



## SERVICE AGREEMENT NO. 7162

### Recap Tires for Fleet Maintenance

THIS **Recap Tires for Fleet Maintenance Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and Southern Tire Mart, LLC. ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide Recap Tires for Fleet Maintenance in response to Request for Bid/Proposal No. 7162 ("RFB/RFP"), which RFB/RFP includes the required scope of work and all specifications and which RFB/RFP and the Contractor's bid or proposal response, as applicable, are incorporated by reference in this Agreement as Exhibits 1 and 2, respectively, as if each were fully set out here in its entirety.

NOW, THEREFORE, City and Contractor agree as follows:

**1. Scope.** Contractor shall provide Recap Tires for Fleet Maintenance ("Services") in accordance with the attached Scope of Work, as shown in **Attachment A**, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety, and in accordance with Exhibit 2.

**2. Term.**

(A) The term of this Agreement is three years beginning on the date provided in the Notice to Proceed from the Contract Administrator or the City's Procurement Division. The parties may mutually agree to renew the term of this Agreement for up to zero additional one-year periods (each an "Option Term"), provided, the parties do so in writing prior to the expiration of the original term or the then-current Option Term.

(B) At the end of the term of this Agreement or the final Option Term, the Agreement may, at the request of the City and prior to expiration of the term or final Option Term, continue on a month-to-month basis for up to six individual months with compensation at the appropriate pro rata amount, based on the amount listed in Attachment B, for a month-to-month term. The Contractor may opt out of this continuing term by providing notice to the City at least 30 days prior to the expiration of the term or final Option Term. During any month-to-month term, either party may terminate the Agreement upon 30 days' advance written notice to the other party.

**3. Compensation and Payment.** This Agreement is for an amount up to \$793,500.00, subject to approved amendments and changes. Payment will be made for

Services performed and accepted by the City within 30 days of the invoice date, subject to receipt of an acceptable invoice. All pricing must be in accordance with the attached Quote/Bid/Pricing Schedule, as shown in **Attachment B**, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

Invoices must be mailed to the following address, with a copy provided to the Contract Administrator:

City of Corpus Christi  
Attn: Accounts Payable  
P.O. Box 9277  
Corpus Christi, TX 78469-9277

- 4. Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Agreement, including deductions for non-performance and authorizations for payment. The City's Contract Administrator for this Agreement is as follows:

Benjamin Sanchez  
Fleet Maintenance Division  
361-826-1959  
benjamins@corpuschristitx.gov

**5. Insurance; Bonds.**

(A) Before performance can begin under this Agreement, the Contractor must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in **Attachment C**, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) In the event that a payment bond, a performance bond, or both, are required of the Contractor to be provided to the City under this Agreement before performance can commence, the terms, conditions, and amounts required in the bonds and appropriate surety information are as included in the RFB/RFP or as may be stated on Attachment C, and such content is incorporated here in this Agreement by reference as if each bond's terms, conditions, and amounts were fully set out here in their entireties.

- 6. Purchase Release Order.** For multiple-release purchases of Services to be provided by the Contractor over a period of time, the City will exercise its right to

specify time, place and quantity of Services to be delivered in the following manner: any City department or division may send to Contractor a purchase release order signed by an authorized employee of the department or division. The purchase release order must refer to this Agreement, and Services will not be rendered until the Contractor receives the signed purchase release order.

**7. Inspection and Acceptance.** City may inspect all Services and products supplied before acceptance. Any Services or products that are provided but not accepted by the City must be corrected or re-worked immediately at no charge to the City. If immediate correction or re-working at no charge cannot be made by the Contractor, a replacement service may be procured by the City on the open market and any costs incurred, including additional costs over the item's bid/proposal price, must be paid by the Contractor within 30 days of receipt of City's invoice.

**8. Warranty.**

(A) The Contractor warrants that all products supplied under this Agreement are new, quality items, fit for their intended purpose, and of good material and workmanship. The Contractor warrants that it has clear title to the products and that the products are free of liens or encumbrances.

(B) In addition, the products purchased under this Agreement shall be warranted by the Contractor or, if indicated in Attachment D by the manufacturer, for the period stated in **Attachment D**. Attachment D is attached to this Agreement and is incorporated by reference into this Agreement as if fully set out here in its entirety.

(C) Contractor warrants that all Services will be performed in accordance with the standard of care used by similarly situated contractors performing similar services.

**9. Quality/Quantity Adjustments.** Any Service quantities indicated on the Quote/Bid/Pricing Schedule are estimates only and do not obligate the City to order or accept more than the City's actual requirements nor do the estimates restrict the City from ordering less than its actual needs during the term of the Agreement and including any Option Term. Substitutions and deviations from the City's Service and/or product requirements or applicable specifications are prohibited without the prior written approval of the Contract Administrator.

**10. Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30<sup>th</sup> annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in the City's budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does

not represent that a budget item will be adopted, as that determination is within the City Council's sole discretion when adopting each fiscal budget.

11. **Independent Contractor.** Contractor shall perform the Services and work required by this Agreement as an independent contractor and will furnish such Services in its own manner and method, and under no circumstances or conditions will any agent, servant or employee of the Contractor be considered an employee of the City.
12. **Subcontractors.** In performing the Services, the Contractor will not enter into subcontracts or utilize the services of subcontractors.
13. **Amendments.** This Agreement may be amended or modified only in writing and executed by an authorized representative of each party.
14. **Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
15. **Taxes.** Reserved.
16. **Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be sent as follows:

**IF TO CITY:**

City of Corpus Christi  
Attn: Benjamin Sanchez  
Fleet Maintenance Division  
5352 Ayers, Bldg.3B  
Corpus Christi, Tx 78415  
Phone: 361-826-1959  
Fax: N/A

**IF TO CONTRACTOR:**

Southern Tire Mart, LLC.  
Attn: Kent Saucier, Director of Government Sales  
800 Highway 98, Columbia, MS, 39429  
Phone: 877-786-4681  
Fax: 601-651-0655

17. **CONTRACTOR SHALL FULLY INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY OF CORPUS CHRISTI AND ITS OFFICERS, EMPLOYEES, AND AGENTS ("INDEMNITEES") FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, CLAIMS, DEMANDS, SUITS, AND CAUSES OF ACTION OF WHATEVER NATURE, CHARACTER, OR DESCRIPTION ON ACCOUNT OF**

**PERSONAL INJURIES, PROPERTY LOSS, OR DAMAGE, OR ANY OTHER KIND OF INJURY, LOSS, OR DAMAGE, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, ATTORNEYS' FEES AND EXPERT WITNESS FEES, WHICH ARISE OR ARE CLAIMED TO ARISE OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR OR RESULTS FROM THE NEGLIGENT ACT, OMISSION, OR FAULT OF THE CONTRACTOR OR ITS EMPLOYEES OR AGENTS. CONTRACTOR MUST, AT ITS OWN EXPENSE, INVESTIGATE ALL CLAIMS AND DEMANDS, ATTEND TO THEIR SETTLEMENT OR OTHER DISPOSITION, DEFEND ALL ACTIONS BASED THEREON WITH COUNSEL SATISFACTORY TO THE CITY ATTORNEY, AND PAY ALL CHARGES OF ATTORNEYS AND ALL OTHER COSTS AND EXPENSES OF ANY KIND ARISING OR RESULTING FROM ANY SAID LIABILITY, DAMAGE, LOSS, CLAIMS, DEMANDS, SUITS, OR ACTIONS. THE INDEMNIFICATION OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.**

**18. Termination.**

(A) The City may terminate this Agreement for Contractor's failure to comply with any of the terms of this Agreement. The City must give the Contractor written notice of the breach and set out a reasonable opportunity to cure. If the Contractor has not cured within the cure period, the City may terminate this Agreement immediately thereafter.

(B) Alternatively, the City may terminate this Agreement for convenience upon 30 days' advance written notice to the Contractor.

**19. Owner's Manual and Preventative Maintenance.** Contractor agrees to provide a copy of the owner's manual and/or preventative maintenance guidelines or instructions if available for any goods purchased by the City pursuant to this Agreement. Contractor must provide such documentation upon delivery of such goods and prior to receipt of the final payment by the City.

**20. Limitation of Liability.** Each party's maximum pecuniary liability under this Agreement is limited to the total amount of compensation shown listed in Section 3 of this Agreement. In no event shall either party be liable for incidental, consequential, or special damages.

**21. Assignment.** No assignment of this Agreement by the Contractor, or of any right or interest contained herein, is effective unless the City Manager first gives written consent to such assignment. The performance of this Agreement by the Contractor is of the essence of this Agreement, and the City Manager's right to

withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

**22. Severability.** Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

**23. Order of Precedence.** In the event of any conflicts or inconsistencies between this Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

- A. this Agreement (excluding attachments and exhibits);
- B. its attachments;
- C. the bid solicitation document including any addenda (Exhibit 1); then,
- D. the Contractor's bid response (Exhibit 2).

**24. Certificate of Interested Parties.** Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement if required by law.

**25. Governing Law.** Contractor agrees to comply with all federal, Texas, and City laws in the performance of this Agreement. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and such forum and venue for such disputes is the appropriate district or county court in Nueces County, Texas. In accordance with Chapter 2271, Texas Government Code, if this contract has a value of \$100,000 or more paid wholly or partly from public funds and the Contractor has 10 or more full-time employees, Contractor verifies that the Contractor does not boycott Israel and will not boycott Israel during the term of this Agreement. In accordance with Chapter 2274, Texas Government Code, Contractor verifies that the Contractor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the Agreement against a firearm entity or fire trade association. In accordance with Chapter 2276, Texas Government Code, Contractor verifies that the Contractor does not boycott energy companies and will not boycott energy companies during the term of this Agreement.

**26. Public Information Act Requirements.** This paragraph applies only to agreements that have a stated expenditure of at least \$1,000,000 or that result in the expenditure of at least \$1,000,000 by the City. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Contractor

agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

**27. Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements and understandings, either oral or written, between the parties.

(Signature Page Follows)

**CONTRACTOR**

Signature: Kent Saucier  
Kent Saucier (May 11, 2026 11:08:47 CDT)

Printed Name: Kent Saucier

Title: Director of Government Sales

Date: 05/11/2026

**CITY OF CORPUS CHRISTI**

\_\_\_\_\_  
Sergio Villasana Date  
Director, Finance & Procurement

Reviewed by:

\_\_\_\_\_  
Contracts Manager Date

**Attached and Incorporated by Reference:**

- Attachment A: Scope of Work
- Attachment B: Quote/Bid/Pricing Schedule
- Attachment C: Insurance and Bond Requirements
- Attachment D: Warranty Requirements

**Incorporated by Reference Only:**

- Exhibit 1: RFB/RFP No. 7162
- Exhibit 2: Contractor's Bid/Proposal Response

## ATTACHMENT A: SCOPE OF WORK

### 1. General Requirements/Background Information

The Contractor shall provide recap tires on 11 R22.5 tires for the Fleet Maintenance Division on an as-needed basis.

### 2. Scope of Work

- A. The Contractor shall recap and deliver casings on an "as-needed basis".
- B. The Contractor shall keep in stock a minimum of 30 recaps.
- C. The contract price includes all repairs of the recap. Repairs include spot repair, section repair, bead repair, and nail-hole repair.
- D. The Contractor shall go through casings that are not mounted on rims.
- E. The Contractor shall make sure the casing is not older than four years of the DOT date code.
- F. The Contractor shall cap the casing no more than two times.
- G. The Contractor shall be required to supply casings in the event of insufficient supply from the City in order to meet the quantity demand by the City.
- H. Caps must be an open shoulder design.
- I. Recap casing must be 16 ply.
- J. Recap tread depth must be a minimum of 20/32" on the cap.
- K. Casings that do not pass will be returned to the City Service Center located at 5352 Ayers St., 3-B, Corpus Christi, Texas.
- L. The contractor is responsible for ensuring that all casings are accounted for and returned to the City's Fleet Management facility according to the specifications written in this Request for Bid.
- M. The Contractor shall have recaps repaired within two weeks from the time they pick up casings.
- N. The Contractor shall store completed recapped tires at their locations until requested by the City.
- O. The Contractor shall provide stock recaps at the same cost as the City's recapped casings.

### 3. Contractor Quality Control and Superintendence

- A. The Contractors shall provide supervision of the work and establish and maintain a complete quality control program to ensure that recap tires meet contract specifications.
- B. Should any defect be detected by the City, a representative of the Fleet Management Division will notify the contractor. The contractor shall correct the deficiency and take corrective action.

### 4. Work Site and Conditions

- A. The Contractor shall pick up the casings at the City Service Center, located at 5352 Ayers St., 3-B, Corpus Christi, Texas.
- B. The Contractor shall be given a schedule for casing pickup. The Contractors shall pick up the casings only at their scheduled time.

**ATTACHMENT B: QUOTE/BID/PRICING SCHEDULE**



**CITY OF CORPUS CHRISTI  
FINANCE AND PROCUREMENT  
BID FORM**

**RFB No. 7162  
Recap Tires for Fleet Maintenance**

**PAGE 1 OF 1**

Date: 4/13/2026

Bidder: Southern Tire Mart LLC

Authorized  
Signature:

- 1. Refer to "Instructions to Bidders" and Contract Terms and Conditions before completing the bid.**
- 2. Quote your best price for each item.**
- 3. In submitting this bid, Bidder certifies that:**
  - a) The prices in this bid have been arrived at independently, without consultation, communication, or agreement with any other Bidder or competitor, for the purpose of restricting competition concerning prices.
  - b) Bidder is an Equal Opportunity Employer, and the Disclosure of Interest information on file with the City's Finance and Procurement office, pursuant to the Code of Ordinances, is current and true.
  - c) Bidder is current with all taxes due, and the company is in good standing with all applicable governmental agencies.
  - d) Bidder acknowledges receipt and review of all addenda for this RFB.
  - e) Bidder acknowledges that in the event of a discrepancy between the unit price and the total price, the unit price will govern, and the City reserves the right to recalculate the total.

ITEM	DESCRIPTION	UNIT	QTY (Up to and not to exceed)	UNIT PRICE	TOTAL PRICE
1	RECAP TIRES - YEAR 1	EA	1500	\$ 168.00	\$ 252,000
	11R22.5 Bandage DR4.3 TM	22/32	Cap & Casing & Repairs	16PR	
2	RECAP TIRES - YEAR 2	EA	1500	\$ 176	\$ 264,000
	11R22.5 Bandage DR4.3 TM	22/32	Cap & Casing & Repairs		
3	RECAP TIRES - YEAR 3	EA	1500	\$ 185	\$ 277,500
	11R22.5 Bandage DR4.3 TM		Cap & Casing & Repairs		
<b>3 YEAR TOTAL</b>					<b>\$ 793,500</b>

**ATTACHMENT C: INSURANCE AND BOND REQUIREMENTS**

**I. CONTRACTOR’S LIABILITY INSURANCE**

- A. Contractor must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor Agency to commence work until all similar insurance required of any subcontractor Agency has been obtained.
  
- B. Contractor must furnish to the City’s Risk Manager and Contract Administer one (1) copy of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City’s Risk Manager. The City must be listed as an additional insured on the General liability and Auto Liability policies **by endorsement**, and a waiver of subrogation is required on all applicable policies. **Endorsements** must be provided with COI. Project name and or number must be listed in Description Box of COI.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
Commercial General Liability Including: <ol style="list-style-type: none"> <li>1. Commercial Broad Form</li> <li>2. Premises – Operations</li> <li>3. Products/ Completed Operations</li> <li>4. Contractual Liability</li> <li>5. Independent Contractors</li> <li>6. Personal Injury- Advertising Injury</li> </ol>	\$1,000,000 Per Occurrence
AUTO LIABILITY (including) <ol style="list-style-type: none"> <li>1. Owned</li> <li>2. Hired and Non-Owned</li> <li>3. Rented/Leased</li> </ol>	\$500,000 Combined Single Limit
WORKERS’ COMPENSATION	Statutory
EMPLOYER’S LIABILITY	\$500,000 /\$500,000 /\$500,000

- C. In the event of accidents of any kind related to this agreement, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

**II. ADDITIONAL REQUIREMENTS**

- A. Applicable for paid employees, Contractor must obtain workers’ compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers’ compensation coverage provided must be in an amount sufficient to assure that all workers’ compensation obligations incurred by the Contractor will be promptly met.

B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.

C. Contractor shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi  
Attn: Risk Manager  
P.O. Box 9277  
Corpus Christi, TX 78469-9277

**D. Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**

- List the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations, completed operation and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
- Provide 30 calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage and not less than 10 calendar days advance written notice for nonpayment of premium.

E. Within 5 calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.

F. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to remove the exhibit hereunder, and/or withhold any payment(s) if any, which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.

G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this agreement.

H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.

- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

**BOND REQUIREMENTS:**

There are no bonds for this service agreement.

2026 Insurance Requirements

Ins. Req. Exhibit **4-B**

Contracts for General Services – Services Performed Onsite

01/01/2026 Risk Management – Legal Dept.

## **ATTACHMENT D: WARRANTY REQUIREMENTS**

No additional warranty required outside of standard manufacturer's warranty.