

**FLEET ON-CALL TOWING SERVICES
HEAVY DUTY TOWS
(PUBLIC WORKS/FLEET DIVISION)
(City of Visalia Bid No. 24-25-52)**

This Agreement, entered into and effective this _____ day of _____, 2026 [“Effective Date”], by and between the City of Visalia, hereinafter referred to as the “CITY”, and Prime Towing & Transport Inc. hereinafter referred to as the “CONTRACTOR”, “BIDDER”, or “SUBRECIPIENT”.

RECITALS

WHEREAS, CONTRACTOR is an company with a primary business address of 1147 E Houston Ave, Visalia Ca 93292 and SSN or EIN: 39-4504026; and

WHEREAS, CITY is a municipal corporation and Charter Law City; and

WHEREAS, City of Visalia solicited RFB-24-25-52, On-Call Towing Services for Light Duty and Heavy-Duty Tows; and

WHEREAS, The City of Visalia has reviewed and evaluated responses to the Bid and determined to award an contract to CONTRACTOR for the services; and

WHEREAS, CONTRACTOR represents it is licensed, qualified, and willing to complete the Project pursuant to terms and conditions of this Agreement.

NOW, THEREFORE, CITY and CONTRACTOR agree as follows:

1. TERM:

The term of this Agreement shall commence on the Effective Date and expire upon completion of all obligations of the parties, unless earlier terminated by the parties. The initial contract term shall be for a twelve (12) month period and shall, at the City’s option and with the consent of the CONTRACTOR, be extended annually thereafter for four (4) consecutive one-year periods. "Additionally, this Agreement may be terminated for convenience. In the event of termination or expiration of this Agreement, CONTRACTOR shall transfer to CITY any funds and/or accounts receivable on hand attributable to the use of CITY funds.

2. ATTACHMENTS INCORPORATED:

The following are attachments for this Agreement. Said attachments are incorporated into this Agreement as if included in full in the body:

ATTACHMENT NO.	DESCRIPTION OF ATTACHMENT
Attachment 1	General Contract Provisions
Attachment 2	Insurance Requirements
Attachment 3	City of Visalia Bid 24-25-52, Fleet On-call Towing Services
Attachment 4	CONTRACTOR’s bid in response to Bid No. 24-25-52
Attachment 5	List of Awarded Contractor’s current employees that may perform this work

3. CONTRACTOR SCOPE OF SERVICES and COMMITMENTS*:

CONTRACTOR shall provide the following services for the stated compensation on or before the stated completion dates (“Scope of Services”):

All work described in the Scope of Services in Bid No. 24-25-52.

4. CITY COMMITMENTS:

CITY shall perform the following tasks on or before the stated completion dates:

TASK	COMPLETION DATE
Pay Contractor as work is completed and invoiced monthly.	As requested by Contractor

5. COMPENSATION:

CITY shall pay CONTRACTOR compensation for services as indicated in Paragraph 4 above; however, CITY shall pay not more than the following amount as total compensation under this Agreement, unless otherwise agreed in writing. Such sum shall be expended and paid by CITY on a reimbursement basis for services actually performed based on invoices, receipts, time sheets, and similar documents presented by CONTRACTOR to CITY.

Total Compensation:	Not to exceed \$30,000 annually at the Contractor's stated Bid Prices for (heavy vehicle tows/bid prices)
Source of Funds:	Local Revenues
Payment Schedule:	Within 30 days from the date of the invoice for completed work

6. CONTRACT PRICE ADJUSTMENTS:

All prices shall be firm and fixed for twelve (12) months from the annual anniversary date of the agreement. Prices may be adjusted annually at time of contract renewal and upon mutual agreement of the parties.

It will be the responsibility of the contractor to request a price adjustment and to provide all documentation necessary. The request for price adjustment must be submitted to the Project Manager at least thirty (30) days (but no sooner than ninety (90) days) prior to the annual anniversary date of the agreement.

The unit prices for the ensuing contracts shall be based on the movement of the unadjusted figures of the **U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) for all Urban Consumers (CPI-U, U.S. City Average, All Items)**. The contract unit prices may be changed in an amount equal to the percentage of movement for the most recent twelve-month period closest to the anniversary date of contract. **In no instance shall the price increase exceed 5%.** The contract unit price changes as a result of this formula shall be binding on the contractor for the subsequent contract year. The adjustment of the unit bid price shall not be retroactive and shall apply only to changes incurred after approval.

IN WITNESS WHEREOF, this Agreement is executed on the day and year first above written.

CONTRACTOR

Dated: _____

By: _____

Authorized Officer: I certify under penalty of perjury under the laws of the State of California that I am fully authorized to execute this Agreement for CONTRACTOR in the capacity I have stated, and that such execution is sufficient to bind the CONTRACTOR.

CITY OF VISALIA

Dated: _____

By: _____

City Manager

Dated: _____

By: _____

City Attorney

Dated: _____

By: _____

City of Visalia Risk Manager

Dated: _____

By: _____

City of Visalia Project Manager

**EXHIBIT C, ATTACHMENT 1
GENERAL CONTRACT PROVISIONS**

- A. Successors and Assigns:** This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties.
- B. Prohibition of Assignment:** Neither party shall assign, delegate or transfer their rights and duties in this Agreement without the written consent of the other party.
- C. Notices:** Notice shall be sufficient hereunder if personally served upon the City Clerk of the CITY or an officer or principal of the CONTRACTOR, or if sent via the United States Postal Service, postage prepaid, addressed as follows:
- | | |
|--|---|
| CITY OF VISALIA
707 W. Acequia Ave.
Visalia, CA 93291
Attention: City Clerk | CONTRACTOR
Prime Towing & Transport Inc.
1147 E Houston Ave.
Visalia, Ca 93292
Attention: Aiver Delatorre |
|--|---|
- D. Independent Contractor:** It is understood and agreed by the parties herein that CONTRACTOR, in the performance of this Agreement, shall act as an independent contractor, and therefore shall obtain no rights to any fringe benefits that accrue to regular full-time CITY employees.
- E. Jurisdiction/Venue/Waiver Of Removal:** This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in California. Any action brought to interpret or enforce this Agreement, or any of the terms or conditions hereof, shall be brought in Tulare County, California. The CONTRACTOR hereby expressly waives any right to remove any action to a county other than Tulare County as permitted pursuant to Section 394 of the California Code of Civil Procedure.
- F. Integration/Modification:** This Agreement and each of the documents and exhibits or attachments referenced herein, which are incorporated by reference, represent the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by the parties, unless otherwise explicitly authorized.
- G. Conflict With Law:** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said law, but the remainder of the Agreement shall be in full force and effect.
- H. Indemnification:** The CONTRACTOR waives any and all claims and recourse against the CITY, including the right of contribution of loss or damage to person or property arising from, growing out of, or in any way connected with or incidental to the CONTRACTOR's performance of this Agreement, except claims arising from the concurrent or sole negligence of the CITY or its officers, agents or employees. The CONTRACTOR will indemnify, hold harmless, and defend (at CITY's option) the CITY against any and all claims, demands, damages, costs, expenses, or liability arising out of the CONTRACTOR's performance of this Agreement except for liability arising out of the concurrent or sole negligence of the CITY or its officers, agents, or employees.
- I. Attorney's Fees:** In the event either party commences any action, arbitration or legal proceedings for the enforcement of this Agreement, the prevailing party, as determined by the court or arbitrator, shall be entitled to recovery of its attorney's fees and court costs incurred in the action brought thereon.
- J. Headings:** Section headings are provided for organizational purposes only and do not in any manner affect the scope or intent of the provisions thereunder.
- K. Firearms Prohibited:** Guns may not be carried by contractors /vendors/ consultants while working on City of Visalia premises without the expressed written approval of a City of Visalia Department Head, or an exemption in the contract. If a contractor/vendor/consultant is caught carrying a gun, without City permission, their contract will be terminated.

L. Executive Order N-6-22 – Russia Sanctions On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

**ATTACHMENT 2
INSURANCE REQUIREMENTS**

1. **CONTRACTOR Insurance** CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at a minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects CITY, and any insurance or self-insurance maintained by CITY shall be in excess of CONTRACTOR's insurance coverage and shall not contribute to it.
2. **Subcontractor(s) Insurance** If CONTRACTOR utilizes one or more subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain independent insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR.
3. **Types of Insurance and Minimum Limits** The following types of insurance and minimum limits are required, providing at least the following minimum coverage and limits of liability:
 - a. Worker's Compensation written in accordance with the laws of the State of California, providing coverage for any and all employees of CONTRACTOR in the minimum statutorily required coverage amounts.
 - b. Automobile Liability Insurance for each of CONTRACTOR's vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR's employees or contractors), leased or hired vehicles, in the minimum amount of \$1,000,000 combined single limit per occurrence for bodily injury and property damage.
 - c. Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$1,000,000 combined single limit, including coverage for:
 - (1) bodily injury;
 - (2) personal injury;
 - (3) broad form property damage;
 - (4) contractual liability;
 - (5) cross-liability;
 - (6) products and completed operations liability
4. **Other Insurance Provisions**

If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post-agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post-agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post-agreement coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post-agreement coverage shall be deemed to be reasonable.
5. **Endorsements**

All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clauses:

 - a. The City of Visalia, its officers, agents, employees, representatives, and volunteers are added as additional insureds as respects operations and activities of, or on behalf of the named insured, performed under contract with the City of Visalia.
 - b. It is agreed that any insurance maintained by the City of Visalia shall apply in excess of and not contribute with insurance provided by this policy.
 - c. This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice has been given to the City Clerk, City of Visalia, 707 W. Acequia, Visalia, CA, 93291
6. **Proof of Coverage**

CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide CITY on or before the effective date of this Agreement with Certificate(s) of Insurance for all required coverages. Copies of all the required Endorsements shall be attached to the Certificate(s) of Insurance or other evidence of insurance acceptable to the City of Visalia, which shall be provided by CONTRACTOR's insurance company as evidence of the stipulated coverages. **This Proof of Coverage shall then be mailed to:**
CITY OF VISALIA PURCHASING DEPARTMENT, 707 W. ACEQUIA AVENUE, VISALIA, CA 93291