualized and converted to 2024 dollars using the ENR Construction Cost Index for 2024, consistent with the methodology used in the ACWA Guidelines (ACWA, 2025).

²¹ The 2024 USEPA document provides cost estimation information for two types of GAC systems, pressure GAC and gravity GAC, as well as a single cost estimation approach applicable to both reverse osmosis and nanofiltration systems. Additionally, the document provides information to estimate the cost of implementing anion exchange (USEPA, 2024). Accordingly, costs were estimated using each of these provided methods, as shown in **Table 7**.



Table 7. Estimated Costs for PFOA Treatment

Parameter	BAT [a]			
	Pressure GAC	Gravity GAC	Anion Exchange	RO/NF
Estimated unit cost (\$/one thousand gallons) [b]	\$0.69	\$0.69	\$0.80	\$1.55
Capital Cost				
Well 2 and Well 3 (\$/lifetime) [c]	\$9,593,000	\$8,990,000	\$6,710,000	\$13,600,000
Annualized Well 2 and Well 3 Capital Cost (\$/year) [d]	\$640,000	\$599,000	\$447,000	\$906,000
Annualized capital cost per service connection (\$/year)	\$25	\$23	\$17	\$35
Annual O&M Cost				
Well 2 and Well 3 (\$/year) [e]	\$819,000	\$859,000	\$1,250,000	\$2,380,000
Annual O&M cost per service connection (\$/year)	\$31	\$33	\$48	\$91
Total Annual Treatment Cost (\$/year) [f]	\$1,460,000	\$1,460,000	\$1,690,000	\$3,280,000
Total Annual Cost per service connection (\$/year)	\$56	\$56	\$65	\$126

Abbreviations:

“ACWA” = Association of California Water Agencies

“GAC” = granular activated carbon

“BAT” = million gallons per day

“NF” = nanofiltration

“ENR” = Engineering News-Record

“RO” = reverse osmosis

Notes:

- [a] The ENR Construction Cost Index for 2024 was used to adjust cost estimates calculated using the 2024 USEPA document from 2022 to 2024 dollars for consistency with the ACWA Guidelines and other cost estimates included in this PHG Report. Totals in Table 7 may not sum due to rounding.
- [b] Estimated unit costs per one thousand gallons treated are not provided in the 2024 USEPA document. Estimated unit costs included in Table 7 were calculated based on the estimated total annual treatment cost and the total production capacity of wells with PHG exceedances. As such, estimated unit costs are included herein solely for comparison purposes.
- [c] The total capital cost associated with each BAT was calculated based on the individual production capacities of wells with PHG exceedances for PFOA (Wells 2 and 3). Given that the 2024 USEPA document provides guidance for calculating total capital costs based on design capacity, design capacity was assumed to be equal to the production capacity of each well exceeding the PHG, which was 2.9 MGD in both cases.
- [d] For consistency with the ACWA Guidelines and other cost estimates included in this PHG Report, total capital costs estimated using the 2024 USEPA document were annualized based on a standard assumed BAT lifespan of 15 years.
- [e] The total annual O&M cost for each BAT was calculated based on the individual production capacities of each well with recorded PHG exceedances for PFOA (Wells 2 and 3). Given that the 2024 USEPA document provides guidance for calculating total annual O&M cost based on average flow, average flow was assumed to be equal to the production capacity of each well exceeding the PHG, which was 2.9 MGD in both cases. Because the City’s production wells are not expected to operate at their full production capacity on average, the estimated annual O&M costs are considered conservative.
- [f] The estimated total annual treatment cost reflects the sum of annualized capital and O&M costs associated with each BAT.



4.5 Total Coliform/*Escherichia coli* (*E. Coli*)

4.5.1 Comparison to PHG/MCLG

The federal Revised Total Coliform Rule (RTCR) became effective in April 2016, establishing new routine and repeat sampling requirements for water suppliers, replacing the total coliform MCL, and setting an MCL and MCLG for *E. coli*. Following the adoption of the federal RTCR, the California RTCR became effective in July 2021. Revisions in the California RTCR include a new Coliform Treatment Technique requirement, a new *E. coli* MCL regulatory limit, and guidance for monthly reporting requirements and exceedances of total coliform and *E. coli*. Although PHGs have not been set by OEHHA, because both MCLs and MCLGs have been established for total coliform and *E. coli*, the City is required to consider them in the PHG reporting process and identify any instances of MCLG exceedances during the 2022 through 2024 reporting period.

Total Coliform

An MCLG of zero has been established for total coliform. Based on guidance provided in the ACWA Guidelines, the MCLG of zero for total coliform can be interpreted as zero samples positive during the 2022 through 2024 reporting period. As such, any total coliform detections that occur throughout the three-year period would be considered exceedances of the MCLG and must be included in this PHG report. Additionally, for systems collecting at least 40 total coliform samples per month,²² a monthly MCL of 5.0% has been set for total coliform, meaning that no more than 5.0% of the samples collected by a water system in any given month can be total coliform-positive.

Of the over 3,000 samples taken for total coliform throughout the City's distribution system from 2022 through 2024, 17 were positive (City of Tracy, 2025a). During this three-year period, the highest monthly percent of samples positive for total coliform was 4.9%. As such, the total coliform MCLG was exceeded during nine of the 36 months corresponding to these exceedances, but the monthly MCL of 5.0% was consistently complied with.

E. coli

Based on guidance provided in the ACWA Guidelines, the MCLG of zero for *E. coli* can be interpreted as zero samples positive during the 2022 through 2024 reporting period. As such, any *E. coli* detections that occur throughout the three-year period would be considered exceedances of the MCLG and must be included in this PHG report. In addition to the MCLG, under the RTCR, a water system would exceed the *E. coli* MCL when any of the following triggers are met:

²² Pursuant to Table 64423-A of CCR Title 22 § 64423, the City is required to take a minimum of 90 routine total coliform samples per month throughout its distribution system. As such, the monthly MCL for total coliform of 5.0% is applicable to the City.



- An *E. coli*-positive repeat sample is observed following a total coliform-positive routine sample;
- A total coliform-positive repeat sample is observed following an *E. coli*-positive routine sample;
- A water system fails to collect all required repeat samples following a positive *E. coli* routine sample; or
- A water system fails to test for *E. coli* when any repeat sample is positive for total coliform.

Of the over 3,000 samples taken for *E. coli* throughout the City's distribution system from 2022 through 2024, only one sample was positive for *E. coli* in August 2023 (City of Tracy, 2025a). As such, the MCLG for *E. coli* was exceeded for that month. However, both the follow-up total coliform and *E. coli* samples were negative; therefore, the MCL for *E. coli* was not exceeded.

4.5.2 Contaminant Sources

Total coliforms are a broad group of naturally occurring bacteria found in the environment, including soil, surface water, and the intestines of warm-blooded animals. *E. coli*, a type of fecal coliform, is specifically associated with the intestinal tracts of animals, and its presence in water typically indicates recent fecal contamination. Coliform bacteria can enter drinking water sources and distribution systems through various pathways, including inadequate treatment, bacterial regrowth within the distribution system, or intrusion through cracks or breaks in the distribution infrastructure (USEPA, 2025b).

4.5.3 Public Health Risk

While most total coliform bacteria are not harmful to humans, their presence in drinking water may indicate the presence of other, potentially harmful pathogens (i.e., bacteria, parasites, and viruses). Specifically, *E. coli*, a type of fecal coliform bacteria, is commonly used as an indicator of fecal contamination, as it is a fecal coliform bacteria found in the feces of animals, including humans. Although not necessarily harmful itself, the presence of *E. coli* suggests an increased risk of exposure to harmful pathogens and fecal contamination. As such, total coliforms and *E. coli* can be used to evaluate the effectiveness of water treatment processes and the integrity of distribution systems (USEPA, 2013; USEPA, 2025b).

Because coliform bacteria are generally not pathogenic, OEHHA has not established a numerical health risk associated with long-term exposure to total coliforms or *E. coli* (OEHHA, 2025). As such, no such numerical health risk is identified herein.



4.5.4 Estimation of Treatment Cost

CCR Title 22 § 64447 identifies the following BATs for achieving compliance with the *E. coli* MCL:

- Appropriate placement and construction of groundwater wells to protect from fecal contamination;
- Maintenance of an adequate disinfectant residual throughout the distribution system;
- Proper maintenance of the distribution system;
- Filtration and/or disinfection of surface or groundwater sources; and
- For systems utilizing groundwater for their supply, compliance with the Drinking Water Source Assessment and Protection Program.

Although the BATs included in CCR Title 22 § 64447 are identified for achieving compliance with the *E. coli* MCL, the ACWA Guidelines suggest that these BATs are also generally applicable to total coliforms. Additionally, the ACWA Guidelines indicate that many systems likely already implement the identified BATs and that the most effective action to reduce the presence of total coliforms in a system would likely be to increase the disinfectant residual (ACWA, 2025). While this approach may help mitigate health risks associated with microbial pathogens, it may also lead to elevated levels of disinfection by-products (DBPs), which are associated with potential chronic health effects. As such, any increase in disinfectant residual should be evaluated prior to implementation to ensure compliance with the maximum residual disinfectant levels (MRDLs) established under the Disinfectants and Disinfection Byproducts Rule (DBPR; ACWA, 2025).

As discussed in Section 2, the City's surface water supplies are treated through multi-step processes and are disinfected prior to entering the City's distribution system. Specifically, DMC/CVP water treated at the JJWTP is disinfected with free chlorine, and a chloramine residual is established through the addition of both chlorine and ammonia. Surface water purchased from SSJID is treated at the DGWTP, with disinfection by chlorine as the final treatment step. Ammonia can also be added to treated SSJID water at the Mossdale Pump, which delivers water from SSJID to the City's distribution system, for the purposes of chloramine formation. In addition, in the City's surface water supply, chlorine is added for disinfection at several of the City's active groundwater production wells (City of Tracy, 2022).

The City conducts weekly monitoring of total chlorine and chloramine residuals at all locations where total coliform samples are collected and regularly performs maintenance, such as routine flushing, throughout the distribution system. In the event that chlorine concentrations need to be boosted to ensure an adequate disinfectant residual throughout the distribution system, chlorine can be added at the Linne Reservoir or the Northeast Industrial Reservoir (City of Tracy, 2022).

The City aims to maintain a combined chlorine (monochloramine) concentration of at least 1.8 mg/L, with typical levels ranging from 1.0 to 2.5 mg/L. This target is well below the MRDL of 4.0



mg/L “as Cl₂”, ensuring compliance with regulatory limits and avoiding potential adverse health impacts. Given that the free chlorine concentration in surface water from SSJID’s DGWTP is typically 1.0 mg/L or less, following the addition of ammonia, the combined chlorine concentration of this surface supply is typically 1.0 mg/L or lower due to the conversion of free chlorine to monochloramine (City of Tracy, 2022).

Several of the City’s wells currently utilize chlorine as a disinfectant. When chlorinated well water is blended with chloraminated surface water, the free chlorine can react with monochloramine, potentially oxidizing it to dichloramine, trichloramine, or complete oxidation of the ammonia to nitrogen gas. The extent of these reactions depends on the concentrations of chlorine and monochloramine in the respective sources, as well as the blending ratio. These interactions can lead to the consumption of both disinfectants, potentially resulting in inadequate chloramine or monochloramine residuals in the treated water (City of Tracy, 2022).

During the 2022 through 2024 reporting period, the City completed a project to modify two of its production wells to allow for the addition of both chlorine and ammonia in order to establish a chloramine residual directly in the well water. This improvement was made to enhance the stability of the disinfectant residual in the well water and help reduce the potential for reactions with treated surface water that could otherwise deplete disinfectant levels within the distribution system (City of Tracy, 2022).

To reduce the potential for MCLG exceedances for total coliforms, the City could increase disinfectant residuals within its distribution system. However, higher disinfectant residuals may lead to increased formation of DBPs and associated potential health risks. Elevated free chlorine residuals can also impact secondary drinking water standards, such as taste and odor. Given the need to balance regulatory compliance, aesthetic water quality, and the minimization of both microbial contamination and DBP formation, it is not recommended that the City increase disinfectant residuals for the purposes of reducing total coliforms given that the City consistently complies with the MCLs for both total coliform and *E. coli*.



5 RECOMMENDATIONS FOR FURTHER ACTION

As discussed in Section 4, the City identified exceedances of PHGs or MCLGs in one or more of its groundwater wells during the 2022 through 2024 reporting period for the following contaminants: arsenic, copper, Cr6, PFOA, and total coliform and *E. coli*. Despite these exceedances, the City's drinking water supply consistently complied with all enforceable drinking water standards established by the SWRCB and USEPA to protect public health throughout the three-year reporting period.

During the PHG reporting period, the City completed a project to modify two of its groundwater wells to allow for the addition of both chlorine and ammonia, enabling the formation of a chloramine residual directly within the well water. With these modifications completed, the City anticipates that these improvements will enhance the stability and consistency of disinfectant residuals throughout the distribution system, thereby reducing the system's vulnerability to microbial contamination. By maintaining a more effective residual disinfectant, the project is expected to reduce potential health risks associated with the consumption of pathogenic microorganisms in the City's drinking water supply and decrease the likelihood of MCLG exceedances for total coliforms, including *E. coli*.

To reduce the concentrations of additional contaminants identified in this PHG report, additional treatment processes would be required. The BATs for contaminants with PHG or MCLG exceedances, along with the estimated total annual implementation costs for each treatment option, are discussed in Section 4. However, as noted in Section 3.3, the BATs identified in the CCR and included in this PHG Report are intended to achieve compliance with MCLs, not necessarily to reach the more stringent PHGs or MCLGs. As such, it is uncertain whether these BATs would be sufficient to reduce contaminant concentrations below the respective PHGs or MCLGs.

Given the uncertainty surrounding the public health benefits of implementing additional BATs, the significant capital and O&M costs associated with such projects, and the fact that the City's water supply remained consistently in compliance with the MCLs for the contaminants identified in this PHG Report, no further treatment is proposed at this time beyond the City's ongoing improvement efforts, such as the well modification project. Instead, it is recommended that the City continue maintaining its wells, treatment processes, and distribution system in good operational condition and continue routine water quality monitoring to ensure ongoing compliance with enforceable drinking water standards. Should future monitoring indicate that water quality no longer meets these standards, the City may consider implementing the appropriate BATs identified in this PHG Report based on the specific contaminant of concern.



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2024 Water Quality Report

City of Tracy, California



► Contact Information

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► Public Participation

Regular City Council meetings are held at 7:00pm on the first and third Tuesdays of each month. Meetings are held at the Council Chambers at City Hall, 333 Civic Center Plaza, Tracy, CA 95376

► For Landlords

Water customers who are landlords receiving this report are asked to share this information with any tenant or user on the premises.

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Where Does Your Water Come From?

The City of Tracy receives its water supplies from the Stanislaus River Watershed, the Delta-Mendota Canal, and groundwater pumped from nine wells in the Tracy Subbasin. This entire water system operates through **520 miles of underground pipelines** and **28,000 water meters**, maintained by a dedicated team of around **50 staff members** who ensure you continue to receive the high-quality water you rely on.

In 2024...

36%

2.2 billion gallons

from the **Delta-Mendota Canal**

57%

3.5 billion gallons

from the **Stanislaus River**

6%

0.38 billion gallons

from the **groundwater supply**

Water Quality Control

Before the water reaches you, samples are collected and tested in State-certified laboratories. The City has a water quality monitoring program and inspection system ensures safe drinking water is delivered to you and your family. **The City takes on average 3000 samples a year, most of which are done on a weekly basis.**

As required by the Federal Safe Drinking Water Act, the City's water supplies must meet stringent water quality standards set by the State Water Resource Control Board Division of Drinking Water and the United States Environmental Protection Agency. The City of Tracy completed a watershed sanitary survey of its drinking water sources in 2021.

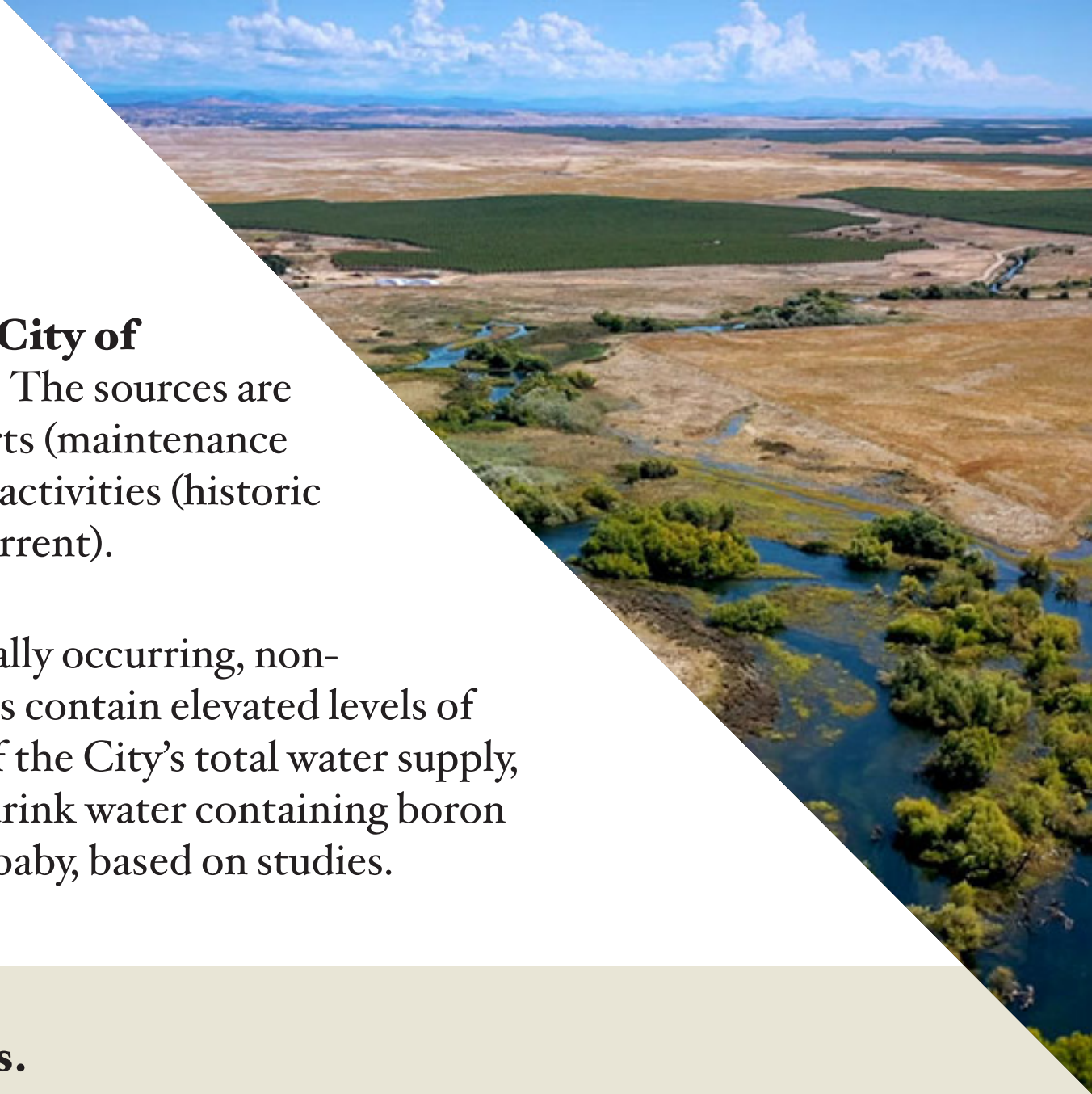


Water Source Assessment

An assessment of the drinking water sources for the City of Tracy's water system was completed in January 2021. The sources are considered most vulnerable to the following activities: airports (maintenance and fueling areas), gas stations (historic and current), mining activities (historic and current), septic and waste landfill dumps (historic and current).

The native groundwater under Tracy contains boron, a naturally occurring, non-carcinogenic, unregulated contaminant. Six of the City's wells contain elevated levels of boron. Although well water comprises only a small portion of the City's total water supply, well water does contain boron. Some pregnant women who drink water containing boron may have an increased risk of developmental effects in their baby, based on studies.

See page 7 for the City of Tracy's current Boron levels.



Reporting Levels of Detected

The City of Tracy is pleased to report that from January 1 - December 31, 2023, the water delivered to your home or business complied with, or exceeded, all state and federal drinking water requirements!

In California, drinking water standards, also called Maximum Contaminant Levels (MCLs), are set in two categories: **Primary Standards** related to public health, and **Secondary Standards** which relate to the aesthetic qualities such as taste, odor, and color. On the following pages you will find a complete listing of both types of standards along with the results of the analysis of your water supply, including:

- Detectable and non-detectable substances found in the City's drinking water
- The maximum allowable substance levels set by United States Environmental Protection Agency (USEPA)
- Regulated contaminants – *organized by contaminant type or source*
- Unregulated contaminants
- Sodium & hardness
- Monitoring contaminated outside but didn't detect, must be outside of the table for detectable
- Explanation for monitoring that is not annual. **EXAMPLE**—The State allows us to monitor for some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, are more than one year old.

Key Definitions

Maximum Contaminant Level (MCL):

The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG):

The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Primary Drinking Water Standard (PDWS):

MCLs, MRDLs and treatment techniques (TTs) for contaminants that affect health, along with their monitoring and reporting requirements.

Maximum Residual Disinfectant Level (MRDL):

The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG):

The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

Regulatory Action Level (AL):

The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

Treatment Technique (TT):

A required process intended to reduce the level of a contaminant in drinking water.

Water Quality Report - Primary Standards

	TREATED SURFACE WATER		WELL WATER			REGULATORY LIMIT			MAJOR SOURCES IN DRINKING WATER
CONTAMINANT (CCR UNITS)	SOUTH SAN JOAQUIN IRRIGATION DISTRICT	JOHN JONES WATER TREATMENT PLANT	AVERAGE	RANGE	SAMPLE DATE	MAXIMUM CONTAMINANT LEVEL (MCL)	MCLG OR PHG	VIOLATION	
INORGANIC									
Arsenic (µg/L)	ND	ND	0.6	0-3.0	2024	10	0.004	No	Erosion of natural deposits; runoff from orchards; run off from glass and electronics production wastes
Boron (mg/L)	ND	0.11	1.6	0.32-2.5	2021 & 2024	10	N/A	No	Derived from the leaching of rocks and soils, wastewater and fertilizers/pesticides.
Chromium [total] (µg/L)	ND	ND	1.11	0-10	2024	50	N/A	No	Discharge from steel and pulp mills and chrome plating; erosion of natural deposits
Chromium (hexavalent) (µg/L)	N/A	N/A	3.55	0-7.20	2024	10	0.02	No	Erosion of natural deposits; transformation of naturally occurring trivalent chromium to hexavalent chromium by natural processes and human activities such as discharges from electroplating factories, leather tanneries, wood preservation
Fluoride (mg/L)	ND	ND	0.11	0-0.21	2024	2	1	No	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum factories
NITRATE / NITRITE									
Nitrate (as N) (mg/L)	ND	0.59	2	0-2.8	2024	10	10	No	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
NITRATE / NITRITE									
Gross Alpha Particle Activity (pCi/L)	N/A	N/A	0.33	0-3.000+	2024	15	0	No	Erosion of natural deposits

Water Quality Report - Secondary Standards

	TREATED SURFACE WATER		WELL WATER			REGULATORY LIMIT		MAJOR SOURCES IN DRINKING WATER
CONTAMINANT (CCR UNITS)	SOUTH SAN JOAQUIN IRRIGATION DISTRICT	JOHN JONES WATER TREATMENT PLANT	AVERAGE	RANGE	SAMPLE DATE	MAXIMUM CONTAMINANT LEVEL (MCL)	MCLG OR PHG	
AESTHETIC - RELATED								
Color (Color Unit)	ND	3	2.67	0-5	2024	15	N/A	Naturally-occurring organic materials
Iron (µg/L)	ND	ND	45	0-170	2024	300	N/A	Leaching from natural deposits; industrial waste
Manganese (µg/L)	ND	ND	13	0-110	2024	50	N/A	Leaching from natural deposits
Odor (TON)	ND	N/A	0.11	0-1.0	2024	3	N/A	Naturally-occurring organic materials
Turbidity (NTU)	0.10	N/A	0.73	0.2-2.8	2024	5	N/A	Soil runoff
TDS (mg/L)	68	150	668	110-890	2024	1000	N/A	Runoff/leaching from natural deposits
Specific Conductance (umhos/cm)	85	270	1039	160-1400	2024	1600	N/A	Substances that form ions when in water
Chloride (mg/L)	2.9	30	114	9.1-210	2024	500	N/A	Runoff/leaching from natural deposits
Sulfate (mg/L)	1.6	39	221	13-320	2024	500	N/A	Runoff/leaching from natural deposits; industrial wastes
Sodium (mg/L)	2.3	N/A	119	11-150	2024	N/A	N/A	“Sodium” refers to the salt present in the water and is generally naturally occurring.
Total Hardness (mg/L)	23.0	N/A	264	58-390	2024	N/A	N/A	

Water Quality Report

WATER DISTRIBUTION DATA SHEET							
ANALYTICAL PARAMETER	RUNNING ANNUAL AVERAGE	RANGE	YEAR	VIOLATION	MCL	MCLG OR PHG	TYPICAL SOURCES
BACTERIOLOGICAL (% PRESENT)							
Coliform Density	<1	<1	2024	No	5%Present/mo	0	Municipal and industrial waste discharge
ORGANICS (UG/L)							
Total Trihalomethane (ug/L)	40	26-78	2024	No	80	N/A	By-products of drinking water disinfection
Total Haloacetic Acids (ug/L)	21	0-30	2024	No	60	N/A	By-products of drinking water disinfection

Water Quality Report

UCMR₅ & Lead Copper

SAMPLING RESULTS SHOWING THE DETECTION OF LEAD AND COPPER						
	# OF SAMPLES COLLECTED	SAMPLE DATE	90TH PERCENTILE LEVEL DETECTED	# SITES EXCEEDING AL	AL	MCLG
Lead (ppm)	35	2024	0	0	0.015	0
	TYPICAL SOURCE OF CONTAMINANT					
	Internal corrosion of household water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits.					
Copper (ppm)	35	2024	0.396	0	1.3	1.3
	TYPICAL SOURCE OF CONTAMINANT					
	Internal corrosion of household water plumbing systems; erosion of natural deposits; leaching from wood preservatives.					

UCMR 5-LITHIUM AND PFAS					
ANALYTICAL PARAMETER	RUNNING ANNUAL AVERAGE	RANGE	YEAR	MINIMUM REPORTING LEVEL (MRL)	VIOLATION
Lithium	8.00	0-28.5	2024-2025	9	Yes
11-chloroeicosafuoro-3-oxaundecane-1-sulfonic acid (11Cl-PF3OUdS)	ND	ND	2024-2025	0.005	No
1H,1H, 2H, 2H-perfluorodecane sulfonic acid (8:2FTS)	ND	ND	2024-2025	0.005	No
1H,1H, 2H, 2H-perfluorohexane sulfonic acid (4:2FTS)	ND	ND	2024-2025	0.003	No
1H,1H, 2H, 2H-perfluorooctane sulfonic acid (6:2FTS)	ND	ND	2024-2025	0.005	No
4,8-dioxa-3H-perfluorononanoic acid (ADONA)	ND	ND	2024-2025	0.003	No
9-chlorohexadecafluoro-3-oxanonane-1-sulfonic acid (9Cl-PF3ONS)	ND	ND	2024-2025	0.002	No
hexafluoropropylene oxide dimer acid (HFPO-DA)(GenX)	ND	ND	2024-2025	0.005	No
nonafluoro-3,6-dioxaheptanoic acid (NFDHA)	ND	ND	2024-2025	0.02	No
perfluoro (2-ethoxyethane) sulfonic acid (PFEEA)	ND	ND	2024-2025	0.003	No
perfluoro-3-methoxypropanoic acid (PFMPA)	ND	ND	2024-2025	0.004	No
perfluoro-4-methoxybutanoic acid (PFMBA)	ND	ND	2024-2025	0.003	No
perfluorobutanesulfonic acid (PFBS)	ND	ND	2024-2025	0.003	No
perfluorobutanoic acid (PFBA)	ND	ND	2024-2025	0.005	No
perfluorodecanoic acid (PFDA)	ND	ND	2024-2025	0.003	No
perfluorododecanoic acid (PFDoA)	ND	ND	2024-2025	0.003	No
perfluoroheptanesulfonic acid (PFHpS)	ND	ND	2024-2025	0.003	No
perfluoroheptanoic acid (PFHpA)	ND	ND	2024-2025	0.003	No
perfluorohexanesulfonic acid (PFHxS)	ND	ND	2024-2025	0.003	No
perfluorohexanoic acid (PFHxA)	ND	ND	2024-2025	0.003	No
perfluorononanoic acid (PFNA)	ND	ND	2024-2025	0.004	No
perfluorooctanesulfonic acid (PFOS)	ND	ND	2024-2025	0.004	No
perfluorooctanoic acid (PFOA)	ND	ND	2024-2025	0.004	No
perfluoropentanesulfonic acid (PFPeS)	ND	ND	2024-2025	0.004	No
perfluoropentanoic acid (PFPeA)	ND	ND	2024-2025	0.003	No
perfluoroundecanoic acid (PFUnA)	ND	ND	2024-2025	0.002	No
N-ethyl perfluorooctanesulfonamidoacetic acid (NEtFOSAA)	ND	ND	2024-2025	0.005	No
N-methyl perfluorooctanesulfonamidoacetic acid (NMeFOSAA)	ND	ND	2024-2025	0.006	No
perfluorotetradecanoic acid (PFTA)	ND	ND	2024-2025	0.008	No
perfluorotridecanoic acid (PFTrDA)	ND	ND	2024-2025	0.007	No

Reporting of Cryptosporidium, radon, chromium (hexavalent), and other contaminants

Other Contaminants with no MCL – PFAS constituents

Compliance with Other Drink Water Regulations

No Violations existed in 2024

Ground Water – No corrections existed in 2024

In 2017, the City formed an exclusive GSA for its jurisdiction. The other agencies in the area partnered to develop a GSP that was adopted in January 2022.

Variances

No Violations



Educational Information



The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- **Microbial contaminants**, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic contaminants**, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- **Pesticides and herbicides**, that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- **Organic chemical contaminants**, including synthetic and volatile organic chemicals, that are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application, and septic systems.
- **Radioactive contaminants**, that can be naturally-occurring or be the result of oil and gas production and mining activities.



In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (U.S. EPA) and the State Water Resources Control Board (State Water Board) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. U.S. Food and Drug Administration regulations and California law also establish limits for contaminants in bottled water that provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. EPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. U.S. EPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).



U.S. EPA's
**Safe Drinking
Water Hotline**
1-800-426-4791

Nitrate in drinking water at levels above 10 mg/L is a health risk for infants of less than six months of age. Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin. Nitrate levels above 10 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should ask advice from your health care provider.

Nitrate in drinking water at levels above 10 mg/L can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin.



The City of Tracy has conducted all required inspections of its water distribution and service lines. There are no lead-containing pipes in the distribution system. The City maintains an inventory of all homes and regularly updates this baseline information. You can find a copy of the inventory online at <https://www.cityoftracy.org/our-city/departments/utilities/water-resources/water-quality-supply>.

Lead can cause serious health effects in people of all ages, especially pregnant people, infants (both formula-fed and breastfed), and young children. Lead in drinking water is primarily from materials and parts used in service lines and in home plumbing. City of Tracy is responsible for providing high quality drinking water and removing lead pipes but cannot control the variety of materials used in the plumbing in your home. Because lead levels may vary over time, lead exposure is possible even when your tap sampling results do not detect lead at one point in time. You can help protect yourself and your family by identifying and removing lead materials within your home plumbing and taking steps to reduce your family's risk. Using a filter, certified by an American National Standards Institute accredited certifier to reduce lead, is effective in reducing lead exposures. Follow the instructions provided with the filter to ensure the filter is used properly. Use only cold water for drinking, cooking, and making baby formula. Boiling water does not remove lead from water. Before using tap water for drinking, cooking, or making baby formula, flush your pipes for several minutes. You can do this by running your tap, taking a shower, doing laundry or a load of dishes. If you have a lead service line or galvanized requiring replacement service line, you may need to flush your pipes for a longer period. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available at <https://www.epa.gov/safewater/lead>.

If you are concerned about lead in your water, you may wish to have your water tested by a certified lab. More information about lead in drinking water can be found through the Safe Drinking Water Hotline (1-800-426-4791) or at www.epa.gov/safewater/lead.

Cross Connection Protection

Backflow prevention assemblies are designed to allow water to flow into your home or office from the public water system but not allow water to flow in the reverse direction, creating effective cross connection protection.

Reverse flow can carry untreated pollutants and contaminants back to the public water system, compromising the water quality for all customers. Backflow prevention assemblies are required to be tested annually to ensure they are effectively protecting the public water system. If your residence has an active well on the premises or your business has fire sprinklers and/or landscaping, you should have a backflow prevention assembly.

All backflow devices are required to be tested before June 30th every year.

Visit <https://www.cityoftracy.org/our-city/departments/operations-and-utilities-department/utilities/cross-connection-backflows> for more information.

Make Conservation a Way Of Life.

New laws require that all water suppliers, like the City of Tracy, must reduce their daily water consumption for all users. This includes indoor and outdoor water uses, as well as commercial, industrial and institutional water uses. In order to meet the ever-increasing mandates by the State, the City of Tracy enacts Water Stages for conservation measures. Currently, the City is in Stage 3 of its Water Conservation Ordinance. This limits outdoor water use, such as irrigating your landscape, to the hours of 7:00 p.m. to 9:00 a.m., three days per week depending on your odd or even address. It also prohibits using water from your hose to wash off driveways, patios and other hardscapes.

What are you able to do to help? Some simple indoor measures include: **taking shorter showers, turning water off while shampooing, washing full loads of laundry, never using the toilet as a trash receptacle, repairing drips and leaking faucets quickly, and always turning off water while brushing teeth.** Businesses might also consider changing out high-water-consuming appliances and toilets to more efficient models.

The biggest use of water by homeowners and businesses is outdoor activities. Mandatory outdoor water conservation measures include: using a triggered handheld sprayer and bucket when washing your own car; and turning off non-recirculating fountains and ornamental water features. Some simple voluntary measures are: turning off irrigation timers in the winter months; never water landscaping on a windy day or within 48 hours of a rain event (water pooling); and do not water for longer than eight minutes per cycle.

Report water waste by calling (209)831-6330, online at <https://app.govoutreach.com/tracy>, or using the GoTracy! app

Your continued efforts will assist the City in attaining its water conservation goals!

City of Tracy Water Rates

Tracy has historically offered the lowest water rates in the region, particularly for providing high-quality treated water. The water system is funded by utility rate payers through their utility bills and must follow the Proposition 218 process to increase any rates. The last rate increase for customers occurred in 2019 with the prior one being 20 years ago.

Revenue has declined due to various conservation efforts aimed at preserving water and infrequent rate reviews, which are necessary to keep up with rising expenses. This situation has forced the utility to focus only on urgent repairs and maintenance while postponing the maintenance or replacement of aging infrastructure.

The Utility Division is now committed to reviewing rates every five years to ensure they remain appropriate and to continue providing Tracy with the quality water it is known for. More information regarding the Water Fund can be found at <https://city-tracy-ca-budget-book.cleargov.com/15422/fund-summaries/water>.



City of Tracy 2025 Public Health Goals Report

Presentation to Tracy City Council

September 16, 2025

Presentation Outline

1. Drinking Water Standards
2. Public Health Goals (PHG) Report Overview
3. City's Potable Water System
4. PHG Report Findings
5. Conclusions and Next Steps

Drinking Water Standards



Drinking Water Standards

Term	Definition	Enforceable?	Set By
MCL (Maximum Contaminant Level)	<ul style="list-style-type: none">• <u>Enforceable</u> drinking water quality standards• Established at very conservative levels to provide protection to the public	✓ Yes	U.S. Environmental Protection Agency (U.S. EPA) and California State Water Resources Control Board (SWRCB)
ALs (Action Levels)	<ul style="list-style-type: none">• Concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow• Applicable for lead and copper only	✓ Yes	U.S. EPA

The City's water supplies meet all established MCLs for water contaminants.

Drinking Water Standards

Term	Definition	Enforceable?	Set By
MCLG (Maximum Contaminant Level Goal)	<ul style="list-style-type: none"> Federal health-based goal <u>Non-enforceable</u> level of a contaminant in drinking water below which there is no known or expected risk to health 	✗ No	U.S. EPA
PHG (Public Health Goal)	<ul style="list-style-type: none"> California health-based goal <u>Non-enforceable</u> level of a contaminant in drinking water below which there is no known or expected risk to health Often more stringent than MCLGs or set when MCLGs don't exist for a contaminant 	✗ No	Office of Environmental Health Hazard Assessment (OEHHHA)

Best Available Technologies (BATs) for contaminant removal are presented in the California Code of Regulations (CCR).

BATs are intended to achieve compliance with MCLs, not PHGs/MCLGs. Implementation of BATs can be costly and does not guarantee removal of contaminants to levels below the PHGs/MCLGs.

PHG Report Overview



What is a PHG Report?

California Health and Safety Code (HSC) § 116470(b)

requires public water systems (PWSs) to prepare a PHG Report every three years if:

- The PWS serves more than 10,000 service connections; and
- Any contaminants with established PHGs or MCLGs exceed their respective PHGs or MCLGs

- The City serves 27,000+ connections and detected concentrations of contaminants at levels exceeding their PHGs/MCLGs during the 2022 to 2024 reporting period.
 - The City prepared a PHG Report for the 2022 to 2024 period.

What is a PHG Report?

Components of a PHG Report per *HSC § 116470(b)*

- The identification of contaminants detected above their applicable PHGs/MCLGs
- For each identified contaminant:
 - The numerical public health risk, as determined by OEHHA;
 - A description of the risk to public health;
 - The BAT for contaminant removal; and
 - An estimation of the total and per-customer cost to reduce contaminant levels.
- A summary of recommended actions

Consumer Confidence Report (CCR) vs. PHG Report

CCR

HSC § 116470(a) and California Code of Regulations, Title 22, Division 4, Chapter 15, Article 20

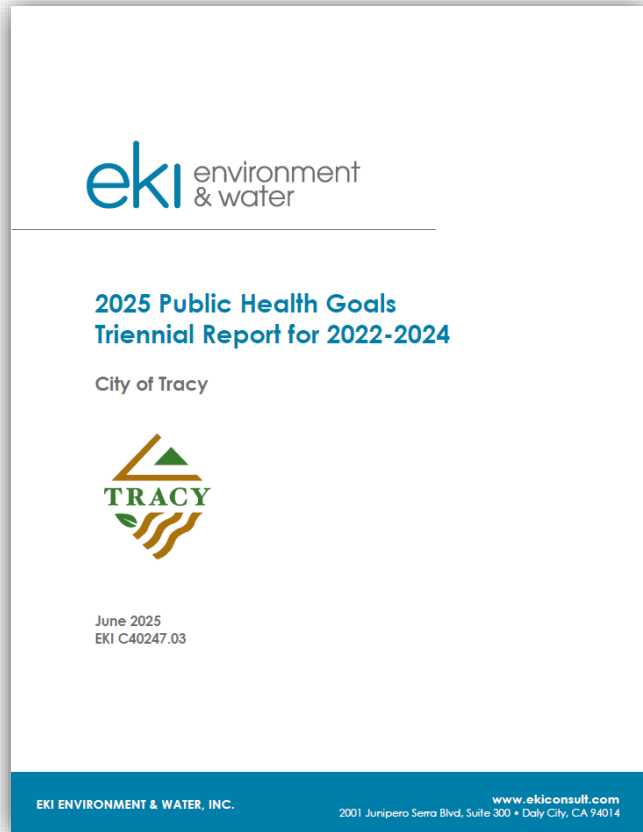
- Required annually
- All PWSs
- **Purpose** – To annually update customers on their water quality through a brief report summarizing:
 - Information regarding source water;
 - Detected contaminants;
 - Compliance; and
 - Educational information.

PHG Report

HSC § 116470(b)

- Required triennially
- PWSs serving > 10,000 connections and with PHG/MCLG exceedances
- **Purpose** – To provide customers information about contaminants detected at levels that, although they may be below the MCLs, exceed the PHGs/MCLGs
 - Intended to provide consumers with information beyond what's included in the CCR for contaminants that, while they may meet enforceable standards, could still pose health risks

2025 PHG Triennial Report For 2022-2024



The City's *2025 PHG Triennial Report for 2022-2024* was prepared in June 2025 and includes information related to:

- The City's potable water distribution system;
- Methodology;
- Constituents detected in the City's potable supplies that exceeded the PHG or MCLG;
- Public health risks;
- Estimation of treatment costs; and
- Recommendations for further action.

City's Potable Water System

Potable Water Supply Sources

The City utilizes a combination of surface water and groundwater for its potable water supply, relying on the following sources:

Surface water
from the
Stanislaus River,
treated and
supplied by South
San Joaquin
Irrigation District
(SSJID)

Surface water
from the Delta-
Mendota Canal,
treated at the
City's John Jones
Water Treatment
Plant (JJWTP)

Groundwater
from eight
City-operated
production wells,
seven of which
are
currently active

Potable Water Production Volumes by Source

Table 1. Potable Water Production Volumes by Source

Potable Water Source	Annual Water Production (MG)			Average Annual Production (2022-2024) (MG)
	2022	2023	2024	
Surface Water				
SSJID	3,822	2,770	3,744	3,445
JJWTP	2,045	3,306	2,273	2,541
Total Surface Water Supply [a]	5,867	6,076	6,017	5,987
Groundwater				
Lincoln Well	3.7	0.047	155	53
Well 1	94	59	102	85
Well 2	181	6.1	99	95
Well 3	32	5.7	19	19
Well 4	3.0	1.4	4.3	2.9
Well 5 (Lewis Manor Well) [b]	0	0	0	0
Well 6 (Park and Ride Well)	31	0.14	4.9	12
Well 7 (Ball Park Well)	29	0.059	0.90	10
Well 8 [c]	0	0	0	0
Total Groundwater Supply	374	72	385	277
TOTAL SUPPLY	6,241	6,148	6,402	6,264

Abbreviations:

"ASR" = Aquifer Storage and Recovery

"MG" = million gallons

"JJWTP" = John Jones Water Treatment Plant

"SSJID" = South San Joaquin Irrigation District

Notes:

[a] Totals may not sum due to rounding.

[b] Well 5 was inactive during the 2022 through 2024 PHG reporting period.

[c] Well 8 is currently used as an ASR well and is not considered by the City to be a groundwater production well at this time.

Source: Table 1, City of Tracy 2025 PHG Triennial Report for 2022-2024

PHG Report Findings

Contaminants Identified in the PHG Report

Contaminant	Exceedance Definition	PHG / MCLG Exceedance?	MCL / AL Exceedance?
Arsenic	Average concentration of samples exceeds PHG	✓ Yes, 2 wells with observed exceedances (1 of which was inactive)	✗ No
Copper	90 th percentile concentration of samples exceeds PHG	✓ Yes, the 90 th percentile concentration of 35 tap samples collected throughout the City's distribution system exceeded the PHG	✗ No
Cr6 (Hexavalent Chromium)	Average concentration of samples exceeds PHG	✓ Yes, all but one well had observed exceedances	✗ No
PFOA (Perfluorooctanoic Acid)	Average concentration of samples exceeds PHG	✓ Yes, 2 wells with observed exceedances	2 exceedances observed in one well
Total Coliform/ <i>Escherichia coli</i> (<i>E. Coli</i>)	Any detection of Total Coliform or <i>E. Coli</i> is considered an MCLG exceedance	✓ Yes, 1 (out of 36) month with an observed <i>E. Coli</i> exceedance; 9 with observed Total Coliform exceedances	✗ No

Conclusions and Next Steps

Conclusions



The City's drinking water meets all state and federal drinking water standards established by the SWRCB and U.S. EPA to protect public health.



Cost for additional treatment is very high and would not guarantee concentrations below the PHGs/MCLGs (e.g., cost for Arsenic treatment would be millions of dollars per year).



No additional treatment is required or recommended to reduce contaminant levels to below PHGs/MCLGs at this time. The City will continue to monitor water quality and re-evaluate, if needed.

Next Steps

- Notify SWRCB Division of Drinking Water of completion of PHG Report and public hearing
- Continue routine monitoring of water supplies and distribution system and preparation of annual CCRs
- Continue to prepare PHG reports every three years (The next report will be due in 2028 for the 2025-2027 period)



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Questions?



Extra Slides



Arsenic

■ PHG Exceedances from 2022-2024

- Two wells reported average arsenic concentrations three orders of magnitude above the PHG at 2.7 µg/L and 3.0 µg/L but remained consistently below the CA MCL.
- All other wells and surface water sources yielded non-detect results.

■ Contaminant Sources

- Primarily from natural sources (found in the Earth's crust)
- Human activities (e.g., mining, industrial processes, pesticides)

■ Public Health Risk (OEHHA)

- Carcinogen
- **Lifetime cancer risk at CA MCL:** 2.5 per one thousand
- **Lifetime cancer risk at PHG:** One per one million

CA MCL	PHG	Date of PHG
10 µg/L	0.004 µg/L	2004

Arsenic

■ Estimation of Treatment Cost

- Cost estimates were prepared for three BATs identified in Table 64447.2-A of CCR Title 22 § 64447.2
- Estimates reflect the cost to implement BATs at wells with PHG exceedances

Table 3. Estimated Costs for Arsenic Treatment

Parameter	Annual Treatment Cost, \$/year		
	Coagulation/Filtration	Ion Exchange	Reverse Osmosis
Estimated unit cost (\$/one thousand gallons)	\$0.50	\$2.65	\$8.99
Well 5 and Well 6 Total (\$/year) [a]	\$1,190,000	\$6,290,000	\$21,300,000
Total per service connection (\$/year)	\$45	\$241	\$818

Abbreviations:

"MGD" = million gallons per day

Notes:

[a] The annual treatment cost for each selected BAT is estimated based on the individual production capacities of wells with reported PHG exceedances during the 2022 through 2024 reporting period for arsenic. Well 5 (Lewis Manor Well) and Well 6, both of which reported exceedances, have a capacity of 3.6 MGD and 2.9 MGD, respectively (City of Tracy, 2023). As such, the annual treatment cost for each BAT is estimated as the cost associated with treating 6.5 MGD of groundwater supply from these two wells.

Source: Table 3, *City of Tracy 2025 PHG Triennial Report for 2022-2024*



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Copper

▪ PHG Exceedances from 2022-2024

- Tap monitoring conducted in 2024 yielded a 90th percentile copper concentration of 420 µg/L based on 35 samples collected throughout the City's distribution system.
- Copper was not detected at levels exceeding the PHG in any of the City's source water supplies.

▪ Contaminant Sources

- Naturally occurring element found in minerals
- Commonly-used in industrial and household applications
- Corrosion of copper pipes in distribution systems

▪ Public Health Risk (OEHHA)

- Digestive system toxicity
- Numerical health risks associated with the ingestion of copper have not yet been quantified by OEHHA.

▪ Estimation of Treatment Cost

- The cost of implementing additional corrosion control was not estimated, as corrosion control chemicals are currently added to the City's treated DMC/CVP surface water, and concentrations of copper throughout the distribution system are consistently below the AL.

AL	PHG	Date of PHG
1,300 µg/L	300 µg/L	2008

Hexavalent Chromium (Cr6)

■ PHG Exceedances from 2022-2024

- All but one of the City's wells reported average Cr6 concentrations above the PHG, ranging from 0.40 µg/L to 7.2 µg/L, but remained consistently below the CA MCL.

■ Contaminant Sources

- Cr6 in drinking water may originate from industrial activities or from natural processes.
- Studies of the region's groundwater indicate Cr6 concentrations in the City's groundwater are likely due to local geology (e.g., nearby serpentine rock outcrops).

■ Public Health Risk (OEHHA)

- Carcinogen
- **Lifetime cancer risk at CA MCL:** Five per ten thousand
- **Lifetime cancer risk at PHG:** One per one million

CA MCL	PHG	Date of PHG
10 µg/L	0.02 µg/L	2011

Hexavalent Chromium (Cr6)

■ Estimation of Treatment Cost

- Cost estimates were prepared for three BATs identified in Table 64447.2-A of CCR Title 22 § 64447.2
- Estimates reflect the cost to implement BATs at wells with PHG exceedances

Table 5. Estimated Costs for Cr6 Treatment

Parameter	Annual Treatment Cost, \$/year			
	Ion Exchange		Reduction/Coagulation/Filtration	
	Minimum	Maximum	Minimum	Maximum
Estimated unit cost (\$/one thousand gallons)	\$2.19	\$9.16	\$2.14	\$13.38
Wells 1-4, 6-8, and Lincoln Well Total (\$/year) [a]	\$19,700,000	\$82,200,000	\$19,200,000	\$120,000,000
Total Annual Cost per service connection (\$/year)	\$754	\$3,150	\$737	\$4,610

Abbreviations:

“MGD” = million gallons per day

Notes:

- [a] Annual treatment costs are estimated based on the individual production capacities of the City’s groundwater wells, which range from 2.2 to 3.6 MGD (City of Tracy, 2023). Since all of the City’s wells, with the exception of Well 5 (Lewis Manor Well), reported Cr6 concentrations exceeding the PHG during the 2022 through 2024 reporting period, the total annual treatment costs included in Table 5 reflect the estimated cost of treating the City’s total groundwater production capacity, excluding Well 5.

Source: Table 5, *City of Tracy 2025 PHG Triennial Report for 2022-2024*

Perfluorooctanoic Acid (PFOA)

▪ PHG Exceedance(s) from 2022-2024

- Two wells reported average PFOA concentrations above the PHG at 0.0041 µg/L and 0.0019 µg/L.
- All other wells and surface water sources yielded non-detect results.

▪ Contaminant Sources

- PFOA in drinking water is likely due to its widespread use in the manufacturing of consumer and industrial products (e.g., nonstick cookware, firefighting foam, cleaning agents)
- Although the use of PFOA was phased out in the US by 2015, it is highly resistant to biological and environmental degradation, allowing it to persist in the environment.

▪ Public Health Risk (OEHHA)

- Carcinogen
- **Lifetime cancer risk at federal MCL:** Not yet quantified by OEHHA
- **Lifetime cancer risk at PHG:** One per one million

Federal MCL	PHG	Date of PHG
0.004 µg/L	7×10^{-6} µg/L	2024

Perfluorooctanoic Acid (PFOA)

Table 7. Estimated Costs for PFOA Treatment

Parameter	BAT [a]			
	Pressure GAC	Gravity GAC	Anion Exchange	RO/NF
Estimated unit cost (\$/one thousand gallons) [b]	\$0.69	\$0.69	\$0.80	\$1.55
Capital Cost				
Well 2 and Well 3 (\$/lifetime) [c]	\$9,593,000	\$8,990,000	\$6,710,000	\$13,600,000
Annualized Well 2 and Well 3 Capital Cost (\$/year) [d]	\$640,000	\$599,000	\$447,000	\$906,000
Annualized capital cost per service connection (\$/year)	\$25	\$23	\$17	\$35
Annual O&M Cost				
Well 2 and Well 3 (\$/year) [e]	\$819,000	\$859,000	\$1,250,000	\$2,380,000
Annual O&M cost per service connection (\$/year)	\$31	\$33	\$48	\$91
Total Annual Treatment Cost (\$/year) [f]	\$1,460,000	\$1,460,000	\$1,690,000	\$3,280,000
Total Annual Cost per service connection (\$/year)	\$56	\$56	\$65	\$126

Abbreviations:

"ACWA" = Association of California Water Agencies

"BAT" = million gallons per day

"ENR" = Engineering News-Record

"GAC" = granular activated carbon

"NF" = nanofiltration

"RO" = reverse osmosis

Notes:

[a] The ENR Construction Cost Index for 2024 was used to adjust cost estimates calculated using the 2024 USEPA document from 2022 to 2024 dollars for consistency with the ACWA Guidelines and other cost estimates included in this PHG Report. Totals in Table 7 may not sum due to rounding.

[b] Estimated unit costs per one thousand gallons treated are not provided in the 2024 USEPA document. Estimated unit costs included in Table 7 were calculated based on the estimated total annual treatment cost and the total production capacity of wells with PHG exceedances. As such, estimated unit costs are included herein solely for comparison purposes.

[c] The total capital cost associated with each BAT was calculated based on the individual production capacities of wells with PHG exceedances for PFOA (Wells 2 and 3). Given that the 2024 USEPA document provides guidance for calculating total capital costs based on design capacity, design capacity was assumed to be equal to the production capacity of each well exceeding the PHG, which was 2.9 MGD in both cases.

[d] For consistency with the ACWA Guidelines and other cost estimates included in this PHG Report, total capital costs estimated using the 2024 USEPA document were annualized based on a standard assumed BAT lifespan of 15 years.

[e] The total annual O&M cost for each BAT was calculated based on the individual production capacities of each well with recorded PHG exceedances for PFOA (Wells 2 and 3). Given that the 2024 USEPA document provides guidance for calculating total annual O&M cost based on average flow, average flow was assumed to be equal to the production capacity of each well exceeding the PHG, which was 2.9 MGD in both cases. Because the City's production wells are not expected to operate at their full production capacity on average, the estimated annual O&M costs are considered conservative.

[f] The estimated total annual treatment cost reflects the sum of annualized capital and O&M costs associated with each BAT.

■ Estimation of Treatment Cost

- Cost estimates were prepared for three BATs identified in the U.S. EPA's final PFAS National Primary Drinking Water Regulation (2024)
- Estimates reflect the cost to implement BATs at wells with PHG exceedances

Total Coliform/*E. coli*

■ MCL

- **Total Coliform** – No more than 5.0% of the samples collected in any given month can be total coliform positive for systems collecting at least 40 samples per month (City).
- ***E. coli*** – The MCL for *E. coli* would be exceeded when any of the following triggers are met:
 - An *E. coli*-positive repeat sample is observed following a total coliform-positive routine sample;
 - A total coliform-positive repeat sample is observed following an *E. coli*-positive routine sample;
 - A water system fails to collect all required repeat samples following a positive *E. coli* routine sample; or
 - A water system fails to test for *E. coli* when any repeat sample is positive for total coliform.

■ MCLG

- Any positive detection is considered an MCLG exceedance for both total coliform and *E. coli*.



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Total Coliform/*E. coli*

■ MCLG Exceedances from 2022-2024

- **Total Coliform** - 17 out of over 3,000 samples from 2022-2024 were positive for total coliform, with the highest monthly percent of positive samples being 4.9%. The MCLG was exceeded 9 out of 36 months, but the monthly MCL of 5.0% was not exceeded.
- ***E. coli*** - 1 out of over 3,000 samples from 2022-2024 was positive for *E. coli*, with the follow-up total coliform and *E. coli* samples yielding non-detects. As such, the MCLG was exceeded 1 month, but the MCL was not exceeded.

■ Contaminant Sources

- **Total Coliform** - Broad group of naturally occurring bacteria, including *E. coli*
- ***E. coli*** - Fecal coliform found in intestinal tract of animals

Total Coliform/*E. coli*

■ Public Health Risk (OEHHA)

- Health risks associated with the ingestion of total coliform and *E. coli* have not yet been established by OEHHA.

■ Estimation of Treatment Cost

- The City recently completed a project to modify two wells to allow for the addition of chlorine and ammonia directly in the well water.
- It is not recommended that the City increase disinfectant residuals for the purposes of reducing total coliforms given that the City consistently complies with the MCLs for both total coliform and *E. coli* and doing so could increase disinfection byproducts.

Agenda Item 3.B

RECOMMENDATION

Conduct a public hearing to receive public comment on the proposed extension of Vehicle Code enforcement authority within the private roadways of the Redbridge subdivision and accept the formal resolution from the Redbridge Owners' Association requesting such enforcement.

EXECUTIVE SUMMARY

This report recommends that the City Council conduct a public hearing authorizing the Tracy Police Department to enforce traffic violations within the private streets of the Redbridge subdivision. The Redbridge Owners' Association (ROA) has formally requested this enforcement authority as permitted under California Vehicle Code Section 21107.7.

BACKGROUND AND LEGISLATIVE HISTORY

Redbridge is a private, gated community located within the City of Tracy. Because the roadways are privately owned and not generally open to the public, most provisions of the California Vehicle Code do not apply unless the City Council authorizes enforcement under Section 21107.7. In response to ongoing concerns, the Redbridge Owners' Association formally adopted a resolution requesting traffic enforcement and submitted it to the City. Over the past several years, the Tracy Police Department has received numerous complaints from residents about speeding, failure to stop at posted signs, and other traffic issues. Since March 2021, officers have responded to 161 calls for service within the community, many of which were traffic-related.

ANALYSIS

Currently, officers may only enforce misdemeanor Vehicle Code violations within Redbridge, such as reckless driving or DUI. They are not permitted to issue citations for traffic infractions like speeding or failing to stop at posted stop signs without authorization from the City Council. Granting this enforcement authority under California Vehicle Code Section 21107.7 would enable officers to address these common concerns more effectively and support residents' ongoing requests for improved traffic safety. This authorization would not require any changes to current patrol deployment, as officers already operate in the area and would retain discretion to issue warnings or citations as appropriate. The Redbridge Owners' Association will remain responsible for managing the private roads and ensuring all required traffic control signage is properly posted and maintained.

FISCAL IMPACT

The fiscal impact to the Police Department is minimal. No new funding or additional staffing is being requested, as officers already patrol the area of Redbridge subdivision, and any enforcement would occur as part of normal operations. There may be occasional court-related overtime if officers are required to testify. No new taxes or fees are required, and the Redbridge Owners' Association will be responsible for the cost of any additional required traffic signage.

PUBLIC OUTREACH/ INTEREST

The Tracy Police Department has met with representatives from the Redbridge Owners' Association to discuss enforcement options and the requirements of CVC Section 21107.7.

COORDINATION

This item was coordinated with the Tracy Police Department and the City Attorney's Office. The Engineering Division was also consulted and had no additional input.

STRATEGIC PLAN

This item supports the City Council's Strategic Plan Goal #2: Strengthen community safety through crime prevention and reduction activities.

ACTION REQUESTED OF THE CITY COUNCIL

Conduct a public hearing to receive public comment on the proposed extension of Vehicle Code enforcement authority within the private roadways of the Redbridge subdivision and accept the formal resolution from the Redbridge Owners' Association requesting such enforcement.

Prepared by: Mike Roehl, Police Lieutenant

Reviewed by: Miguel Contreras, Police Captain

Sekou Millington, Chief of Police
Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager
David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

Redbridge Owners' Association Petition pursuant to California Vehicle Code 21107.7



Los Angeles | Orange County | Palm Desert
Sacramento | San Diego | San Francisco
San Jose | San Luis Obispo | Stockton | Temecula

Reply to: 3415 Brookside Road, Suite 200
Stockton, CA 95219
(800) 464-2817

March 27, 2025

VIA EMAIL & U.S. MAIL

City Attorney for the City of Tracy
333 Civic Center Plaza,
Tracy, CA 95376
kamalpreet.gill@cityoftracy.org
Attn: Kamal Gill, Deputy City Attorney

Re: REDBRIDGE OWNERS' ASSOCIATION
Petition pursuant to California Vehicle Code 21107.7

Dear Deputy City Attorney Gill:

Our firm is general counsel to Redbridge Owners' Association ("Association"), a common interest development ("CID") located in Tracy, California. This development ("Development") is a gated community with 428 residential lots and common areas, including parks and the private road system throughout. As you may be aware, we were asked by the Association's Board of Directors ("Board") to prepare a petition ("Petition") requesting that the City of Tracy ("City") adopt an ordinance or resolution, which would subject the Association's private roads to the California Vehicle Code, pursuant to Section 21107.7.

Section 21107.7(a) of the Vehicle Code permits a city or county, by ordinance or resolution, to find and declare that privately owned and maintained roads be subject to the application and governance of the California Vehicle Code, where the interests of any residents residing along such roads and the motoring public will best be served by such decision.

As indicated above, the Association's roads are private and are maintained by the Association. There are signs limiting speed, stop signs, and other signage regulating traffic posted throughout the Development. There are also crosswalks and appropriate street markings/signage posted throughout. In recent years, as the defiance of posted signage has become increasingly problematic, the Association has increased efforts to mitigate speeding and dangerous driving, including issuing violations when observed, and having private security patrol and document any observed issues. In spite of these efforts, there continues to be a disregard for safety on the private roads in the community, creating a hazardous situation. Recently, a vehicle struck a pedestrian while in a crosswalk.

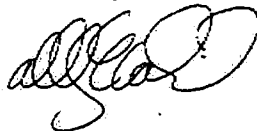
As a result of these difficulties, the Association's Board has been in communication with Lieutenant Mike Roehlk of the Tracy Police Department. Lt. Roehlk has indicated Tracy Police Department's willingness to enter into an agreement with the Association to patrol its private roads, but the first step is the approval of this Petition.

Page 2 of 2

It is clear by the continued disregard of traffic signage in the Development, particularly considering the pedestrian struck while in the crosswalk, that the interests of the Association's residents, as well as the motoring "public" operating their vehicles within the community, including guests, vendors and invitees of residents of the community, would be best served by an approval of this Petition and by a finding and declaration by the City that the Association's roads will be subject to the provisions the California Vehicle Code.

This letter shall serve as the Petition and is signed by the Board, as required by Section 21107.7(a), below. Accordingly, the Board formally requests that the City of Tracy grant this Petition pursuant to California Vehicle Code 21107.7.

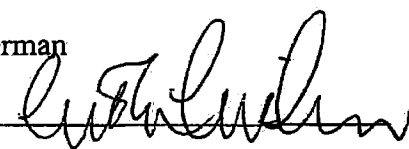
Very truly yours,



Allyson Calvird, Esq.
ADAMS | STIRLING
Professional Law Corporation

Directors of Redbridge Owners' Association


Dave Lieberman

Signature: 

Title: President

Date: 3/27/2025

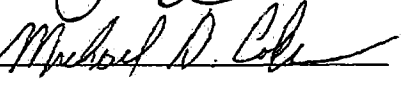
Jay Kang

Signature: 

Title: Vice President

Date: 3/27/25

Michael Coleman

Signature: 

Title: Treasurer

Date: 3/27/2025

Bryan Del Rizzo

Signature: 

Title: Secretary

Date: 03/27/25

Lisa Tarabini

Signature: 

Title: Director

Date: 03/27/2025

Agenda Item 3.C

RECOMMENDATION

Staff recommends that the City Council select, by consensus, the preferred Schematic Design option for the Aquatic Center, completed by Group 4 Architecture, Research + Planning, Inc., Capital Improvement Project 7805 and provide staff direction on next steps.

EXECUTIVE SUMMARY

This agenda item seeks City Council approval, by consensus, of the preferred Schematic Design option for the Aquatic Center and provide staff direction on next steps. The schematic design and building options are based on the previously approved conceptual design and were developed with extensive community input. The design supports a flexible, phased approach that balances competitive, recreational, and instructional aquatic needs.

On April 15, 2025, the City Council requested the development of three (3) schematic design options for the project: (Option 1) an outdoor recreation pool; (Option 2a) a recreation pool with a pre-engineered natatorium; and (Option 2b) a recreation pool with a conventionally constructed natatorium. Each option includes a 50-meter outdoor competition pool, along with the potential for additional enhancements and amenities such as waterslides, a lazy river, a toddler splash pool, and a community meeting/program room.

BACKGROUND AND LEGISLATIVE HISTORY

On April 30, 2024, Council authorized staff to plan the Aquatic Center (i.e., hiring an architectural and engineering team) based on the program elements of the 2020 Aquatic Center Conceptual Plan, which was previously rescinded by court order, and return to City Council with a concept for further discussion.

The rescinded 2020 Conceptual Plan included elements that were developed through an extensive public outreach process (Aquatic Center Program Priorities) and have been used as a base program moving forward. Elements include the following (in priority order):

1. 50-meter-long course competition pool
2. Recreation/warm-up pool
3. Lazy River
4. Waterslides
5. Toddler Area
6. Indoor Pool (Optional)
7. Fitness Center (Optional)

Based on the direction received from the City Council on April 30, 2024, staff proceeded with the procurement of an architect/engineering firm to lead the design of the Project.

Staff negotiated a Professional Services Agreement with Group 4 Architecture, Research + Planning, Inc. (Consultant), with a not-to-exceed amount of \$5,665,261 for the \$65 million

Project. The scope of work for this Project involves two (2) phases. Phase 1 includes pre-design services, site feasibility and design alternatives, conceptual design and financial analysis, a preliminary traffic study, community outreach, and City Council direction. Phase 2 includes schematic design, design development, construction documents, bidding, construction administration, and project closeout and post-construction services.

On September 17, 2024, the Council approved the PSA per Resolution 2024-160. Staff were directed to proceed to Phase 1 of the PSA with the Consultant, which included the following tasks: pre-design project kick-off and site tour, site feasibility and design alternatives, conceptual design and financial analysis, a preliminary traffic study, and community outreach. However, staff was directed in the resolution to return to Council after Phase 1 of the Consultant's work was completed and may only proceed to Phase 2 of the scope of work set forth in the PSA upon formal authorization by the City Council. Council also requested that project budget options be developed for discussion on the project, which include: a \$55 million project option, a \$65 million project budget option, and other optional project enhancements/amenities for Council consideration based on community priorities.

On April 15, 2025, the Council received the Phase 1 summary presentation from City staff and the Consultant team and approved the Concept Plan for the new aquatic center and provided directions to the City staff and the Consultant team to proceed with Schematic Design for Phase 2 of the project and bring the following three options back to the City Council at the end of Schematic Design:

- 1) Outdoor Recreation Pool with Pre-engineered Construction, 50-meter Outdoor Competition Pool
- 2a) Indoor Recreation Pool with Pre-engineered Construction, 50-meter Outdoor Competition Pool
- 2b) Indoor Recreation Pool with Conventional Construction, 50-meter Outdoor Competition Pool

The Council also stated that their preferred Project Budget was \$65 million, including a natatorium, and that they wanted to provide as many aquatic components as possible within the budget.

ANALYSIS

The schematic design process for the Aquatic Center has progressed steadily over the past four months. During this time, the Consultant, working closely with City staff, has completed the tasks outlined in Phase 2 – Schematic Design of the Agreement. The focus has been on refining the project design and scope to align with the City's budget, while preparing three design options, schematic design documents, cost models, and technical data to support the City Council in making informed decisions on the next steps for the new Aquatic Center.

Project Overview and Background

The Aquatic Center has been shaped by years of community engagement, stakeholder consultations, and a thorough review of best practices from other municipal aquatic facilities. The schematic design options prioritize flexibility, ensuring the facility meets the diverse needs of the Tracy community while maintaining a park-like setting with resort-style amenities.

The aquatic program components have been carefully selected and refined through input from the City Council (both in 2020 and confirmed in April 2024), industry experts, and project

consultants. The schematic design incorporates priority elements, including a 50-meter competition pool, a recreation/warm-up pool, a lazy river, waterslides, and a toddler area, with two options for an indoor recreation/warm-up pool. All the input received aligns with previous community outreach for an aquatic center going back to 2008.

Currently, the City operates only one seasonal public pool (Joe Wilson Pool), which cannot meet growing demand. Other existing aquatic facilities in Tracy are largely restricted to school districts, HOAs, or private fitness centers. Community outreach and operational analysis confirm a demonstrated need for a public, multi-use aquatic center.

Community Outreach & Public Feedback Concept Design

Between January 13 and February 16, 2025, 1,623 community members participated in outreach efforts, including surveys, kiosks, and public workshops. The results align with past engagement efforts (2008, 2020), confirming consistent public demand for aquatic amenities.

The input received from this community outreach process was incorporated into the conceptual design options and has continued to inform the project in the schematic design phase.

Schematic Design Input and Meetings

Between May and August 25, 2025, City staff and the Design Team held a series of technical meetings to review facility operations and maintenance, building design and layout, technical requirements, code compliance, cost estimates, fire and public safety access, and constructability.

- Project Management Team Meetings (*biweekly, 8*)
- City Staff Technical Meetings
 - Recreation + Aquatics Staff (3), Planning Division (1), Building & Safety Division (2), Public Works Department (1), Fire Department (2), Police Department (1), County Environmental Health (1), and Pre-Engineered Metal Building manufacturers (13)

Key Project Features and updates

The final schematic plan includes a 19,900 sq. ft. core building and the following aquatic and non-aquatic amenities:

Aquatic Components:

- 50-Meter Competition Pool with a zero-entry ADA ramp, (7-13 ft. deep, supports swim meets, diving, water polo, and recreational swim).
- Three options for the Recreation Pool (multi-purpose for lessons, family swim, warm-ups), which include the incorporation of a small toddler play area with a zero entry and 4 lap lanes. The three options for this pool include:
 - 1) An outdoor recreation pool (5,800sf)
 - 2a) A natatorium constructed with a permanent pre-engineered metal building (PEMB), recreation pool (5,800sf pool, a 12,800sf natatorium including a divisible party room of 900sf)
 - 2b) A natatorium constructed with conventional construction, recreation pool (5,800sf pool, with a 12,800sf natatorium, including a divisible party room of 900sf)
- Lazy River (500 feet long) & three (3) Waterslides (high-capacity family attractions).
- Toddler Area (3,500sf) shallow water play space for young children.

Indoor & Site Amenities:

- Reception area, locker rooms, restrooms, lifeguard and first aid spaces (5,500sf).

- Multi-purpose community room building (4,200sf building with a 3,200sf divisible meeting space) and rentable training/party rooms (850sf).
- Shaded seating areas, cabanas, food truck space, pathways, parking, and multi-use lawn areas (17,500sf).
- Sustainability Features: Cal GREEN-compliant all-electric building design, water-efficient landscaping, solar-ready infrastructure.
- Parking stalls (204).

Use of Pre-Engineered Metal Buildings in Project

A Pre-Engineered Metal Building (PEMB) is a building system designed and fabricated in a factory using standardized, prefabricated components. These components—primarily steel structural frames, roof members, and wall panels—are engineered to meet specific loading, span, and performance criteria, then delivered to the job site for rapid assembly.

Unlike conventional steel construction, where each structural element is custom-detailed on site, PEMBs are optimized for efficiency through modular design, allowing for faster construction timelines, lower costs, and reduced labor complexity. PEMBs are increasingly being adapted for civic, educational, and institutional projects with enhanced architectural treatments.

Schematic Design Options

Option 1: Pre-Engineered Metal Building (PEMB) with Outdoor Recreation Pool

This streamlined option supports an outdoor recreation pool with essential support spaces in a shed-form PEMB. The design uses insulated metal panels for performance, with a central entry canopy for clarity and shelter. Wood-look phenolic accents and bold supergraphics along Summit Drive enhance identity and visual energy, creating a simple yet vibrant civic presence.

Key Strategies:

- Outdoor pool reduces mechanical complexity and cost
- Simple PEMB shed with insulated metal panels
- Entry canopy reinforces clear and welcoming access
- Phenolic accents soften edges and mark entries
- Supergraphics add bold visual character

Option 2a: A Natatorium (Indoor Recreation Pool) with Pre-Engineered Metal Building

This streamlined option supports an indoor recreation pool using a PEMB. The PEMB approach prioritizes cost-efficiency and speed, while still delivering strong civic character. An offset gable form houses the natatorium, clad in insulated metal panels. A dynamic louvered screen and deep canopies provide shade and identity, while wood-look accents and large glazing areas soften the industrial aesthetic and connect interior spaces to the outdoors.

Key Strategies:

- Offset gable PEMB form with insulated metal panels
- Louvered sunshade evokes wind and water movement
- Entry canopy defines a protected, welcoming arrival
- Wood-look accents add warmth to industrial finishes

Option 2b: Natatorium (Indoor Recreation Pool) with Conventional Construction

The conventional approach offers greater design flexibility, allowing for a more expressive civic identity while enclosing the indoor recreation pool. The natatorium shines using translucent materials. The design integrates durable materials with curved trellises, shaded gathering areas, and a transparent entry canopy to create a warm, community-focused environment.

Key Strategies:

- Glowing polycarbonate natatorium volume
- Conventional framing supports expressive forms
- EIFS, CMU, and translucent panels for balanced durability
- Central canopy creates a clear, sheltered entry
- Curved trellises enhance outdoor gathering and flow

Phasing & Cost Options

The Schematic Design Plan provides options for a phased implementation approach, offering flexibility to match funding availability with the project scope. It also allows for future expansion while ensuring long-term sustainability. In addition to the indoor/outdoor options for the recreation pool, additional aquatic enhancements that Council may consider are still included in the list below for Council consideration:

Option- Base Project	Project Cost Estimate	Key Inclusions
1) Base Project with Outdoor Recreation Pool	\$56.4M	50-meter competition pool, outdoor recreation pool, core support PEMB building, parking, pathways, and basic amenities.
2a) Base Project with Natatorium w/Pre-Engineered Construction	\$65.0M	50-meter competition pool, indoor PEMP recreation pool, core support PEMB building, parking, pathways, and basic amenities.
2b) Base Project with Natatorium w/Conventional Construction	\$68.7M	50-meter competition pool, conventional construction for an indoor recreation pool, and the core support building, parking, pathways, and basic amenities.
Optional Enhancements		
Lazy River with Island (500lf)	\$9.8M	The island includes the cost of a bridge, an ADA ramp for access, and rentable cabanas.
Lazy River (500lf)	\$8.3M	The island would remain, but with landscaping only.
Water Slides (3)	\$3.4M	Run out water slides ~30 feet tall.
Toddler Pool (3,500sf)	\$4.2M	Includes zero-entry and play structure.
Community/Program Room (4,200sf building w/3,200sf rm)	\$4.6M	Includes divisible meeting/program room, storage, restrooms, and catering kitchen.

Note: Cost Estimates include hard costs, soft costs, escalation, and contingencies.

Additive Alternates

Included within the base project are also three additive alternates that will be included in the construction and bid documents as bid add alternates and can be awarded and included in the project if the Council chooses once construction bids are received. These include the following:

- Photovoltaic panels - \$1.3M
- Public Art - \$0.5M
- Additional parking bay (~100 spaces) - \$1.6M

Facility Operational Analysis Updates

As part of the April 15, 2025, staff report, an initial operational analysis was provided to establish baseline cost recovery expectations for the Aquatic Center. Those early projections demonstrated that, while the facility will require a General Fund subsidy, revenues are expected to grow over time as membership, programming, and event hosting mature.

Updated analysis has now been completed for each of the three schematic design options. The results are consistent with the ranges presented in April and provide greater detail on first-year operating costs, projected cost recovery, and long-term capital replacement obligations.

Option	Capital Cost	Projected Year 1 Operating Loss	Projected Year 1 Cost Recovery	Projected Year 5 Cost Recovery	Projected Annual Capital Replacement
Option 1 – Outdoor Recreation Pool	\$56.4M	\$1.40 – \$1.60M	19 – 28%	20-29%	\$320,000
Option 2a – Natatorium (Pre-Engineered Construction)	\$65.0M	\$1.95 – \$2.2M	28 – 40%	29-41%	\$625,000
Option 2b – Natatorium (Conventional Construction)	\$68.7M	\$1.95 – \$2.2M	28 – 40%	29-41%	\$625,000

These updated figures show that while the outdoor recreation pool has the lowest overall capital cost, it also generates the lowest cost recovery potential. Both natatorium options require higher capital investment but achieve meaningfully higher cost recovery percentages, which aligns with community feedback favoring year-round indoor aquatics.

As noted previously, cost recovery percentages can be further increased should the City Council elect to adjust pricing strategies to market-rate levels for admissions, memberships, and programming. Staff will continue to refine these projections and provide Council with policy choices regarding balancing affordability, accessibility, and cost recovery.

Next Steps & Overall Project Schedule

With Council's selection of a preferred schematic design option, staff and the consultant team will proceed, with Council direction, with the next stages of project development, which include design development and construction documentation. Based on the immediate direction to proceed from the Council, the table below shows the tentative project timeline.

Task	Timeline
Design Development	September 2025 – January 2026
Construction Documentation	February – July 2026
Plan Check & Bidding	May – October 2026
Construction	18 - 24 months
Grand Opening	Summer/Fall 2028

Any additional analysis or delay in the Council's direction to proceed will impact this project timeline.

FISCAL IMPACT

On April 15, 2025, staff was directed to proceed to Phase 2 of the PSA with the Consultant, which included the following tasks: schematic design, design development, construction documents, bidding & construction administration support, project closeout & post construction phase, and furniture/fixtures/equipment (FF&E) and signage. The Phase 1 fee was a not-to-exceed total cost of \$751,912, and to date, a total of \$648,478 has been billed to Phase 2 services, for a total amount of \$1,400,390.

Griffin Structures, the City's hired project manager, has billed \$355,107 to date.

This Project was previously approved by the City Council as CIP 78054 with an established budget of \$65,000,000.

Capital improvement and operational impacts have been described within the report and will vary based on City Council direction.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, and specifically implements the following goals:

Goal 2: Facilitate the Completion of Measure V Amenities; Objective 2: Advance Measure V amenity planning; and Short-Term Priority 2.c Begin design of Aquatic Center.

COORDINATION

This report was prepared by the Parks, Recreation, and Community Services Department.

CEQA DETERMINATION

This item is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.; "CEQA Guidelines") as the action is for design work of a Project that has not been designed and approved and therefore constitutes "feasibility or planning studies" and is not subject to CEQA pursuant to CEQA Guidelines §15262). Appropriate CEQA review will be done prior to any future discretionary actions related to the Project that may have a foreseeable impact on the environment.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council select, by consensus, the preferred Schematic Design option for the Aquatic Center, completed by Group 4 Architecture, Research + Planning, Inc., Capital Improvement Project 7805, and provide staff direction on next steps.

Prepared by: Richard Joaquin, Assistant Director of Parks, Recreation and Community Services

Reviewed by: Brian MacDonald, Director of Parks, Recreation and Community Services

Sara Castro, Director of Finance
L David Nefouse, City Attorney
Arturo Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A – PowerPoint



Tracy Aquatic Center



September 16, 2025



Agenda

1. Introduction
 - a) Requested Actions
 - b) Council Direction to Date
 - c) Project Schedule + Workplan Update
2. Schematic Design Overview
 - a) Design Updates
 - b) Design Options
 - c) Financial Analysis
3. Council Direction



Think Inside the Triangle™

Requested Actions

September 16, 2025

1. Select the preferred Schematic Design Option for the Aquatic Center
2. Council direction on next steps

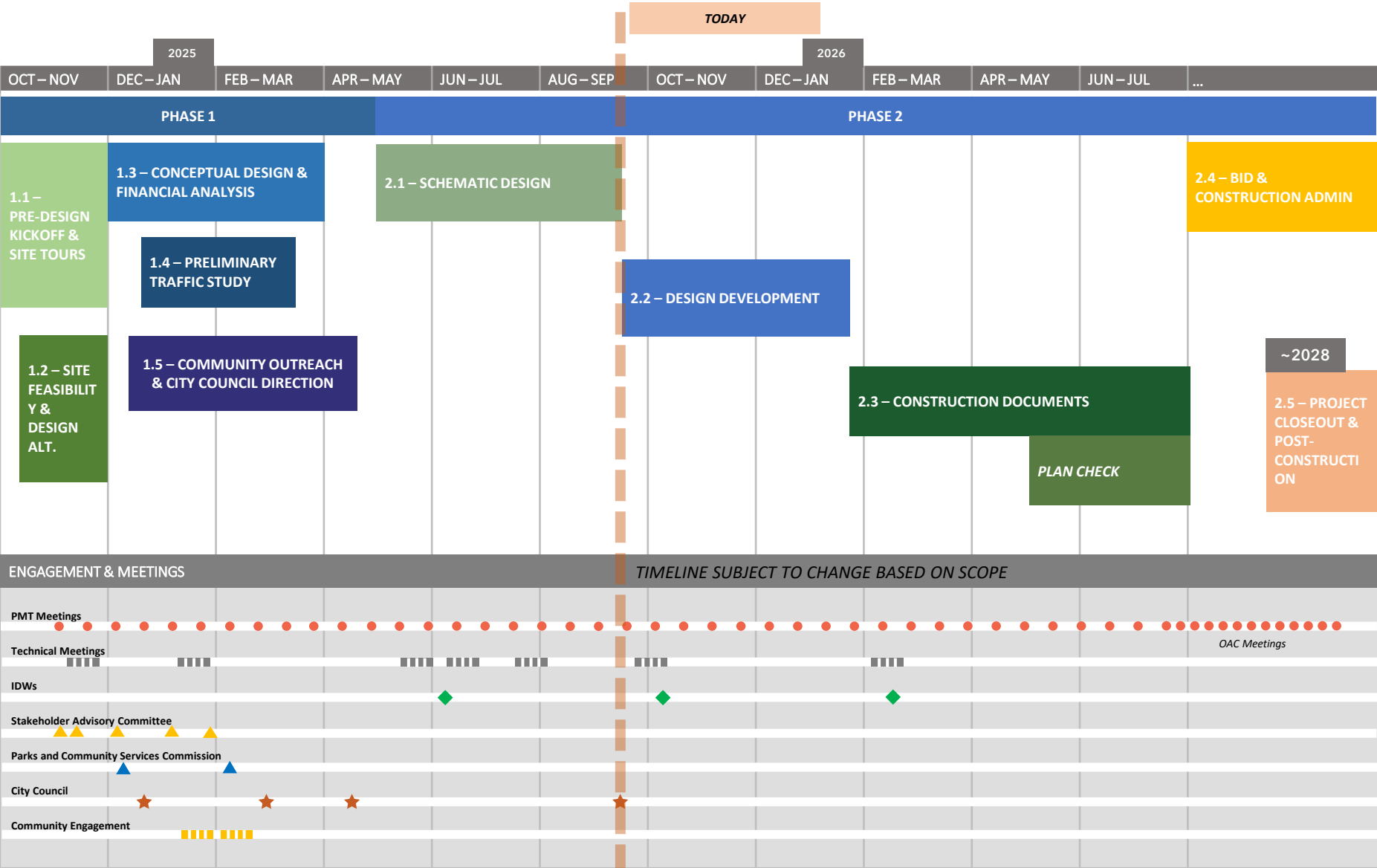


Previous Council Direction

April 15, 2025

- **Proceed with Phase 2 Schematic Design**
- **Schematic Design Options:**
 - Outdoor Recreation Pool with Pre-engineered Construction
 - Indoor Recreation Pool with Pre-engineered Construction
 - Indoor Recreation Pool with Conventional Construction
- **Preferred Project Budget:** \$65M including a natatorium
- **Project Goals:** Provide as many aquatic components as possible in the budget

Overall Project Schedule – Current



Schematic Design Input + Meetings

- Project Management Team Meetings (*biweekly*)
- City Staff Technical Meeting/Integrated Design Workshop
 - Recreation + Aquatics Staff (3)
 - Planning Division (1)
 - Building & Safety Division (2)
 - Public Works Department (1)
 - Fire Department (2)
 - Police Department (1)
 - Waste Management (1)
- County Environmental Health (2)
- Pre-Engineered Metal Building manufacturers (13)

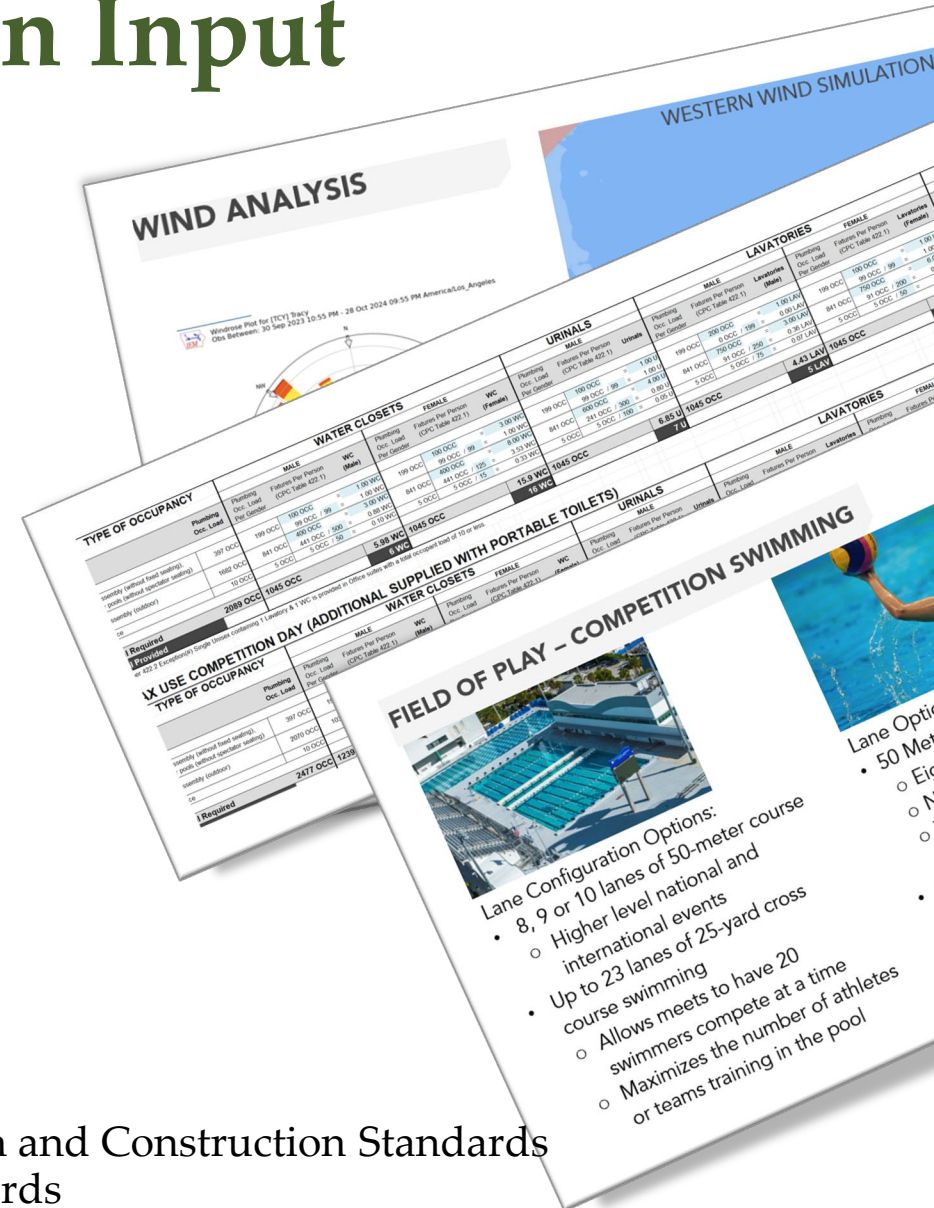
Schematic Design Input

• Design

- Community
- City Council
- Parks and Commission
- Stakeholders
- Aquatic Industry Expert
- Staff
- Sustainability/CalGreen
- Solar
- Wind
- Climate
- Program
- Operations

• Codes and Standards

- Zoning
- CEQA
- Building Code
- Fire Access and Protection
- Health Department
- Airport
- Public Safety
- City of Tracy Engineering Design and Construction Standards
- Stormwater Management Standards
- Communications, Security, Technology, Cabling City Standards



Schematic Design Goals



	Outdoor Recreation Pool + Competition Pool Option	Indoor Recreation Pool (PEMB) + Competition Pool Option	Full Buildout: Outdoor Recreation + Competition + Toddler Pool + Lazy River + Water Slides
Conceptual Design 4/15/25	\$65M	\$75M	\$80.6M
Schematic Design 9/16/25	\$56.4M	\$65M	\$72.3M

Key Changes

- Building reduced ~2,000sf
- Site reduced ~1.6 acres
- Included Pre-Engineered Metal Building (PEMB) Option
- Added play structure to Recreation Pool

See Capital and Operational Cost information on slides 24-36.

Site Plan Update Full Buildout



ENHANCEMENTS

**COMMUNITY
ROOM**

LAZY RIVER

**TODDLER
POOL**

WATERSLIDES

Site Plan Update Natatorium + Competition Pool Only



BIOSWALE

PARKING

ENTRY

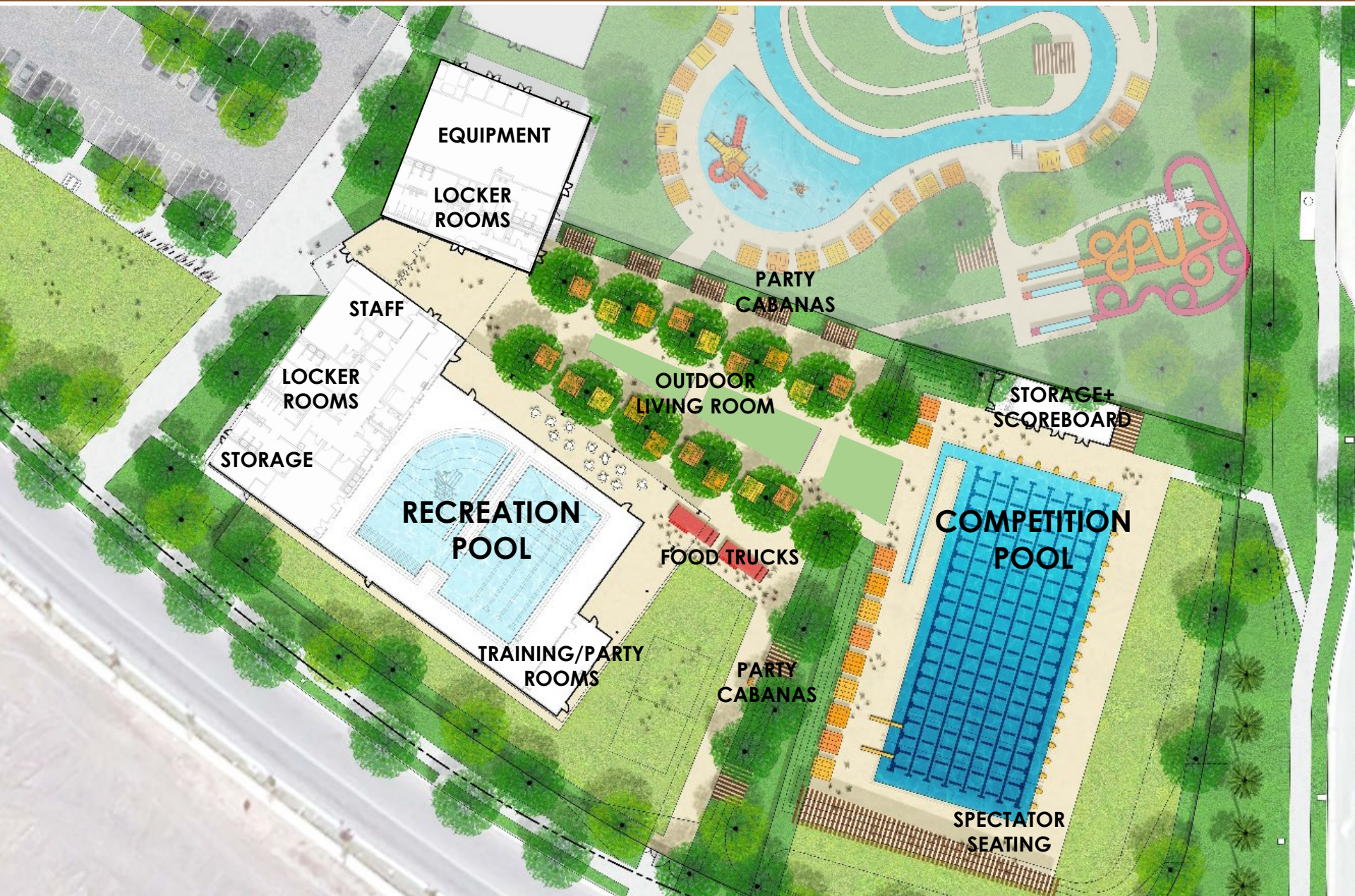
RECREATION
POOL

LIVING
ROOM

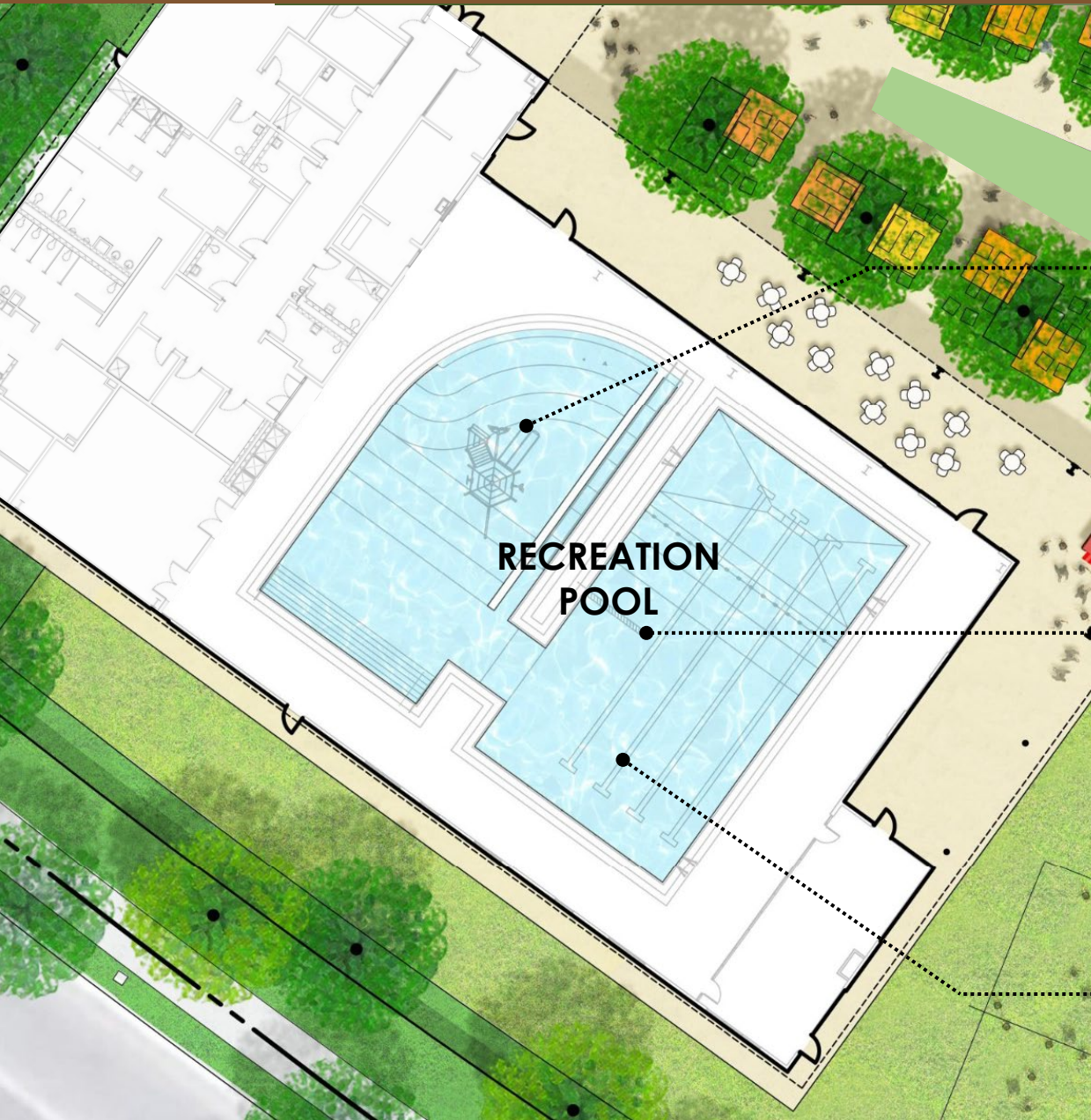
COMPETITION
POOL

Future Park or Aquatic
Expansion Area
no work

Floor Plan Update



Recreation Pool Design Update



Design Values: Sustainability



BUILDING SYSTEMS



ALL-ELECTRIC BUILDING

All-electric building equipment including space heating and cooling and water heating



SOLAR PANELS

PV-ready: Photovoltaic infrastructure awaits future PV panels.



WATER-USE REDUCTION

Fixtures conserve water resources and reduce impact on water supply and wastewater systems

BUILDING ENVELOPE



DAYLIGHTING

Windows and clerestories with low-e glazing let in daylight and views



SHADING DEVICES

Reduce solar heat gain and glare through vertical and horizontal exterior window shades in response to solar orientation



BIRD COLLISION PROTECTION

Bird-friendly window etch in select areas to reduce chance of collision

SITE ECOLOGY



LOW IMPACT DEVELOPMENT

Bioretention basins to clean stormwater runoff before entering sewer system



HABITAT CREATION

Provide biologically diverse landscape palette to provide shelter and food for birds, insects, and pollinators



SEQUESTER CARBON

Preserving existing trees on-site and planting new trees to absorb carbon dioxide and serve as carbon sinks.

SITE CONNECTIVITY



BIKE FACILITIES

Promote physical activity, reduce vehicle usage, provide bike parking options, connection to bike routes, and shower facilities



PEDESTRIAN + BUS

Enhancing pedestrian connections to encourage alternative modes of transit



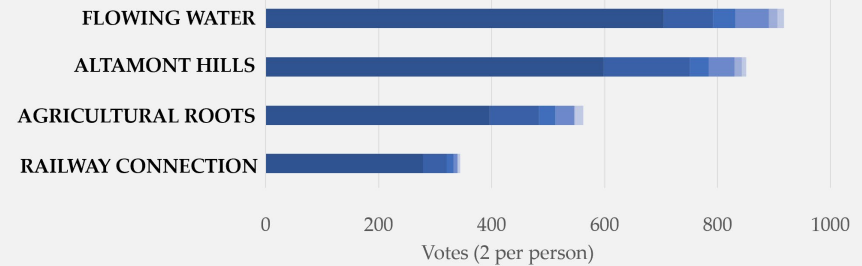
EV CHARGERS + GREEN VEHICLE PARKING

EV chargers and priority parking for green vehicles and carpools

Design Values: Conceptual Design Recap



Community Input - Design Character

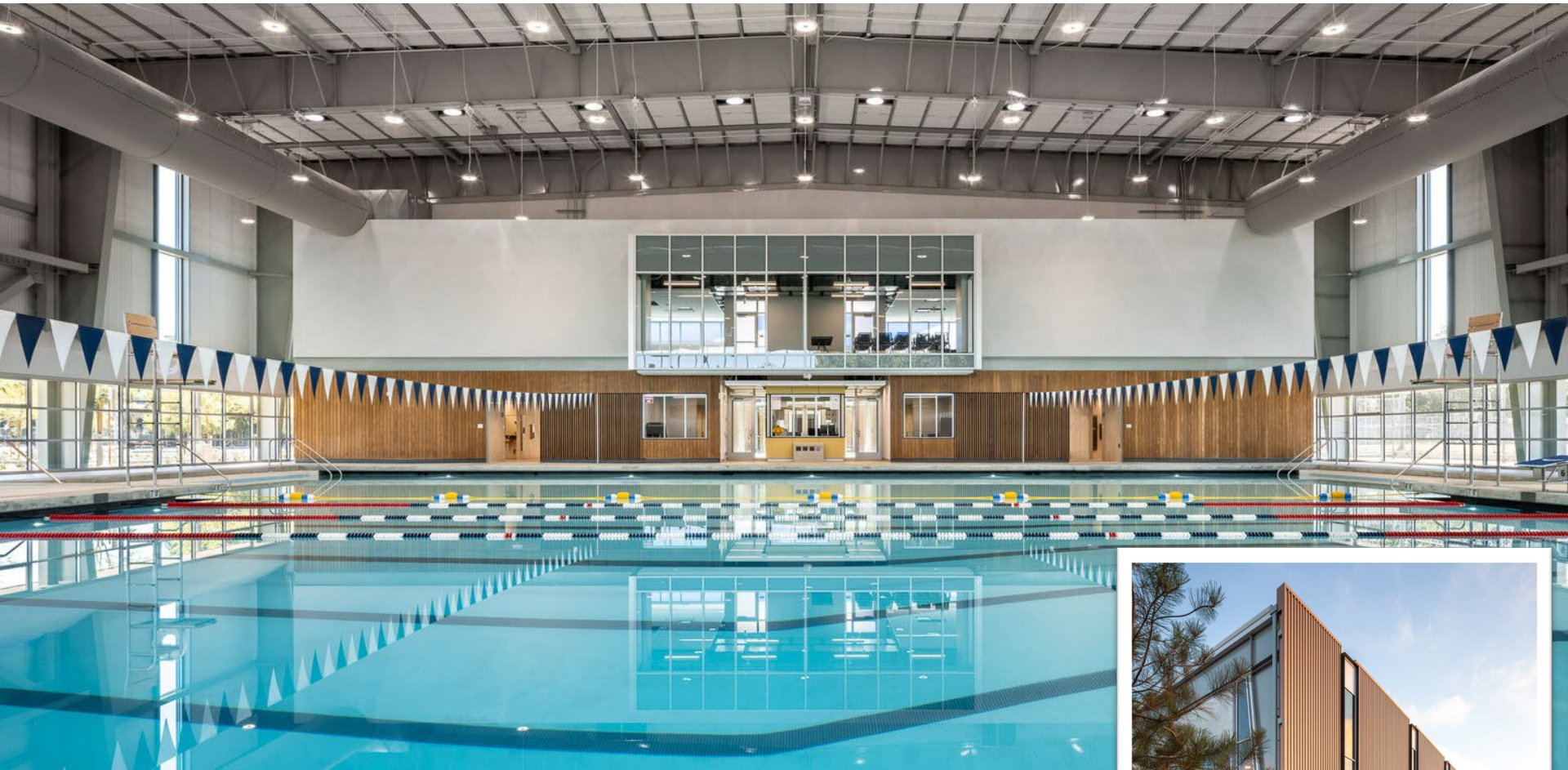


Rec Pool Options

The rec pool layout & features remain the same in all options. Just their enclosure changes.

1. Outdoor Recreation Pool	2a. Natatorium w/ Pre-Engineered Construction	2b. Natatorium w/ Conventional Construction
		
Least Expensive Option	Least Expensive Permanent Natatorium	Most Expensive Natatorium
Outdoor recreation pool (heated) still allows year-round programming	Comfortable year-round programming and rentals	Comfortable year-round programming and rentals
Pre-engineered Construction <ul style="list-style-type: none"> Standard size and plan, less flexibility for architectural expression Limited selection for exterior materials 	Pre-engineered Construction <ul style="list-style-type: none"> Standard size and plan, less flexibility for architectural expression Limited selection for exterior materials 	Conventional Construction <ul style="list-style-type: none"> Custom size and plan, with more flexibility for architectural expression Larger selection for exterior materials
~18 month construction	~22 month construction	~24 month construction

Pre-Engineered Natatorium Studies



Michelle and Barack Obama Sports Complex | Los Angeles, CA



2a. Pre-Engineered Indoor Rec Pool



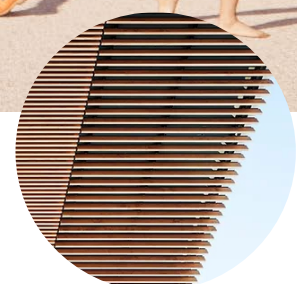
INSULATED METAL
PANEL



WOOD-LOOK
PHENOLIC PANEL



CMU

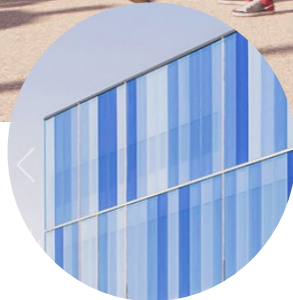


WOOD-LOOK
PHENOLIC CANOPY

2b. Conventional Indoor Rec Pool



EIFS



POLYCARBONATE
PANEL



CMU



WOOD-LOOK
PHENOLIC CANOPY

1. Outdoor Recreation Pool



2a. Natatorium, Pre-engineered Construction



2b. Natatorium, Conventional Construction



Rec Pool Options

The rec pool layout & features remain the same in all options. Just their enclosure changes.

1. Outdoor Recreation Pool	2a. Natatorium w/ Pre-Engineered Construction	2b. Natatorium w/ Conventional Construction
		
Least Expensive Option	Least Expensive Permanent Natatorium	Most Expensive Natatorium
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~18 month construction	~22 month construction	~24 month construction

Capital Cost Estimates – Inclusions



Hard Cost

Includes cost for General Contractors Overhead (site requirements, jobsite management, insurance, bonding, profit), and construction cost for the building and sitework. Factors in construction materials for public facilities that are designed to last 40-50 years.

Soft Cost

Includes cost for purchasing the building and sites furnishings, fixtures, and equipment that are not “built-in”.

Escalation

Escalation is currently highly unpredictable. Typical escalation is estimated in the 3-5% range, in the last 3 years escalation has ranged from 4-7% per year. This estimate utilizes 4% escalation per year.

Contingency




Contingencies are included in the project budgets appropriate for this phase of planning and include:

- Estimating Contingency is included in the construction hard cost.
- Construction Contingency of 10% is included in the project budgets.
- Soft Cost contingency of 10% is included in the project budgets.

Capital Cost Estimate



The rec pool layout & features remain the same in all options. Just their enclosure changes.

1. Outdoor Recreation Pool	2a. Natatorium w/ Pre-Engineered Construction	2b. Natatorium w/ Conventional Construction
		
<input type="checkbox"/> Base Project \$56.4M	<input type="checkbox"/> Base Project \$65.0M	<input type="checkbox"/> Base Project \$68.7M

Enhancements

<input type="checkbox"/> Lazy River with island	\$9.8M
<input type="checkbox"/> Lazy River without island	\$8.3M
<input type="checkbox"/> Water Slides (3)	\$3.4M
<input type="checkbox"/> Toddler Pool	\$4.2M
<input type="checkbox"/> Community Room	\$4.6M

Project Budget



	OPTION 1 Outdoor Rec Pool 16,500sf	OPTION 2a Natatorium, Pre-engineered 27,500sf	OPTION 2b Natatorium, Conventional 27,500sf
HARD COSTS <i>(inc. mark-ups + estimating contingency)</i>	\$39,501,000	\$46,310,000	\$49,335,000
Site	\$11,197,000	\$11,197,000	\$11,197,000
Buildings	\$14,476,000	\$21,390,000	\$24,415,000
Aquatic Components	\$12,792,000	\$12,792,000	\$12,792,000
FF&E (Site, Building, and Office)	\$1,036,000	\$931,000	\$931,000
Public Art - 0%	\$0	\$0	\$0
SOFT COSTS	\$9,247,000	\$9,672,000	\$9,711,000
Professional Fees	\$5,665,000	\$6,011,000	\$6,011,000
Project & Construction Management	\$1,960,000	\$1,960,000	\$1,960,000
City Permits	\$300,000	\$300,000	\$300,000
Other (Testing/Environmental, etc.)	\$902,000	\$984,000	\$1,019,000
Soft Costs Contingency	\$420,000	\$417,000	\$421,000
PROJECT BUDGET SUBTOTAL	\$48,748,000	\$55,982,000	\$59,046,000
ESCALATION to midpoint of construction	\$3,471,000	\$4,104,000	\$4,381,000
PROJECT CONTINGENCY (10%)	\$4,183,000	\$4,945,000	\$5,279,000
PROJECT BUDGET TOTAL	\$56,400,000	\$65,000,000	\$68,700,000



Enhancement #1: Lazy River



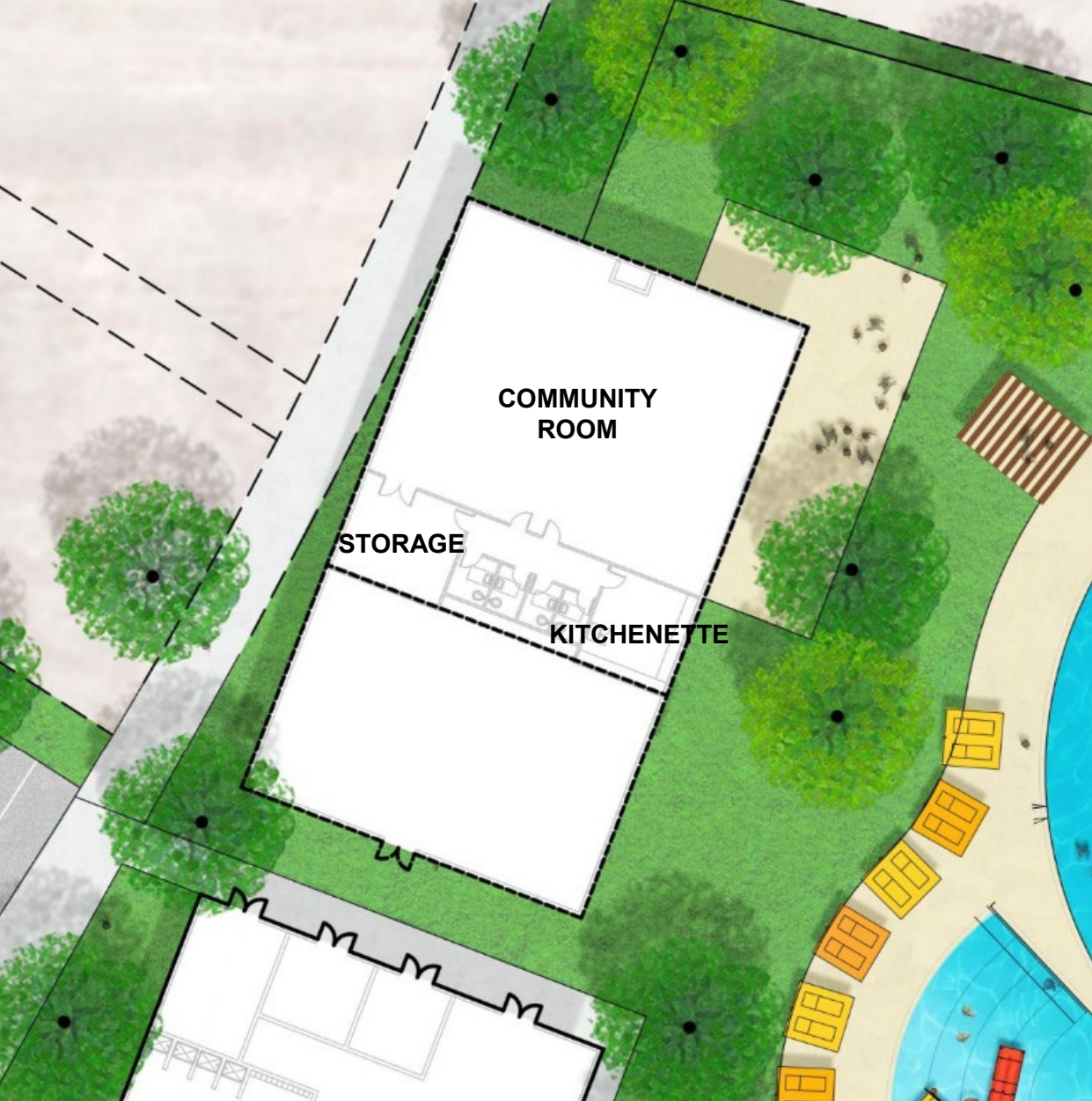
Enhancement #2: Water Slides (3)





Enhancement #3: Toddler Pool





Enhancement #4: Community Room



Add Alternates



These items are additive alternates to the base project budget; they will be included in the construction and bid documents as bid add alternates and can be awarded and included in the project if the Council chooses once construction bids are received.

Photovoltaic Panels	\$1.3M
Public Art	\$0.5M
Additional parking bay (~100 spaces)	\$1.6M

Conservative projections have remained consistent since Concept Design. We have included revenue ranges to demonstrate potential to increase revenue based on Council direction.

Operating Expense Factors

- Personnel & hours of operation
- Commodities
- Utilities
- Capital Replacement Fund

Revenue Factors

- Attendance
- Admissions and membership fees
- Rentals
- Aquatic Program fees
- Concessions Food Trucks

Capital & Operational Cost



1. Outdoor Recreation Pool



2a. Natatorium w/ Pre-Engineered Construction



2b. Natatorium w/ Conventional Construction



Capital Cost

\$56.4M

\$65.0M

\$68.7M

Operating Loss

Year 1

-\$1.4-1.6M

-\$1.95-2.2M

-\$1.95-2.2M

Year 5

-\$1.6-1.8M

-\$2.2-2.5M

-\$2.2-2.5M

Cost Recovery

Year 1

19-28%

28-40%

28-40%

Year 5

20-29%

29-41%

29-41%

Capital Replacement Fund

\$320k

\$625k

\$625k

Totals vary with enhancement(s) chosen.

Capital & Operational Cost



	Lazy River 	Water Slides 	Toddler Area 	Community Room 
Capital Cost	\$8.3-9.8M	\$3.4M	\$4.2M	\$4.6M
Projected Year 1 Operating Loss	-\$120k-240k	-\$5-50k	-\$10-30k	+\$30-50k
Projected Year 1 Cost Recovery	38-69%	58-95%	42-79%	100%+
Projected Annual Capital Replacement Fund	\$35k	\$320k	\$20k	\$0



Requested Action Items

- 1) Select one Recreation Pool
 - a) Outdoor Recreation Pool
 - b) Pre-engineered Natatorium
 - c) Conventional Natatorium
- 2) Select other aquatic components
 - a) Lazy River
 - b) Water Slides
 - c) Toddler Area
 - d) Community Room
- 3) Next steps
 - Continue to design development
 - Pause all work

Project Options + Decisions



Base Project	Direction on preferred option to proceed with.			
1.	Outdoor Rec Pool w/ Pre-engineered Building	\$56.4M	<input type="checkbox"/>	
2a.	Natatorium with Pre-Engineered Buildings	\$65.0M	<input type="checkbox"/>	
2b.	Natatorium with Conventional Buildings	\$68.6M	<input type="checkbox"/>	
Enhancements	Direction on enhancements to include in construction documents, may be able to be bid as alternates.			
	Lazy River with island	\$9.8M	<input type="checkbox"/>	
	Lazy River without island	\$8.3M	<input type="checkbox"/>	
	Water Slides (3)	\$3.4M	<input type="checkbox"/>	
	Toddler Pool	\$4.2M	<input type="checkbox"/>	
	Community Room	\$4.6M	<input type="checkbox"/>	
Bid Alternates	Bid alternates.			
	Photovoltaic Panels	\$1.3M	<input type="checkbox"/>	
	Public Art	\$0.5M	<input type="checkbox"/>	
	Additional parking bay (~100 spaces)	\$1.6M	<input type="checkbox"/>	



Tracy Aquatic Center



September 16, 2025

Agenda Item 3.D

RECOMMENDATION

Staff recommends that the City Council act as follows:

(1) By motion, designate a voting delegate and up to two alternate voting delegates for the League of California Cities (Cal Cities) 2025 Annual Conference and Expo General Assembly meeting; and

(2) Adopt the attached resolution designating the voting delegate and up to two alternate voting delegates selected in the prior action for the Cal Cities 2025 Annual Conference and Expo General Assembly meeting.

EXECUTIVE SUMMARY

Staff requests that the City Council, by motion, designate a voting delegate and up to two alternate voting delegates for the upcoming League of California Cities (Cal Cities) 2025 Annual Conference and Expo (Annual Conference) General Assembly meeting and determine their position on resolutions that may be introduced during the conference. Cal Cities' deadline to submit resolutions was August 9, 2025, 60 days prior to the opening of the Annual Conference. Cal Cities has reported that no policy resolutions were received by the deadline for consideration; however, petitioned resolutions may still be introduced during the conference, and if qualified, will be considered by the General Assembly.

BACKGROUND AND LEGISLATIVE HISTORY

The Cal Cities 2025 Annual Conference is scheduled for Wednesday, October 8, 2025, through Friday, October 10, 2025. Cal Cities advocates on behalf of towns and cities throughout California on important issues. Their advocacy teams work with regional field staff and lawmakers to sponsor, draft, and support legislative and regulatory measures that promote local decision-making and lobby against policies that erode local control. Cal Cities takes positions on hundreds of bills annually. Cities directly influence the direction of Cal Cities' overall advocacy efforts through City officials who serve on Cal Cities' policy committees.

An important part of the Annual Conference and Expo is the Cal Cities General Assembly meeting that will be held on Friday, October 10, 2025. At this meeting, Cal Cities membership considers and takes action on resolutions that establish Cal Cities' policy. In order to expedite the conduct of business at this policy-making meeting, each City Council is required to designate a voting delegate and up to two alternates who will be registered for and attend the Annual Conference and General Assembly meeting. A voting card will be given to the city official designated on the Voting Delegate Form. Cal Cities has requested to receive the names of the delegates by Wednesday, September 24, 2025.

Annual Conference Resolutions

Cal Cities' Annual Conference resolutions process is one way that city officials can directly participate in the development of Cal Cities policy. The deadline to submit resolutions was August 9, 2025. This year, Cal Cities did not receive resolutions to be considered at the General Assembly meeting in advance; however, petitioned resolutions may still be introduced during the Annual Conference, and if qualified, will be considered by the General Assembly.

As there are no resolutions for consideration, staff is not requesting that the City Council make any policy determinations at this time. Additional information about Cal Cities resolutions and the General Assembly is outlined in the attached Voting Delegate Appointment Packet (Attachment A).

FISCAL IMPACT

Travel expenses for the City Council and staff are included in the Fiscal Year 2025-2026 Operating Budget. There are no other fiscal impacts related to the actions requested of the City Council in this staff report. As there were no resolutions submitted to Cal Cities for consideration at this time, there are no known fiscal impacts for the City Council to consider; however, petitioned resolutions can still be submitted during the Annual Conference, which may result in a fiscal impact to the City.

STRATEGIC PLAN

This agenda item supports Governance Strategic Goal 1: Model Good Governance, Teamwork, and Transparency.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council act as follows:

- (1) By motion, designate a voting delegate and up to two alternate voting delegates for the League of California Cities (Cal Cities) 2025 Annual Conference and Expo General Assembly meeting; and
- (2) Adopt the attached resolution designating the voting delegate and up to two alternate voting delegates selected in the prior action for the Cal Cities 2025 Annual Conference and Expo General Assembly meeting.

Prepared by: April B. A. Quintanilla, City Clerk

Reviewed by: Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

A: Voting Delegate Appointment Packet



Council Action Advised by September 24, 2025

DATE: Wednesday, July 16, 2025

TO: Mayors, Council Members, City Clerks, and City Managers

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference and Expo, Oct. 8-10, 2025
Long Beach Convention Center

Every year, the League of California Cities convenes a member-driven General Assembly at the [Cal Cities Annual Conference and Expo](#). The General Assembly is an important opportunity where city officials can directly participate in the development of Cal Cities policy.

Taking place on Oct. 10, the General Assembly is comprised of voting delegates appointed by each member city; every city has one voting delegate. Your appointed voting delegate plays an important role during the General Assembly by representing your city and voting on resolutions.

To cast a vote during the General Assembly, your city must designate a voting delegate and up to two alternate voting delegates, one of whom may vote if the designated voting delegate is unable to serve in that capacity. Voting delegates may either be an elected or appointed official.

Action by Council Required. Consistent with Cal Cities bylaws, a city's voting delegate and up to two alternates must be designated by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.

Following council action, please submit your city's delegates through [the online submission portal](#) by Wed., Sept. 24. When completing the Voting Delegate submission form, you will be asked to attest that council action was taken. You will need to be signed in to your My Cal Cities account when submitting the form.

Submitting your voting delegate form by the deadline will allow us time to establish voting delegate/alternate records prior to the conference and provide pre-conference communications with voting delegates.

Conference Registration Required. The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration is open on the [Cal Cities](#) website.



For a city to cast a vote, one voter must be present at the General Assembly and in possession of the voting delegate card and voting tool. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the voting delegate desk. This will enable them to receive the special sticker on their name badges that will admit the voting delegate into the voting area during the General Assembly.

Please view Cal Cities' [event and meeting policy](#) in advance of the conference.

Transferring Voting Card to Non-Designated Individuals Not Allowed. The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the General Assembly, they may *not* transfer the voting card to another city official.

Seating Protocol during General Assembly. At the General Assembly, individuals with a voting card will sit in a designated area. Admission to the voting area will be limited to the individual in possession of the voting card and with a special sticker on their name badge identifying them as a voting delegate.

The voting delegate desk, located in the conference registration area of the Long Beach Convention Center in Long Beach, will be open at the following times: Wednesday, Oct. 8, 8:00 a.m.-6:00 p.m. and Thursday, Oct. 9, 7:30 a.m.-4:00 p.m. On Friday, Oct. 10, the voting delegate desk will be open at the General Assembly, starting at 7:30 a.m., but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for submitting your voting delegate and alternates by Wednesday, Sept. 24. If you have questions, please contact Zach Seals at zseals@calcities.org.

Attachments:

- General Assembly Voting Guidelines
- Information Sheet: Cal Cities Resolutions and the General Assembly

General Assembly Voting Guidelines

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to Cal Cities policy.
2. **Designating a City Voting Representative.** Prior to the Cal Cities Annual Conference and Expo, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the voting delegate form provided to the Cal Cities Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the voting delegate desk in the conference registration area. Voting delegates and alternates must sign in at the voting delegate desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the General Assembly.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the credentials committee at the voting delegate desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in their possession the city's voting card and voting tool; and be registered with the credentials committee. The voting card may be transferred freely between the voting delegate and alternates but may not be transferred to another city official who is neither a voting delegate nor alternate.
6. **Voting Area at General Assembly.** At the General Assembly, individuals with a voting card will sit in a designated area. Admission to the voting area will be limited to the individual in possession of the voting card and with a special sticker on their name badge identifying them as a voting delegate.
7. **Resolving Disputes.** In case of dispute, the credentials committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the General Assembly.

How it works: Cal Cities Resolutions and the General Assembly

Developing League of California Cities policy is a dynamic process that engages a wide range of members to ensure Cal Cities represents cities with one voice. These policies directly guide Cal Cities' advocacy to promote local decision-making, and lobby against statewide policies that erode local control.

The resolutions process and General Assembly is one way that city officials can directly participate in the development of Cal Cities policy. If a resolution is approved at the General Assembly, it becomes official Cal Cities policy. Here's how resolutions and the General Assembly work.

Prior to the Annual Conference and Expo

General Resolutions



Sixty days before the Annual Conference and Expo, Cal Cities members may submit policy proposals on issues of importance

to cities. The resolution must have the concurrence of at least five additional member cities or individual members.

Policy Committees



The Cal Cities President assigns general resolutions to policy committees where members

review, debate, and recommend positions for each policy proposal. Recommendations are forwarded to the Resolutions Committee.

During the Annual Conference and Expo

Petitioned Resolutions



The petitioned resolution is an alternate method to introduce policy proposals during

the annual conference. The petition must be signed by voting delegates from 10% of member cities, and submitted to the Cal Cities President at least 24 hours before the beginning of the General Assembly.

Resolutions Committee



The Resolutions Committee considers all resolutions. General Resolutions approved¹ by either a policy committee

or the Resolutions Committee are next considered by the General Assembly. General resolutions not approved, or referred for further study by both a policy committee and the Resolutions Committee do not go to the General Assembly. All Petitioned Resolutions are considered by the General Assembly, unless disqualified.²

General Assembly



During the General Assembly, voting delegates debate and consider general and petitioned resolutions forwarded by the Resolutions Committee. Potential Cal Cities bylaws amendments are also considered at this meeting.

Who's who

Cal Cities policy development is a member-informed process, grounded in the voices and experiences of city officials throughout the state.

The **Resolutions Committee** includes representatives from each Cal Cities diversity caucus, regional division, municipal department, and policy committee, as well as individuals appointed by the Cal Cities president.

Voting delegates are appointed by each member city; every city has one voting delegate.

The **General Assembly** is a meeting of the collective body of all voting delegates—one from every member city.

Seven **policy committees** meet throughout the year to review and recommend positions to take on bills and regulatory proposals. Policy committees include members from each Cal Cities diversity caucus, regional division, and municipal department, as well as individuals appointed by the Cal Cities president.

¹ The Resolution Committee can amend a general resolution prior to sending it to the General Assembly.

² Petitioned Resolutions may be disqualified by the Resolutions Committee according to Cal Cities Bylaws Article VI. Sec. 5(f).

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

**DESIGNATING _____ AS THE VOTING DELEGATE AND
_____ AND _____ AS THE ALTERNATE VOTING
DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES (CAL CITIES) 2025
ANNUAL CONFERENCE AND EXPO GENERAL ASSEMBLY MEETING**

WHEREAS, The League of California Cities (Cal Cities) 2025 Annual Conference and Expo is scheduled for Wednesday, October 8, 2025, through Friday, October 10, 2025; and

WHEREAS, An important part of the Annual Conference and Expo is the Cal Cities General Assembly meeting that will be held on Friday, October 10, 2025. At this meeting, Cal Cities membership considers and takes action on resolutions that establish Cal Cities' policy; and

WHEREAS, In order to expedite the conduct of business at this policy-making meeting, each City Council is required to designate a voting delegate and up to two alternates who will be registered for and attend the Annual Conference and General Assembly meeting; and

WHEREAS, Cal Cities has requested to receive the names of the delegates by Wednesday, September 24, 2025; and

WHEREAS, Cal Cities' Annual Conference resolutions process is one way that city officials can directly participate in the development of Cal Cities policy. The deadline to submit resolutions was August 9, 2025; and

WHEREAS, This year, Cal Cities did not receive resolutions to be considered at the General Assembly meeting in advance; however, petitioned resolutions may still be introduced during the Annual Conference, and if qualified, will be considered by the General Assembly; now, therefore, be it

RESOLVED: That the City Council hereby designates _____ as the voting delegate and _____ and _____ as the alternate voting delegates for the League of California Cities (Cal Cities) 2025 Annual Conference and Expo General Assembly meeting.

Resolution _____
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The foregoing Resolution _____ was adopted by the Tracy City Council on the 16th day of September 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California