

A-Z Bus Sales, Inc.

Retrofit Diesel Fueled Equipment

AGREEMENT FOR SERVICES # AGMT 07-1613

THIS AGREEMENT, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and A-Z Bus Sales, Inc., a corporation duly qualified to conduct business in the State of California, whose principal place of business is 1900 South Riverside Avenue, Colton, California 92324, and whose local address is 3418 52nd Avenue, Sacramento, California 95823 (hereinafter referred to as "Contractor");

RECITALS

WHEREAS, County has proposed a diesel retrofit project that meets the eligibility criteria of the El Dorado County Air Quality Management District (hereinafter referred to as "District") and that has been approved by the District for funding; and

WHEREAS, County has determined that it is necessary to obtain a Contractor to assist its Department of Transportation (hereinafter referred to as "DOT") with that diesel fleet retrofit project; and

WHEREAS, Contractor has agreed to furnish and install Huss Diesel Particulate Filters on seven (7) of the Department's diesel powered vehicles; and

WHEREAS, Contractor has represented to County that it is specially trained, experienced, expert, and competent to perform the special services required hereunder, and that Contractor and its personnel are Huss-authorized installers, and County has determined to rely upon such representations; and

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of such services provided by Contractor are in the public's best interest, and authorized by El Dorado County Charter, Section 210(b)(6) and/or Government Code 31000;

NOW, THEREFORE, County and Contractor mutually agree as follows:

ARTICLE I

Scope of Services: Contractor agrees to furnish materials, labor, equipment and services necessary to provide and install Huss Diesel Particulate Filters on designated DOT on-road vehicles. Services shall include, but not be limited to, those tasks as identified in Exhibit A, marked "Scope of Work," incorporated herein and made by reference a part hereof.

ARTICLE II

Term: This Agreement shall become effective when fully executed by both parties hereto and shall expire one year thereafter.

ARTICLE III

Compensation for Services: For products and services provided herein, County agrees to pay Contractor monthly in arrears. Payment shall be made within thirty (30) days following County receipt and approval of itemized invoices detailing services rendered.

For the purposes hereof, the billing rate shall be in accordance with Exhibit B, marked "Fee Schedule," incorporated herein and made by reference a part hereof.

Itemized invoices shall follow the format specified by County and shall reference this Agreement number and the DOT equipment number both on their faces and on any enclosures or back-up documentation. Contractor shall bill County for only one DOT unit of equipment per invoice. Copies of documentation attached to invoices shall reflect Contractor's charges for the specific parts, materials and services billed on those invoices. Invoices shall be mailed to County at the following address:

County of El Dorado Department of Transportation 2850 Fairlane Court Placerville, California 95667 Attn: Administration Division – Accounts Payable

or to such other location as County directs.

The total amount of this Agreement shall not exceed \$150,421.11 inclusive of all expenses.

ARTICLE IV

Prevailing Wage: County requires Contractor's services on public works project(s) involving local, State and/or Federal funds to which prevailing wage requirements may apply. As a consequence, Contractor shall comply with all applicable State and Federal prevailing wage rates, statutes, rules and regulations then in effect. In the event of conflict between applicable Federal and State provisions, the higher prevailing wage rate shall apply. Contractor shall use the general prevailing wage rates determined by the Director of Industrial Relations for the county in which the work is to be done, which are available at the offices of the District Director of Transportation for the district in which the work is situated. Changes, if any, to the general prevailing wage rates will be available at the same location.

Federal minimum wage rates are determined by the United States Secretary of Labor and may be examined at the office described above. Future effective general prevailing wage rates which have been predetermined and are on file with the California Department of Industrial Relations are referenced but not printed in the general prevailing wage rates.

Contractor shall comply with all applicable wage requirements, as set forth in Labor Code Sections 1770 et seq., 1773.2, 1775, 1776, 1810, & 1813. In accordance with the provisions of Labor Code Section 1810, eight (8) hours of labor shall constitute a legal day's work upon all work done hereunder, and Contractor and any subcontractor authorized under this Contract shall also conform to and be bound by the provisions of Labor Code Sections 1810 through 1815.

ARTICLE V

Certified Payroll: As required under the provisions of Labor Code Section 1776, Contractor and its subcontractors, if any are authorized herein, shall keep accurate payroll records. A certified copy of all payroll records shall be available for inspection at all reasonable hours at the principal office of Contractor.

ARTICLE VI

Payment of all Federal, State or City Taxes: Any federal, state or city tax payable on the articles furnished by Contractor under this Agreement shall be included in rates quoted herein and shall be paid by Contractor.

ARTICLE VII

Compliance with all Applicable Laws: Contractor shall conform to and abide by all Federal, State and local labor, environmental and safety laws, ordinances, rules and regulations, including but not limited to California Health and Safety Code Sections 44220 et seq., and all District regulations and criteria. All Work and materials shall be in full accordance with the latest rules and regulations of the California Air Resources Board, the Department of Motor Vehicles, safety orders of the Division of Industrial Safety, and any and all other applicable laws and regulations. Nothing in this Agreement, including but not limited to, any directions provided to Contractor, is to be construed to permit work not conforming to these regulations.

ARTICLE VIII

Audits, Inspections and Record Retention: County is relying on assistance or grants for a portion of the funding for the services to be provided under this Agreement. As a requirement in County's Funding Agreement to obtain those grant funds, County is required to comply with certain audit and inspection requirements and to extend the requirements of these sections to third party contracts. Contractor shall at any time during regular business hours, and as often as County or District may deem necessary, make available to County, District and the State Auditor for examination all of its records and data with respect to the matters covered by this Agreement. Contractor shall, and upon request by County, District or the State Auditor, permit County, District or the State Auditor to audit and inspect all of such records and data necessary to ensure Contractor's compliance with the terms of this Agreement. Contractor shall be subject to audit by County, District or the State Auditor or their authorized representatives to determine if the funds paid to Contractor under this Agreement were properly used for the reduction of pollution as provided in AB 2766 and to determine whether the funds were utilized as provided by law and in accordance with County's Funding Agreement. If, after audit, County, District or the State Auditor makes a determination that funds paid to Contractor pursuant to this

Agreement were not spent in conformance with County's Funding Agreement or AB 2766 or any other applicable provisions of law, Contractor agrees to immediately reimburse County all funds determined to have been expended not in accordance with said provisions.

Contractor shall retain all invoices, records and data for activities performed under this Agreement for at least three (3) years from the date of final payment under this Agreement or until all County, District and State audits are completed for that fiscal year, whichever is later.

ARTICLE IX

Workers' Compensation: Contractor shall comply with Labor Code Sections 3700 et seq., requiring it to obtain Workers' Compensation Insurance, and sign a certificate of knowledge thereof.

CERTIFICATE OF KNOWLEDGE - LABOR CODE SECTION 3700

I am aware of the provisions of Section 3700 of the 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 I will comply with such provisions before commencing the performance of the work of this Contract.

Signed:

Date

ARTICLE X

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE XI

Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during the term hereof.

ARTICLE XII

Confidentiality: Contractor shall maintain the confidentiality and privileged nature of all records, including billing records, together with any knowledge therein acquired, in accordance with all applicable State and Federal laws and regulations, as they may now exist or may hereafter be amended or changed. Contractor, and all Contractor's staff, employees, and representatives, shall not use or disclose, directly or indirectly at any time, any said confidential information, other than to the County Department of Transportation

for the purpose of, and in the performance of, this Agreement. This confidentiality provision shall survive after the expiration or earlier termination of this Agreement.

ARTICLE XIII

Assignment and Delegation: Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE XIV

Independent Contractor/Liability: Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by the terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful, and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

ARTICLE XV

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment, or services not budgeted in a given year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce or order a reduction in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE XVI

Default, Termination, and Cancellation:

A. Default: Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (Time to Cure), then such party shall be in default. The Time to Cure may be extended at the discretion of the party giving notice. Any extension of Time to Cure must be in writing, prepared by the party in default for signature by the party giving notice, and must specify the reason(s) for the extension and the date in which the extension of Time to Cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the Time to Cure has expired.

- B. Bankruptcy: This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part upon seven (7) calendar days' written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates, as set forth in the Notice of Termination provided to Contractor, and for such other services which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the Notice directs otherwise. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

ARTICLE XVII

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

To County:

County of El Dorado Department of Transportation 2441 Headington Road Placerville, California 95667

Attn Tom Celio,

Deputy Director of Maintenance

and Operations

or to such other location as County directs.

Notices to Contractor shall be addressed as follows:

A-Z Bus Sales, Inc. 1900 South Riverside Avenue Colton, CA 92324

Attn.: Dan Chadd

Vice President, Operations

or to such other location as Contractor directs.

ARTICLE XVIII

Indemnity: Contractor shall defend, indemnify, and hold the County and the District harmless against and from any and all claims, suits, losses, damages, and liability for damages of every name, kind, and description, including attorneys' fees and costs incurred, brought for, or on account of, injuries to, or death of, any person, including but not limited to workers, County or District employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to, or in any way arise out of, or are connected with Contractor's services, operations or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County or District, the Contractor, subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County or District, their officers and employees, or as expressly provided by statute. This duty of Contractor to indemnify and save County and District harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XIX

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to County's Risk Management Division and documentation evidencing that Contractor maintains insurance that meets the following requirements:

A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.

With a Copy To:
County of El Dorado
Department of Transportation
2850 Fairlane Court
Placerville. California 95667

Attn Tim C. Prudhel, Contract Services Officer

- B. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage, including but not limited to endorsements for the following coverage: premises, personal injury, operations, products and completed operations, blanket contractual, and independent contractors' liability.
- C Automobile Liability Insurance of not less than \$1,000,000 is required in the event motor vehicles are used by the Contractor in performance of the Agreement.
- D. In the event Contractor is a licensed professional and is performing professional services under this Agreement, Professional Liability Insurance is required with a limit of liability of not less than \$1,000,000.
- E. Contractor shall furnish a certificate of insurance satisfactory to County's Risk Management Division as evidence that the insurance required above is being maintained.
- The insurance will be issued by an insurance company acceptable to County's Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- Contractor agrees that the insurance required herein shall be in effect at all times during the term of this agreement. In the event said insurance coverage expires at any time or times during the term of this contract, Contractor shall immediately provide a new certificate of insurance as evidence of the required insurance coverage. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this contract upon the occurrence of such event. New certificates of insurance are subject to the approval of County's Risk Management Division, and Contractor agrees that no work or services shall be performed prior to the giving of such approval.
- H The certificate of insurance must include the following provisions stating that:
 - The insurer will not cancel the insured's coverage without 30-day prior written notice to the County; and
 - The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all general and excess liability insurance policies.

The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.

- J. Any deductibles or self-insured retentions must be declared to, and approved, by the County. At the option of the County, either: The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.
- N In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. The certificate of insurance shall meet such additional standards as may be determined by the contracting County department, either independently or in consultation with County's Risk Management Division as essential for protection of the County.

ARTICLE XX

Licenses: Contractor warrants and represents that it is property certified and/or licensed to provide the products and services contemplated under this Agreement and that Contractor shall maintain such certifications and/or licenses in good standing throughout the term of this Agreement.

ARTICLE XXI

Business License: County's Business License Ordinance provides that it is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Ordinance Code Section 5.08.070. Contractor warrants and represents that it shall comply with all of the requirements of the County Business License Ordinance prior to beginning work under this Agreement and at all times during the term of this Agreement.

ARTICLE XXII

Environmental and Toxic Warranty: Contractor warrants that its operations concerning the services and materials provided under this Agreement are not and will not be in violation of any applicable environmental federal, state, or local statute, law, or regulation dealing with hazardous materials substances or toxic substances.

ARTICLE XXIII Guarantees:

- A. For the purposes of this Agreement, the warranty periods for the Huss Diesel Particulate Filters, including all parts, equipment and materials, to be provided by Contractor shall be in accordance with the provisions of the section entitled "Warranty" in Exhibit A, marked "Scope of Work," incorporated herein and made by reference a part hereof. Contractor warrants and guarantees for the periods therein specified from the date of invoice that the work shall be free from all defects due to faulty materials, installation or workmanship and Contractor shall promptly make such corrections as may be necessary, including repairs of any damage to other parts of the equipment or vehicle resulting from such defects. County will give notice of observed defects with reasonable promptness.
- B Contractor expressly agrees to act as co-guarantor of the diesel particulate filters furnished and all such parts, equipment and materials, and Contractor shall supply County with all warranty and guaranty documents relative to the devices, parts, equipment and materials guaranteed by its suppliers or manufacturers.
- Contractor warrants to County that particulate filters, materials, parts and equipment furnished under this Agreement will be of good quality and new, unless otherwise required or permitted by the Agreement, that the work performed will be free from defects or flaws and is of the highest quality of workmanship and that the services provided will conform with the requirements of this Agreement and with the requirements and regulations of the California Air Resources Board. Work not conforming to these requirements, including substitutions not properly approved and authorized, shall be considered defective.

ARTICLE XXIV

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or the interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XXV

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree, in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XXVI

California Residency (Form 590): All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of this Agreement, or County shall withhold seven (7) percent of each payment made to the Contractor during the term of this Agreement. This requirement applies to any agreement/contract exceeding \$1,500.

ARTICLE XXVII

Taxpayer Identification Number (Form W-9): All independent contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XXVIII

California Forum and Law: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE XXIX

Year 2000 Compliance: Contractor agrees that all hardware and software developed, distributed, installed, programmed, or employed as a result of this order will comply with ISO 9000 date format to correctly manipulate and present date-sensitive data. Upon delivery of product and thereafter, the date and date logic component shall effectively and efficiently operate using a four-digit year.

Upon written notification by the County of any hardware or software failure to comply with ISO 9000 date format, Contractor will replace or correct the failing component with compliant hardware or software immediately, at no cost to the County.

ARTICLE XXX

Contract Administrator: The County Officer or employee with responsibility for administering this Agreement is Tom Celio, Deputy Director of Maintenance and Operations, Department of Transportation, or successor.

ARTICLE XXXI

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties the obligations set forth herein.

ARTICLE XXXII

Partial Invalidity: If any provision of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XXXIII

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties, and they incorporate or supersede all prior written or oral agreements or understandings.

Contract Administrator Concurrence:

Tom Celio

Deputy Director of Maintenance and Operations

Dated: 5/27/08

Requesting Department Concurrence:

Richard W. Shepard, P.E.

Director of Transportation

Dated: _ て に 0 8

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this Agreement.

--COUNTY OF EL DORADO--

By:	_ Dated.
Board of Supervisors "County"	
Attest: Cindy Keck Clerk of the Board of Supervisors	
By:	Dated:
A-Z BUS	S S A L E S, N C
By: Dan Chadd Vice President, Operations "Contractor"	Dated: <u>6/2/08</u>
By: Corporate Secretary	Dated: 6/5/08

A-Z Bus Sales, Inc.

Exhibit A

Scope of Work

Contractor shall furnish all materials, parts, incidentals, labor, equipment and services necessary to retrofit seven (7) units of DOT's on-road vehicles with the Huss Diesel Particulate Filters as indicated in the table below. All installation services shall be performed in accordance with the manufacturer's specifications.

<u>DOT</u> Equip #	Equipment Model	Huss Device Model		
23-17	1992 Intl 2 Axle Dump Truck	FS100MKL		
23-18	1992 Intl 2 Axle Dump Truck	FS100MKL		
34-06	1991 Intl 2 Axle Water Truck	FS100MKL		
34-07	1992 Intl 2 Axle Water Truck	FS100MKL		
35-01	1989 Ford 3 Axle Water Truck	FS100MKL		
39-02	1993 Intl PB Patcher	FS100MKL		
89-03	1993 Ford Paint Striper	FS100MKL		

Contractor shall remove the existing muffler on each unit of equipment and shall install the Huss Diesel Particulate Filter in its place. Contractor shall mount a back pressure monitor in the cab of the equipment or in a location that may be observed by the operator or by equipment maintenance staff.

Should Contractor determine that any repairs to the equipment are required prior to installation of emission control devices, Contractor shall immediately notify County's Contract Administrator of the nature, scope and cost of the required repairs. Contractor shall not begin any such repair work without prior written authorization from County. Any such repair work, if it is authorized, shall be performed under a separate contract or purchase order.

LOCATION OF WORK, SCHEDULING AND TRANSPORTATION OF EQUIPMENT

All retrofit services and installations shall be provided at Contractor's facility located at 3418 52nd Avenue, Sacramento, California 95823. The scheduling of work on the equipment shall be mutually agreed upon by County's Contract Administrator and Contractor based on the availability of the equipment for service and the availability of parts for installation. Contractor shall provide transportation of each unit of equipment from the DOT yard at 2441 Headington Road, Placerville, California to its facility in Sacramento, California and shall return the equipment to the DOT Headington Road facility within three (3) working days after completion of the work. Transportation of equipment shall be billed at the flat rate indicated in Exhibit B, marked "Fee Schedule," incorporated herein and made by reference a part hereof.

COMPLETION AND ACCEPTANCE OF THE WORK

Retrofit device installations shall be completed within five (5) working days of the receipt of the equipment by Contractor.

Upon delivery of the retrofitted equipment by Contractor to the DOT facility, an inspection of the work shall be made by the Contract Administrator, or his designee, and a list shall be generated of any non-compliant work. All issues shall be resolved by Contractor prior to County's acceptance of the work. There shall be no additional charges (including any charges for the re-transportation of the equipment) to County associated with any work required to remedy non-complaint work. Upon completion of the work and County's acceptance of the work, Contractor shall issue its invoice in accordance with the provisions of this Agreement.

WARRANTY

The manufacturer's warranty period for the Huss Diesel Particulate Filter covers travel, parts and labor and extends for five (5) years or 150,000 miles, whichever occurs first.

The warranty period for Contractor's parts and installation services covers travel, parts and labor for two (2) years (and unlimited hours) from County's acceptance of the work on each unit of equipment.

If warranty service is necessary, any transportation of the equipment to Contractor's facility in Sacramento, California (including the return transportation of the equipment to the DOT yard in Placerville) shall be performed by Contractor. There shall be no additional cost to County for any equipment transportation services associated with warranty work.

A-Z Bus Sales, Inc.

Exhibit B

Fee Schedule

Based upon the California Air Resources Board certification related to year, use and type of vehicle, the Huss FS100MKL Diesel Particulate Filter shall be installed on seven (7) units of equipment as indicated in Exhibit A, "Scope of Work," incorporated herein and made by reference a part hereof.

Parts and Installation		<u>Unit Price</u>
Huss Filter	FS100MKL	\$17,261.00
Labor Tax	Installation of Device 7.75%	\$2,800 \$1,337.73
Subtotal		\$21,398.73
Equipment Transport		
Round trip flat fee for transportation of one on-road vehicle		\$90
Total Cost per Unit		\$21,488.73

Total C	<u>ompensation</u>					
DOT Equip #	Equipment Model	Huss FS100 MKL	<u>Tax</u>	<u>Labor</u>	Transport	Total
23-17	1992 Intl 2 Axle Dump Truck		\$1,337.73	\$2,800	\$90	\$21,488.73
23-18	1992 Intl 2 Axle Dump Truck	\$17,261	\$1,337.73	\$2,800	\$90	\$21,488.73
34-06	1991 Intl 2 Axle Water Truck	\$17,261	\$1,337.73	\$2,800	\$90	\$21,488.73
34-07	1992 Intl 2 Axle Water Truck	\$17,261	\$1,337.73	\$2,800	\$90	\$21,488.73
35-01	1989 Ford 3 Axle Water Truck	\$17,261	\$1,337.73	\$2,800	\$90	\$21,488.73
39-02	1993 Intl PB Patcher	\$17,261	\$1,337.73	\$2,800	\$90	\$21,488.73
89-03	1993 Ford Paint Striper	\$17,261	\$1,337.73	\$2,800	\$90	\$21,488.73
	Total Compensation					\$150,421.11