

AGREEMENT BIBLIOGRAPHY

Agreement With:	AAA Oil, Inc.
Agreement Type:	To provide and deliver fuel on an emergency basis to the Municipal Service Center and Garden Grove Police Dept.
Date Approved:	04 26 2018
Start Date:	04 26 2018
End Date:	Until a new procurement is in process
Contract Amount:	\$50,000
Comments	File No. 55 Public Works
Insurance Expiration:	05 01 2018



CITY OF GARDEN GROVE OFFICE OF THE CITY CLERK

*Safeguard all official records of the City.
Conduct municipal elections and oversee legislative administration.
Provide reliable, accurate, and timely information to the
City Council, staff, and the general public.*

April 26, 2018


AAA Oil, Inc.
dba California Fuel and Lubricants
11621 Westminster Avenue
Garden Grove, CA 92843

Attention: Efrain Davalos

Enclosed is a copy of the Agreement by and between the City of Garden Grove and AAA Oil, Inc. dba California Fuels and Lubricants, to provide and deliver fuel on an emergency basis to the Municipal Service Center and Garden Grove Police Department.

Sincerely,

Teresa Pomeroy
City Clerk

By: 
Liz Vasquez
Deputy City Clerk

Enclosure

c: Finance Department
Finance Department/Purchasing
Public Works Department

Steven R. Jones
Mayor

Kris Beard
Mayor Pro Tem - District 1

John R. O'Neill
Council Member - District 2

Thu-Ha Nguyen
Council Member - District 3

Patrick Phat Bui
Council Member - District 4

Stephanie Klopfenstein
Council Member - District 5

Kim Bernice Nguyen
Council Member - District 6

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this 26th day of April, 2018, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **AAA Oil, Inc. dba California Fuels and Lubricants**, herein after referred to as "CONTRACTOR".

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove Council Resolution No. 9212-14 (January 28, 2014).
2. CITY desires to utilize the services of CONTRACTOR on an emergency basis to Provide and Deliver fuel to the City of Garden Grove for vehicles and equipment to the following locations:
 - a. Municipal Service Center located at 13802 Newhope Street, Garden Grove, CA 92843
 - b. Garden Grove Police Department located at 11301 Acacia Parkway, Garden Grove, CA 92843
3. CONTRACTOR is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination** This contract shall remain in effect while a new procurement is in process or until the fund is depleted. This agreement may be terminated by the CITY without cause. In such event, the CITY will compensate CONTRACTOR for fuel delivered to date in accordance with proposal which is attached as Attachment "A" and is hereby incorporated by reference. Contractor is required to present evidence to support the amount of fuel delivered.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Proposal. The Proposal is attached as Attachment A, and is incorporated herein by reference. The Proposal and this Agreement do not guarantee any specific amount of work.

3. **Compensation.** CONTRACTOR shall be compensated as follows:

- 3.1 **AMOUNT.** Total Compensation under this agreement shall not exceed (NTE) amount of Fifty Thousand Dollars (\$50,000.00), payable in arrears and in accordance with proposal in Attachment "A". Pricing is to be based on the Oil Price Information Service (OPIS) Gasoline & Diesel Rack Average Daily AM prices benchmark plus the discount/adder adjustments listed in the schedule included in Attachment "A" based on the "per gallon" amount of fuel ordered and delivered.
- 3.2 **Payment.** For fuel delivered under this Agreement, payment shall be made per invoice for fuel delivered.
- 3.3 **Records of Expenses.** Reserved.
- 3.4 **Termination.** CITY and CONTRACTOR shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by CITY, then the provisions of paragraph 3 would apply to the amount of fuel delivered.

4. **Insurance Requirements.**

COMMENCEMENT OF WORK. CONSULTANT shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance and provide a Waiver of Subrogation in favor of the City.

- 4.2 **Workers' Compensation Insurance.** For the duration of this Agreement, CONTRACTOR shall maintain Workers Compensation Insurance in the amount and type required by California law, if applicable. The insurer shall waive its rights of subrogation against the CITY, its officers, officials, agents, employees, and volunteers.
- 4.3 **INSURANCE AMOUNTS.** CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in the amount of \$5,000,000 per occurrence; coverage to include XCU (**claims made and modified occurrence policies are not acceptable**);

Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY. Endorsements for primary and non-contributory.

- (b) Automobile liability in the amount of \$5,000,000 combined single limit; Policy must be endorsed to delete pollution exclusion. (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (c) Automobile pollution in an amount of \$5,000,000 per occurrence; (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (d) Excess liability, following form, coverage shall be provided for any underlying policy that does not meet the insurance requirements set forth herein (claims made and modified occurrence policies are not acceptable). Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

MSC 90 Endorsement for the policy under section 4.3 (c) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (d) shall designate CITY, its officers, officials, employees, agents, and

volunteers as additional insureds under the excess liability policy. CONTRACTOR shall provide to CITY proof of insurance stating the excess liability policy follows form, additional insured endorsement forms, and the schedule of underlying policies with policy numbers that conform to CITY's requirements, as approved by the CITY. Information for the excess policy only needs to be provided if the underlying policies do not meet the policy limits set forth herein.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall by excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.
6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. CONTRACTOR shall comply with, and shall be responsible for causing all contractors and subcontractors performing any of the work pursuant to this Agreement to comply with, all applicable federal and state labor standards, including, to the extent applicable, the prevailing wage requirements promulgated by the Director of Industrial Relations of the State of California Department of Labor. The City makes no warranty or representation concerning whether any of the work or services performed pursuant to this Agreement constitutes public works subject to the prevailing wage requirements.

9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

- a. (Contractor)
AAA Oil, Inc. dba California Fuels and Lubricants
Attention: Efrain Davalos
11621 Westminster Avenue
Garden Grove, CA 92843

- b. (Address of CITY) (with a copy to):
City of Garden Grove Garden Grove City Attorney
11222 Acacia Parkway 11222 Acacia Parkway
Garden Grove, CA 92840 Garden Grove, CA 92840

10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

11. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.

12. **Familiarity with Work/Services.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work or services to be performed; (2) it has investigated the site of the work or services and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work or services under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or services as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR'S risk, until written instructions are received from CITY.

13. **Time of Essence.** Time is of the essence in the performance of this Agreement.

14. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship

between any subcontractor and CITY. All persons engaged in the work or services will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.

15. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
16. **Indemnification.** To the fullest extent permitted by law, CONTRACTOR shall defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damages of any nature, including interference with use of property, arising out of, or in any way connected with the negligence, recklessness and/or intentional wrongful conduct of CONTRACTOR, CONTRACTOR'S agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR in the performance of the Agreement. The only exception to CONTRACTOR'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence, recklessness and/or wrongful conduct of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

17. **Appropriations.** This Agreement is subject to and contingent upon funds being appropriated therefor by the Garden Grove City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the CITY.

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: 4/26/18

"CITY"
CITY OF GARDEN GROVE

By: [Signature]
City Manager

ATTESTED:
[Signature]
City Clerk

Date: 4/26/18

"CONTRACTOR"
AAA Oil, Inc. dba
California Fuels and Lubricants

By: [Signature]
Name: Efran Davalos

Title: CEO

Date: 04/18/2018

Tax ID No. 68-0593652

Contractor's License: n/a

Expiration Date: n/a

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:
[Signature]
Garden Grove City Attorney

4-19-18
Date



Attachment "A"



We Power Your Success

AAA Oil, Inc.dba
California Fuels & Lubricants
11621 Westminster Ave
Garden Grove, CA 92843

Phone: 714-530-4795

Fax: 714-530-5026

April 11, 2018
City of Garden Grove
Attn: Steve Sudduth; Vehicle Maintenance Division

Dear Steve,

Thank you for the opportunity to quote your fueling services again. Our quote for full load deliveries (8800 Gallons Gas / 7600 Gallons DSL / or combined Gas & DSL 8000 Gallons) is as follows. This quote applies to a full load delivery to either location, but not to one truck run delivery split between both locations. If that is required, please let me know and I will adjust for added mileage and time.

Locations:

City Yard and South Pumps – 13802 New Hope St., Garden Grove, Ca 92843

20K UNL 87 - UST

6K UNL 87 – UST – South Pumps

6K ULSD #2 – South Pumps

Police Acacia Yard – 11301 Acacia Pkwy, Garden Grove, Ca 92840

10K UNL 87 – UST

2K ULSD #2 - UST

Pricing as of 4/11/18:

UNL 87 – \$2.4255 pre-tax / \$2.9227 with tax**

ULSD #2 - \$2.4531 pre-tax / \$3.1517 with tax**

**The with tax prices exclude Federal Excise Tax per exemption

These prices are based upon the following OPIS Formula:

GASOLINE UNL 87 = OPIS DAILY RACK AVGERAGE WITH CAR LOS ANGELES - 0.0375

ULSD CLR #2 DSL = OPIS DAILY RACK AVGERAGE WITH CAR LOS ANGELES + 0.0302

Unit invoiced price will be based upon the OPIS DAILY RACK AVGERAGE WITH CAR LOS ANGELES on the day of delivery plus or minus the differential noted above per product.

CFL is also capable of managing your inventory for you with remote fuel monitors as a complimentary service, provided we are your only supplier. If you chose to use this service, please coordinate with me so I can get a technician out to do assessment and installation on your 5 tanks, should we be issued a PO.

Please let me know if you have any questions.

Thank you kindly for your consideration,
Jennifer

Jennifer Crawley
Bids and Supplier Diversity Marketing Manager



AAA0ILI-01

CASSIER

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/19/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0252636 United Agencies 5210 Lewis Road, Suite 14 Agoura Hills, CA 91301 <i>Cassie Ramos</i> <i>805-342-0057 DIR</i> <i>805-220-1170 Main</i> <i>Cassie@churchillrisk.com</i>	CONTACT NAME: Cassandra Ramos PHONE (A/C, No, Ext): E-MAIL ADDRESS: <i>Cassie@churchillrisk.com</i> FAX (A/C, No):
INSURER(S) AFFORDING COVERAGE INSURER A : Philadelphia Indemnity Insurance Company INSURER B : California Insurance Company INSURER C : Certain Underwriters at Lloyds, London INSURER D : INSURER E : INSURER F :	NAIC # 18058 <i>Att, XV</i> 38865 <i>Att, XI</i>
INSURED AAA OIL, INC DBA: CALIFORNIA FUELS & LUBRICANTS 11621 WESTMINSTER AVE GARDEN GROVE, CA 92843 <i>Efrain Davalos Jr.</i> <i>714-530-4795</i> <i>edavalos@cafueling.com</i>	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	X	X	PHPK1644198 <i>Reviewed and approved as to insurance language and requirements.</i> <i>Neidum Jay</i> <i>7-25-18</i> <i>Risk Management</i>	05/01/2017	05/01/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 0 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> CA9948 POLL LIAB.	X	X	PHPK1644198 <i>*For this agreement only.</i>	05/01/2017	05/01/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB581364	05/01/2017	05/01/2018	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	X	82-889923-01-01	05/01/2017	05/01/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	EXCESS LIABILITY			17*RENMA1600055-70546*00	05/01/2017	05/01/2018	LIMIT \$ 6,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: 13650 HARBOR BLVD GARDEN GROVE, CA 92843

CITY OF GARDEN GROVE, ITS RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES, ATTORNEYS, CONSULTANTS, AGENTS, AND VOLUNTEERS ARE ADDITIONAL INSUREDS WITH RESPECTS TO GENERAL LIABILITY AND AUTO LIABILITY

PRIMARY AND NON-CONTRIBUTORY WORDING APPLIES TO GENERAL LIABILITY AND AUTO LIABILITY.

WAIVER OF SUBROGATION APPLIES TO GENERAL LIABILITY, AUTO LIABILITY, AND WORKERS COMPENSATION.

MCS-90 AND CA9948 INCLUDED IN THE AUTO LIABILITY POLICY.

EXCESS LIABILITY FOLLOWS FORM TO UNDERLYING GENERAL LIABILITY AND AUTO LIABILITY

30 DAY NOTICE OF CANCELLATION / 10 DAY NOTICE FOR NON-PAYMENT

CERTIFICATE HOLDER

CITY OF GARDEN GROVE
11222 ACACIA PKWY
GARDEN GROVE, CA 92840

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Rayna Catley

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED
PRIMARY AND NON-CONTRIBUTORY INSURANCE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Effective Date: 05/01/2017

Name of Person or Organization (Additional Insured):

Blanket for all additional insured's if required in a written contract

SECTION II – WHO IS AN INSURED is amended to include as an additional insured the person(s) or organization(s) shown in the endorsement Schedule, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" arising out of or relating to your negligence in the performance of "your work" for such person(s) or organization(s) that occurs on or after the effective date shown in the endorsement Schedule.

This insurance is primary to and non-contributory with any other insurance maintained by the person or organization (Additional Insured), except for loss resulting from the sole negligence of that person or organization.

This condition applies even if other valid and collectible insurance is available to the Additional Insured for a loss or "occurrence" we cover for this Additional Insured.

The Additional Insured's limits of insurance do not increase our limits of insurance, as described in **SECTION III – LIMITS OF INSURANCE.**

All other terms, conditions, and exclusions under the policy are applicable to this endorsement and remain unchanged.

person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation, or use of equipment leased to you by such person or organization.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

I. Duties in the Event of Occurrence, Offense, Claim or Suit

1. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 2.a.** the requirement that you must see to it that we are notified as soon as practicable of an "occurrence" or an offense, applies only when the "occurrence" or offense is known to:

- a. You, if you are an individual;
- b. A partner, if you are a partnership; or
- c. An "executive officer" or insurance manager, if you are a corporation.

2. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 2.b.** the requirement that you must see to it that we receive notice of a claim or "suit" as soon as practicable will not be considered breached unless the breach occurs after such claim or "suit" is known to:

- a. You, if you are an individual;
- b. A partner, if you are a partnership; or
- c. An "executive officer" or insurance manager, if you are a corporation.

J. Transfer of Rights of Recovery Against Others To Us

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 8. Transfer of Rights of Recovery Against Others To Us includes the following clarification:

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

K. Liberalization

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS is amended to include:

10. Liberalization

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

L. Unintentional Failure To Disclose Hazards

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS is amended to include:

11. Unintentional Failure To Disclose Hazards

Deidra Jay
Risk Management
4-25-18

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED BY CONTRACT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. SECTION II – LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured is amended by adding the following:

The following are also "insureds":

Any person or organization other than a joint venture, for which you have agreed by written contract to procure "bodily injury" or "property damage" liability insurance arising out of the operation of a covered "auto" with your permission. However, this additional insurance does not apply to:

1. The owner or anyone else from whom you hire or borrow a covered "auto." This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own;
 2. Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household;
 3. Anyone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours;
 4. Anyone other than your "employees," partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees," while moving property to or from a covered "auto"; or
 5. A partner (if you are a partnership), or a member (if you are a limited liability company) for covered "auto" owned by him or her or a member of his or her household.
- B.** The coverage extended to any additional insured by this endorsement is limited to, and subject to all terms, conditions, and exclusions of the Coverage Part to which this endorsement is attached.

In addition, coverage shall not exceed the terms and conditions that are required by the terms of the written agreement to add any "insured," or to procure insurance.

C. The limits of insurance applicable to such insurance shall be the lesser of the limits required by the agreement between the parties, or the limits provided by this policy.

D. The following additional exclusions apply:

The insurance afforded to any person or organization as an "insured" under this endorsement does not apply to "loss":

1. Which occurs prior to the date your contract is effective with such person or organization;
2. Arising out of the sole negligence of any person or organization that would not be an "insured" except for this endorsement; or

-
-
- 3. For any leased or rented "auto" when the lessor or his or her agent takes possession of the leased or rented "auto" or the policy period ends, whichever occurs first.**

L. One Comprehensive Coverage Deductible

SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible is amended by adding the following:

Only one Comprehensive Coverage Deductible per occurrence will apply to any "loss" resulting from a covered peril.

For the purpose of this extension, occurrence means a single incident, including continuous or repeated exposure to substantially the same general harmful conditions within a 24-hour period.

III. BUSINESS AUTO CONDITIONS

A. Notice and Knowledge of Occurrence

SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss, Paragraph a. is deleted in its entirety and replaced with the following:

a. In the event of "accident," claim, "suit" or "loss," you must give us, or our authorized representative, prompt notice of the "accident" or "loss." Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

B. Blanket Waiver Of Subrogation

SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us, is amended by adding the following exception:

However, we waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract."

C. Unintentional Errors or Omissions

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation, Or Fraud is amended by adding the following:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NON-CONTRIBUTORY CLAUSE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

It is agreed that the insurance provided by any additional insured endorsement attached to this policy is primary when primary coverage is required in a written contract.

We will not seek contribution from any insurer when insurance on a non-contributing basis is required in a written contract. For coverage to apply, the written contract must have been executed prior to the occurrence of "loss."

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. () Specific Waiver
Name of person or organization:

(x) Blanket Waiver
Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations:

3. Premium 2500

The premium charge for this endorsement shall be of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Minimum Premium

5. Advance Premium

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

Endorsement Effective 05/01/17

Policy No. 82-889923-01-01

Endorsement No. 9

Insured California Fuels & Lubricants

Premium \$ 2,500.00

Insurance Company California Insurance Company

Countersigned by



Reviewed and approved as to insurance language and/or requirements.


Risk Management
4-25-18

USDOT Number: 2007610 Date Received: 10/22/2015

A Federal Agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2126-0008. Public reporting for this collection of information is estimated to be approximately 2 minutes per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Motor Carrier Safety Administration, MC-RRA, Washington, D.C. 20590.



Endorsement for Motor Carrier Policies of Insurance for Public Liability under Sections 29 and 30 of the Motor Carrier Act of 1980

FORM MCS-90

Issued to AAA Oil, Inc. of California (Motor Carrier name) (Motor Carrier state or province)

Dated at 11:53 a.m. on this 26th day of April, 2017

Amending Policy Number: PHEK1644198 Effective Date: 05/01/2017

Name of Insurance Company: Philadelphia Indemnity Insurance Company

Countersigned by: (authorized company representative)

The policy to which this endorsement is attached provides primary or excess insurance, as indicated for the limits shown (check only one):

- This insurance is primary and the company shall not be liable for amounts in excess of \$ 1,000,000 for each accident.
This insurance is excess and the company shall not be liable for amounts in excess of \$ for each accident in excess of the underlying limit of \$ for each accident.

Whenever required by the Federal Motor Carrier Safety Administration (FMCSA), the company agrees to furnish the FMCSA a duplicate of said policy and all its endorsements. The company also agrees, upon telephone request by an authorized representative of the FMCSA, to verify that the policy is in force as of a particular date. The telephone number to call is: 610-617-7647.

Cancellation of this endorsement may be effected by the company of the insured by giving (1) thirty-five (35) days notice in writing to the other party (said 35 days notice to commence from the date the notice is mailed, proof of mailing shall be sufficient proof of notice), and (2) if the insured is subject to the FMCSA's registration requirements under 49 U.S.C. 13901, by providing thirty (30) days notice to the FMCSA (said 30 days notice to commence from the date the notice is received by the FMCSA at its office in Washington, DC).

Fillings must be transmitted online via the Internet at http://www.fmcsa.dot.gov/urs.

Reviewed and approved as to insurance language and/or requirements. [Signature] Risk Management 4-25-18

(continued on next page)

DEFINITIONS AS USED IN THIS ENDORSEMENT

Accident includes continuous or repeated exposure to conditions or which results in bodily injury, property damage, or environmental damage which the insured neither expected nor intended.

Motor Vehicle means a land vehicle, machine, truck, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used on a highway for transporting property, or any combination thereof.

Bodily Injury means injury to the body, sickness, or disease to any person, including death resulting from any of these.

Property Damage means damage to or loss of use of tangible property.

The insurance policy to which this endorsement is attached provides automobile liability insurance and is amended to assure compliance by the insured, within the limits stated herein, as a motor carrier of property, with Sections 29 and 30 of the Motor Carrier Act of 1980 and the rules and regulations of the Federal Motor Carrier Safety Administration (FMCSA).

In consideration of the premium stated in the policy to which this endorsement is attached, the insurer (the company) agrees to pay, within the limits of liability described herein, any final judgment recovered against the insured for public liability resulting from negligence in the operation, maintenance or use of motor vehicles subject to the financial responsibility requirements of Sections 29 and 30 of the Motor Carrier Act of 1980 regardless of whether or not each motor vehicle is specifically described in the policy and whether or not such negligence occurs on any route or in any territory authorized to be served by the insured or elsewhere. Such insurance as is afforded, for public liability, does not apply to injury to or death of the insured's employees while engaged in the course of their employment, or property transported by the insured, designated as cargo. It is understood and agreed that no condition, provision, stipulation, or limitation contained in the policy, this endorsement, or any other endorsement thereon,

Environmental Restoration means restitution for the loss, damage, or destruction of natural resources arising out of the accidental discharge, dispersal, release or escape into or upon the land, atmosphere, watercourse, or body of water, of any commodity transported by a motor carrier. This shall include the cost of removal and the cost of necessary measures taken to minimize or mitigate damage to human health, the natural environment, fish, shellfish, and wildlife.

Public Liability means liability for bodily injury, property damage, and environmental restoration.

or violation thereof, shall relieve the company from liability or from the payment of any final judgment, within the limits of liability herein described, irrespective of the financial condition, insolvency or bankruptcy of the insured. However, all terms, conditions, and limitations in the policy to which the endorsement is attached shall remain in full force and effect as binding between the insured and the company. The insured agrees to reimburse the company for any payment made by the company on account of any accident, claim, or suit involving a breach of the terms of the policy, and for any payment that the company would not have been obligated to make under the provisions of the policy except for the agreement contained in this endorsement.

It is further understood and agreed that, upon failure of the company to pay any final judgment recovered against the insured as provided herein, the judgment creditor may maintain an action in any court of competent jurisdiction against the company to compel such payment.

The limits of the company's liability for the amounts prescribed in this endorsement apply separately to each accident and any payment under the policy because of anyone accident shall not operate to reduce the liability of the company for the payment of final judgments resulting from any other accident.

(continued on next page)

SCHEDULE OF LIMITS — PUBLIC LIABILITY
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Type of carriage	Commodity transported	January 1, 1985
(1) For-hire (in interstate or foreign commerce, with a gross vehicle weight rating of 10,000 or more pounds).	Property (nonhazardous)	\$750,000
(2) For-hire and Private (in interstate, foreign, or intrastate commerce, with a gross vehicle weight rating of 10,000 or more pounds).	Hazardous substances, as defined in <u>49 CFR 171.8</u> , transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Division 1.1, 1.2, and 1.3 materials, Division 2.3, Hazard Zone A, or Division 6.1, Packing Group I, Hazard Zone A material; in bulk Division 2.1 or 2.2; or highway route controlled quantities of a Class 7 material, as defined in <u>49 CFR 173.403</u> .	\$5,000,000
(3) For-hire and Private (in interstate or foreign commerce, in any quantity; or in intrastate commerce, in bulk only; with a gross vehicle weight rating of 10,000 or more pounds).	Oil listed in <u>49 CFR 172.101</u> ; hazardous waste, hazardous materials, and hazardous substances defined in <u>49 CFR 171.8</u> and listed in <u>49 CFR 172.101</u> , but not mentioned in (2) above or (4) below.	\$1,000,000
(4) For-hire and Private (In interstate or foreign commerce, with a gross vehicle weight rating of less than 10,000 pounds).	Any quantity of Division 1.1, 1.2, or 1.3 material; any quantity of a Division 2.3, Hazard Zone A, or Division 6.1, Packing Group I, Hazard Zone A material; or highway route controlled quantities of a Class 7 material as defined in <u>49 CFR 173.403</u> .	\$5,000,000

*The schedule of limits shown does not provide coverage. The limits shown in the schedule are for information purposes only.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION LIABILITY – BROADENED COVERAGE FOR COVERED AUTOS – BUSINESS AUTO, MOTOR CARRIER AND TRUCKERS COVERAGE FORMS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Liability Coverage is changed as follows:

1. Paragraph **a.** of the **Pollution** Exclusion applies only to liability assumed under a contract or agreement.
2. With respect to the coverage afforded by Paragraph **A.1.** above, Exclusion **B.6. Care, Custody Or Control** does not apply.

B. Changes In Definitions

For the purposes of this endorsement, Paragraph **D.** of the **Definitions** Section is replaced by the following:

- D.** "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraphs **a.** and **b.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

Reviewed and approved as to insurance language
and/or requirements.

William Jay
Risk Management

4-25-18

POLICY NUMBER: PHUB581364 ✓

SCHEDULE OF UNDERLYING INSURANCE		
Employers' Liability		
Company:		
Policy Number:		
Policy Period:		
Minimum Applicable Limits		
Bodily injury by accident	\$ _____	Each Accident
Bodily injury by disease	\$ _____	Each Employee
Bodily injury by disease	\$ _____	Policy Limit
Commercial General Liability <input checked="" type="checkbox"/> Occurrence <input type="checkbox"/> Claims-Made		
Company:	<u>Philadelphia Indemnity Insurance Company</u>	
Policy Number:	<u>PHPK1644198 ✓</u>	
Policy Period:	<u>05/01/2017 05/01/2018</u>	
Retroactive Date:	<u>Not Applicable</u>	
Minimum Applicable Limits:		
General Aggregate	\$ _____	<u>2,000,000</u>
Products-Completed Operations Aggregate	\$ _____	<u>2,000,000</u>
Personal And Advertising Injury	\$ _____	<u>1,000,000</u>
Each Occurrence	\$ _____	<u>1,000,000</u>
Commercial Auto Liability		
Company:	<u>Philadelphia Indemnity Insurance Company</u>	
Policy Number:	<u>PHPK1644198 ✓</u>	
Policy Period:	<u>05/01/2017 05/01/2018</u>	
Minimum Applicable Limits		
Garage Aggregate Limit For Other Than Autos (if applicable)	\$ _____	<u>Not Applicable</u>
Each Accident	\$ _____	<u>1,000,000</u>
Professional Liability <input type="checkbox"/> Occurrence <input type="checkbox"/> Claims-Made		
Company:		
Policy Number:		
Policy Period:		
Retroactive Date:		
Minimum Applicable Limits		
_____	\$ _____	
_____	\$ _____	

~~AS~~
A-25-18