



STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES - PROCUREMENT DIVISION

CONTRACT NOTIFICATION

***** MANDATORY *****

CONTRACT NUMBER: 1-07-23-30

DESCRIPTION: MOTORCYCLE, ENFORCEMENT

CONTRACTOR: LONG BEACH BMW

EFFECTIVE DATES: 6/ 7/2007 THROUGH 6/ 6/2009

SUPERSEDES CONTRACT NO.: 1-04-23-30

AREA: STATEWIDE

DISTRIBUTION:

* TAX: Add appropriate sales and use tax.
Exempt from Federal Excise Tax.

*Food contracts are tax exempt.

Handwritten signature of Rita Hamilton in cursive script.

RITA HAMILTON, Deputy Director

Use of this agreement by all agencies is mandatory with monetary exceptions stated herein or contained in State Administrative Manual.

To obtain assistance or report non-compliance by supplier, or for any suggestions or recommendations write:

Department of General Services, Procurement Division, P.O. Box 989054, W. Sacramento, CA 95798-9054,
or call: Contract Administrator, MARC ANDERSON 916-375-5955

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SUPPLIER ID: 783481
NAME: LONG BEACH BMW
ADDRESS: 2998 CHERRY AVE
SIGNAL HILL, CA 90755

CONTACT: 562-427-5494 CHARLES BERTHON
FAX NUMBER: 562-427-3417
TERMS OF PAYMENT: Net
FOB: Destination
MINIMUM ORDER: ONE (1) MOTORCYCLE

FEIN: 95-3085661
Reseller's Permit Number: 16657156

SCOPE

This contract covers the estimated biennial (two-year) requirements of the State of California and participating local agencies for MOTORCYCLE, ENFORCEMENT type, per specification 2340-06BS-002, dated February 26, 2007.

A local agency is any city, county, city and county, district, or other local governmental body or corporation empowered to expend public funds (California Public Contract Code Section 10298).

FOB POINT

Motorcycles shall be FOB Destination, per the delivery requirements below.

DELIVERY

Motorcycle deliveries shall commence within sixty (60) days after receipt of order (ARO).

INSPECTION

Motorcycles delivered to the State will be inspected for specification compliance and acceptance by the State.

Local agencies will be responsible for inspecting their motorcycles for specification compliance and acceptance.

BUY BACK PROGRAM

Under the Buy Back Program, the State and local agencies have the option to require the supplier to repurchase the motorcycles supplied to them against this contract. The supplier shall be required to adhere to the following conditions:

1. Motorcycles shall be returned for buy back within 36 months from the in-service date or within 61,000 miles of service, whichever occurs first.
2. Motorcycles shall be returned fully equipped and as originally delivered, less agency provided equipment.
3. Motorcycles returned for buy back shall be in sound, undamaged condition and meet California Vehicle Code equipment requirements. Normal wear and tear may include minor scrapes, scuffing, chipping, discoloration, etc.

Excessive wear includes:

- a) Windshield breakage.
- b) Damage to body, fenders, trim cracks, dents, bent components.
- c) Damage to electrical systems as a result of unauthorized re-wiring or component substitutions.

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- d) Torn seat.
- e) Any wheels or tires that are not in compliance with California Vehicle Code equipment requirements.

Excessive wear items must be replaced before buy back. Disagreements as to what constitutes excessive wear conditions for buy back shall be adjudicated by the DGS - Office of Fleet Administration (OFA) to determine a fair and reasonable buy back price. The decisions of the DGS-OFA shall be final.

The guaranteed buy back is to be paid in full for each motorcycle returned by the State consistent with the buy back provisions. Fair and reasonable work to be performed by the supplier, consistent with the terms of the buy back requirements, shall be approved by the State prior to beginning repairs as required by California law. The costs for actual repairs are to be invoiced separately from the buy back guarantee amount.

Note - California law requires:

- 1) A written estimate for work to be performed.
 - 2) Detailed invoice of work performed.
 - 3) Return of old parts if requested.
 - 4) The ability for the consumer to discuss repairs with the vendor.
 - 5) The ability for the consumer to discuss repairs with the BAR.
- 4. The motorcycles identified for buy back shall have been serviced according to the manufacturer's recommendation as outlined in the Owner's Manual or as requested by the manufacturer in connection with any recall campaign. Motorcycles in excess of 57,000 miles shall have the 60,000 mile check-up prior to buy back.
 - 5. Routine maintenance and warranty repairs shall have been performed during the service life of the motorcycle and must be documented. The contractor will include a service and repair log in the radio box of each motorcycle, to be used by the servicing technician to log all services and repairs performed on the motorcycle.
 - 6. Motorcycles identified for buy back shall be picked up within 30 days of written notification that they are ready for pick up. The pick up location shall be identified in the written notification. The contractor shall be responsible for all freight costs from the specified pickup location. Payment for motorcycles under the buy back program shall be made to the State within 45 days of pick up.
 - 7. Motorcycles presented for pick up shall be in lot sizes agreed to by the State and the contractor.

Method to calculate the Buy Back Program cost:

Motorcycle Price	\$20,649.00
Guaranteed Buy Back Price	\$5,500.00
Buy Back Program Price	\$15,149.00

COLOR

Motorcycles shall be ordered in the standard manufacturer colors (black and white) per section 3.18 of the February 26, 2007 version of the specifications. Paint scheme shall be as defined by the agency. Special paint colors may be available from the manufacturer as an option. Contact the dealer to discuss available special paint colors and the cost for optional special paint colors.

FACTORY OPTION ADDITION AND DELETION

All factory-approved options, including any extended warranty, shall be made available to the State and participating local agencies and priced at dealer net cost plus as much as 10%. Options included with the contract motorcycle may be deleted at the request of the State and participating local agencies at dealer net cost less 10%.

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METHOD OF ORDERING

The State and local agencies may place orders as motorcycles are required during the period specified. The orders will be sent directly to the dealership. The State will be sending a Purchase Order (Std. 65) and local agencies will be sending their own internal purchase orders. For both State and local agency purchase orders, the order MUST indicate the agency's State Bill Code number. Orders without the State Bill Code are not to be processed until the State Bill Code number is obtained. The dealer may call the agency for clarification or return the purchase order to the agency for completion and re-submittal.

Orders may be faxed to:
(562) 427-3417

ORDER CONFIRMATION

The dealership awarded items against this contract is required to send the ordering agency a written confirmation of receipt of their order. This applies to all orders issued against this contract. This confirmation must be completed within 10 days ARO and must indicate the date the order was placed with the manufacturer. Confirmations should be mailed to the "Charge To" address shown on the purchase order, to the attention of the contact person listed.

DOCUMENTS

The following documents must be delivered with each motorcycle when the unit is offered to the receiving agency for acceptance:

- 1) Inspection report.
- 2) Pre-delivery checklist.
- 3) Copy of Purchase Order.
- 4) Manuals as specified in section 4.0 of the February 28, 2007 version of the Additional Administrative Requirements

INVOICING REQUIREMENTS

The dealer is to render invoices as instructed on individual purchase orders. Invoices shall include the purchase order number, the contract number, the unit price, extension, and any cash discount offered, State sales tax is to be shown as a separate item on the invoice. Sales tax is to be computed on the net price. Invoices omitting any of the above items shall be returned for corrections and resubmittal.

The Report of Sale shall be submitted to the receiving agency, if possible, upon receipt of the Vehicle Identification Number (VIN).

CONTRACT USAGE REPORTING

The dealership shall provide DGS PD a monthly usage report based on an Excel spreadsheet template supplied by the DGS Contract Administrator. The report shall reflect the motorcycle orders placed against the contract for the respective month. The PD must receive the reports within 15 calendar days of the end of the month. Failure to submit a completed report within the time period required maybe considered a breach of contract and subject to the State's Non-IT General Provisions, (rev. 6/21/2006) Section 26 - "Rights and Remedies of the State for Default."

The Contract Usage Report shall contain the following information:

- 1) Dealership name/address
- 2) Contract number
- 3) Purchasing authority number (if applicable)
- 4) Reporting month/year
- 5) Ordering agency
- 6) Bill code (REQUIRED)
- 7) Invoice number/date

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- 8) Contract item number (line item number)
- 9) Description
- 10) Date of confirmation
- 11) Delivery date (actual or estimated)
- 12) Quantity
- 13) Base unit price
- 14) Unit price with options
- 15) FOB Point

Important! A copy of ALL local agency purchase orders shall be attached to the contract usage report.

Send the contract usage report with attachments to:

Department of General Services
Procurement Division
707 3rd Street, 2nd Floor North
West Sacramento, CA 95605
Attn: Vehicle Purchasing

BUYER FINANCING PROVISIONS

The State reserves the right to select the form of payment for all procurements, be it either an outright purchase with payment rendered directly by the State, or a financing/lease-purchase or operating lease via the State Financial Marketplace (G\$Mart and/or Lease \$Mart). If payment is via the financial marketplace, the supplier will invoice the State-selected Lender/Lessor for all products listed on the State's procurement document; in turn, the Lender/Lessor will pay the supplier on behalf of the State.

Questions regarding the Buyer Financing Provisions may be directed to Patrick Mullen with Procurement Financing at patrick.mullen@dgs.ca.gov.

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ITEM NO.	COMMODITY NO. SUPPLIER PART NO.	SUPPLIER NO.	UNIT	DESCRIPTION	UNIT PRICE
1	2340-008-1013-6	783481	EA	MOTORCYCLE (CHP) Motorcycle, Enforcement, in accordance with the bid specification 2340-06BS-002, dated February 26, 2007.	20,649.0000
Brand: BMW Model: 2007 R1200RT-P					
2	2310-000-0028-9	783481	EA	VEHICLE (OPTION ITEM) (CONTRACT USE ONLY)	VARIABLE
3	2310-000-0029-0	783481	EA	VEHICLE DELETE STANDARD OR OPTIONAL ITEM (CONTRACT USE ONLY)	VARIABLE