



FLEET TIRE SERVICES

SPECIFICATIONS AND CONTRACT DOCUMENTS

BID OPENING – 2:30 PM, Tuesday, October 27, 2026

Contact person: Contract Administrator

Contracts@TDPUD.ORG

(530) 582-3944

Truckee Donner Public Utility District
11570 Donner Pass Road
Truckee, California 96161
(530) 587-3896

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SECTION 00030 - NOTICE TO BIDDERS

Notice is hereby given that the Board of Directors of Truckee Donner Public Utility District, Nevada County, California, herein referred to as the "DISTRICT," will receive sealed bids at the District office, 11570 Donner Pass Road, Truckee, California 96161 until 2:30 p.m. on Tuesday, October 27, 2026, at which time they shall be opened and publicly read for:

Fleet Tire Services

The WORK of this Contract comprises of typical maintenance, service and repair tire services and tire purchases and installation for the calendar year 2027. A representative list of District vehicle tire sizes has been included in the Fleet Tire Service Bid Schedules and Exhibit A – Fleet Tire Service Bid Schedule. The list is representative only and the District reserves the right to add or subtract tires from this list as vehicles are added or removed from the fleet.

The Successful Contractor(s) will be required to provide all personnel, supplies, materials, tools, and equipment necessary to correctly perform the required tire services. The District's primary objective is to obtain consistently reliable, high quality, timely tire services. Routine services will be scheduled through the appropriate District staff member. The District prefers the tire repair shop to be located within a ten-mile radius of the Truckee Donner Public Utility District Headquarters facility located at 11570 Donner Pass Rd. Truckee, CA 96161, or responsive bidders located outside of the ten-mile radius will provide vehicle pick-up and delivery or provide mobile on-site tire repair and installation services.

Truckee Donner Public Utility District is located in Truckee, CA 96161 and services the Truckee community. The service area includes mountainous terrain including rural and mountainous roads that may be impacted by weather or elevation. Mobile Tire Repair Servicers must be able to provide vehicles and equipment capable of operating in snow, mud, and ice conditions and operate in elevations exceeding seven thousand feet and on snow covered, unpaved, or winding roads.

Each bid must conform to the requirements of the Contract Documents, all of which may be examined at the offices of the DISTRICT: 11570 Donner Pass Road, Truckee California, 96161. Copies of the Contract Documents may be obtained at no charge upon request.

The DISTRICT specifically reserves the right to reject any and all bids, waive any irregularities or informalities in the bidding, be the sole judge of the suitability of the items offered, and to accept any bid that it determines to be in its best interest.

Contract Administrator
Contracts@tdpud.org
Truckee Donner Public Utility District

SECTION 00100 – INSTRUCTIONS TO BIDDERS

1. NOTICE TO BIDDERS

Truckee Donner Public Utility District, hereinafter referred to as "DISTRICT," advises that sealed bids subject to the conditions contained herein, will be received at the DISTRICT office until 2:30 p.m. on Tuesday, October 27, 2026, at which time they shall be opened and publicly read for:

Fleet Tire Service

This will be an annual contract from January 1, 2027, through December 31, 2027, with the option to extend the contract, upon mutual consent, for up to four additional one-year contracts (Option years 2028, 2029, 2030, and 2031).

2. BID FORM

Bidders shall use the bid forms bound in these documents as Section 00300 – Bid Forms. Each Bid must contain pages 00300-1 through 00300-4.

3. MANNER OF SUBMITTING BIDS

Prior to submitting bids, bidders must make sure that:

- (a) The bid is complete and signed.
- (c) The bid schedule is complete and the totals are correct.
- (d) Familiarized oneself with all applicable laws and regulations.

(e) All documents must be signed with a wet signature by an authorized representative. Digital signatures will not be accepted.

When submitting a bid, place the complete bid document in a sealed envelope, mark the envelope **"Sealed Bid - Fleet Tire Services"** and either mail to: **Truckee Donner PUD, 11570 Donner Pass Road, Truckee, CA 96161** or hand deliver the bid to **11570 Donner Pass Road, Truckee, CA 96161**.

4. EXAMINATION OF CONDITIONS

Bidders shall satisfy themselves as to the conditions by personal examination of the specifications and by other examinations and investigations that they may wish to make as to the nature of the work and the difficulties encountered.

Submitting of a bid shall constitute affirmation by the bidder that he has complied with the following:

- (a) Carefully examined the Contract Documents.
- (b) Included in the bid sum amounts sufficient to cover all items required by the contract documents.

The failure or omission of any bidder to receive or examine any form, instrument, addendum, or other documents shall in no way relieve any bidder from any obligation with respect to their bid or the contract.

5. DISTRICT'S RIGHT TO REJECT BIDS

The DISTRICT reserves the unqualified right in its sole and absolute discretion to reject any and all Bids, and to accept the Bid or Bids which, in its sole and absolute judgment will, under all circumstances, best serve the interests of the DISTRICT.

6. CONTRACT

The Contract includes the Notice to Bidders, Instructions to Bidders, Bid Schedule and Bidding Forms, Agreement, Specifications and Addenda.

The Contract, when executed, shall be deemed to include the entire agreement between the parties thereto, and the CONTRACTOR shall not claim any modification thereof resulting from any representation or promise made at any time by any officer, agent or employee of the DISTRICT or by any other person.

7. AWARD OF CONTRACT

A contract will not be awarded until the DISTRICT is satisfied that the successful bidder is reasonably familiar with the class of work and has the necessary capital, tools and experience to satisfactorily perform same. Completion of the WORK within the time stated is essential, and prior commitments of the bidder, failure to complete other work on time or reasonable doubt as to whether the bidder would complete the WORK on time, may be cause for rejection of any bid.

8. BIDDER QUALIFICATIONS

Bids will be received from qualified bidders only. By submitting a bid, bidder warrants that he has:

- (a) Adequate financial resources to accomplish work required.
- (b) Adequate equipment to accomplish work required.
- (c) Personnel with sufficient experience to accomplish work required.
- (d) Sufficient experience in the type of work proposed.
- (e) No pending claims regarding performance, failure to deliver, labor violations, etc.
- (f) Ability to provide proof of Workers' Compensation and insurance requirements per the Agreement, Page 00500-2.

9. BID MODIFICATIONS

Bids may be modified up until the time of bid opening. Modifications must be in writing. No electronic or telephone modifications will be allowed.

10. BID WITHDRAWAL

Bids may be withdrawn any time prior to the time set for bid opening. Once bids are opened, they may not be withdrawn until expiration of the bid. All bids shall be deemed a firm offer for not less than ninety (90) days after the date of the bid opening.

11. POSTPONEMENT OF OPENING

The DISTRICT reserves the right to postpone the time and date of bid opening as the DISTRICT deems necessary. Such postponement will be conveyed to all bidders by written notice which will state the new opening time and date.

12. INTERPRETATION OR CORRECTION OF CONTRACT

The bidder shall promptly notify the DISTRICT of any ambiguity, inconsistency, or error which he may discover in the contract, or, if applicable, the site or local conditions.

If the bidder requires clarification or interpretation of the contract, he shall make a written request to reach the DISTRICT at least three (3) days prior to the scheduled bid opening.

Any interpretations, corrections, or changes to the contract prior to the bid opening shall be made by addenda issued to all bidders. Each bidder shall acknowledge receipt of each addendum on Page 00300-1 of the Bid Forms.

Interpretations, corrections, or changes of the contract prior to bid opening made in any other manner than as described above will not be binding, and bidders shall not rely upon such interpretations, corrections and changes.

13. ENVIRONMENTAL PROVISIONS

It shall be the duty of the CONTRACTOR to familiarize himself with, and to comply with applicable environmental laws for this type of work.

14. SOURCE OF FUNDS AND LIMITATION OF DAMAGES

The CONTRACTOR is hereby informed that funds for this project are limited and are public funds. The District's decision to proceed with this project and to award a contract to the CONTRACTOR is dependent upon the CONTRACTOR's agreement to limit all claims for payments by the District to the unit prices or lump sum bids proposed herein. Further, in the event the CONTRACTOR is awarded the contract for the WORK stated herein and a dispute arises between the CONTRACTOR and the DISTRICT regarding unreasonable delays, claims for extra compensation, or any of the provisions of the contract, the CONTRACTOR agrees to limit the total of all claims against the DISTRICT for this project, including any damages, to the total funds appropriated by the DISTRICT for this project.

15. METHOD OF AWARD OF CONTRACT

This Contract is a Unit Price Contract. Pricing must be submitted in accordance with these instructions.

- a. All Unit Prices for repair and installation services on the Proposed Schedule are the price for a specified repair/maintenance service.
- b. All Unit Prices for tire units on the Proposal Schedule are "each prices", i.e. the Price for that item, with freight and insurance prepaid to Truckee, California included in the Price.
- c. Items listed on the Bid Schedule are typical of Fleet Tire services which may be required during the Contract period.

- d. District in no way guarantees that the actual quantity of services. This is a Unit Price Contract. Any "Estimated Annual Quantities" listed in the Proposal Schedule are provided for bidding purposes only and are not guaranteed. By accepting a Bid, the District makes no commitment that actual purchase quantities will match any estimated amounts shown.
- e. This Contract will be effective starting in January 1, 2027, and ending December 31, 2027, with the option to extend the contract, upon mutual consent, for up to four additional one-year contracts (Option years 2028, 2029, 2030, and 2031).
- f. The low bidder will be determined by the summation of the Unit Prices listed on Bid Schedule, based on a quantity of one (1) type of tire unit or tire service to be performed.
- g. Additional repair/maintenance services may be requested that are not listed in the Bid Schedule. These services will be paid based upon the awarded CONTRACTOR's fee schedule.
- h. Cost is the primary evaluation criterion for this proposal. Evaluation will be based on the lowest total sum of Unit Prices. The Proposal Schedule includes commonly purchased items, which are intended to represent the types of tire products and tire services the District typically procures throughout the year. However, the list is not all-inclusive, and additional items may be purchased under the Contract as needed.

16. BID PRICE ADJUSTMENT

For all electric materials ordered after March 31, 2027, through the end of the Contract period, Unit Prices may be adjusted at the time of order to reflect documented changes in the cost of key raw materials or government-imposed tariffs.

A. Eligible Components for Price Adjustment

Adjustments may be considered for fluctuations in the cost of the following raw materials commonly used in electric utility materials, hardware, and related products:

- a) Steel
- b) Aluminum
- c) Rubber compounds or polymer-based materials
- d) Tariff-affected components or raw materials

Price adjustments must be substantiated using nationally recognized, publicly available indices, such as:

- a) The Bureau of Labor Statistics (BLS) Producer Price Indices by commodity: Rubber and Plastic Products: Tires (e.g., WPU071201, FRED/St. Louis FED)
- b) Relevant third-party commodity pricing indices
- c) Official U.S. tariff, duty, or trade regulation updates

The base index month will be the most recent month published at the time of bid submission (e.g., August, September, or October 2026).

B. Annual Price Adjustment Cap

To ensure cost stability, a maximum cumulative price increase of 10% per item per calendar year shall apply, unless otherwise justified and approved. Any proposed increase within the 10% cap must be supported by index- or tariff-based documentation as outlined below. Proposed increases exceeding the 10% cap will be considered only if:

- a) Sufficient documentation is provided to clearly demonstrate extraordinary market changes
- b) The supporting data includes index comparisons, supplier cost increases, and detailed rationale
- c) The District deems the increase reasonable and necessary
- d) The District reserves the right to reject or negotiate any increase above the 10% threshold.

C. Required Documentation for Each Order

For each applicable order after March 31, 2027, the Bidder must submit the following with any price adjustment request:

- a) Itemized price adjustment calculations based on index data
- b) Documentation of any tariff-related cost increases
- c) Summary of the total price impact for each affected item
- d) Supporting documentation from independent third-party sources (e.g., BLS data, commodity price reports, official tariff notices)

D. Tariff-Related Price Adjustments

Price increases based on tariffs must meet the following criteria:

- a) Tariffs, duties, or import fees must have been imposed or increased after the date of bid submission
- b) They must directly impact the cost of materials or components used in the items covered by the contract

Acceptable documentation includes:

- d) Federal Register publications
- e) U.S. Customs and Border Protection rulings
- f) Official tariff schedules or amendments
- g) Supplier notifications showing pass-through costs due to tariffs

The Bidder must notify the District within 15 calendar days of any such changes.

E. Mutual Agreement and Documentation

All proposed price adjustments are subject to mutual agreement between the Bidder and the District. The District reserves the right to reject any adjustment that:

- a) Lacks sufficient or credible supporting documentation
- b) Falls outside the scope of allowable index or tariff-related adjustments
- c) Exceeds reasonable market fluctuations or the agreed-upon cap without adequate justification

F. Annual Review for Optional Contract Years

Prior to executing any optional contract extension beyond 2027, the District and the Bidder shall negotiate in good faith to determine updated Unit Prices reflecting current market conditions.

Annual adjustment proposals must:

- a) Adhere to the index- and tariff-based methodology described above
- b) Be submitted no later than 90 days prior to the expiration of the current contract year
- c) Include full documentation and justification, particularly for any proposed increases exceeding the annual 10% cap

If mutual agreement on pricing adjustments cannot be reached, the District reserves the right not to extend the Contract for the optional year(s).

17. SUBSTITUTIONS

The items listed allow for "approved equivalents". The bidder may include items from another manufacturer that equal or exceed the specific item listed on the Proposal Schedule. Any proposed alternative equivalent must be submitted and approved by the District no less than 10-days prior to bid closing. The bidder shall provide a list with the bid that itemizes all those items being included as an equivalent. In addition, the bidder shall submit a copy of the manufacturer's information detailing each part or item that is included as an equal. The information shall describe the part in sufficient detail to demonstrate that the item does indeed equal or exceed in every respect the part or item specified. The District will be the sole judge of the suitability of the parts or items offered as equals. Proposals containing parts or items that are inferior to those specified will not be accepted.

18. DISTRICT'S RIGHT TO REJECTS

The District reserves the unqualified right in its sole and absolute discretion to reject any and all proposals, and to accept the proposal or proposals which in its sole and absolute judgment, will, under all circumstances best serve the interest of the District. Each proposal shall be deemed a firm offer continuing for thirty (30) days after the date set for the opening of the proposals.

19. INTERPRETATIONS AND ADDENDA

Every interpretation made to a Bidder will be in the form of an addendum to the Request for Bids, and when issued, will be on file with the District. No addendums will be released after close of business Monday, October 12, 2026.

All addenda will be distributed to each person holding the Request for Bids, but it shall be the Bidder's responsibility to make inquiry as to the addenda issued. All such addenda shall become part of the Request for Bids, and all Bidders shall be bound by such addenda, whether or not received by the Bidder.

The District will not be bound by any information, explanation, clarification, or any interpretation, oral or written that is not incorporated into an addendum to the Request for Bids. No response will be made to inquiries received after the Bid Questions Deadline of close of business, Monday, October 12, 2026.

- END OF SECTION –

SECTION 00300 – BID FORMS

Fleet Tire Services

TO: TRUCKEE DONNER PUBLIC UTILITY DISTRICT
11570 Donner Pass Road
Truckee, California 96161

In compliance with your Notice to Bidders, and subject to all the conditions thereof, the undersigned offers and agrees, if this bid be accepted within 45 calendar days from the date of the opening, to furnish the labor and equipment upon which prices are quoted, at the price set opposite each item.

Date: _____

Bidder: _____

By: _____
(Signature of person authorized to sign this bid)

Title: _____

Address: _____

Phone: _____

Fax: _____

License No.: _____

License Expiration Date: _____

License number and expiration date stated herein are made under penalty of perjury.

Seal, if bid by corporation

I acknowledge receipt of the following addenda:

No. 1: _____ signed _____ dated

No. 2: _____ signed _____ dated

No. 3: _____ signed _____ dated

No. 4: _____ signed _____ dated

Fleet Tire Service Bid Schedule

UNDERSIGNED, AS BIDDER, HEREBY AGREES AND DECLARES THAT:

SCHEDULE OF PRICES

All applicable sales taxes, State and /or Federal, and any other special taxes, patent rights, or royalties shall be included in the prices quoted in this bid. Repairs will be on an on call basis. **The response time to schedule the repairs shall be a maximum of 2 working days after notification from District representative or the next working day after a weekend.**

BID PRICE SHALL INCLUDE MATERIALS

- Furnish, install, mount, balance, and disposal of damaged or used tires.
- Furnish, install, mount, balance of studded snow tires and removal of summer tires on select vehicles identified by the District; and
- Tire repair.

Prices for all items in the bid schedule must be filled in.

- a. All Unit Prices on the Bid Schedule are the price for specified tire size installation, mount, balance and disposal costs and/or fees.
- b. Items listed on the Bid Schedule are typical services which may be required during the Contract period.
- c. District in no way guarantees that the actual quantity of services.
- d. Tire descriptions below represent a sampling of tire sizes and type used by the District. Other tires and/or services may be requested during Contract period.

10 Ply Tires		Unit Price (Not Including Tax)
Requested models: Falken Wildpeak AT4, Cooper Discoverer AT3 or an approved alternative equivalent		
1	265/70/R17	
2	235/80/R17	
3	275/70/R18	
4	215/85/R16	
5	265/75/R16	

6 Ply Tires		Unit Price (Not Including Tax)
Requested models: Falken Wildpeak AT4, Cooper Discoverer AT3 or an approved alternative equivalent		
1	265/70/R17	
2	225/65/R17	

14 Ply Tires		Unit Price (Not Including Tax)
Requested models: Toyo M 920 or Toyo M655 or an approved alternative equivalent		
1	225/70/R19.5	

Studded Tires – 10 and 14 Ply Tires		Unit Price (Not Including Tax)
Requested models: Falken Wildpeak AT4 studded, Cooper Discoverer AT3 studded or Toyo M655 Studded or an approved alternative equivalent		
1	265/70/R17 – 10 Ply	
2	235/80/R17 – 10 Ply	
3	275/70/R18 – 10 Ply	
4	215/85/R16 – 10 Ply	
5	225/70/R19.5 – 14 Ply	

Supplemental Services		Unit Price (Not Including Tax)
Supplemental repair, installation, and/or removal services		
1	Tire Repair: Plug Only	
2	Tire Repair: Patch Only	
3	Tire Repair: Plug/Patch Combination	
4	Tire Mount and Balance	
5	Tire Disposal	
6	Studded Snow Tire Installation – Includes removal of summer tires; studded snow tires to be provided by District.	

Bid Schedule Total		Total Price (Not Including Tax)
1	TOTAL (SEE NOTE 3)	

1. Items listed on the Bid Schedule are typical fleet tire services which may be required during the Contract period.
2. For the bid submittal to qualify as a responsive bid, all fields of the "Unit Price" and "Total Price" columns on the Bid Schedule must be complete on BID FORMS pages 00300-2 and 00300-3.
3. The low bidder will be determined by the summation of the Unit Prices of all services listed on Bid Schedule included in the **Bid Schedule Total "Total Price"**, based on a quantity of one (1) for each tire or type of service to be performed.
4. Responsive bidders shall provide a shop location within a fifteen-mile radius of the Truckee Donner Public Utility District Headquarters facility located at 11570 Donner Pass Rd. Truckee, CA 96161, Or, responsive bidders located outside of the fifteen-mile radius shall provide vehicle pick-up and delivery or provide mobile on-site repair and installation services.

By signing the Bid on Page 00300-1, Bidder warrants the following:

NONCOLLUSION DECLARATION TO BE EXECUTED
BY
BIDDER AND SUBMITTED WITH BID

The undersigned declares: I am the _____ of _____, the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose. Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____[date], at _____[city], _____[state].

SECTION 00500 – AGREEMENT

TRUCKEE DONNER PUBLIC UTILITY DISTRICT INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement ("Agreement") is entered into this ____ day of _____, 2027, and expires the 31st day of December 2027, by and between Truckee Donner Public Utility District, a public utility district organized and existing under the laws of the State of California ("DISTRICT"), and _____, a _____ with its principal place of business in _____ ("CONTRACTOR"), for services to be provided to DISTRICT. DISTRICT and CONTRACTOR may be referred to individually as "Party" or collectively as "Parties."

1. SCOPE OF SERVICES

A. Services

CONTRACTOR agrees to provide DISTRICT with the Fleet Tire Services listed on Exhibit "A" attached hereto and incorporated herein ("SERVICES").

B. Additional Services

Any work or services in addition to the SERVICES shall be performed by CONTRACTOR according to such rates and charges as may be agreed upon by CONTRACTOR and DISTRICT in writing and in advance of any such additional services being performed. In no event shall CONTRACTOR be entitled to compensation for extra work unless a written authorization or change order describing the work and payment terms has been executed by DISTRICT prior to commencement of the work.

2. FEES FOR SERVICES

For SERVICES provided pursuant to this Agreement, DISTRICT shall pay CONTRACTOR the charges listed on Exhibit "A."

3. BILLING AND PAYMENT

CONTRACTOR shall submit a monthly statement to DISTRICT setting forth the amount due for services and itemizing amounts due for expenses. DISTRICT shall pay the full amount of such statement within thirty (30) days after receipt. Any sums billed, not disputed in written form setting forth specific exceptions and unpaid after thirty (30) days from the date of receipt, shall be subject to a late payment charge equal to the lesser of one and one-half (1-1/2) percent or the maximum rate permitted by law, for each month or fraction thereof past due.

4. INDEPENDENT CONTRACTOR

CONTRACTOR shall provide SERVICES to DISTRICT as an independent contractor, not as an employee of DISTRICT. Neither CONTRACTOR nor any of its employees shall have or claim any right arising from employee status.

5. TERMINATION OF AGREEMENT

A. Unless otherwise terminated as provided herein, this Agreement shall terminate when the SERVICES have been fully and completely performed.

B. Notwithstanding any other provision of this Agreement, either Party may terminate this Agreement by giving seven (7) days advance written notice to the other Party.

C. Upon termination of this Agreement, CONTRACTOR shall have no further obligation to provide SERVICES to DISTRICT. If the Agreement is terminated prior to completion of the SERVICES, CONTRACTOR shall render a final bill to DISTRICT within thirty (30) days after the date of termination, and DISTRICT shall pay CONTRACTOR for all work performed and expenses incurred prior to the date of termination in accordance with Section 3.

6. INSURANCE

A. **WORKERS' COMPENSATION INSURANCE.** By his/her signature hereunder, CONTRACTOR certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that CONTRACTOR will comply with such provisions before commencing the performance of the services under this Agreement. CONTRACTOR and SUB-CONTRACTOR's will keep workers' compensation insurance for their employees in effect during all work covered by this Agreement.

B. **GENERAL LIABILITY INSURANCE.** CONTRACTOR will file with the District, before beginning SERVICES, certificates of insurance satisfactory to the District evidencing general liability coverage of not less than \$1,000,000 per occurrence (\$2,000,000 general and products-completed operations aggregate (if used)) for garage keepers, bodily injury, personal injury and property damage; auto liability of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring thirty (30) days for non-payment of premium) notice of cancellation to the District. Any insurance, self-insurance or other coverage maintained by the District, its directors, officers, employees, or authorized volunteers shall not contribute to it. The general liability coverage shall give the District, its directors, officers, employees, and authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A- :VII, or equivalent, or as otherwise approved by the District. In the event that the CONTRACTOR employs other CONTRACTOR's (SUB- CONTRACTOR's) as part of the work covered by this Agreement, it shall be the CONTRACTOR's responsibility to require and confirm that each SUB- CONTRACTOR meets the minimum insurance requirements specified above. For any claims related to the SERVICES, the CONTRACTOR's insurance coverage will be primary insurance with respect to the District's insurance. The insurance maintained by the District shall be excess of the Contractor's insurance and will not contribute with it.

7. TAXES

CONTRACTOR agrees and understands that as an independent contractor, CONTRACTOR is responsible for the payment of all self-employment taxes, and other taxes that may arise as a result of it performing SERVICES as an independent contractor. It is further understood that DISTRICT shall have no responsibility in withholding any taxes payable to the federal or state government, and that it is CONTRACTOR's sole responsibility to meet its tax obligations.

8. LIABILITY

A. CONTRACTOR shall defend, indemnify and hold harmless DISTRICT, its directors, officers, employees and agents from and against any and all liability, claims, demands, damages, losses, and expenses, including but not limited to attorney's fees, for which CONTRACTOR is determined to be legally liable resulting from negligent acts, errors, or omissions by CONTRACTOR, its directors, officers, employees and agents in performance of SERVICE required by this Agreement. Liability, claims, demands, damages, losses, or expenses resulting from the sole negligence or willful misconduct of the DISTRICT, its directors, officers, employees or agents are excluded from CONTRACTOR's obligations pursuant to this paragraph.

B. Nothing in this Agreement shall be construed to create a duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement.

9. SUCCESSORS IN INTEREST

Neither Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the provisions of the preceding sentence, this Agreement shall be binding on, and inure to the benefit of, each Party's successors in interest, including their heirs, legatees, assignees, and legal representatives.

10. WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter.

11. SEVERAL OBLIGATIONS

Except where specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall be construed to create an association, partnership, or joint venture or impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Agreement.

12. AMENDMENT

All changes or modifications to this Agreement shall be in writing and signed by both Parties.

13. GOVERNING LAW

This Agreement shall be construed and interpreted according to, and the rights of the Parties shall be governed by, the laws of the State of California. Venue shall be in Nevada County for purposes of mediation, arbitration, or litigation if in State Court, or in the Federal District Court for the Eastern District of California, if in Federal Court.

14. ALTERNATIVE DISPUTE RESOLUTION

In the event of disagreement or dispute between the Parties arising out of or connected with this Agreement which cannot be adjusted by and between the Parties, the disputed matter shall be resolved as follows:

A. DISTRICT and CONTRACTOR agree to mediate any dispute or claim arising between them out of this Agreement or any resulting transaction before resorting to arbitration or court action. Mediation fees, if any, shall be divided equally between DISTRICT and CONTRACTOR. If either Party commences an arbitration or court action (including any cross-complaint, counterclaim or third-party claim) against the other based on a dispute or claim to which this paragraph applies without first attempting to resolve the matter through mediation, the Party commencing the arbitration or court action shall not be entitled to recover attorneys' fees, even if they would otherwise be available in any such arbitration or court action.

B. DISTRICT and CONTRACTOR agree that any dispute or claim in law or equity arising between them out of this Agreement or any resulting transaction which is not settled through mediation shall be decided by neutral, binding arbitration and not by court action. The arbitration shall be conducted by a retired judge or justice, unless the Parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California law. In all other respects, the arbitration shall be conducted in accordance with applicable California law and the rules and standards of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction.

15. ATTORNEY'S FEES

The prevailing Party in any arbitration or litigation arising out of this Agreement shall be entitled to reasonable attorney's fees, costs and expenses, in addition to any other relief to which that Party may be entitled.

16. ENTIRE AGREEMENT

This Agreement constitutes the complete and final expression of the agreement of the Parties and is intended as a complete and exclusive statement of the terms of their agreements and supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and agreements which may have been made in connection with the subject matter hereof.

17. SEVERABILITY

If any provision of this Agreement is found or deemed by a court of competent jurisdiction to be invalid or unenforceable, it shall be considered severable from the remainder of this Agreement and shall not cause the remainder to be invalid or unenforceable. In such event, the Parties shall reform this Agreement to replace such stricken provision with a valid and enforceable provision which comes as close as possible to expressing the intention of the stricken provision.

18. FEES, PERMITS, LICENSES, CERTIFICATIONS AND COMPLIANCE WITH LAWS AND REGULATIONS

A. CONTRACTOR shall be responsible for procuring all necessary licenses and certifications for the performance of the SERVICES, and for paying all fees assessed in connection therewith.

B. In the course of providing SERVICES pursuant to this Agreement, CONTRACTOR shall comply with all applicable federal, state, and local statutes, ordinances, regulations, rules and orders.

19. NOTICES

Any notice, demand, information, invoice, report, or item otherwise required, authorized, or provided for in this Agreement, unless otherwise specified herein, shall be deemed properly given if delivered in person or sent by United States Mail, First Class postage prepaid to the addresses below. All notices shall be deemed effective upon receipt by the Party to whom such notice is given.

To CONTRACTOR:

To DISTRICT:

General Manager
Truckee Donner Public Utility District
11570 Donner Pass Road
Truckee, CA 96161

20. TIME OF ESSENCE

Time is of the essence in this Agreement.

21. SIGNATURE CLAUSE

TRUCKEE DONNER PUD
FLEET TIRE SERVICES

Agreement
00500-4

The signatories hereto represent that they are authorized to enter into this Agreement on behalf of the party for whom they sign.

TRUCKEE DONNER
PUBLIC UTILITY DISTRICT

CONTRACTOR

By: _____
Brian C. Wright

By: _____

Its: General Manager

Its: _____

Date: _____

Date: _____
CONTRACTOR SOCIAL SECURITY OR TAX ID
NUMBER: