

City and County of San Francisco
Office of Contract Administration, Purchasing Department
City Hall, Room 430
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4685



Contract Modification 1

Tire Lease and Associated Services – SFMTA Buses

Michelin North America, Inc.
One Parkway South
Greenville, SC 29615
Attn: Maxine M. Osborne, Director
Email: Maxine.osborne@michelin.com

Date: September 29, 2017
Buyer's Name: Gwen Williams
Term Contract: 71206
PS Contract ID: 1000001536
City Blanket No. BPSF00004144
Type: Indefinite quantity
NTE Amount: \$8,700,000

The history of this contract and its modifications is as follows:

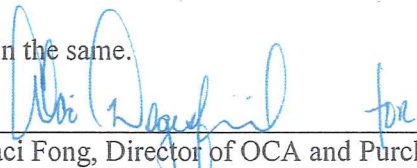
Modification	Start date	End date	Amount	Other changes
Original Contract	10/01/14	09/30/17	\$6,700,000	
1	10/01/17	09/30/18	\$8,700,000	Extend Contract; Rate Increase; Updates Contract Terms & Conditions

This modification 1 changes the contract as follows:

- It extends the contract from **October 1, 2017** through **September 30, 2018** and increased the NTE Amount from \$6,700,000 to \$8,700,000.
- It increases Tire Lease Rates per Attachment "A."
- Updates Bid and Contract Conditions see Attachment "B."

All other terms and conditions remain the same.

Approved by the City:



Jaci Fong, Director of OCA and Purchaser

9/26/2017

Date

Approved by Contractor:



Signature

10/2/17

Date

Name and Title:

MAXINE M. OSBORNE

DIRECTOR, MICHELIN FLEET SOLUTIONS

AWARD SHEET

TIRE LEASE RATES						
<u>Item</u>	<u>Tire Size</u>	<u>Estimated Monthly Miles</u>	<u>Old Rate Per Mile</u>	<u>New Rate Per Mile</u>	<u>Old Annual Cost</u>	<u>New Annual Cost</u>
1	12R x 22.5H	5,582,418	\$ 0.00610	\$ 0.00627	\$ 408,633	\$ 420,021
2	315/80R x 22.5J	2,487,589	\$ 0.00682	\$ 0.00701	\$ 203,584	\$ 209,256
3	305/70 R x 22.5H	4,279,993	\$ 0.00638	\$ 0.00656	\$ 327,676	\$ 336,921
MONTHLY TIRE SERVICE						
		<u>Old Monthly Rate</u>	<u>New Monthly Rate</u>	<u>Old Annual Rate</u>	<u>New Annual Rate</u>	
4	Monthly Tire Service	\$ 103,350	\$ 108,000.75	\$ 1,240,200	\$ 1,296,009	
CALIFORNIA TIRE FEE						
		<u>Estimated Tires Per Month</u>	<u>Old Rate Per Tire</u>	<u>New Rate Per Tire</u>	<u>Old Annual Cost</u>	<u>New Annual Cost</u>
5	California Tire Fee	340	\$ 10.00	N/A	\$ 40,800	N/A

AWARD SHEET

<u>Tire Size</u>	<u>New Original* Tire Amount of Tread** (in 32nds of an inch)</u>		<u>New Original Tire Cost</u>	<u>New Original Tire Cost per 1/32" of Useable Tread</u>
	<u>Tread Depth</u>	<u>Useable Tread</u>		
12 R x 22.5 H	24 - 4/32" = 20		\$774.40	\$38.72
315/80 R x 22.5 J	23 - 4/32" = 19		\$748.98	\$39.42
305/70 R x 22.5 H	22 - 4/32" = 18		\$676.00	\$37.56

<u>Tire Size</u>	<u>Original* Tire Amount of Tread** (in 32nds of an inch)</u>		<u>Original (Retread) Tire Cost</u>	<u>Original (Retread) Tire Cost per 1/32" of Useable Tread</u>
	<u>Tread Depth</u>	<u>Useable Tread</u>		
12 R x 22.5 H	24 - 2/32" = 20		\$267.20	\$13.36
315/80 R x 22.5 J	24 - 2/32" = 20		\$282.60	\$14.13
305/70 R x 22.5 H	24 - 2/32" = 20		\$270.00	\$13.50

Bidder shall provide Estimated Tire Mileage Performance

<u>Tire Size</u>	<u>Estimated New Original Tire Mileage</u>	<u>Estimated Original (Retread) Tire Mileage</u>
12 R x 22.5 H	50,000	40,000
315/80 R x 22.5 J	50,000	40,000
305/70 R x 22.5 H	50,000	40,000

Bidder shall indicate the brand of tires that will be furnished

<u>Tire Size</u>	<u>Item Number</u>	<u>New Original/Original (Retread) Tire Brand</u>
12 R x 22.5 H	1	Michelin/Michelin Retread Technologies (MRT)
315/80 R x 22.5 J	2	Michelin/Michelin Retread Technologies (MRT)
305/70 R x 22.5 H	3	Michelin/Michelin Retread Technologies (MRT)

Bidder Experience per Special Condition 67.B.:

5 years of continuous Experience:	Yes	Within the last 10 years:	Yes
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The following changes are incorporated into Term Contract 71206, Tire Lease and Associate Services – SFMTA Buses:

Bid & Condition, Getting paid for goods and/or services from the City is hereby deleted in its entirety and replaced with the following:

Getting paid for goods and/or services from the City:

1. All City suppliers receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments.
2. Electronic payments are processed every business day and are safe and secure.
3. To sign up for electronic payments, visit <https://sfcitypartner.sfgov.org/>.
4. The following information is required to sign up:
 - a. The enroller must be their company's authorized financial representative,
 - b. The company's legal name, main telephone number and all physical and remittance addresses used by the company,
 - c. The company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor),
 - d. The company's bank account information, including routing and account numbers.

If you have questions, please email: sfcitypartner@sfgov.org

22. Submitting False Claims; Monetary Penalties is hereby deleted in its entirety and replaced with the following:

22. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. The text of Section 21.35, along with the entire San Francisco Administrative Code, is available on the web at a site maintained by American Legal Publishing Corporation. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

33. LBE ordinance, LBE ordinance is hereby deleted in its entirety and replaced with the following:

33. LBE ordinance

To qualify for a bid discount under the provisions of Administrative Code Chapter 14B, an LBE must be certified by the Contracts Monitoring Division (formerly ‘Human Rights Commission’) by the Bid Due date. The certification application is available from CMD (415) 581-2310, and on the web. CMD’s home page is:

<http://sfgov.org/cmd/>

Click on the “14B Local Business Enterprise Ordinance” tab.

44. Reports by Contractor is hereby deleted in its entirety and replaced with the following:

44. Reports by Contractor

MULTI-YEAR TERM CONTRACT

Each year, no later than February 15; Contractor shall submit a soft copy report of the total services ordered, by month, under this contract during the preceding calendar year (January 1 – December 31). The report must be in a format acceptable to City and must list by department or location the following: (1) all services awarded under this contract; and (2) total quantity and dollar value of each service ordered, including services for which there were no orders. Contractor must also furnish a separate similar report for the total of all services ordered by City which are not part of this Contract, and any usage reports required prior to the extension of a Contract or Contract Modification. Emailed reports must not be larger than **10MB**.

Contractor shall email reports to:

OCAVendor.Reports@sfgov.org

Any report files larger than **10MB** must be submitted in electronic format on USB drive and mailed to the address shown below with the term contract number and “Annual Supplier Reporting” clearly marked on the envelope/packaging.

Contractor shall mail the reports to:

OCA Supplier Reporting
Re: Term Contract No. 71206
City and County of San Francisco
Office of Contract Administration – Purchasing
City Hall, Room 430
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4685

60. Graffiti Removal (Not Used), is hereby deleted in its entirety and replaced with the following:

60. Sugar-Sweetened Beverage Prohibition. Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

72. Insurance, Item D is hereby deleted in its entirety and replaced with the following:

- D. Contractor shall provide thirty (30) days' advance written notice to the City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment for which no less than ten (10) days' notice shall be provided to City. Notices shall be sent to:

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