

Request for Proposals Requirements Contract for Radial Tire Leasing Services
RFP No. 12502217

SERVICE CONTRACT

THIS CONTRACT is made and entered into by and between the CITY OF FRESNO, a California municipal corporation (City), and Michelin North America, Inc. (Contractor) as follows:

1. CONTRACT DOCUMENTS. The "Notice Inviting Proposals," "Instructions to Proposers," "Proposal" and the "Specifications" including "General Conditions," "Special Conditions", "Federal Conditions", "Functional Specifications" and "Technical Requirements" for the following: Radial Tire Leasing Services (Request for Proposals No. 12502217) copies of which are annexed hereto, together with all the documents specifically referred to in said annexed documents, including the Performance Bond, if required, are hereby incorporated into and made a part of this Contract, and shall be known as the Contract Documents.
2. PRICE. For the monetary consideration not to exceed \$1,646,640.34 for the initial three-year base term or not to exceed \$3,000,000.00 for all five years, if options for two one-year extensions are exercised, as set forth in the Proposal, Contractor promises and agrees to perform or cause to be performed, in a good and workmanlike manner, and to the satisfaction of City, and in strict accordance with the Specifications, all of the work as set forth in the Contract Documents.
3. PAYMENT. City accepts Contractor's Proposal as stated and agrees to pay the consideration stated, at the times, in the amounts, and under the conditions specified in the Contract Documents.
4. INDEMNIFICATION. To the furthest extent allowed by law, including California Civil Code section 2782, CONTRACTOR shall indemnify, defend and hold harmless CITY and each of its officers, officials, employees, agents, and volunteers from any and all claims, demands, actions in law or equity, loss, liability, fines, penalties, forfeitures, interest, costs including legal fees, and damages (whether in contract, tort, or strict liability, including but not limited to personal injury, death at any time, property damage, or loss of any type) arising or alleged to have arisen directly or indirectly out of (1) any voluntary or involuntary act or omission, (2) error, omission or negligence, or (3) the performance or non-performance of this Contract. CONTRACTOR'S obligations as set forth in this section shall apply regardless of whether CITY or any of its officers, officials, employees, agents, or volunteers are passively negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused by the active or sole negligence, or the willful misconduct, of CITY or any of its officers, officials, employees, agents or volunteers.

To the fullest extent allowed by law, and in addition to the express duty to indemnify, CONTRACTOR, whenever there is any causal connection between the CONTRACTOR's performance or non-performance of the work or services required under this Contract and any claim or loss, injury or damage of any type, CONTRACTOR expressly agrees to undertake a duty to defend CITY and any of its officers, officials, employees, agents, or volunteers, as a separate duty, independent of and broader than the duty to indemnify. The duty to defend as herein agreed to by CONTRACTOR expressly includes all costs of

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litigation, attorneys fees, settlement costs and expenses in connection with claims or litigation, whether or not the claims are valid, false or groundless, as long as the claims could be in any manner be causally connected to CONTRACTOR as reasonably determined by CITY.

Upon the tender by CITY to CONTRACTOR, CONTRACTOR shall be bound and obligated to assume the defense of CITY and any of its officers, officials, employees, agents, or volunteers, including the a duty to settle and otherwise pursue settlement negotiations, and shall pay, liquidate, discharge and satisfy any and all settlements, judgments, awards, or expenses resulting from or arising out of the claims without reimbursement from CITY or any of its officers, officials, employees, agents, or volunteers.

It is further understood and agreed by CONTRACTOR that if CITY tenders a defense of a claim on behalf of CITY or any of its officers, officials, employees, agents, or volunteers and CONTRACTOR fails, refuses or neglects to assume the defense thereof, CITY and its officers, officials, employees, agents, or volunteers may agree to compromise and settle or defend any such claim or action and CONTRACTOR shall be bound and obligated to reimburse CITY and its officers, officials, employees, agents, or volunteers for the amounts expended by each in defending or settling such claim, or in the amount required to pay any judgment rendered therein.

The defense and indemnity obligations set forth above shall be direct obligations and shall be separate from and shall not be limited in any manner by any insurance procured in accordance with the insurance requirements set forth in this Contract. In addition, such obligations remain in force regardless of whether CITY provided approval for, or did not review or object to, any insurance CONTRACTOR may have procured in accordance with the insurance requirements set forth in this Contract. The defense and indemnity obligations shall arise at such time that any claim is made, or loss, injury or damage of any type has been incurred by CITY, and the entry of judgment, arbitration, or litigation of any claim shall not be a condition precedent to these obligations.

The defense and indemnity obligations set forth in this section shall survive termination or expiration of this Contract.

If CONTRACTOR should subcontract all or any portion of the work to be performed under this Contract, CONTRACTOR shall require each subcontractor to Indemnify, hold harmless and defend CITY and each of its officers, officials, employees, agents and volunteers in accordance with the terms as set forth above.

5. Results of Negotiation Memorandum adjusting Insurance Requirements and Cost Proposal-Tire Size Approved Equal is attached hereto as Exhibit A and incorporated by reference herein.

[Signatures follow on the next page.]

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IN WITNESS WHEREOF, the parties have executed this Contract on the day and year here below written, of which the date of execution by City shall be subsequent to that of Contractor's, and this Contract shall be binding and effective upon execution by both parties.

CITY OF FRESNO,
a California municipal corporation

By: _____
Georgeanne A. White
City Manager

By: _____
Gregory A. Barfield, M.A.,
Director, Department of
Transportation/FAX

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Signed by: *Jennifer Wharton* 10/1/2025
250AD6D4466E467...
Jennifer M. Wharton Date
Deputy City Attorney

ATTEST:
TODD STERMER, MMC
City Clerk

By: _____
Deputy Date

Addresses:

CITY:
City of Fresno
Attention: Frank Peter
Fleet Manager
2223 G Street
Fresno, CA 93706
Telephone: 559-621-1403
E-Mail: Frank.Peter@Fresno.gov

Michelin North America,
Incorporated

Signed by: *Ed Quigley III*
4AAA088B78F64F8...
By: _____
Ed Quigley III
Director of Sales & Operations, CXS

AMNI
DocuSigned by: *Dan O'Brien*
91B1E2EB2723426...
By: _____
Dan O'Brien
Contracts Manager for MFS, CXS,
AMN

CONTRACTOR:

Michelin North America, Inc.
Attention: Dan O'Brien
Contracts Manager
One Parkway South
Greenville, SC 29602
Telephone: 864-546-8793
E-Mail: Dan.Obrien@Michelin.com

Attachment:
Exhibit A – Results of Negotiation Memorandum

Exhibit A
RESULTS OF NEGOTIATION MEMORANDUM
RADIAL TIRE LEASING SERVICES
RFP NO. 12502217

September 9, 2025

As a result of negotiations, Insurance Requirements and an approved equal for tire size have been modified and supersedes the previous version, the contents of which can be found in the subsequent pages of this memorandum.

City of Fresno
Department of Transportation



Sharlee Flores
Senior Management Analyst

Attachments:

1. Insurance Requirements, MINIMUM LIMITS OF INSURANCE, page 53
2. Cost Proposal - Tire Size Approved Equal

Attachment 1- Insurance Requirements, MINIMUM LIMITS OF INSURANCE, page 53

CONTRACTOR shall procure and maintain for the duration of the contract insurance with limits of liability not less than those set forth below. At the request of the CONTRACTOR and approval by CITY, the CONTRACTOR will self-insure the products liability requirement below to the full extent required under the indemnification section of this agreement. However, insurance limits available to CITY, its officers, officials, employees, agents and volunteers as additional insureds, shall be the greater of the minimum limits specified herein or the full limit of any insurance proceeds available to the named insured:

1. COMMERCIAL GENERAL LIABILITY

- (i) \$2,000,000 per occurrence for bodily injury and property damage;
- (ii) \$2,000,000 per occurrence for personal and advertising injury;
- (iii) \$4,000,000 aggregate for products and completed operations; and,
- (iv) \$4,000,000 general aggregate applying separately to the work performed under the Agreement.

*The Contractor will provide proof of self-insuring products.

Attachment 2- Cost Proposal Products Listed

The 315-80R-22.5 tire size was approved for the originally requested tire size 305-85R-22.5.