

**EXHIBIT 7-A**



July 25, 2017

Monterey Peninsula Water Management District  
David Stoldt  
General Manager  
5 Harris Court, Building G  
PO Box 8  
Monterey, CA 93942

RE: Extension of Agreement for Vehicle Maintenance Services

Dear Mr. Stoldt:

The City of Monterey would like to exercise its option to extend its contract with the Monterey Peninsula Water Management District for vehicle maintenance services, entered into August 7, 2012, for an additional twelve months. Said extension shall commence August 8, 2017 and terminate August 7, 2018. This is the first one-year extension of a maximum of five extensions permitted by section 3.02 of the Agreement.

It is agreed that pursuant to section 3.02 of the Agreement, the labor rates schedule will be adjusted as specified in the attached Exhibit A for Services/Payment Provisions, which shall replace and supersede entirely Exhibit A to the original Agreement.

It is further agreed by the City of Monterey and the Monterey Peninsula Water Management District that all other terms and conditions of the original contract shall remain unchanged.

Please indicate your agreement by signing below and returning the original of this letter to me. Thank you for your cooperation,

Very Truly Yours,

City Manager

The undersigned, on behalf of the Monterey Peninsula Water Management District, hereby agrees to the terms and conditions as set forth above:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Print & Sign Name & Title

## EXHIBIT 7-A

### EXHIBIT A

#### **SCOPE OF SERVICES/PAYMENT PROVISIONS**

##### **MPWMD VEHICLE MAINTENANCE SERVICES**

Monterey agrees to provide MPWMD the same services as currently provided the City of Monterey vehicle fleet. Said services shall include, but are not limited to, mechanical maintenance and vehicle repair.

##### **I. City of Monterey Responsibilities:**

- 1) All preventative maintenance (PM) services will be done based on Monterey's fleet experience. PM service charges include all fluid, parts, and labor relative to performing the service.
- 2) Repairs, component replacement, and repair estimates will be done on an actual time/material basis. The current contractual labor rate is **\$115.00 per hour** and is the same rate that is being applied for City of Monterey vehicle maintenance services. The labor rate is subject to change and Monterey shall give a 30-day written notice before any changes are made. Repair parts will be acquired through City of Monterey Mechanical purchasing and charged back to internal and external customers at cost plus 10%. An additional 1% charge will be added to each work order to cover miscellaneous items such as waste disposal, small parts, spray lubes, etc. Parts and labor estimates for major repairs will be given and MPWMD must approve all major repair work in advance.
- 3) Monterey reserves the right to prioritize and decline work in the event of scheduling conflicts, emergencies, or lack of expertise in a given area.
- 4) Monterey Automotive Mechanics have authorization to approve and conduct repair work up to \$350 (eg. air filters, wiper blades). All repairs over \$350 must be pre-approved by MPWMD's designated point of contact.
- 5) Monterey agrees to supply fuel to all vehicles owned by and registered to MPWMD. Fuels normally dispensed to Monterey's fleet (i.e. gasoline & diesel fuel) will be available at Monterey's Card Lock Station at Fire Station 1, Pacific St. All authorized vehicles and personnel will be issued cards and instructions for using Monterey's Card Lock Fuel Station.

## **EXHIBIT 7-A**

- 6) Fuel will be charged to all customers (internal and external) at 5% over cost to Monterey, to cover the cost of fuel pump maintenance and fuel management software. MPWMD will be invoiced at the beginning of the month for the preceding month's fuel. A complete log of all vehicle fuel records will accompany each invoice for the month being invoiced.

### **II. Preventative Maintenance Schedule**

Preventative maintenance services will be performed at 5,000 mile or 100 hour intervals. The preventative maintenance services will include: oil and filter change, chassis lube and top off all fluids. It will also include tire rotation and inspection of the brakes, tires, frame, suspension, exhaust, body, and interior, as well as all under hood components (i.e. belts, hoses, etc.). Other levels of service will be performed according to the vehicle manufacturers' recommendations.

### **III. MPWMD Responsibilities**

All of MPWMD's vehicles requiring service or repair shall be delivered and picked up at Monterey's Corporation Yard at Ryan Ranch by MPWMD personnel.