

**CITY OF PALM DESERT
GAS AND DIESEL FUEL PURCHASE
SHORT-FORM SERVICES AGREEMENT**

1. **Parties and Date.** This Agreement is made and entered into this 3rd day of May, 2022, by and between the City of Palm Desert, a municipal corporation organized under the laws of the State of California with its principal place of business at 73-510 Fred Waring Drive, Palm Desert, California 92260-2578, California ("City") and Beck Oil, Inc, a Corporation, with its principal place of business at 46640 D. Street, Victorville, California 92395 ("Vendor"). The City and Vendor are sometimes individually referred to herein as "Party" and collectively as "Parties."
2. **Terms and Conditions.** The Parties shall comply with the Terms and Conditions attached hereto as Exhibit "A" and incorporated herein by this reference.
3. **Scope of Services; Schedule.** The Vendor shall be solely responsible for providing all materials, labor, tools, equipment, water, light, power, transportation, and superintendence of every nature and all other services and all facilities necessary to execute, complete, and deliver the services as particularly described in the Scope of Services ("Services") attached hereto as Exhibit "B" and incorporated herein by this reference. The Services shall be completed timely and in accordance with the Schedule of Services set forth in Exhibit "B".
4. **Term.** The term of this Agreement shall be from July 1, 2022, to June 30, 2027, with an option of three one-year extension unless earlier terminated as provided herein.
5. **Compensation.** Vendor shall receive compensation for Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by this reference. The total annual compensation shall not exceed **One Hundred and Twenty Thousand Dollars (\$120,000.00)** for City Fleet Equipment and shall not exceed **One Hundred and Twenty Thousand Dollars (\$120,000.00)** for Desert Willow Maintenance Facility. Vendor's invoices shall include a detailed description of the Services performed. Invoices shall be submitted to the City on a monthly basis. The City shall review and pay all non-disputed and approved charges on such invoices in a timely manner. Vendor shall submit its final invoice to the City within thirty (30) days from the last date of Services performed and failure to do so shall result in a waiver of payment from the City.
6. **Insurance.** In accordance with Exhibit A, Section C of the Terms and Conditions, Vendor shall, at its expense, procure and maintain for the duration of the Agreement such insurance policies as checked below and provide proof of such insurance policies in a form satisfactory to the City.

Commercial General Liability Insurance:

- \$1,000,000 per occurrence/\$2,000,000 aggregate.
 \$2,000,000 per occurrence/\$4,000,000 aggregate.

Automobile Liability:

- \$1,000,000 combined single limit for bodily injury and property damage.

Workers' Compensation:

- Statutory Limits / Employer's Liability \$1,000,000 per accident or disease and a waiver of subrogation in favor of the City and their respective officers, agents, employees, volunteers and representatives.

Professional Liability (Errors and Omissions):

Errors & Omissions liability insurance with a limit of not less than \$1,000,000 per claim and in the aggregate.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

CITY OF PALM DESERT

BECK OIL, INC.


By: 
Todd Hileman (Jun 21, 2022 15:16 PDT)

L. Todd Hileman
City Manager

By: 
Steve Karney (Jun 2, 2022 13:03 PDT)

Its: Vice President
Printed Name: Steve Karney

Attest:

By: 
Jim L. Combs (Jun 21, 2022 13:49 PDT)

Its: General Manager
Printed Name: Jim L. Combs


Anthony Mejia (Jun 21, 2022 15:41 PDT)

Anthony J. Mejia
City Clerk

Approved as to Form:

Robert Hargreaves
Robert Hargreaves (Jun 21, 2022 15:14 PDT)

Best Best & Krieger LLP
City Attorney

QC: MN

Insurance ID: _____

M.P.



EXHIBIT "A"
TERMS AND CONDITIONS FOR SERVICES

1. Compliance with Law. Vendor shall comply with all applicable laws and regulations of the federal, state and local government. Vendor certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time. By its signature hereunder, Vendor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services. Vendor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment in violation of state or federal law. Vendor is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the work is being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, Vendor agrees to fully comply with such Prevailing Wage Laws, including, along with subcontractors, being registered with the Department of Industrial Relations (Labor Code §§ 1725.1; 1771.1). It shall be mandatory upon the Vendor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code §§ 1771; 1774; 1775), employment of apprentices (Labor Code § 1777.5), certified payroll records (Labor Code §§ 1771.4; 1776), hours of labor (Labor Code §§ 1813; 1815) and debarment of contractors and subcontractors (Labor Code § 1777.1). This Agreement may be subject to compliance monitoring and enforcement.

2. Standard of Care. The Vendor shall perform the Services in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions.

3. Insurance. If required by Section 6 of this Agreement, the Vendor shall take out and maintain during this Agreement: A. Commercial General Liability Insurance for bodily injury, personal injury and property damage, at least as broad as Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001). The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted; B. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned, rented, and hired vehicles, at least as broad as Insurance Services Office Form Number CA 0001 (ed. 10/13) covering automobile liability, Code 1 (any auto); C. Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance; and if applicable, as determined by the City's Risk Manager, D. Professional Liability (Errors and Omissions) that covers the Services to be performed in connection with this Agreement. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Vendor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against the City of Palm Desert, and their elected or appointed officers, agents, officials, employees, volunteers, and representatives or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against the City of Palm Desert or their elected or appointed officers, agents, officials, employees, volunteers and representatives and shall require similar written express waivers and insurance clauses from each of its subcontractors. Workers compensation coverage shall have an endorsement in favor of the City of Palm Desert, and their respective officers, agents, employees, volunteers and representatives. Insurance carriers shall be licensed and authorized to do business in California. Such insurance carrier shall have not less than an "A-VII" rating according to the latest Best Key Rating unless otherwise approved by City's Risk Manager. Vendor shall add the City, and their respective officers, officials, employees, agents, volunteers and representatives as additional insureds on Vendor's Commercial General Liability, Automobile Liability, and if applicable, Pollution Liability and Cyber Liability policies. Coverage provided by Vendor shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The City or its Risk Manager reserves the right at any time during the term of the contract to change the amounts and types of insurance (i.e. pollution, cyber, and fidelity coverages) required by giving the Vendor advance written notice of such change. If such change results in substantial additional cost to the Vendor, the City and Vendor may renegotiate Vendor's compensation. If the City reduces the insurance requirements, the change shall go into effect immediately and require no advanced written notice.

4. Indemnification. To the fullest extent permitted by law, Vendor shall defend (with counsel of City's choosing), indemnify and hold the City, and their respective officials, officers, employees, volunteers, agents and representatives free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death (collectively, "Claims"), in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Vendor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Vendor's Services, the project, or this Agreement, including without limitation the payment of all expert witness fees, attorney's fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Vendor's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant or the City, or their respective officials, officers, employees, agents, volunteers or representatives. If Vendor's obligation to defend, indemnify, and/or hold harmless arises out of Vendor's performance as a "design professional" (as that term is defined under Civil Code § 2782.8), then, and only to the extent required by Civil Code § 2782.8, which is fully incorporated herein, Vendor's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Vendor, and, upon Vendor obtaining a final adjudication by a court of competent jurisdiction, Vendor's liability for such claim, including the cost to defend, shall not exceed the Vendor's proportionate percentage of fault.

5. Laws; Venue. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Riverside, State of California.

6. Termination. The City may terminate the whole or any part of this Agreement for any or no reason by giving three (3) calendar days written notice to Vendor. In such event, the City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for the work. The City shall pay Vendor the reasonable value as determined by the City of any portion of the Services completed prior to termination. The City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Vendor shall not be entitled to payment for unperformed Services and shall not be entitled to damages or compensation for termination of the Services. Vendor may terminate its obligation to provide further work under this Agreement upon thirty (30) calendar day's written notice to the City only in the event of the City's failure to perform in accordance with the terms of this Agreement through no fault of Vendor.

7. Changes. By written notice, the City may from time to time, make changes to the Services furnished to the City by Vendor. If such change causes an increase or decrease in the Agreement Price or in the time required for performance, Vendor or the City shall promptly notify the other party thereof and assert its claim for adjustment within fifteen (15) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Vendor from proceeding immediately with the Agreement as changed.

8. Miscellaneous Terms. Vendor shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City. This Agreement may not be modified or altered except in writing signed by the Parties. There are no intended third party beneficiaries of any right or obligation of the Parties. This is an integrated Agreement representing the entire understanding of the Parties as to those matters contained

herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. The captions of the various paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement. The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the Parties to the addresses set forth in this Agreement. Vendor is retained as an independent contractor and is not an employee of the City. No employee or agent of Vendor shall become an employee of the City. Vendor warrants that the individual who has signed this Agreement has the legal power, right and authority to make this Agreement and bind the Vendor hereto.

EXHIBIT "B"

SCOPE OF SERVICES; SCHEDULE OF SERVICES

LOCATIONS

Site	Site Address	87 UNLEADED	DIESEL
Corporation Yard	74-705 42 nd Avenue	2,000 gallon tank	1,000 gallon tank
Desert Willow Golf Course	38-995 Desert Willow Drive	1,000 gallon tank	1,000 gallon tank
Civic Center Generator	73-510 Fred Waring Drive	-	1,000 gallon tank
Fire Station 33 Generator	44-400 Town Center Way	-	100 gallon tank
Fire Station 67 Generator	73-200 Mesa View Drive	-	145 gallon tank
Fire Station 71 Generator	73-995 Country Club Drive	-	100 gallon tank

EXHIBIT "C"

Line Item	Description	Unit of Measure	Unit Cost
1	Fuel Price	EA	\$3.96
2	Federal Excise Tax	EA	\$0.00
3	Federal Lust Tax	EA	\$0.001
4	Federal Oil Spill Fee	EA	\$0.0019
5	California Excise Tax	EA	\$0.511
6	California Lead Poison	EA	\$0.0028
7	California AB32 Fee	EA	\$0.007
8	Delivery	EA	\$0.00
9	Markup/Profit	EA	\$0.28
10	Environmental Fee	EA	\$0.00
11	Other Fee	EA	\$0.00
12	Total of Lines 1 through 11 multiplied by 3 =	Lump Sum	\$14.2911

CLEAR DIESEL

"The undersigned, hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project in strict accordance with the Vendor Price Quote. Instructions: The vendor shall insert per-gallon prices in every line that is applicable. If a line item is not applicable, the line may be left blank.

Line Item	Description	Unit of Measure	Unit Cost
1	Fuel Price	EA	\$4.32
2	Federal Excise Tax	EA	\$0.00
3	Federal Lust Tax	EA	\$0.001
4	Federal Oil Spill Fee	EA	\$0.0019
5	California Excise Tax	EA	\$0.389
6	California Lead Poison	EA	\$0.00
7	California AB32 Fee	EA	\$0.0083
8	Delivery	EA	\$0.00
9	Markup/Profit	EA	\$0.28
10	Environmental Fee	EA	\$0.00
11	Other Fee	EA	\$0.00

RED-DYED DIESEL

"The undersigned, hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project in strict accordance with the Vendor Price Quote. Instructions: The vendor shall insert per-gallon prices in every line that is applicable. If a line item is not applicable, the line may be left blank.

Line Item	Description	Unit of Measure	Unit Cost
1	Fuel Price	EA	\$4.32

PROPOSAL DOCUMENT REPORT
IFB No. 796-23
Gas and Diesel Fuel Purchase

Line Item	Description	Unit of Measure	Unit Cost
2	Federal Excise Tax	EA	\$0.00
3	Federal Lust Tax	EA	\$0.001
4	Federal Oil Spill Fee	EA	\$0.0019
5	California Excise Tax	EA	\$0.00
6	California Lead Poison	EA	\$0.00
7	California AB32 Fee	EA	\$0.0083
8	Delivery	EA	\$0.00
9	Markup/Profit	EA	\$0.28
10	Environmental Fee	EA	\$0.00
11	Other Fee	EA	\$0.00