

## SERVICE AGREEMENT NO. 6183

### Blower Repairs and Alignments for WWTPs

THIS **Blower Repairs and Alignments for Wastewater Treatment Plants Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and Lone Star Blower, Inc. ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide Blower Repairs and Alignments for Wastewater Treatment Plants in response to Request for Bid/Proposal No. 6183 ("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 Blower Repairs and Alignments for Wastewater Treatment Plants ("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.** The term of this Agreement is one year 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 this Agreement for up to two additional one-year periods (each, an "Option Period"), provided, the parties do so in writing prior to the expiration of the initial term or the then-current Option Period.
- 3. Compensation and Payment.** This Agreement is for an amount not to exceed \$310,000.00, subject to approved renewals, extensions, and changes. Payment will be made for Services provided and accepted by the City within 30 days of acceptance, subject to receipt of an acceptable invoice. All pricing must be in accordance with the attached 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. Any amount not expended during the initial term or any option period may, at the City's discretion, be allocated for use in the next Option Period.

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:

Amanda Howard  
Corpus Christi Water  
Phone: 361-826-1894  
Email: AmandaC@cctexas.com

**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 added to 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 its entirety.

- 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 agent 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 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 Period. Substitutions and deviations from the City's product requirements or 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 said 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 this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.

**11. Independent Contractor.** Contractor will perform the 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 may use subcontractors in connection with the work performed under this Agreement. When using subcontractors, however, the Contractor must obtain prior written approval from the Contract Administrator unless the subcontractors were named in the bid or proposal or in an Attachment to this Agreement, as applicable. In using subcontractors, the Contractor is responsible for all their acts and omissions to the same extent as if the subcontractor and its employees were employees of the Contractor. All requirements set forth as part of this Agreement, including the necessity of providing a COI in advance to the City, are applicable to all subcontractors and their employees to the same extent as if the Contractor and its employees had performed the work. The City may, at the City's sole discretion, choose not to accept Services performed by a subcontractor that was not approved in accordance with this paragraph.
- 13. Amendments.** This Agreement may be amended or modified only in writing executed by authorized representatives of both parties.
- 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.** The Contractor covenants to pay payroll taxes, Medicare taxes, FICA taxes, unemployment taxes and all other applicable taxes. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
- 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  
Corpus Christi Water  
Attn: Amanda Howard, Contracts/Funds Administrator  
2726 Holly Rd., Corpus Christi, TX 78415  
Phone: 361-826-1894  
Fax: 361-826-4495

**IF TO CONTRACTOR:**

Lone Star Blower, Inc.  
Attn: Michael Bahnsen, Regional Sales Manager  
Address: 8883 W. Monroe Rd., Houston, TX 77061  
Phone: 832-532-3112  
Fax: 832-532-3115

**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, TO THE EXTENT THEY ARE CAUSED BY CONTRACTOR'S BREACH OF THIS AGREEMENT OR THE NEGLIGENT ACT, OMISSION, OR FAULT OF THE CONTRACTOR OR ITS EMPLOYEES OR AGENTS. CONTRACTOR MUST, AT ITS OWN EXPENSE, INVESTIGATE ALL COVERED 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. The City may also terminate this Agreement upon 24 hours written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

**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 equipment purchased by the City pursuant to this Agreement. Contractor must provide such documentation upon delivery of such equipment and prior to receipt of the final payment by the City.

**20. Limitation of Liability.** The City's maximum liability under this Agreement is limited to the total amount of compensation listed in Section 3 of this Agreement. In no

event shall the City or the Contractor be liable to the other 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 said statute.
- 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 form and venue for such disputes is the appropriate district, county, or justice court in and for Nueces County, Texas. In accordance with Chapter 2271, Texas Government Code, Contractor verifies that 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 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 contract against a firearm entity or fire trade association. In accordance with Chapter 2276, Texas Government Code, Contractor verifies that 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: Jeremy Haas  
Jeremy Haas (Apr 2, 2025 15:08 CDT)

Printed Name: Jeremy Haas

Title: CFO

Date: 04/02/2025

## CITY OF CORPUS CHRISTI

Sergio Villasana  
Director, Finance & Procurement

Date: \_\_\_\_\_

### **Attached and Incorporated by Reference:**

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

### **Incorporated by Reference Only:**

Exhibit 1: RFB/RFP No. 6183  
Exhibit 2: Contractor's Bid/Proposal Response



## **ATTACHMENT A: SCOPE OF WORK**

### **1.1 General Requirements/Background Information**

- A. The Contractor shall provide blower repairs and blower-motor alignments for the City's wastewater treatment plants as outlined in this Scope of Work.
- B. The City's blower inventory is outlined in Section 4.3 and consists of 43 (installed and spare) multi-stage centrifugal and turbo blowers of various manufacturers, with HP ranging from 75-300. The most common manufacturers are Gardner Denver, Atlas Copco, Lamson, Hoffman, Lone Star, and Spencer.
- C. The Contractor shall provide labor, materials, parts, equipment, and transportation necessary to perform the service.
- D. All work onsite shall be completed during regular business hours Monday through Friday from 8:00AM to 4:00PM. When work cannot be performed during regular business hours, overtime hours shall be authorized via written documentation by a City representative, only.
- E. The highest valued piece of equipment is \$125,000, with the potential to have up to three pieces of equipment in the vendor's shop at the same time.

### **1.2 Scope of Work**

#### **A. Pick-up Equipment and Delivery**

- 1. The Contractor shall be responsible for transportation of the blower to and from the City's location to the Contractor's location. The City shall assist in the physical loading and unloading of the blower. A crane will be utilized in the removal and replacement of equipment. The crane will be provided by the City and only City staff will operate the crane. City staff only will load and unload the equipment onto and off the vendor's transport vehicle. Pickup and delivery hours shall be Monday through Friday 8:00AM – 4:00PM.
- 2. The pick-up of equipment shall be coordinated with City personnel.

3. Due to the critical function of the blowers in the treatment process, upon notification for service from the City, the Contractor shall pick up the blower within 24 hours of receiving notification.

## **B. Disassembly and Inspection**

1. Disassembly and Inspection includes but is not limited to the following:
  - a. Record any visual findings by drawings and digital photos
  - b. Clean by hydro/steam cleaning, solvent, and/or abrasives
  - c. Thoroughly clean all parts and remove paint for non-destructive evaluation, and to obtain accurate measurements
  - d. Perform dimensional inspection and record, based on data from inspection, calculate and record the running clearances and check against OEM standards
  - e. Perform runout inspection and record
  - f. Perform concentricity inspection and record
  - g. Perform non-destructive inspection and record, level II or higher
  - h. Perform positive material identification of all components and record
2. The Contractor shall submit to the Contract Administrator a repair estimate for each repair within 15 days of receipt of the blower. The repair estimate shall be submitted electronically in PDF format via email and itemized as follows:
  - a. A summary of any noted problems, special conditions, inspection results, recommendations, and visual findings
  - b. Hourly labor cost: OT labor costs must be pre-approved
  - c. Cost of parts to be repaired and/or replaced
  - d. Parts markup %
  - e. Shipping costs for parts, including expedited shipping if approved by the Contract Administrator.
  - f. Estimated lead time for completion of blower repair including shipment to City jobsite

## **C. Repairs**

1. The Contractor shall complete repairs within the estimated repair time outlined in the repair estimate. If a repair becomes delayed, the Contractor shall notify the Contract Administrator and provide a revised estimated repair time.

2. The Contractor shall use original equipment manufacturer (OEM) parts; however, in some cases, the City may approve aftermarket parts. If the Contractor recommends the use of new aftermarket parts, it must provide the Contract Administrator with the price and lead time for both the OEM part and the aftermarket part. Based on the information provided, the City shall make the final determination for which part to use. The Contractor shall make a reasonable attempt to obtain parts at the lowest possible price. The City reserves the right to purchase repair parts from other sources.
3. General machine work and/or repairs shall consist of, but not limited to:
  - a. Balancing
  - b. Welding
  - c. Straightening
  - d. Grinding
  - e. Custom part manufacturing
  - f. Shaft rebuilding and fabrication
  - g. Sand blasting
4. Typical repairs may include, but are not limited to:
  - a. Hone and de-burr mating surfaces
  - b. Tapping threaded holes
  - c. Repair/replace impeller sleeves
  - d. Repair/replace impellers
  - e. Replacement of radial thrust bearing
  - f. Replacement of process seals
  - g. Repair/replace blower shaft
5. After repairs, the blower shall be repainted to manufacturer's recommendation and specifications, in a color approved by a Contract Administrator.
6. Etch the City asset # (example WW-1234") either on the nameplate or on a place on blower near nameplate.

#### **D. Blower-Motor Alignments**

1. All blower-motor alignments must be performed with the use of modern, calibrated laser alignment equipment.
2. The Contractor shall perform cold and hot blower-motor alignment(s), including but not limited to, installation of laser alignment system onto shafts,

soft foot inspection with laser system, and correction, if necessary, alignment with laser system, with required corrections, removal of laser alignment system, and removal of locks. Shims must be available and may be used as required.

3. All blower repairs and blower-motor alignments shall be performed in accordance with current nameplate data and conditions, drawings, standards, and/or OEM specifications.
4. The Contractor may designate a 3<sup>rd</sup> party contractor to perform blower-motor alignment services with the approval of a City representative. The selection of a 3<sup>rd</sup> party alignment service shall not void repair warranty.
5. Not all blower repairs will require a blower-motor alignment.
6. When an alignment is requested, the Contractor shall perform the service on-site within 2 business days of the request.
7. When an emergency blower alignment is required, service must be performed within 24 hours.
8. After alignment, the Contractor shall submit an electronic report of findings.

### 1.3 **Work Site**

<b>WWTP #</b>	<b>Plant Name</b>	<b>Address</b>	<b># of Blowers</b>
1	Allison WWTP	4101 Allison Dr.	6
2	Broadway WWTP	801 Resaca St.	6
3	Greenwood WWTP	6541 Greenwood Dr.	5
4	Laguna Madre WWTP	201 Jester St.	7
5	Oso WWTP	601 Nile Dr.	15
6	Whitecap WWTP	13409 Whitecap Blvd.	4

#### **1.4 Invoicing**

The Contractor shall submit an itemized invoice for payment, which shall include the following:

1. Service Agreement No. and/or PO No.
2. Name and address of service location
3. Description of service
4. Model and serial number of equipment
5. City Asset #
6. Labor cost per hour
7. Parts cost with Itemized list of parts repaired/replaced, including copies of parts invoice to verify markup
8. Shipping costs, including copy of shipping bill/invoice
9. Name of authorizing City representative

#### **1.5 Warranty**

A minimum of one year for both repairs and alignments are required. Parts and materials warrantied by the manufacturer should be at least one year.

#### **1.6 Travel**

Contractor must adhere to the City's travel policy. Contractor shall ensure that all arrangements and reimbursements involving travel pursuant to this Agreement, including obtaining approval in advance of travel, be conducted in compliance with the City's travel policy, **Exhibit A**.

## **Exhibit A: Travel Policy**

### **OUT OF TOWN TRAVEL FOR CONTRACTORS**

Reimbursement for Contractors that have contracts with the City that contain travel reimbursement, must comply with this policy unless otherwise noted in their contract.

#### **I. Transportation:**

##### Mileage Reimbursement:

For a Contractor to receive mileage reimbursement, the Contractor must meet the following criteria:

- Have a valid Driver's License for the class of vehicle driven;
- Maintain current proof of minimum liability insurance coverage as required by the State of Texas.
- Maintain the vehicle in compliance with applicable state laws.

When traveling by vehicle, reimbursement will be made for self-parking only.

Contractors are responsible for accurately reporting mileage for reimbursement.

Failure to provide accurate and complete information will be considered non-reimbursable.

##### Car Rental:

In the event that a Contractor must utilize a rental car for business travel, a small to mid-size car should be requested at the most economical rate to the City.

##### Airfare:

The Contractor should reserve the lowest priced domestic coach class airfare at time of booking in order to keep costs to the City down to a minimum.

Reservations should be made as early as possible in order to minimize cost to the City.

Luggage fees are reimbursable, but upgrades and preferred seating charges are not unless due to extraordinary circumstances and subsequently approved by the Department Director.

Dues for airport or airline frequent flyer programs are not reimbursable.

#### **II. Lodging and Meals:**

##### Overnight Travel for Meals and Hotel Expenses:

Expenses for meals and all tips involving overnight travel will be paid on a per diem basis based on meal charges recommended by the federal per diem rate.

Destination cities that are not listed will be reimbursed at the standard continental United States (CONUS) per diem rate. The rates can be accessed at [www.gsa.gov](http://www.gsa.gov).

When a Contractor travels only part of the day, the federal per diem rate may not be claimed for the entire day. The following times should be considered when requesting meal reimbursement for partial days:

<u>Departure Time</u>	<u>Returning Time</u>	
Before 8am	Before 12pm	Breakfast
By 12pm	12pm – 5pm	Lunch
By 5pm	After 5pm	Dinner

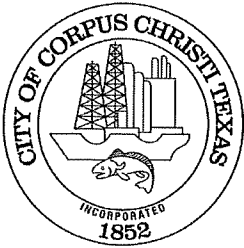
Contractors are expected to use good judgment in minimizing such cost to the City.

If a Contractor incurs costs for Internet connections and/or other business-related costs while on City business, City will reimburse with receipts.

### **III.Non-Allowable Expenses:**

The cost of alcoholic beverages, laundry/dry cleaning, in-room movies, tours, personal entertainment, limousines, expenses related to a personally owned vehicle, parking and traffic violations, lost baggage, and spouse or other family expenses are specifically excluded from reimbursement except when approved by the City Manager as "extraordinary expenses".

All reimbursements MUST be submitted in writing with required receipts attached.



ATTACHMENT B: BID/PRICING SCHEDULE

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

**RFB No. 6183**

**Blower Repairs and Alignments for the WWTPs**

PAGE 1 OF 2

Date: **12/04/2024**

Bidder: **Lonestar Blower**

Authorized Signature: Michael Bahnsen

1. Refer to "Instructions to Bidders" and Contract Terms and Conditions before completing 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 with regard to prices.
  - b. Bidder is an Equal Opportunity Employer, and the Disclosure of Interest information on file with City's Contracts and Procurement office, pursuant to the Code of Ordinances, is current and true.
  - c. Bidder is current with all taxes due and company is in good standing with all applicable governmental agencies.
  - d. Bidder acknowledges receipt and review of all addenda for this RFB.

Item	Description	Unit	1-Yr Qty	Unit Price	Total Price
1	Technician for Repairs M-F 8:00 AM – 4:00 PM	HR	700	\$ 150.00	\$ 105,000.00
2	Technician for Repairs After Hours, Weekends, Holidays	HR	50	\$ 225.00	\$ 11,250.00
3	Technician for Alignments M-F 8:00AM – 4:00PM	HR	150	\$ 150.00	\$ 22,500.00
4	Technician for Alignments After Hours, Weekends, Holidays	HR	50	\$ 225.00	\$ 11,250.00



Item	Description	Estimated Spend	Mark up (%)	Estimated spend plus markup
5	Parts/Materials	\$100,000	<u>25</u> %	<b>\$125,000.00</b>
6	Allowance for Shipping/Freight	\$10,000		<b>\$ 10,000</b>
7	Allowance for Travel	\$25,000		<b>\$ 25,000</b>
<b>Total</b>				<b>\$ 310,000.00</b>

## ATTACHMENT C: INSURANCE REQUIREMENTS

### I. CONTRACTOR'S LIABILITY INSURANCE

1. Contractor must not commence work under this contract until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor, to commence work until all similar insurance required of any subcontractor has been obtained.
2. Contractor must furnish to the City's Risk Manager and Park & Recreation Director one (1) copy of Certificates of Insurance 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 **endorsement** is required on GL, AL and WC if applicable. **Endorsements** must be provided with Certificate of Insurance. Project name and/or number must be listed in Description Box of Certificate of Insurance.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
<b>30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.</b>	<b>Bodily Injury and Property Damage Per occurrence - aggregate</b>
Commercial General Liability including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence \$1,000,000 Aggregate
AUTOMOBILE LIABILITY (including) 1. Owned 2. Hired & Non-owned 3. Rented & Leased	\$500,000 Combined Single Limit
WORKERS' COMPENSATION  Employer's Liability	Statutory and complies with Part II of this Exhibit.  \$500,000 / \$500,000 / \$500,000
PROPERTY COVERAGE *Must Provide Coverage for City of Corpus Christi Property While in Care, Custody or Control.	\$250,000 Per Occurrence

MOTOR TRUCK CARGO (or) TRIP TRANSIT *Must Provide Coverage for City of Corpus Christi Property While in Transport.	\$250,000 Combined Single Limit
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- C. In the event of accidents of any kind related to this contract, 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 statutory amounts according to the Texas Department of Insurance, Division of Workers' Compensation. An All States Endorsement shall be required if Contractor is not domiciled in the State of Texas.
- 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 renewal certificates of insurance throughout the term of this contract and any extensions within 10 days of the policy expiration dates. All notices under this Exhibit 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, and volunteers, as additional insureds by endorsement with regard to operations, completed operations,

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 thirty (30) calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- E. Within five (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 stop work hereunder, and/or withhold any payment(s) 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 contract.
- 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 contract.

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

**Bond Requirements:**

No bond requirements therefore, Agreement Section 5 Insurance; Bond subsection 5(B), is hereby void.

2024 Insurance Requirements Exhibit

Contracts for General Services – Services Performed Onsite-Offsite - Motor Truck Cargo  
– Property Coverage

10/03/2024 Risk Management – Legal Dept.

## **ATTACHMENT D: WARRANTY REQUIREMENTS**

A minimum of one year for both repairs and alignments are required.

Parts and materials warranted by the manufacturer must be at least one year.