



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**SPECIAL MEETING
TUESDAY, MAY 17, 2022
6:00 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

- 1) **CALL TO ORDER; ROLL CALL**
- 2) **Pg.3** Consideration and possible action to approve the Cooperative Purchasing Agreement with Interior Solutions of Arizona, LLC, to provide furniture, lockers, and storage for the Chino Valley Police Department in an amount not to exceed \$576,601.82. (Joe Duffy, Administrative Services Director)

Recommended Action: Approve the Cooperative Purchasing Agreement with Interior Solutions of Arizona, LLC, in an amount not to exceed \$576,601.82.
- 3) **ADJOURNMENT**

**STUDY SESSION
TUESDAY, MAY 17, 2022
6:05 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

- 1) **CALL TO ORDER; ROLL CALL**
- 2) **Pg.79** Presentation and discussion regarding the preliminary budget for Fiscal Year 2022/2023. (Joe Duffy, Administrative Services Director)
- 3) **ADJOURNMENT**

Dated this 12th day of May, 2022.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/agendacenter>, and in the Public Library and Town Clerk's Office.

Council meetings are live-streamed on Town of Chino Valley Facebook page, and Zoom.

Join Zoom Webinar: <https://us02web.zoom.us/j/81298322049>

Telephone: 877 853 5247 (toll free) or 888 788 0099 (toll free)

iPhone one-tap:US: +12532158782,,81298322049# or +13462487799,,81298322049#

Webinar ID: 812 9832 2049

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____ Time: _____ By: _____
Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Study Session

2)

Meeting Date: 05/17/2022
Contact Person: Marrilee Easton, Civilian Officer
 Phone: 928-636-4223 x-1283
Department: Police
Estimated length of staff presentation: None
Physical location of item: n/a

Information

AGENDA ITEM TITLE:

Consideration and possible action to approve the Cooperative Purchasing Agreement with Interior Solutions of Arizona, LLC, to provide furniture, lockers, and storage for the Chino Valley Police Department in an amount not to exceed \$576,601.82. (Joe Duffy, Administrative Services Director)

RECOMMENDED ACTION:

Approve the Cooperative Purchasing Agreement with Interior Solutions of Arizona, LLC, in an amount not to exceed \$576,601.82.

SITUATION AND ANALYSIS:

Interior Solutions has two quotes for the Chino Valley Police Building:

Quote# 118173-57857 - This quote is for the Storage & Lockers - State of Arizona Contract# ADSP018-211712 for \$340,472.46

Quote# 118173-57954 - This quote is for the Furniture - State of Arizona Contract# ADSP018-211712 for \$236,129.36

These quotes must be approved and signed by May 20th to hold the current pricing.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 05-90-5541
Available: 576,601.82
Funding Source:
 The purchases are included in the Police Department Construction Budget.

Attachments

PD Furniture
 PD Storage & Lockers

AGR - Coop Purchasing Agr - Interior Solutions (furniture and storage)

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118173-57954
 CHINO VALLEY PD - FURNITURE
 Quote Date: 5/3/2022
 Expires: 6/1/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

STATE OF ARIZONA CONTRACT# ADSP018-211712

Bill To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

Install To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

LOBBY 100

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
1)	(6) SIDE CHAIRS (1) 24X42 OCCASIONAL TABLE (1) 48X72X24 DISPLAY CASES WITH PANEL BASES	\$9,858.10	1	\$9,858.10

INTERVIEW 102

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
2)	(1) 24X48 TABLE (3) GUEST CHAIRS, ARMLESS	\$1,087.26	1	\$1,087.26

OFFICE 103

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
3)	L-SHAPE DESK WITH HUTCH, 30X66 DESK WITH BOX/BOXFILE PEDESTAL, 24X48 RETURN WITH FILE/FILE (1) TASK CHAIR (2) GUEST CHAIRS, ARMLESS	\$3,365.67	1	\$3,365.67

SERGEANTS 104

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
4)	(4) L-SHAPE DESKS WITH HUTCHES, 30X66 DESK WITH BOX/BOX/FILE PEDESTAL, 24X48 RETURN WITH FILE/FILE PEDESTAL (4) TASK CHAIRS (2) GUEST CHAIRS, ARMLESS	\$11,871.92	1	\$11,871.92

DETENTION INTERVIEW 105

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
5)	(1) 24X54 DETENTION TABLE, STAINLESS STEEL, HANDCUFF LOOPS ON EITHER SIDE (3) GUEST CHAIRS, ARMLESS	\$739.23	1	\$739.23

HOLDING 107

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
6)	(1) 24X36X42 STAINLESS STEEL INTAKE TABLE WITH FULL UNDERSHELF (1) 30X60X42 STAINLESS STEEL DETENTION TABLE WITH HANDCUFF RINGS (1) PHLEBOTOMY CHAIR (1) TASK STOOL, ARMLESS	\$5,463.12	1	\$5,463.12

REPORTS 113

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
7)	(5) TOUCHDOWN STATIONS, 50"H PANELS, NON-POWERED, 24X44 WORKSURFACES (5) TASK CHAIRS, ARMLESS (1) 42X72 CONFERENCE TABLE, POWERED (4) TASK CHAIRS, ARMLESS (1) STORAGE 108X25X35H WITH STACK-ON MAIL SORTERS, (2) DOUBLE HINGED DOOR CABINETS, (2) 2-DRAWER DOUBLE HINGED DOOR CABINETS, (2) 15X17X30H STACK-ON SORTERS WITH 6-SLOTS, (1) 72X17X30H STACK-ON SORTER WITH 36-SLOTS (1) 48X12X60H FLOOR STANDING SORDER WITH 52-SLOTS, 12" KICK	\$14,244.39	1	\$14,244.39

GARAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
8)	STANDARD FLAMMABLE STORAGE CABINET, MANUAL DOORS, YELLOW, 45 GALLON	\$1,526.67	1	\$1,526.67

EVIDENCE STORAGE 117

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
9)	(1) 24X60 TABLE	\$365.40	1	\$365.40

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118173-57954
 CHINO VALLEY PD - FURNITURE
 Quote Date: 5/3/2022
 Expires: 6/1/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

WOMEN'S LOCKER ROOM 121

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
10)	(1) 12X60 LOCKER ROOM BENCH (1) 20X42 ADA LOCKER ROOM WALL MOUNTED BENCH (1) 20X36 ADA LOCKER ROOM WALL MOUNTED BENCH	\$1,311.78	1	\$1,311.78

MEN'S LOCKER ROOM 122

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
11)	(2) 12X96 LOCKER ROOM BENCH (1) 20X42 ADA LOCKER ROOM WALL MOUNTED BENCH	\$2,342.71	1	\$2,342.71

BREAK 127

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
12)	(2) 36" DIAMETER TABLES WITH X-BASES (8) SIDE CHAIRS	\$2,389.80	1	\$2,389.80

PATIO

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
13)	(1) 36" DIAMETER OUTDOOR TABLE (4) OUTDOOR CHAIRS	\$813.78	1	\$813.78

RECEPTION 128

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
14)	(4) L-SHAPE STATIONS, 42"H PANELS WITH FRAMELESS GLASS, POWERED & NON-POWERED PANELS, 30X84 MAIN SURFACES, 24X48 RETURN SURFACES, BOXBOX/FILE AND FILE/FILE PEDESTALS, OVERHEAD STORAGE, WALL MOUNTED TACKBOARDS (4) TASK CHAIRS WITH ARMS (2) 36X40H HINGED DOOR STORAGE CABINETS WITH TOP (2) TASK STOOLS WITH ARMS	\$16,392.91	1	\$16,392.91

WORKROOM 129

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
15)	(2) L-SHAPE STATIONS, 42"H PANELS WITH FRAMELESS GLASS, POWERED & NON-POWERED PANELS, 30X84 MAIN SURFACES, 24X48 RETURN SURFACES, BOXBOX/FILE AND FILE/FILE PEDESTALS, OVERHEAD STORAGE, WALL MOUNTED TACKBOARDS (2) TASK CHAIRS WITH ARMS (4) 36X40H HINGED DOOR STORAGE CABINETS (2) 36X40H LATERAL FILES (2) 42X72 RECTANGLE TOPS TO CREATE COMMON TOP FOR FILE ISLAND (2) 3" DIAMETER POWER DOCKS	\$11,129.64	1	\$11,129.64

QUARTERMASTER 130

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
16)	L-SHAPE DESK WITH HUTCH, 30X66 DESK WITH BOX/BOXFILE PEDESTAL, 24X48 RETURN WITH FILE/FILE (1) TASK CHAIR (1) GUEST CHAIR, ARMLESS	\$3,194.70	1	\$3,194.70

C.O.P. OFFICE 131

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
17)	(1) 24X54 SINGLE BOX/BOX/FILE PEDESTAL DESK, RECESSED MODESTY (1) 38X16X26H WALL MOUNTED STEEL ORGANIZER WITH 12-SLOTS (1) TASK CHAIR (2) GUEST CHAIRS, ARMLESS	\$2,011.89	1	\$2,011.89

INTERVIEW 132

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
18)	(1) 18X48 TABLE (3) GUEST CHAIRS, ARMLESS	\$1,077.33	1	\$1,077.33

UPPER LOBBY 200

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
19)	(4) LOUNGE SINGLE SEAT, CLOSED BASE, 42"H BACK (2) 24X30X20H LOUNGE TABLES	\$3,342.86	1	\$3,342.86

SOFT INTERVIEW 201

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
20)	(1) LOUNGE TWO-SEATS, CLOSED BASE, 42"H BACK (1) 24X30X20H LOUNGE TABLE (2) GUEST CHAIRS, ARMLESS, CASTERS	\$1,744.66	1	\$1,744.66

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118173-57954
 CHINO VALLEY PD - FURNITURE
 Quote Date: 5/3/2022
 Expires: 6/1/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

POLICE CHIEF 203

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
21)	U-SHAPE DESK UNIT, 72X36 MAIN DESK, 24X48 BRIDGE, (2) 24X66 SURFACES FOR CREDENZA WITH (2) 36W 2-DRAWER LATERAL FILES, (1) 18X30 OPEN BOOKCASE, 30X53H STACK-ON OPEN BOOKCASE, 36W WALL MOUNTED OVEHEAD WITH TACKBOARD (1) 36 DIAMETER MEETING TABLE WITH X-BASE (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$6,378.40	1	\$6,378.40

ADMIN ASST 204

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
22)	(1) 60X36 DESK CREDENZA WITH (2) 36W LATERAL FILES, (1) 30W LATERAL FILE, 30W MULTI-FILE, (2) 18X53H STACK-ON OPEN BOOKCASES, (1) 48W WALL MOUNTED HINGED DOOR OVERHEAD DUAL MONITOR ARM (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$6,325.04	1	\$6,325.04

LIEUTENANT 205

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
23)	U-SHAPE DESK UNIT 72X36 DESK, 24X72 RETURN, (2) 54W WALL MOUNTED HINGED DOOR OVERHEADS WITH TACKBOARDS, CREDENZA WITH (2) 36W LATERAL FILES AND BOX/BOX/FILE PEDESTAL (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$5,995.07	1	\$5,995.07

ADMIN LIEUTENANT

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
24)	U-SHAPE DESK UNIT 72X36 DESK, 24X72 RETURN, (2) 54W WALL MOUNTED HINGED DOOR OVERHEADS WITH TACKBOARDS, CREDENZA WITH (2) 36W LATERAL FILES AND BOX/BOX/FILE PEDESTAL (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$5,984.00	1	\$5,984.00

DETECTIVES 207

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
25)	(5) L-SHAPE DESKS WITH HUTCH, TACKBOARD, BOX/BOX/FILE AND FILE/FILE PEDESTALS (1) 30X66 DESK WITH BOX/BOX/FILE PEDESTAL (1) 88X75 MOBILE WHITEBOARD (1) 48X72 TABLE (10) TASK CHAIRS	\$18,196.90	1	\$18,196.90

CONFERENCE 208

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
26)	(1) 48X120 BOAT SHAPED CONFERENCE TABLE, POWER/DATA MODULE (1) 60X36 CREDENZA WITH HINGED DOORS AND DRAWERS (10) TASK CHAIRS	\$6,965.84	1	\$6,965.84

E.O.C. / TRAINING / COMMUNITY 218

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
27)	(22) 24X60 FLIP TOP TRAINING TABLES, POWERED (50) NESTING CHAIRS, FLIP UP ARMS	\$37,147.88	1	\$37,147.88

GENERAL / MISC

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
28)	Core Removal Key - Wesko Type	\$2.93	1	\$2.93

FREIGHT

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
29)	ESTIMATED FREIGHT - SUBJECT TO CHANGE PENDING FINAL INVOICE FROM MANUFACTURER	\$6,396.04	1	\$6,396.04

PROJECT SERVICES

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
30)	PROJECT MANAGEMENT	\$50.00	24	\$1,200.00

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Tempe, AZ 85283
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QUOTE: 118173-57954
CHINO VALLEY PD - FURNITURE
Quote Date: 5/3/2022
Expires: 6/1/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

PROJECT SERVICES				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
31)	LABOR TO RECEIVE, DELIVER, AND INSTALL DURING REGULAR BUSINESS HOURS	\$42.00	519	\$21,798.00
	ELECTRICAL CONNECTION AND DATA CABLING TO BE COORDINATED BY CUSTOMER			
CONTINGENCY				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
32)	5% CONTINGENCY - POTENTIAL PRICE INCREASES	\$9,974.65	1	\$9,974.65
Customer Sign-Off		CHINO VALLEY PD - FURNITURE Total		

Subtotal	\$220,638.57
Sales tax	\$15,490.79
Total	\$236,129.36

Authorized Signature

Accepted Date

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 11817357954
CHINO VALLEY PD - FURNITURE
Quote Date: 5/3/2022
Expires: 6/1/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

Agreement of Terms and Conditions

1. Orders and Deposits. Interior Solutions (IS) requires a non-refundable deposit of 50% of the total order before product or services can be ordered. No order will be placed with manufacturers or removed from IS stock for the customer until such deposit is received by IS. The Deposit will be applied to the customer's account pro rata as product is invoiced.

2. Design and Modifications. The quotations referenced herein are based upon a design layout prepared by Interior Solutions or another design firm and approved by the customer and upon the plans and specifications and anticipated conditions of the job site. Any services rendered for customer to change or modify the design and/or layout before or during installation will be charged to the customer at prevailing rates. If such changes or modifications result in the need for additional products, parts, materials or labor, they will be agreed upon in writing, in advance, including the specific costs to be paid by Customer. The signed design and layout are hereby included as part of the terms and conditions of the job.

3. Cancellation or changes. The sales proposal, including the terms and conditions, after execution by IS and Purchaser, cannot be cancelled or modified except with written approval from Interior Solutions. No wall, window, floor coverings, furniture, or specialty items can be cancelled after the manufacturer begins production. Neither can such items be returned for a refund. Quantities and prices of coverings and other items estimated from blueprints or other drawings are subject to change when field measurements are taken. Such changes will be charged or credited to the purchaser.

4. Invoicing and Payment. Customers will be invoiced for the balance of projects (after deposit) when a majority of the product is received at Interior Solutions' or a third-party warehouse. If product is being delivered from the manufacturer directly to the customer site, the order will be invoiced upon vendor invoice to Interior Solutions. Purchaser agrees to pay each invoice within ten days of the invoice date. Installation charges need to be paid within ten days of installation. Customer must sign delivery tickets to acknowledge receipt of individual components delivered on site. Should any portion of the job be unacceptable or undelivered, Purchaser may withhold payment for such unacceptable or undelivered products only. In no case is payment to be withheld for acceptable products. Proposals reflect a cash/check payment. Credit card payments are subject to a 2.5% processing fee.

5. Installation. Interior Solutions will make every effort to install all products as timely as possible. Due to the nature of the component modular furniture industry, e.g. uncertain factory shipping schedules, it is possible that Interior Solutions will only be able to deliver and install portions of the job at a time. Installation and delivery services are conducted during the normal business hours of 8:00 am to 5:00 pm, Monday through Friday. Services performed before or after normal business hours will be charged at 1 ½ times the rate charged during normal business hours unless mutually agreed to in writing. If the customer requests moving of products, other than those delivered or previously agreed upon, or if conditions at the delivery and/or installation site(s) are significantly changed from those anticipated at the signing of the Purchase Agreement (such as elevator not available, staging area not cleared, other trades still working in installation or staging areas, etc.) the customer shall be invoiced for, and agrees to pay for, all necessary extra charges associated therewith. Any additional installation charges will be at prevailing rates including overtime rates. If the customer is unable or unwilling to accept installation or delivery of the products according to the specified schedule, the products may be stored by Interior Solutions, in which case the customer shall pay warehouse storage charges as well as labor charges associated with any additional handling required. If, during installation, additional products are necessary or required to complete the job, such additional products and the labor to install such products will be charged to the customer at prevailing rates.

6. Warranties and Claims. Interior Solutions MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, AS TO MERCHANTABILITY OR AS TO THE SUITABILITY OF THE MERCHANDISE FOR ANY PARTICULAR PURPOSE, EXCEPT THOSE MADE BY THE MANUFACTURER OF THE PRODUCTS. No warranty is given on used or close-out products. Purchaser shall inspect the merchandise upon delivery. Acceptance of delivery constitutes acceptance of the merchandise as delivered. Any warrant claims for latent defects in workmanship and materials, not discoverable upon reasonable inspection at delivery, must be made in writing within the warranty period of the manufacturer.

7. Security Interest. Interior Solutions retains and the customer hereby grants to Interior Solutions a security interest in the products to secure the purchase price thereof. The products shall remain personal property regardless of being affixed to any real property. If the customer defaults in the payment of the purchase price when due, Interior Solutions shall have all rights and remedies granted by the Uniform Commercial Code.

8. Insurance and Risk of Loss. All risk of loss shall pass from IS to Purchaser upon delivery of merchandise to either the Purchaser, or into storage for the account of the Purchaser after the installation date. Purchaser shall be responsible for insurance on such merchandise.

9. Taxes. Prices do not include applicable sales tax or other state, county, city, or other taxes. If there are such taxes, Purchaser shall be responsible to pay such taxes. Buyers exempt from taxes shall furnish certificate(s) of exemption as soon as practicable but in any event, prior to invoicing by IS.

10. Default, Interest, and Fees. Purchaser shall pay interest at 18% per annum on all payments in default, and shall pay reasonable attorney's fees, costs, and expenses incurred by IS in the enforcement of this agreement.

11. Agreement and Controlling Law. On entering into this agreement, Purchaser is relying only on the written IS proposal and these terms and conditions which are made part of that proposal, and not upon any other oral or written statements from IS personnel nor manufacturers nor third party service providers.

This agreement shall be interpreted according to the laws of the State of Arizona

Authorized Signature _____

Date _____

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118175-97857
 CHINO VALLEY PD - STORAGE & LOCKERS
 Quote Date: 5/3/2022
 Expires: 5/6/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

STATE OF ARIZONA CONTRACT# ADSP018-211712

Bill To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

Install To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

101 JANITOR

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
1)	WIRE SHELVING, 36"W X 86-3/4"H X 18"D, 6 SHELVES	\$491.52	1	\$491.52

214 JANITOR

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
2)	WIRE SHELVING, 36"W X 86-3/4"H X 18"D, 6 SHELVES	\$491.52	1	\$491.52

202 STORAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
3)	(2) 4-POST SHELVING UNITS, 48"W X 97-1/4"H X 18"D, 6 SHELVES	\$882.46	1	\$882.46

217 STORAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
4)	(2) 4-POST SHELVING UNITS, 36"W X 97-1/4"H X 18"D, 6 SHELVES	\$648.46	1	\$648.46

128 ADMIN MOBILE SYSTEM

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
5)	MECHANICAL ASSIST HIGH DENSITY MOBILE SYSTEM (4) CARRIAGES 8' X 24-9/16" (1) CARRIAGE 8' X 15-9/16" WITH 48"W 4-POST SHELVING UNITS, EACH WITH (8) OPENINGS, (2) DIVIDERS PER SHELF	\$21,606.41	1	\$21,606.41

119 ARMORY

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
6)	(3) 42"W X 84"H UNIVERSAL GUN CABINETS (1) 72"W X 30"D X 35-3/4"H CABINET WITH DOUBLE DOORS (1) 36"W X 84"W NON-PASS THRU EVIDENCE LOCKER	\$17,114.23	1	\$17,114.23

118 DRUGS

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
7)	(6) 4-POST SHELVING UNITS, 42"W X 97-1/4" X 18"D, 6-SHELVES	\$2,309.70	1	\$2,309.70

116 EVIDENCE LOCKERS

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
8)	(1) NON-PASS THRU EVIDENCE FRIDGE, 36"W X 82"H (5) PASS-THRU EVIDENCE LOCKERS, 36"W X 83"H	\$63,992.90	1	\$63,992.90

117 EVIDENCE MOBILE SYSTEM

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
9)	MECHANICAL ASSIST HIGH DENSITY MOBILE SYSTEM, 34'6" X 8-1/8" (1) STATIONARY RUN WITH (2) 48"W X 94-1/4"H X 15"D 4-POST SHELVING UNITS, 6 OPENINGS (1) CARRIAGE 15-9/16" X 95"H WITH (2) 48"W 4-POST SHELVING UNITS, 8 OPENINGS, WAIST HIGH LOCK (1) CARRIAGE 60-9/16" X 95"H WITH 48"W 4-POST SHELVING UNITS, 8 OPENINGS (3) CARRIAGES 48-9/16" X 95"H WITH 48"W 4-POST SHELVING UNITS, 6 OPENINGS (3) CARRIAGE 36-9/16" X 95"H WITH 48"W 4-POST SHELVING UNITS, 6 OPENINGS	\$38,497.76	1	\$38,497.76

FREEZER/COLD STORAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
10)	(6) SECTIONS WIRE SHELVING, 42"W X 86-3/4"H X 18"D, 6 SHELVES, STAINLESS STEEL	\$11,894.40	1	\$11,894.40

114 GARAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
11)	(2) 36"W X 95-3/4"H X 24"D HINGED DOOR STORAGE CABINETS, 4 OPENINGS (1) 48"W X 24"D X 41-1/4"H MOBILE CABINET WITH LOCK, STAINLESS STEEL TOP, (4) DRAWERS (4", 6", 8", 12")	\$4,007.59	1	\$4,007.59

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QUOTE: 118173-57857
 CHINO VALLEY PD - STORAGE & LOCKERS
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122 MENS LOCKER ROOM				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
12)	(40) POWERED FREESTYLE LOCKERS WITH SLOPED TOPS & DRAWERS 84"H X 18"W X 18"D	\$50,924.43	1	\$50,924.43
130 QUARTER MASTER OFFICE				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
13)	(2) 42"W X 24"D X 88-1/4"H 4-POST SHELVING UNITS, 6 OPENINGS (4) 48"W X 30"D X 88-1/4"H 4-POST SHELVING UNITS, 4 OPENINGS HEAVY DUTY SHELVES & SUPPORTS	\$3,155.70	1	\$3,155.70
112 STORAGE 1				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
14)	(2) 24"D X 88-1/4"H 4-POST SHELVING UNITS, (1) 30"W, (1) 36"W, 2 OPENINGS, BIN DIVIDERS	\$723.00	1	\$723.00
125 STORAGE 2				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
15)	(6) 36"W X 97-1/4"H X 18"D 4-POST SHELVING UNITS, 6 OPENINGS	\$1,851.60	1	\$1,851.60
124 STORAGE 3				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
16)	(2) 97-1/4"H X 18"D 4-POST SHELVING UNITS, (1) 36"W, (1) 42"W, 6 OPENINGS	\$724.81	1	\$724.81
WALL MOUNTED GUN LOCKERS				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
17)	(1) 6 GUN WALL MOUNT HAND GUN LOCKER (1) 4 GUN WALL MOUNT HAND GUN LOCKER	\$2,212.20	1	\$2,212.20
121 WOMENS LOCKER ROOM				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
18)	(16) POWERED FREESTYLE LOCKERS WITH SLOPED TOPS & DRAWERS 84"H X 18"W X 18"D	\$20,828.12	1	\$20,828.12
FREIGHT				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
19)	ESTIMATED FREIGHT - SUBJECT TO CHANGE PENDING FINAL INVOICE FROM MANUFACTURER	\$30,454.66	1	\$30,454.66
PROJECT SERVICES				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
20)	PROJECT MANAGEMENT	\$50.00	24	\$1,200.00
21)	LABOR TO RECEIVE, DELIVER, AND INSTALL DURING REGULAR BUSINESS HOURS	\$46,830.00	1	\$46,830.00
ELECTRICAL CONNECTION TO BE COORDINATED BY CUSTOMER				

Customer Sign-Off

CHINO VALLEY PD - STORAGE & LOCKERS Total

Subtotal	\$320,841.47
Sales tax	\$19,630.99
Total	\$340,472.46

Authorized Signature

Accepted Date

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 118175-137857
CHINO VALLEY PD - STORAGE & LOCKERS
Quote Date: 5/3/2022
Expires: 5/6/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

Agreement of Terms and Conditions

1. Orders and Deposits. Interior Solutions (IS) requires a non-refundable deposit of 50% of the total order before product or services can be ordered. No order will be placed with manufacturers or removed from IS stock for the customer until such deposit is received by IS. The Deposit will be applied to the customer's account pro rata as product is invoiced.

2. Design and Modifications. The quotations referenced herein are based upon a design layout prepared by Interior Solutions or another design firm and approved by the customer and upon the plans and specifications and anticipated conditions of the job site. Any services rendered for customer to change or modify the design and/or layout before or during installation will be charged to the customer at prevailing rates. If such changes or modifications result in the need for additional products, parts, materials or labor, they will be agreed upon in writing, in advance, including the specific costs to be paid by Customer. The signed design and layout are hereby included as part of the terms and conditions of the job.

3. Cancellation or changes. The sales proposal, including the terms and conditions, after execution by IS and Purchaser, cannot be cancelled or modified except with written approval from Interior Solutions. No wall, window, floor coverings, furniture, or specialty items can be cancelled after the manufacturer begins production. Neither can such items be returned for a refund. Quantities and prices of coverings and other items estimated from blueprints or other drawings are subject to change when field measurements are taken. Such changes will be charged or credited to the purchaser.

4. Invoicing and Payment. Customers will be invoiced for the balance of projects (after deposit) when a majority of the product is received at Interior Solutions' or a third-party warehouse. If product is being delivered from the manufacturer directly to the customer site, the order will be invoiced upon vendor invoice to Interior Solutions. Purchaser agrees to pay each invoice within ten days of the invoice date. Installation charges need to be paid within ten days of installation. Customer must sign delivery tickets to acknowledge receipt of individual components delivered on site. Should any portion of the job be unacceptable or undelivered, Purchaser may withhold payment for such unacceptable or undelivered products only. In no case is payment to be withheld for acceptable products. Proposals reflect a cash/check payment. Credit card payments are subject to a 2.5% processing fee.

5. Installation. Interior Solutions will make every effort to install all products as timely as possible. Due to the nature of the component modular furniture industry, e.g. uncertain factory shipping schedules, it is possible that Interior Solutions will only be able to deliver and install portions of the job at a time. Installation and delivery services are conducted during the normal business hours of 8:00 am to 5:00 pm, Monday through Friday. Services performed before or after normal business hours will be charged at 1 ½ times the rate charged during normal business hours unless mutually agreed to in writing. If the customer requests moving of products, other than those delivered or previously agreed upon, or if conditions at the delivery and/or installation site(s) are significantly changed from those anticipated at the signing of the Purchase Agreement (such as elevator not available, staging area not cleared, other trades still working in installation or staging areas, etc.) the customer shall be invoiced for, and agrees to pay for, all necessary extra charges associated therewith. Any additional installation charges will be at prevailing rates including overtime rates. If the customer is unable or unwilling to accept installation or delivery of the products according to the specified schedule, the products may be stored by Interior Solutions, in which case the customer shall pay warehouse storage charges as well as labor charges associated with any additional handling required. If, during installation, additional products are necessary or required to complete the job, such additional products and the labor to install such products will be charged to the customer at prevailing rates.

6. Warranties and Claims. Interior Solutions MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, AS TO MERCHANTABILITY OR AS TO THE SUITABILITY OF THE MERCHANDISE FOR ANY PARTICULAR PURPOSE, EXCEPT THOSE MADE BY THE MANUFACTURER OF THE PRODUCTS. No warranty is given on used or close-out products. Purchaser shall inspect the merchandise upon delivery. Acceptance of delivery constitutes acceptance of the merchandise as delivered. Any warrant claims for latent defects in workmanship and materials, not discoverable upon reasonable inspection at delivery, must be made in writing within the warranty period of the manufacturer.

7. Security Interest. Interior Solutions retains and the customer hereby grants to Interior Solutions a security interest in the products to secure the purchase price thereof. The products shall remain personal property regardless of being affixed to any real property. If the customer defaults in the payment of the purchase price when due, Interior Solutions shall have all rights and remedies granted by the Uniform Commercial Code.

8. Insurance and Risk of Loss. All risk of loss shall pass from IS to Purchaser upon delivery of merchandise to either the Purchaser, or into storage for the account of the Purchaser after the installation date. Purchaser shall be responsible for insurance on such merchandise.

9. Taxes. Prices do not include applicable sales tax or other state, county, city, or other taxes. If there are such taxes, Purchaser shall be responsible to pay such taxes. Buyers exempt from taxes shall furnish certificate(s) of exemption as soon as practicable but in any event, prior to invoicing by IS.

10. Default, Interest, and Fees. Purchaser shall pay interest at 18% per annum on all payments in default, and shall pay reasonable attorney's fees, costs, and expenses incurred by IS in the enforcement of this agreement.

11. Agreement and Controlling Law. On entering into this agreement, Purchaser is relying only on the written IS proposal and these terms and conditions which are made part of that proposal, and not upon any other oral or written statements from IS personnel nor manufacturers nor third party service providers.

This agreement shall be interpreted according to the laws of the State of Arizona

Authorized Signature _____

Date _____

STATE OF ARIZONA CONTRACT# ADSP018-211712

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 118175-57857
Page 1 of 4
CHINO VALLEY PD - STORAGE & LOCKERS
Quote Date: 5/3/2022
Expires: 5/6/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

**COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
INTERIOR SOLUTIONS OF ARIZONA, LLC**

THIS COOPERATIVE PURCHASING AGREEMENT (this “Agreement”) is entered into as of _____, 2022, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Interior Solutions of Arizona, LLC, a Utah corporation (the “Vendor”).

RECITALS

A. After a competitive procurement process, the State of Arizona (the “State”) entered into Contract No. ADSP018-211712, effective as of September 1, 2018, as amended (the “State Contract”), with the Vendor for the purchase of furniture, products, and services. A copy of the State Contract is attached hereto as Exhibit A and incorporated herein by reference, to the extent not inconsistent with this Agreement.

B. The Town is permitted to purchase such equipment under the State Contract, at its discretion and with the agreement of the awarded Vendor.

C. The Town and the Vendor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the State Contract and this Agreement, (ii) establishing the terms and conditions by which the Vendor may provide the Town with furniture, lockers, and storage, as more particularly set forth in Section 2 below (the “Equipment”), and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Equipment.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Vendor hereby agree as follows:

1. **Term of Agreement.**

1.1 **Initial Term.** This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until May 16, 2023 (the “Initial Term”), unless terminated as otherwise provided in this Agreement or the State Contract.

1.2 **Renewal Terms.** After the expiration of the Initial Term, this Agreement may be renewed for one additional one-year term (the “Renewal Term”) if (A) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for the Renewal Term, (B) the term of the State Contract has not expired, (C) at least 30 days prior to the end of the Initial Term of this Agreement, the Vendor requests, in writing, to extend this Agreement for an

additional one-year term, and (D) the Town approves the additional one-year term in writing (including any price adjustments approved as part of the State Contract), as evidenced by the Town Manager's signature thereon, which approval may be withheld by the Town for any reason. The Vendor's failure to seek renewal of this Agreement shall cause this Agreement to terminate at the end of the Initial Term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the Vendor, elect to waive this requirement and renew this Agreement. The Initial Term and the Renewal Term are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

1.3 Non-Default. By requesting extension for renewal as set forth above, or by consenting to renewal in any manner, Vendor shall be deemed to affirmatively assert that (A) the Town is not currently in default, nor has been in default at any time prior to the Renewal Term, under any of the terms or conditions of the Agreement, and (B) any and all claims, known and unknown, relating to the Agreement and existing on or before the commencement date of the Renewal Term are forever waived.

2. Scope of Work. Vendor shall provide to the Town the Equipment under the terms and conditions of the State Contract and in the configurations set forth in the Quotes attached hereto as Exhibit B and incorporated herein by reference.

3. Inspection; Acceptance. The Equipment is subject to final inspection and acceptance by the Town. Equipment failing to conform to the requirements of this Agreement and/or the State Contract will be held at the Vendor's risk and may be returned to the Vendor. If so returned, all costs are the responsibility of the Vendor. Upon discovery of non-conforming Equipment, the Town may elect to do either of the following by written notice to the Vendor: (i) waive the non-conformance or (ii) bring the Equipment into compliance and withhold the cost of same from any payments due to the Vendor.

4. Compensation. The Town shall pay Vendor an amount not to exceed \$576,601.82 for the Equipment at the unit rates set forth in the State Contract and as more particularly set forth in the Quotes.

5. Payments. The Town shall pay the Vendor upon delivery and acceptance of the Equipment and upon submission and approval of the invoice(s). The invoice(s) shall (i) contain a reference to this Agreement and the State Contract and (ii) document the Equipment delivered and accepted to date. Additionally, invoices submitted without referencing this Agreement and the State Contract will be subject to rejection and may be returned.

6. Records and Audit Rights. To ensure that the Vendor and its subcontractors are complying with the warranty under Section 7 below, Vendor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Vendor and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit evaluation of the Vendor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 7 below. To the extent necessary for the Town to audit Records as set forth

in this Section, Vendor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Vendor pursuant to this Agreement. Vendor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give Vendor or its subcontractors reasonable advance notice of intended audits. Vendor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

7. E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Vendor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Vendor's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

8. Israel. To the extent ARIZ. REV. STAT. § 35-393 through § 35-393.03 are applicable, the parties hereby certify that they are not currently engaged in, and agree for the duration of this Agreement to not engage in, a boycott of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

9. Conflict of Interest. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

10. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

11. Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep Vendor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. Vendor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this section.

12. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, including any amendments, the State Contract and invoices, the documents shall govern in the order listed herein. Notwithstanding the foregoing, and in conformity with Section 2 above, unauthorized exceptions, conditions, limitations or provisions in conflict with the terms of this Agreement or the State Contract (collectively, the “Unauthorized Conditions”), other than the Town’s project-specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the Town of any invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the State Contract shall not alter such terms and conditions or relieve Vendor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement. If the Agreement is renewed pursuant to Subsection 1.2 above and such renewal includes any Unauthorized Conditions, other than price, those terms will be null and void.

13. Rights and Privileges. To the extent provided under the State Contract, the Town shall be afforded all of the rights and privileges afforded to the State and shall be the “State” (as defined in the State Contract) for the purposes of the portions of the State Contract that are incorporated herein by reference.

14. Indemnification; Insurance. In addition to and in no way limiting the provisions set forth in Section 13 above, the Town shall be afforded all of the insurance coverage and indemnifications afforded to the State to the extent provided under the State Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the Town under this Agreement including, but not limited to, the Vendor’s obligation to provide the indemnification and insurance.

15. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town:	Town of Chino Valley 202 North State Route 89 Chino Valley, Arizona 86323 Attn: Town Manager
With copy to:	GUST ROSENFELD P.L.C. One East Washington Street, Suite 1600 Phoenix, Arizona 85004-2553 Attn: Andrew J. McGuire
If to Vendor:	Interior Solutions of Arizona, LLC 6965 South Priest Drive, Suite 1 Tempe, AZ 85283 Attn: Scot Wilcox

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

“Vendor”

INTERIOR SOLUTIONS OF ARIZONA,
LLC, a Utah corporation

By:_____

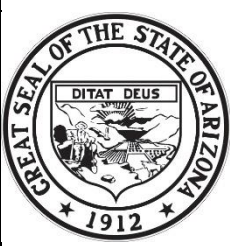
Name:_____

Title:_____

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
INTERIOR SOLUTIONS OF ARIZONA, LLC

[State Contract]

See following pages.

	Request for Proposals Solicitation No. ADSP018-00008152 Description: Furniture, Products and Services	Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 402 Phoenix, AZ 85007
---	--	--

Attachment 1
Offer and Acceptance Form

SUBMISSION OF OFFER: Undersigned hereby offers and agrees to provide **Furniture, Products and Services** to in compliance with the Solicitation indicated above and our Offer indicated by the latest dated version below:

Initial Offer:	1. ☒ June 15, 2018					
	date	initial				
Revised Offers:	2. ☒		3. ☒		4. ☒	
	date #1	initial	date #1	initial	date #1	initial
Best and Final Offer:	5. ☒		6. ☒		7. ☒	
	date #4	initial	date #5	initial	date #6	initial
	8. ☒					
	date	initial				

☒ National Design & Trade Network, Inc.
☒ dba Interior Solutions of Arizona

Offeror company name
4645 S 35th Street
Address
Phoenix, AZ 85040
City State ZIP
94-3300781
Federal tax identifier (EIN or SSN)

Signature of person authorized to sign Offer	Initials
Scot Wilcox, CEO, Co-owner	
Printed name and title	
Scot Wilcox	
Contact name and title	
swilcox@interiorsolutions.net	Office: 480-223-9211 Cell: 602-828-7268
Contact Email Address	Contact phone number

CERTIFICATION: By signature in the above, Offeror certifies that it:

- will not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, [Arizona] State Executive Order 2009-9 or A.R.S. §§ 41-1461 through 1465;
- has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause will result in rejection of the Offer. Signing the Offer with a false statement will void the Offer, any resulting contract, and may be subject to legal penalties under law;
- complies with A.R.S. § 41-3532 when offering electronics or information technology products, services, or maintenance; and
- is not debarred from, or otherwise prohibited from participating in any contract awarded by federal, state, or local government.

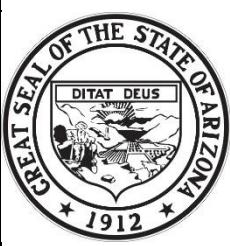
ACCEPTANCE OF OFFER: State hereby accepts the initial Offer, Revised Offer, or Best and Final Offer identified by number ADSP018-00008152 at the top of this form, and which was dated (the Accepted Offer). Offeror is now bound (as Contractor) to carry out the Work under the attached Contract, of which the Accepted Offer forms a part. Contractor is cautioned not to commence any billable work or to provide any material or perform any service under the Contract until Contractor receives the applicable Order or written notice to proceed from Procurement Officer.

State's Contract No. is: ADSP018-211712

The effective date of the Contract is: September 1, 2018 Contract awarded: August 10, 2018


Procurement Officer signature

Rocky Advani
Procurement Officer printed name

	Request for Proposals Solicitation No. ADSP018-00008152 Description: Furniture, Products and Services	Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 402 Phoenix, AZ 85007
---	--	---

	DOCUMENT	SUBMITTED
1.	Category 1: Chairs/ Seating	☒ YES ☐ no
2.	Category 2: Free Standing Tables	☒ YES ☐ no
3.	Category 3: Systems / Modular Furniture	☒ YES ☐ no
4.	Category 4: Free Standing Desks / Casegoods	☒ YES ☐ no
5.	Category 5: Storage	☒ YES ☐ no
6.	Category 6: Classroom / Special School Furniture	☒ YES ☐ no
7.	Category 7. Architectural Walls	☒ YES ☐ no
8.	Category 8. Health Care Grade Furniture	☒ YES ☐ no
9.	Category 9. Public Seating for High Traffic Spaces	☒ YES ☐ no

Douglas A. Ducey
Governor



Gilbert Davidson
Chief Operating
Officer and Interim
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

STATE PROCUREMENT OFFICE

100 NORTH FIFTEENTH AVENUE • SUITE 402
PHOENIX, ARIZONA 85007

(602) 542-5511 (main)
<http://spo.az.gov>

August 10, 2018

Sent via e-mail to: swilcox@interiorsolutions.net

Re: Award of Contract for Solicitation No. ADSPO18-00008152 for Furniture, Products and Services

Dear Scot Wilcox,

Thank you for submitting a response to the Request for Proposal Solicitation No. ADSPO18-00008152 for Furniture, Products and Services. I am pleased to inform you that your company's offer has been selected for award for the following categories:

	Awarded
Category 1 - Chairs/Seating	X
Category 2 - Free Standing Tables	X
Category 3 - Systems/Modular Furniture	X
Category 4 - Free Standing Desks/Case goods	X
Category 5 - Storage	X
Category 6 - Classroom/Special School Furniture	X
Category 7 - Architectural Walls	X
Category 8 - Health Care Grade Furniture	X
Category 9 - Public Seating for High Traffic Spaces	X
Facility and Logistics for State's excess furniture needs	

The initial contract term shall begin on **September 1, 2018**

All offers received were evaluated in accordance with the evaluation criteria set forth in the solicitation document. The procurement file for this solicitation, including evaluation documents and resultant contracts, will be shortly available for public viewing via the State's e-Procurement system, ProcureAZ.

In accordance with Special Terms and Conditions, Section 6.2 of the contract and prior to beginning work under the contract, your company is required to submit a Certificate of Insurance to the State Procurement Office if you have not already done so. The certificate of insurance shall indicate that your company is in compliance with insurance requirements contained in the contract. **Please submit your certificate of insurance to me no later than August 27, 2018**

You are cautioned not to begin any work under this new contract until the Procurement Officer assigned to your contract has issued a written notice to proceed.

Page 2 of 2

If you have any questions regarding your company's contract, please contact me at rocky.advani@azdoa.gov or 602.542.0100. Thank you for your response and for your continued interest in doing business with the State of Arizona.

Sincerely,

A handwritten signature in black ink that reads "R Advani". The signature is written in a cursive, flowing style.

Rocky Advani
State Procurement Manager

	Request for Proposals Solicitation No: ADSO18-00008152 Description Furniture, Products and Services	Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 402 Phoenix, AZ 85007
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Part 2: Scope, Pricing and Terms and Conditions

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	Request for Proposals Solicitation No: ADSO18-00008152 Description Furniture, Products and Services	Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 402 Phoenix, AZ 85007
--	--	---

SECTION 2-A: Scope of Work

1. Introduction:

The State of Arizona, its Agencies, Boards and Commissions (State) as well as Participating Members of the State Purchasing Cooperative (Cooperative), have an ongoing requirement for various products and services as described herein. The purpose of this solicitation is to conduct a competitive process, in accordance with Arizona Revised Statutes (ARS) 41-2501 et seq., to create a contract(s) from which the State and its Cooperative Members may acquire these products and services. The State of Arizona may choose to standardize their furniture needs during the term of this contract for optimization and cost savings. This standardization initiative will be limited to state agencies only and not cooperatives.

2. Background:

The State desires to establish a Contract Set to supply, install, reconfigure, design and service furniture within the following categories: Chairs/Seating, Free Standing Tables, Systems/ Modular Furniture, Free Standing Desks/Caseworks, Storage, Classroom/Special School Furniture, Architectural / Modular Walls, Public seating for high traffic spaces and Health Care Grade Furniture. Service requirements shall also include warranty, repairs and relocations. The State intends to consider value-added-reseller, distributor, as well as manufacturer- direct proposals. Based on historical data and anticipated volumes, the estimated spend under the resultant contract is anticipated between \$30 million and \$35 million annually (\$10M for State Agencies and \$20M-\$25M for Coops). However, no guarantee of the actual quantities is implied or expressed by this solicitation. Requirements shall be based on actual need. Contracts resulting from this solicitation will be used by multiple eligible agencies with delivery locations throughout the State.

3. Scope of Products and Services:

Category	Description
1. Chairs/Seating	Task/Work, Executive, Guest/Side, Ergonomic, Folding, Conference Room, Stackable, Training Room, Reception/Lounge, Stools, Couches, Auditorium Seating, Theater Seating (stationary/portable), Other
2. Free Standing Tables	Height Adjustable tables, Training, Conference Room Tables, Small Office Tables, Side Tables, Dining Tables, Credenzas, Reception, Laminate, Wood, Steel, Other
3. Systems/Modular Furniture	Systems Furniture, Fabric Panels-Monolithic, Fabric Panels-Frame and Tile, Organization Accessories, Lighting, Electrical components, Signage, Ergonomic Products-Monitor Arms, Keyboard trays, Footrests, Other
4. Free Standing Desks / Caseworks	Steel Caseworks, Wood Caseworks, Laminate Caseworks, Other
5. Storage	File Cabinets, Shelves (freestanding/wall mounted), Cabinets, Book Case, Office Storage, Other
6. Classroom/Special School Furniture	Desks, Chairs, Tables, Cafeteria, Library, Early Education, Auditorium, Dorm, Locker Room Furniture, Other
7. Architectural Walls	Prefabricated walls, steel or aluminum frame, customized
8. Health Care Grade Furniture	Minimum Grade 3 level healthcare-Sofa's, Benches, Recliners, Chairs, Bedside Cabinets, Dining Tables, Gliders, Consoles, Other
9. Public Seating for High Traffic Spaces	Seating for transportation, judicial, government buildings, healthcare, education, convention centers, Other - Multiple seat ganged units - Minimal floor contact points for clear site lines and ease of cleanability - Covers or pads can be easily replaced in the field - Optional arms can be placed at any location - Optional power that can be mounted to the units or be an integral part of the beam

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The Successful Contractor(s) shall provide a broad range of Furniture Products and Services as well as all necessary account and delivery services. The Furniture Products and Services under this contract include the actual manufacturer's product and all labor, materials, transportation, equipment and other activities for, and reasonably incidental to the installation, design and configuration of the manufacturer's product. Offerors shall make available a complete family or line of business of a manufacturer's products at a "percent discount off list price."

3.1 Product Requirements;

Furniture offered in the following categories shall be considered for award. These categories shall be defined by similar types of products and include all related parts and accessories. Each dealer is requested not to bid more than 5 manufacturers for each category. A manufacturer authorization letter is required by the State for each dealer as stated in Section 3.3.3

3.1.1 The State mandates the following product standards:

- 3.1.1.1 Meet or exceed applicable American National Standards Institute (ANSI) standards,
- 3.1.1.2 Meet or exceed the Business and Institutional Furniture Manufacturer's Association (BIFMA) certification
- 3.1.1.3 All furniture products must have specific certificates of compliance

3.1.2 The State desires the following product standards:

- 3.1.2.1 Support Leadership in Energy and Environmental Design (LEED) construction when applicable.
- 3.1.2.2 Cradle to Cradle Certified
- 3.1.2.3 GREENGUARD or GREENGUARD Gold

3.1.3 Items specifically NOT included within this solicitation:

- 3.1.3.1 Rented products;
- 3.1.3.2 Sheets, blankets or other linen;
- 3.1.3.3 Paintings, pictures, false plants/trees or other décor not related to functional furniture;
- 3.1.3.4 Appliances and electronic equipment except for modular furniture connections and internal wiring approved by the State;
- 3.1.3.5 Flooring including raised flooring;
- 3.1.3.6 Electrical hardwire building connection
- 3.1.3.7 Lab furniture; and
- 3.1.3.8 Window coverings: blinds, drapes, etc.

3.2 Service Requirements;

Below are the applicable services that shall be provided in direct correlation with the categories identified in Scope of Work 3.1 that are being provided by Contractor:

3.2.1 Design:

- 3.2.1.1 The Customer shall have the option to determine whether design service will be performed by the Contractor, or in-house. If necessary design service is performed by agency's in-house staff, the Contractor shall be paid only for programming, furniture specifications, site dimensions and installation drawing(s), if applicable. Design fees for installation drawing(s) shall be priced at the same hourly design rate whether a new installation or an existing installation (reconfiguration type project). It is the Contractor's responsibility to verify the field measuring data and make revisions to the preliminary designs provided by the using agency's in-house staff, on which the installation drawing(s) will be based.
- 3.2.1.2 For the purpose of reconfiguration type projects, an hourly rate shall be applied for the payment of design services. The design fee shall include only actual time spent in re-designing of the workstation(s), time spent doing the CAD drawing(s) and any changes (one change in drawings included) made to the drawing(s) by the Customer's authorized personnel. A complete breakdown of the design fee charges shall be included with the invoice submitted to the requesting Customer. Failure to submit a detailed invoice for payment shall authorize the Customer to withhold payment until clarification is made.

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- 3.2.1.3 The following procedure shall be followed when completing design services within the scope of work of a resultant contract for any requesting Customer:
- 3.2.1.3.1 Customer's authorized personnel shall contact the Contractor with the request to design, supply and install the furniture systems;
- 3.2.1.3.2 Contractor shall respond to the initial call within forty-eight (48) hours with setting up a planning meeting with the requesting Customer and shall provide free consultation regarding the project;
- 3.2.1.3.3 Based on date provided by the Customer, Contractor shall compile a tentative work schedule for the completion of the job that shall include an estimated budget, delivery time and total process time for the project;
- 3.2.1.3.4 Requesting Customer shall then revise, make corrections if applicable, and approve the tentative work schedule. Once approved, Customer will issue a valid purchase order so that Contractor can start design work.
- 3.2.2 Installation Services: Contractor shall perform all installations as requested by the Customer. Installation services shall include the following:
- 3.2.2.1 All receiving, uncrating, inspection, assembly and installation of all furniture and components and the removal of packing and other wastes from the site;
- 3.2.2.2 Work shall be performed and completed in accordance with a work schedule developed and coordinated with the using agency;
- 3.2.2.3 All necessary fasteners, fittings, hardware, anchors, or other necessary miscellaneous items, except tools, to successfully install the furniture shall be provided by the Contractor at no additional cost to the Customer;
- 3.2.2.4 The Contractor shall supervise, direct the work, and be solely responsible for all construction requirements, methods, techniques, sequences and procedures, and for coordinating all portions of the work under the contract;
- 3.2.2.5 The Contractor shall employ a full-time factory trained supervisor and necessary foremen and assistants, who shall be in attendance on the project site during the entire installation period;
- 3.2.2.6 House Keeping:
- 3.2.2.6.1 The Contractor shall keep the job site free from accumulation of refuse, scrap materials and debris at all times. The site shall present a neat and orderly appearance. All materials shall be removed from the site on a daily basis, including loading, cartage, hauling and dumping. State dumpsters are not to be used for disposal of those materials. This will be at the Contractor's expense. Final clearing and cleanup shall be done promptly and properly. If not, the State shall have the right to employ others and charge the cost to the Contractor, after first giving a three (3) working day notice of such intent. Final payment shall be withheld, until the work area is determined acceptable by the State,
- 3.2.2.6.2 Office areas are to be returned to the original state as before the installation took place, and
- 3.2.2.6.3 The Contractor shall take precautions during the installation of any product not to damage the premises or the property of the ordering agency. If damages do occur as a result of operations under this contract, the Contractor is responsible for ensuring that the affected area/item(s) are returned/restored to their original condition or the Contractor shall make restitution, as agreed up on by all parties.
- 3.2.2.7 The Contractor shall be responsible for assuring that all punch list items be corrected within fourteen (14) days after completion of installation.
- 3.2.2.8 *Modular Furniture Installations* specifically:
- 3.2.2.8.1 The Contractor shall be responsible for ensuring all panels and pieces are joined correctly and assembled properly according to design specifications. If the Contractor provided design specifications for a workspace that does not meet actual furniture placement or specifications, the Contractor shall correct such differences to the

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Customer's satisfaction. Examples of discrepancies include but are not limited to gaps, furniture misalignment, and non-level furniture both vertical and horizontal. The Contractor is responsible for ensuring design dimensions match the installation area dimensions to ensure proper fit.

3.2.2.8.2 There are certain facilities across the State where a background check is required for all contractors performing work-This cost is the responsibility of the contractor

3.2.3 Disassembly, Relocation, and Reconfiguration Services:

3.2.3.1 Contractor shall include one (1) hourly rate for disassembly, moving, and reconfiguration services in connection with systems and free standing furniture installations that are not part of the initial purchase and installation. This rate will serve as the basis for the actual cost estimate to be submitted when a specific requirement is requested by a using agency.

3.2.3.2 In the case of reconfiguration projects only the actual working time (in hours) necessary to complete the job shall be invoiced to the Customer.

3.2.3.3 Contractor shall include an hourly rate or piece rate for cleaning chairs and panels

3.2.4 Repair:

Contractor shall include an hourly rate for repair services on existing furniture no older than ten (10) years. If a component is broken on a piece of existing (purchased from a previous contract) furniture this service will allow a Contractor to repair said component for requesting Customer.

3.3 Minimum Requirements;

Along with a quality product, we are looking for Contractors with demonstrated professional integrity, a longstanding reputation in the furniture industry and specific abilities to supply, install and service furniture to the State. In forming a long-term relationship with the Successful Contractor(s), some of the qualities we expect include:

3.3.1 Experience: Dealers with a minimum of five (5) years' experience reselling, distributing and or installing office furniture, demonstrating longstanding relationship with manufacturers, **in the State of Arizona**. Manufacturers bidding directly need to be in business for at least ten (10) years and have a proven strong track record of working with State agencies and cooperatives.

3.3.2 Customer Service: The Contractor(s) shall provide a single, local point of contact (and a backup) to handle questions or problems that may arise throughout the life of a resultant contract. At least one Customer Service Representative must be available during Contractor's operating hours.

3.3.3 Manufacturer Authorization Letters:

3.3.3.1 Dealers are required to submit Manufacturer Authorization documentation for each product line included in their offer. The authorization letters shall be addressed to the State of Arizona State Procurement Office, attention Rocky Advani, State Procurement Manager referencing Solicitation No. ADSP018-00008152. The letters shall state that the manufacturer will allow said Contractor to distribute their product line for an awarded contract. The letter will also validate the warranty terms in section 3.3.7

3.3.3.2 Manufacturers who elect to submit a direct offer are requested to submit a list of authorized dealers, resellers, installers or distributors whom they will utilize throughout the life of a resultant contract. If the Manufacturer does not have authorized dealers, resellers or distributors and will provide all products and services direct, this shall be noted within offer.

3.3.4 Electronic Catalog: The successful Contractor(s) may be required to submit their items list in an electronic format designated by the State.

3.3.5 General: All furniture, panels and components shall be of a design material and workmanship to withstand hard, daily usage over an extended life with a minimum of maintenance and repair. All panels shall stand erect and rest firmly on their bases to assure safety, good appearance, and provide for a stationary work position. All panels shall be plumb and level. Panels and components shall have identical range of modularity so that they are interchangeable between workstations. The system shall be capable of being installed over finished flooring without penetration or

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demarcation or the use of floor fasteners so as to allow for reconfiguration without any floor patching.

3.3.6 Delivery and Storage:

- 3.3.6.1 Delivery is defined as transportation of the products from the local distribution site to the Customers site. Delivery shall be made by drop shipment or delivery with installation,
- 3.3.6.2 Contractor(s) shall be able to deliver products and services to all State Agencies and Purchasing Cooperative Members throughout the entire State of Arizona. A timetable for delivery shall be provided by the Contractor at time of quote;
- 3.3.6.3 Delivery shall be made within 30 days of receipt of a contract release order/purchase order on items in stock. For specialty order items or items not considered normal stock, extended delivery dates may be allowed. In such cases, the extended delivery date shall be provided at the time of quote;
- 3.3.6.4 Emergency or rush delivery requests by the Ordering Agency that require special shipping and handling charges may be at the Ordering Agency's expense, but only with prior written approval from the Ordering Agency. Approved emergency or rush delivery shipping charges shall be added to an invoice as a separate line item.
 - 3.3.6.4.1 In the event an emergency or rush delivery is required as the result of an error on the Contractor's part all shipping and handling charges shall be the responsibility of the Contractor.
- 3.3.6.5 Contractors are required to hold product up to 45 days without any additional charge if there are any unforeseen delays outside the control of the purchasing entity

3.3.7 Warranty: The Contractor must warrant the furniture products and materials (excluding fabric) offered under this contract, as follows: Please note that labor will be included under the warranty-The State or Cooperatives will not be charged any additional amount when these items are under warranty

- 3.3.7.1 Chairs/Seating – Minimum of ten (10) years-structural and mechanical;
- 3.3.7.2 Free Standing Tables – Minimum of ten (10) years;
 - 3.3.7.2.1 The mechanism for height adjustable tables must be at least seven (7) years
- 3.3.7.3 Systems / Modular Furniture – Minimum of ten (10) years;
- 3.3.7.4 Free Standing Desks / Casagoods – Minimum of ten (10) years;
- 3.3.7.5 Storage - Minimum of ten (10) years;
- 3.3.7.6 Classroom / Special School Furniture – Minimum of ten (10) years;
- 3.3.7.7 Architectural Walls – Minimum of ten (10) years; includes product and installation
- 3.3.7.8 Health Grade Furniture – will vary
- 3.3.7.9 Public Seating for High Traffic Areas – Minimum of ten (10) years

Products (including parts and components) that fail under normal use as a result of a defect in design, materials, workmanship, or installation shall be repaired or replaced free of charge (including labor, delivery, and installation) throughout the warrantyperiod.

Products that require warranty repair or replacement must be repaired or replaced within a reasonable time frame, or within a time frame that is agreed to in writing. This process is to ensure

sufficient lead time for ordering warranty parts, components or products during the entire warranty period.

EXHIBITS TO THE SCOPE DOCUMENT

No Exhibits apply to the Scope of Work.

End of Section 2-A

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SECTION 2-B: Pricing Document

Please fill out the excel spreadsheet for all the Categories you are bidding for-All suppliers are required to fill the first tab-Labor Rates & Delivery Fees-The Discount % in each of the Categories is the % off the Published List Price for the manufacturers catalog-The State pricing is expected to be close to GSA pricing where applicable. Please provide your GSA schedule where applicable for comparative purposes

1.0 Compensation

- 1.1 FIXED-PRICE. Through the bidding process, a fixed price is determined. This fixed price encompasses all of the contractors costs for the scope of work and represents the total compensation to the contractor
- 1.2 CONTRACTED LABOR RATES.

2.0 Reserved

- 2.1 COST-REIMBURSEMENT.
Reserved

3.0 Pricing

- 3.1 FIXED-PRICE. Through the bidding process, a fixed price is determined. This fixed price encompasses all the contractor's costs for the scope of work and represents the total compensation to the contractor
- 3.2 UPCHARGES. When required this will be handled on a case by case basis

4.0 Funding

No particular funding considerations apart from paragraph 4.3 of the Uniform Terms and Conditions [Availability of Funds] have been identified as of the Solicitation date.

5.0 Invoicing

- 5.1 INVOICES GO TO BUYING ENTITY. Contractor shall submit all billing notices or invoices to the ordering Eligible Agency or Co-Op Buyer at the address indicated on the applicable Order document.
- 5.2 MINIMUM INVOICE REQUIREMENTS. Every invoice must include the following information:

Item	Required
Bill-to name and address	●
Contractor name and contact information	●
Remit-to address	●
State contract number	●
Order number (typically the ProcureAZ PO #)	●
Invoice number and date	●
Date the items shipped or services performed	●
Applicable payment terms	●
Contract line item number	●
Contract line item description	●
Quantity delivered or performed	●

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Line item unit of measure	●
Item price	●
Extended pricing	●
Total invoice amount due	●

5.3 NO INVOICE WITHOUT AUTHORIZATION. Contractor shall not seek payment for any:

1. Services that have not been authorized.

6.0 Payments

- 6.1 PAYMENT. The applicable Eligible Agency or Co-Op Buyer shall pay undisputed amounts due to Contractor within the time period specified in Article 4 of the Uniform Terms and Conditions
- 6.2 JOINT CHECKS OR DIRECT PAY. applicable Eligible Agency or Co-Op Buyer may, but is under no obligation to, pay by joint check or to pay directly to any Subcontractor or other creditor to whom any portion of Contractor's requested payment is owed.
- 6.3 RECOVERY OF OVER-PAYMENT. If applicable Eligible Agency or Co-Op Buyer determines that an over-payment has been made to Contractor on any prior invoice, it shall inform Contractor of the amount and date of the over-payment and may deduct the over-paid amount from amounts then or thereafter due to Contractor.
- 6.4 PAYMENTS TO SUBCONTRACTORS. Contractor shall make payment of all undisputed amounts due to Subcontractors within thirty (30) days of receipt of funds from applicable Eligible Agency or Co-Op Buyer applicable to their services.
- 6.5 AUTOMATED CLEARING HOUSE. applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders through an Automated Clearing House (ACH). In order to receive payments in this manner from Eligible Agencies, Contractor must complete an ACH Vendor Authorization Form (form GAO-618) within 30 (thirty) days after the effective date of the Contract. The form is available online at:

<https://gao.az.gov/afis/vendor-information>

7.0 Exhibits to the Pricing Document

None

Please note that in order for Offeror to be susceptible, there must be a \$1.00 response under Unit Cost on the Items Tab in ProcureAZ

End of Section 2-B

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SECTION 2-C: Special Terms and Conditions

The Special Terms and Conditions modify the Uniform Terms and Conditions and its Appendices. It can modify them by replacing, deleting, appending to, or revising the text of an existing provision or by inserting a new paragraph into an existing article. No other document modifies or adds to the Uniform Terms and Conditions, except as may subsequently be otherwise and expressly agreed and incorporated by Contract Amendment.

1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

- | | |
|---|---|
| 1.1 Acceptance | “Acceptance” means the document headed “Offer and Acceptance Form” bearing the State contract number once Procurement Officer has signed it to signify (1) State’s formal acceptance of the Accepted Offer and (2) the formation of the Contract. For clarity of intent, the foregoing is not to be confused with the term “acceptance” used throughout the Contract in the context of delivery, inspection, etc., with respect to Materials or Services. |
| 1.2 Accepted Offer | <p>If State did not request a Revised Offer, then “Accepted Offer” means the Initial Offer.</p> <p>If State did request a Revised Offer but not a Best and Final Offer, then “Accepted Offer” means the latest Revised Offer.</p> <p>If State requested a Best and Final Offer, then “Accepted Offer” means the Best and Final Offer.</p> |
| 1.3 Arizona Procurement Code; A.R.S.; A.A.C. | “Arizona Procurement Code, “A.R.S.” and “A.A.C.” are each defined in the <u>Instructions to Offerors</u> . |
| 1.4 Arizona TPT | <p>“Arizona TPT” means Arizona Transaction Privilege Tax. For information, refer to the Arizona Department of Revenue (DOR) website at:</p> <p><u>https://www.azdor.gov/business/transactionprivilegetax.aspx</u>.</p> |
| 1.5 Attachment | <p>“Attachment” means any item that:</p> <p style="padding-left: 40px;">the Solicitation required Offeror to submit as part of the relevant Offer (e.g., Initial Offer, Revised Offer, or BAFO);</p> <p style="padding-left: 40px;">was attached to an Offer when submitted; and</p> <p style="padding-left: 40px;">was included in the Accepted Offer.</p> |
| 1.6 Building Work | “Building Work” means everything covered by the definitions in A.R.S. § 41-2503 [Definitions] of the terms “construction” (para. 4), “maintenance services” (para. 26), and “operations services” (para. 28). |
| 1.7 Commercial Document | “Commercial Document” means Section 2-B of Part 2 of the Solicitation Documents, provided that, if there is no such Section in the Contract, then “Commercial Document” is to be construed as referring to whatever item in the Contract contains the contracted pricing and payment provisions. |
| 1.8 Contract | “Contract” means, collectively, the Acceptance, the Solicitation Documents, the Accepted Offer, all acknowledged Orders, and any Contract Amendments. See paragraph 1.22. The Contract is identified as a “Purchase Order” in ProcureAZ, since that is the terminology used in the software; use of that term in ProcureAZ is not to be confused with the contractual term “Order” defined in paragraph 1.21. |

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- 1.9 Contract Amendment** "Contract Amendment" means a document signed by Procurement Officer that has been issued for the purpose of making changes to the Contract after execution. The term "Change Order" in ProcureAZ is to be construed as being synonymous with "Contract Amendment".
- 1.10 Contract Terms and Conditions** "Contract Terms and Conditions" means the Special Terms and Conditions and these Uniform Terms and Conditions taken collectively.
- 1.11 Contractor** "Contractor" means the Person identified on the Accepted Offer who has entered into the Contract with State.
- 1.12 Contractor Indemnitor** "Contractor Indemnitor" means Contractor or any of its owners, officers, directors, agents, employees, or Subcontractors.
- 1.13 Co-Op Buyer** "Co-Op Buyer" means a member of the State Purchasing Cooperative that has entered into a "Cooperative Purchasing Agreement" with the Arizona Department of Administration State Procurement Office under A.R.S. § 41-2632. Unless there is an applicable Cooperative Purchasing Agreement in effect at the time, a State Purchasing Cooperative member cannot be a Co-Op Buyer. For reference, "Co-Op Buyer" is to be construed as encompassing "eligible procurement unit" under A.A.C. R2-7-101(23).
- NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, "non-profit organizations" are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the IRS under section 501(c)(3) through 501(c)(6) of the tax code.
- 1.14 Day** "Day" means a calendar day unless otherwise specified in a particular context.
- 1.15 Eligible Agency** If the Special Terms and Conditions indicates that the Contract is a "single-agency" contract, then "Eligible Agency" means the particular State of Arizona agency, university, commission, or board identified therein. If the Special Terms and Conditions indicates that the Contract is a "statewide" contract, then "Eligible Agency" means any State of Arizona department, agency, university, commission, or board.
- 1.16 Gratuity** "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.17 Indemnified Basic Claims** "Indemnified Basic Claims" means any and all claims, actions, liabilities, damages, losses, or expenses, including court costs, attorneys' fees, and costs of claim processing, investigation and litigation, for bodily injury or personal injury, including death, or loss or damage to any real or tangible or intangible personal property, collectively. See paragraph 6.3.
- 1.18 Instructions to Offerors** "Instructions to Offerors" is Section 1-B of Part 1 of the Solicitation Documents.
- 1.19 Materials** "Materials" has the meaning given in A.R.S. § 41-2503(7) to the extent those things are included in the Work, which, for convenience of reference only, is "... all property, including equipment, supplies, printing, insurance, and leases of property [but] does not include land, a permanent interest in land or real property or leasing space." Materials includes software, except that If software is sold or provided as a service, then to the extent it consists of encoded information or computer instructions it is included in "Materials" and to the extent it is a service it is in "Services".
- 1.20 Offer; Initial Offer; Revised Offer; Best and Final Offer (BAFO)** "Offer," "Initial Offer," "Revised Offer," and "Best and Final Offer" ("BAFO") are each defined in the Instructions to Offerors.
- 1.21 Order** "Order" means the instrument by which State authorizes Contractor to perform some or all of the Work. Whether the Contract will have one Order or many Orders depends the scope of the

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Contract and how State will use it. The Special Terms and Conditions provide that information. Any of the following is to be construed as being an "Order":

1. "Release" or "Release Purchase Order" in ProcureAZ;
"task order", "service order," or "job order" when a Release Purchase Order for Services has already been committed in ProcureAZ; or
"purchase order" for buying by Co-Op Buyers, if co-op buying applies.

- | | |
|--|---|
| 1.22 Part, Section; Exhibit | "Part," "Section," and "Exhibit" are each defined in the <u>Instructions to Offerors</u> . |
| 1.23 Person | "Person" means any corporation, business, individual, union, committee, club, or other organization or group of individuals. |
| 1.24 Procurement Officer | "Procurement Officer" means the person, or his or her designee, who has been duly authorized by State to enter into and administer the Contract and to make written determinations with respect to the Contract. Procurement Officer is as identified on the Acceptance unless subsequently changed by Contract Amendment. |
| 1.25 ProcureAZ | <p>"ProcureAZ" means State's official electronic procurement system, established pursuant to A.A.C. R2-7-201 as set forth in the Arizona Department of Administration State Procurement Office policy document <i>Technical Bulletin No. 020, ProcureAZ – The Official State eProcurement System</i>.</p> <p>NOTE (1): Technical Bulletin No. 020 is available online at:
 https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations</p> <p>NOTE (2): The URL for ProcureAZ itself is:
 https://procure.az.gov/</p> |
| 1.26 Scope of Work | "Scope of Work" means Section 2-A of Part 2 of the Solicitation Documents. |
| 1.27 Services | "Services" has the meaning given in A.R.S. § 41-2503(35), which, for convenience of reference only, is "... the furnishing of labor, time, or effort by [the] [C]ontractor or [S]ubcontractor which does not involve the delivery of a specific end product other than required reports and performance [but] does not include employment agreements or collective bargaining agreements." Services includes Building Work and the service aspects of software described in paragraph 1.19. |
| 1.28 Solicitation; Solicitation Documents | "Solicitation" and "Solicitation Documents" are defined in the <u>Instructions to Offerors</u> . |
| 1.29 Special Terms and Conditions | "Special Terms and Conditions" are Section 3-A of Part 3 of the Solicitation Documents. |
| 1.30 Specification | "Specification" has the meaning given in A.R.S. § 41-2561, which, for convenience of reference only, is "... any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing or preparing a material, service or construction item for delivery." Specifications (if any are included in the Contract), are indexed in the <u>Scope of Work</u> and could be bound separately from the other documents forming the Contract. |
| 1.31 State | With respect to the Contract generally, "State" means the State of Arizona and its department, agency, university, commission, or board that has executed the Contract. With respect to administration or rights, remedies, obligations and duties under the Contract for a given Order, "State" means each of Eligible Agency or Co-Op Buyer who has issued the Order. |
| 1.32 State Indemnitees | "State Indemnitees" means, collectively, the State of Arizona, its departments, agencies, universities, commissions, and boards and, and their respective officers, agents, and employees. |

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- 1.33 State Fiscal Year** "State Fiscal Year" means the period beginning each July 1 and ending each June 30.
- 1.34 Subcontract** "Subcontract" means any contract, express or implied, between Contractor and another party or between a Subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any Materials, the performing of any Services, or the carrying out of any other aspect of the Work.
- 1.35 Subcontractor** "Subcontractor" has the meaning given in A.R.S. § 41-2503(38), which, for convenience of reference only, is "... a person who contracts to perform work or render service to ... [C]ontractor or to another [S]ubcontractor as a part of a contract with a state governmental unit . . ."The Contract is to be construed as "a contract with a state governmental unit" for purposes of the definition. For clarity of intent, a Person carrying out any element of the Work is a Subcontractor from the moment they first carry out that element of the Work regardless of whether or not a Subcontract exists then or subsequently.
- 1.36 Uniform Terms and Conditions** The "Uniform Terms and Conditions" are made up of this document and whichever of the Appendices are indicated in the Special Terms and Conditions as being applicable.
- 1.37 Work** "Work" means the totality of the Materials and the Services and all the acts of administration, creation, production, and performance necessary to fulfill and incidental to fulfilling all of Contractor's obligations and duties under the Contract in conformance with the Contract and applicable laws.

2 Contract Interpretation

- 2.1 Arizona Law** The Contract is governed by and is to be interpreted in accordance with the laws of the State of Arizona, including the Arizona Procurement Code, without consideration of conflict of laws principles.
- 2.2 Usage**
- Where the Contract:
 - assigns obligations to Contractor, any reference to "Contractor" is to be construed to be a reference to "Contractor and all Subcontractors, whether they are first-tier subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, or sub-consultants, as well as all of Contractor's and the Subcontractors' respective agents, representatives, and employees" in every instance unless the context plainly requires that it is be a reference only to Contractor as apart from Subcontractors;
 - uses the permissive "may" with respect to a party's actions, determinations, etc., the term is to be interpreted as in A.A.C. R2-7-101(31) [Definitions]. For clarity of intent, any right given to State using "State may" or a like construction denotes discretion and freedom to act so far as any regulatory or operative constraints permit in the relevant circumstances, provided that: (a) where written "may, at its discretion," the discretion extends to whatever is most advantageous to State; and (b) where written only as "may," the discretion is constrained by what is fair, reasonable, and as accommodating of the respective best interests of both parties as practicable under the circumstances;
 - uses the imperative "shall" with respect to a party's actions, duties, etc., the term is to be interpreted as in A.A.C. R2-7-101(43) [Definitions]. Conversely, the phrase "shall not" is to be interpreted as an imperative prohibition.
 - uses the term "must" with respect to a requirement, criterion, etc., the term is to be interpreted as conveying compulsion or strict necessity, and is to be read as though written "*must, if [the subject] is to be entitled to have [the object] considered or credited as being compliant with, conforming to, or satisfying [the requirement, criterion, constraint, etc.], otherwise, [the object] will be considered or debited as being non-compliant, non-conforming, or unsatisfactory for its Contract-related purposes*" in every instance;

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6. uses the term "might" with respect to an event, outcome, action, etc., the term is to be interpreted as conveying contingency or non-discretionary conditionality; and
7. uses the term "will" or the phrases "is to be" or "are to be" with respect to an event, outcome, action, etc., the term or phrase is to be interpreted as conveying such certainty or imperativeness that "shall" is either unnecessary or irrelevant in that instance.

2.3 Contract Order of Precedence

2.4.1 COMPLEMENTARY DOCUMENTS. All of the documents forming the Contract are complementary. If certain work, requirements, obligations, or duties are set out only in one but not in another, Contractor shall carry out the Work as though the relevant work, requirements, obligations, or duties had been fully described in all, consistent with the other documents forming the Contract and as is reasonably inferable from them as being necessary to produce complete results.

2.4.2 CONFLICTS. In case of any inconsistency, conflict, or ambiguity among the documents forming the Contract and their provisions, they are to prevail in the following order, descending from most dominate to most subordinate, provided that, among categories of documents or provisions having the same rank, the document or provision with the latest date prevails. Information being identified in one document but not in another is not to be considered a conflict or inconsistency.

- (a) Contract Amendments;
- (b) the Solicitation Documents, in the order:
 - (1) Special Terms and Conditions;
 - (2) Exhibits to the Special Terms and Conditions;
 - (3) Uniform Terms and Conditions;
 - (4) Scope of Work;
 - (5) Exhibits to the Scope of Work;
 - (6) Commercial Document;
 - (7) Exhibits to the Commercial Document;
 - (8) Specifications; and
 - (9) any other documents referenced or included in the Solicitation;
- (c) Orders, in reverse chronological order; and
- (d) Accepted Offer.

2.4.3 ATTACHMENTS AND EXHIBITS. For clarity of intent, if an item was an Attachment in the Solicitation Documents or an Offer (either Initial, Revised, Best and Final, or Accepted) and was subsequently made into an Exhibit, or its content was incorporated into one of the other Contract documents, then that Attachment no longer exists contractually as an "Attachment" since it has at that point been made into some other Contract document. In every other case, an Attachment and the Offeror data therein remain part of the Accepted Offer for purposes of precedence and contractual effect.

2.4 Independent Contractor

Contractor is an independent contractor and shall act in an independent capacity in performance under the Contract. Neither party is or is to be construed as being to be the employee or agent of the other party, and no action, inaction, event, or circumstance will be grounds for deeming it to be so.

2.5 Severability

Any term or condition deemed or adjudged illegal or invalid is thereby stricken from the Contract and will not affect any other term or condition of the Contract.

2.6 Complete Integration

The Contract, including any documents incorporated into the Contract by reference, is intended by the parties as a final and complete expression of their agreement. There are no prior, contemporaneous, or additional agreements, either oral or in writing, pertaining to the Contract.

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**2.7 No Waiver
of Rights**

Either party's failure to insist on strict performance of any term or condition of the Contract is not and is not to be construed as being, nor will it be deemed to be, a waiver of that term or condition or a bar to, or diminishment of the right of, subsequent enforcement of any term or condition.

3 Contract Administration and Operation

3.1 Term of Contract

The term of the Contract will commence on the date indicated on the Acceptance and continue for the period specified in the Special Terms and Conditions unless canceled, terminated, or permissibly extended. If the Special Terms and Conditions do not specify a period, then the initial term is 1 (one) year. State has no obligation to extend or renew the Contract past the initial term.

**3.2 Contract
Extensions**

State may at its discretion extend the initial Contract term in increments of one or more months and do so one or more times, provided that, the maximum aggregate term of the Contract including extensions cannot exceed the period specified in the Special Terms and Conditions. If the Special Terms and Conditions do not specify a period, then the maximum aggregate term is 5 (five) years.

**3.3 Notices and
Correspondence**

3.3.1 TO CONTRACTOR. Unless stated otherwise in the Special Terms and Conditions, State shall:

- (a) address all Contract correspondence other than formal notices to the email address indicated as "Default for Type" for "General Mailing Address" in Contractor's corresponding ProcureAZ Vendor Profile; and
- (b) address any required notices to Contractor to the "Contact Name and Title" at the "Mailing Address" indicated on the Accepted Offer, as that address might have been amended during the term of the Contract.

3.3.2 TO STATE. Unless stated otherwise in the Special Terms and Conditions, Contractor shall :

- (a) address all Contract correspondence other than format notices to the email address indicated in "Contact Instructions" in the ProcureAZ Summary for State; and
- (b) address any required notices to State to Procurement Officer identified as "Purchaser" in the ProcureAZ Summary at the following mailing address:

Arizona Department of Administration
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

3.3.3 CHANGES. State may change the designated Procurement Officer, update contact information, or change the applicable mailing address by Contract Amendment.

**3.4 Signing of Contract
Amendments**

Contractor's counter-signature – or "approval" in ProcureAZ, in the case of a Change Order – is not required to give effect if the Contract Amendment only covers either:

- 2. extension of the term of the Contract within the maximum aggregate term;
- 3. revision to Procurement Officer appointment or contact information; or
- 4. modifications of a clerical nature that have no effect on terms, conditions, price, scope, or other material aspect of the Contract.

In every case other than those listed in (1), (2), and (3) above, both parties' signature – or "approval" in ProcureAZ, in the case of a Change Order – are required to give it effect.

**3.5 Click-Through Terms
and Conditions**

Unless expressly stated otherwise in the Special Terms and Conditions, if either party uses a web based ordering system, an electronic purchase order system, an electronic order acknowledgement, a form of an electronic acceptance, or any software based ordering system with respect to the Contract (each an "Electronic Ordering System"), the parties acknowledge and agree that an Electronic Ordering System is for ease of administration only, and Contractor is hereby given notice that the persons using Electronic Ordering Systems on behalf of State do

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not have any actual or apparent authority to create legally binding obligations that vary from the terms and conditions of the Contract. Accordingly, where an authorized State user is required to “click through” or otherwise accept or be made subject to any terms and conditions in using an Electronic Ordering Systems, any such terms and conditions are deemed void upon presentation. Additionally, where an authorized State user is required to accept or be made subject to any terms and conditions in accessing or employing any Materials or Services, those terms and conditions will also be void.

3.6 Books and Records

3.6.1 RETAIN RECORDS. By A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating for any cost and pricing data submitted in satisfaction of § 41-2543 for the period specified in the statute.

3.6.2 RIGHT TO AUDIT. The retained books and records are subject to audit by State during that period. By A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating to performance under the Contract for the period specified in the statute and those retained books and records are subject to audit by State during that period.

3.6.3 AUDITING. Contractor or Subcontractor shall either make all such books and records under subparagraphs 3.6.1 and 3.6.2 available to State at all reasonable times or produce the records at a designated State office on State’s demand, the choice of which being at State’s discretion. For the purpose of this paragraph, “reasonable times” are during normal business hours and in such a manner so as to not unreasonably interfere with normal business activities.

3.7 Contractor Licenses

Contractor shall maintain current all federal, state and local licenses and permits required for the operation of its business in general, for its operations under the Contract, and, unless expressly stated otherwise in the Special Terms and Conditions, for the Work itself.

3.8 Inspection and Testing

By A.R.S. § 41-2547, State may at reasonable times inspect the part of Contractor’s or Subcontractors’ plant or places of business related to performance under the Contract. Accordingly, Contractor agrees to permit (for itself) and ensure (for Subcontractors) access for inspection at any reasonable time to its facilities, processes, and services. State may inspect or test, at its own cost, any finished goods, work-in-progress, components, or unfinished materials that are be supplied under the Contract or that will be incorporated into something to be supplied under the Contract. If the inspection or testing shows non-conformance or defects, then Contractor will owe State reimbursement or payment of all costs it incurred in carrying out or contracting for the inspection and testing, as well as for any re-inspection or re-testing that might be necessary. Neither inspection of facilities nor testing of goods, work, components, or unfinished materials will of itself constitute acceptance by State of those things.

3.9 Ownership of Intellectual Property

3.9.1 RIGHTS IN WORK PRODUCT. Unless otherwise provided for in the Special Terms and Conditions, all intellectual property originated or prepared by Contractor pursuant to the Contract, including but not limited to, inventions, discoveries, intellectual copyrights, trademarks, trade names, trade secrets, technical communications, records reports, computer programs and other documentation or improvements thereto, including Contractor’s administrative communications and records relating to the Contract, are considered work product and Contractor’s property, provided that, State has Government Purpose Rights to that work product as and when it was delivered to State.

“Government Purpose Rights” are:

the unlimited, perpetual, irrevocable, royalty free, non-exclusive, worldwide right to use, modify, reproduce, release, perform, display, sublicense, disclose and create derivatives from that work product without restriction for any activity in which State is a party;
the right to release or disclose that work product to third parties for any State government purpose; and

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the right to authorize those to whom it rightfully releases or discloses that work product to use, modify, release, create derivative works from the work product for any State government purpose; such recipients being understood to include the federal government, the governments of other states, and various local governments.

“Government Purpose Rights” do not include any right to use, modify, reproduce, perform, release, display, create derivative works from, or disclose that work product for any commercial purpose or to authorize others to do so.

3.9.2 JOINT DEVELOPMENTS. The parties may each use equally any ideas, concepts, know-how, or techniques developed jointly during the course of the Contract, and may do so at their respective discretion, without obligation of notice or accounting to the other party.

3.9.3 PRE-EXISTING MATERIAL. All pre-existing software and other materials developed or otherwise obtained by or for Contractor or its affiliates independently of the Contract or applicable Purchase Orders are not part of the work product to which rights are granted State under subparagraph 3.9.1 above, and will remain the exclusive property of Contractor, provided that:

- 4.1. any derivative works of such pre-existing material or elements thereof that are created pursuant to the Contract are part of that work product;
- 4.2. any elements of derivative work of such pre-existing material that was not created pursuant to the Contract are not part of that work product; and
- 4.3. except as expressly stated otherwise, nothing in the Contract is to be construed to interfere or diminish Contractor’s or its affiliates’ ownership of such pre-existing materials.

3.9.4 DEVELOPMENTS OUTSIDE OF CONTRACT. Unless expressly stated otherwise in the Special Terms and Conditions, the Contract does not preclude Contractor from developing competing materials outside the Contract, irrespective of any similarity to materials delivered or to be delivered to State hereunder.

3.10 Subcontracts

3.10.1 INITIAL LIST. At the time of Contract execution, Contractor’s candidate Subcontractors were identified in Attachment 3-C to the Accepted Offer [Proposed Subcontractors]. Agreeing to them being included in the Accepted Offer signified Procurement Officer’s advance consent for Contractor to enter into a Subcontract with each candidate, which Contractor shall do as promptly as necessary to ensure its ability to carry out the Work in a timely manner.

3.10.2 ADDITIONAL NAMES. Contractor shall not enter into a Subcontract without first obtaining Procurement Officer’s written consent with any prospective Subcontractor that (a) was not listed on Attachment 3-C at time of Contract execution or (b) is for any Materials or Services categories other than the ones for which they were previously consented. For either case (a) or (b), Contractor shall submit a written request sufficiently in advance of the need date for those materials or services so that performance under the Contract is not impaired. Procurement Officer may request any additional information he or she determines is necessary to assess the submittal, and may withhold consent pending it.

3.10.3 FLOW-DOWN. Contractor shall incorporate the provisions, terms, and conditions of the Contract into every Subcontract by inclusion or by reference, as appropriate. When making any post-execution consent requests, Contractor shall include its warrant that it will do the same for the pending Subcontracts covered by the request. Entering into Subcontracts will not relieve Contractor of any of its obligations or duties under the Contract, including, among other things, the duty to supervise and coordinate the work of Subcontractors. Nothing contained in any Subcontract will create or is to be construed as creating any contractual relationship between State and the Subcontractor.

3.11 Non-Discrimination

Contractor shall comply with [Arizona] State Executive Order No. 2009-09 and all other applicable federal and state laws, rules, and regulations regarding non-discrimination and equal opportunity, including the Americans with Disabilities Act.

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**3.12 E-Verify
Requirements**

As required by A.R.S. § 41-4401, Contractor and each Subcontractor warrants compliance with A.R.S. § 23-214(A) and all federal immigration laws and any regulations relating to the immigration status of their employees. Contractor and each Subcontractor acknowledge that under A.R.S. § 41-4401, State retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works under the Contract to ensure that Contractor or Subcontractor is in compliance with the foregoing warranty and understands that a breach of the foregoing warranty under shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract.

**3.13 Offshore
Performance
of Certain Work
Prohibited**

Contractor shall only perform those portions of the Services that directly serve State or its clients and involve access to secure or sensitive data or personal client data within the defined territories of the United States. Unless specifically stated otherwise in the Specifications or the Scope of Work, this paragraph does not apply to indirect or overhead services, redundant back-up services, or services that are incidental to performance under the Contract. This provision applies to work performed by Subcontractors at all tiers.

3.14 Orders

3.14.1 ORDER SUFFICIENCY. The Contract was awarded in accordance with the Arizona Procurement Code; the transactions and procedures required by the code for competitive source selection have been met. An Order issued as set forth in the Special Terms and Conditions that cites the correct State contract number will suffice to authorize Contractor to provide the Materials and perform the Services covered by that Order.

3.14.2 ORDER TERMS. All Orders are subject to the Contract Terms and Conditions; an Order cannot modify the Contract Terms and Conditions.

3.14.3 ORDERS ARE OBLIGATORY. Until the expiration or earlier termination of the Contract, State may issue and Contractor shall accept Orders that make proper reference to the Contract and are permissible hereunder, provided that, Contractor is not obliged to accept any Order that is not consistent with the then-current pricing, lead times, specifications, or payment provisions of the Contract. Contractor shall fulfill and complete any Orders that are begun but not yet completed as of expiration or earlier termination of the Contract unless State instructs otherwise at the time.

3.14.4 SPECIAL CASE. In the special case where both the following conditions are true, Procurement Officer's signature on the Acceptance is Contractor's authorization to perform and therefore no Order is required: (a) the Contract is identified as being a "single-agency/single-project" contract in the Special Terms and Conditions and (b) the Contract was created in ProcureAZ as something other than a "Master/ Blanket" type.

3.14.5 NO MINIMUMS OR COMMITMENTS. Unless expressly stated otherwise in the Special Terms and Conditions: (a) Contractor shall not impose any minimum dollar amount, item count, services volume, or services duration on Orders; (b) State makes no commitment of any kind concerning the quantity or monetary value of activity actually initiated or completed during the term of the Contract; (c) Contractor shall only deliver or perform as authorized by Orders; and (d) State is not limited as to the number of Orders it may issue for the Contract. For clarity of intent, the foregoing applies equally whether an Eligible Agency issues the Order or, if applicable, a Co-Op Buyer issues it.

3.14.6 NON-CONTRACTED MATERIALS OR SERVICES. Any attempt to knowingly represent for sales, marketing, or related purposes that goods or services not specifically awarded are under a State contract is a violation of the Contract and law.

**3.15 Statewide Contract
Provisions**

If the Special Terms and Conditions indicate that the Contract is for statewide use, then the following provisions apply:

5. Contractor shall verify if an ordering entity is a bona fide Co-Op Buyer before selling Materials to or providing Services for them under the Contract. The current list of Co-Op Buyers is available on the State Procurement Office website:

<https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative>

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6. Contractor shall sell to Co-Op Buyers at the same price and on the same lead times and other terms and conditions under which it sells to Eligible Agencies, with the sole exception of any legitimately additional costs for extraordinary shipping or delivery requirements if the Co-Op Buyer is having Materials delivered or installed or Services performed at locations not contemplated in the contracted pricing (e.g. delivery to a location outside Arizona).
7. Contractor shall pay State an administrative fee against all Contract sales to Co-Op Buyers, as provided for under A.R.S. § 41-2633. The fee rate is specified in the Special Terms and Conditions. Failure to remit the administrative fees is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Method of calculation, payment procedures, and other details are provided on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>

8. Contractor shall submit to State a quarterly usage report documenting all Contract sales to both Eligible Agencies and Co-Op Buyers, itemized separately. Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other. Failure to submit the report is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

<https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>

9. Contractor shall acknowledge each Order from Eligible Agencies within 1 (one) business day after receipt by either: (a) "approving" the Order electronically in ProcureAZ, which will indicate Contractor's unqualified acceptance of the Order as-issued; or (b) "rejecting" the Order electronically in ProcureAZ, with a concurrent explanation by email to relevant originator as to the reason for rejecting it. By way of reminder, the only grounds on which Contractor may reject or refuse an Order are those set out in subparagraph 3.14.3 [*Orders are Obligatory*]. Unless and until Contractor has approved the Order in ProcureAZ, it will have no effect under the Contract and will not oblige either State or Contractor. If the relevant Eligible Agency explicitly instructs at the time that a verbal acceptance is sufficient because of urgency or other unusual circumstances and Contractor duly gives its verbal acceptance, then Contractor will be deemed to have accepted the Order immediately upon commencing performance, provided that, Contractor must follow-up its verbal acceptance by accepting the Purchase Order electronically in ProcureAZ within 3 (three) business days. Contractor shall thereafter be barred from subsequently rejecting the Order in ProcureAZ and if it does so the rejection will be void.
10. Contractor shall acknowledge each Order from Co-Op Buyers in conformance with each buyer's instructions given at the time of ordering or in any supplemental participating agreement Contractor might have with them. Orders from Co-Op Buyers create no obligation on State's part, since they are entirely between the Co-Op Buyer and Contractor. That notwithstanding, Contractor's obligation under the Contract is to service Co-Op Buyers commercially as though they were with an Eligible Agency, and Contractor's refusal to do so would be a material breach of the Contract.

3.16 Multiple-Use Provisions

If the Special Terms and Conditions indicate that the Contract is for statewide use, then Eligible Agencies may issue Orders for Services in several forms, all of which become final and effective by a "Release Purchase Order" in ProcureAZ. Orders issued by Co-Op

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Buyers will be in whatever form the Co-Op Buyer normally uses. Regardless of origin, Orders must cite the State contract number to be valid. State may, at its discretion in each instance, determine the scope, schedule, and price for each Order in any of the following ways:

11. By choosing some or all of the Materials or Services items covered by the Contract for which a price is established in the Commercial Document, then preparing an Order using those prices (e.g., filling out an order form), and sending it to Contractor.

By instructing Contractor to provide a comprehensive proposal of item quantities, combinations, etc., or services hours, personnel, etc., for a defined scope using those established prices as a basis, then validating and negotiating the proposal with Contractor and issuing an Order if and when reaching agreement.

As described in (2) above but requesting the proposal from both Contractor and other vendors who are contracted within the applicable scope categories and locations, either sequentially or concurrently, then selecting the proposal or proposals combination that is most advantageous to State.

As described in (3) above but introducing ad-hoc commercial competition by making the selection and ordering conditional on obtaining more favorable prices than the contractually-established ones.

When evaluating the proposals under (3) and (4) above, State may select based on price (for example, a quoted number of hours times the contracted or improved rate plus a fixed amount for incidentals), by experience and qualifications (for example, having an office nearer the required work location), or whatever combination thereof it determines is most appropriate to the work in question.

3.17 Other Contractors

State may undertake with its own forces or award other contracts to the same or other vendors for additional or related work. In such cases, Contractor shall cooperate fully with State's employees and such other vendors and carefully coordinate, fit, connect, accommodate, adjust, or sequence its work to the related work by others. Where the Contract requires handing-off Contractor's work to others, Contractor shall cooperate as State instructs regarding the necessary transfer of its work product, services, or records to State or the other vendors. Contractor shall not commit or permit any act that interferes with the State's or other vendors' performance of their work, provided that, State shall enforce the foregoing section equitably among all its vendors so as not impose an unreasonable burden on any one of them.

3.18 Work on State Premises

3.20.1 COMPLIANCE WITH RULES. Contractor is responsible for ensuring that its personnel comply with State's rules, regulations, policies, documented practices, and documented operating procedures while delivering or installing Materials or performing Services on State's grounds or in its facilities. For clarity of intent, the foregoing means that if Contractor is required to comply with certain security requirements in order to deliver, install, or perform at that particular location, then it shall do so nonetheless and without entitlement to any additional compensation or additional time for performance if those particular requirements are not expressly stated in the Contract. Contractor is reminded that violation of the prohibition under A.R.S. § 13-1502 against possession of weapons on State's property by anyone for whom Contractor is responsible is a material breach of contract and grounds for termination for default.

3.20.3 PROTECTION OF GROUNDS AND FACILITIES. Contractor shall deliver or install the Materials and perform the Services without damaging any State grounds or facilities. Contractor shall repair or replace any damage it does cause promptly and at its own expense, subject to whatever instructions and restrictions State needs to make to prevent inconvenience or disruption of operations. If Contractor fails to make the necessary repairs or replacements and do so in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 [Right of Offset].

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**3.19 Advertising,
Publishing and
Promotion of
Contract**

Contractor shall not advertise, promote, or otherwise use information concerning the Contract for commercial benefit without the prior written approval of Procurement Officer, which approval Procurement Officer may withhold at his or her discretion.

4 Costs and Payments

4.1 Payments

4.1.1 PAYMENT DEADLINE. State shall make payments in compliance with Arizona Revised Statutes Titles 35 and 41. Unless and then only to the extent expressly stated otherwise in the Commercial Document, State shall make payment in full for Materials that have been delivered and accepted and Services that have been performed and accepted within the time specified in A.R.S. § 35-342 after both of the following become true: (a) all of the Materials being invoiced have been delivered or installed (as applicable) and accepted and all of the Services being invoiced have been performed and accepted; and (b) Contractor has provided a complete and accurate invoice in the form and manner called for in the Commercial Document, provided that, State will not make or be liable for any payments to Contractor until Contractor has registered properly in ProcureAZ and provided a current IRS Form W-9 to State unless excused by law from providing one.

4.1.2 PAYMENTS ONLY TO CONTRACTOR. Unless compelled otherwise by operation of law or order of a court of competent jurisdiction, State will only make payment to Contractor under the federal tax identifier indicated on the Accepted Offer.

**4.2 Applicable
Taxes**

4.3.1 CONTRACTOR TO PAY ALL TAXES. State is subject to Arizona TPT. Therefore, Arizona TPT applies to all sales under the Contract and Arizona TPT is Contractor's responsibility (as seller) to remit. Contractor's failure to collect Arizona TPT or any other applicable sales or use taxes from an Eligible Agency or Co-Op Buyer (as buyer) will not relieve Contractor of any obligation to remit sales or use taxes that are due under the Contract or laws. Unless stated otherwise in the Commercial Document, all prices therein include Arizona TPT as well as every other manner of transaction privilege or sales/use tax that is due to a municipality or another state or its political subdivisions. Contractor shall pay all federal, state, and local taxes applicable to its operations and personnel.

4.3.2 TAX INDEMNITY. Contractor shall hold State harmless from any responsibility for taxes or contributions, including any applicable damages and interest, that are due to federal, state, and local authorities with respect to the Work and the Contract, as well any related costs; the foregoing expressly includes Arizona TPT, unemployment compensation insurance, social security, and workers' compensation insurance.

**4.3 Availability
of Funds**

By A.R.S. § 35-154, every State payment obligation under the Contract is conditioned on the availability of funds appropriated for payment of that obligation. If funds are not appropriated and available for continuance of the Contract, State may terminate the Contract at the end of the period for which funds are available, or, at State's discretion, allow appropriate amendment to the Contract. No liability will accrue to State if it exercises the foregoing right or discretion, and State will have no obligation or liability for any future payments or for any damages as a result of having exercised it.

5 Contract Changes

5.1 Contract Amendments

The Contract is issued for State under the authority of Procurement Officer. Only a Contract Amendment can modify the Contract, and then only if it does not change the Contract's general scope. Purported changes to the Contract by a person not expressly authorized by Procurement Officer or made unilaterally by Contractor will be void and without effect; Contractor will not be entitled to any claim made under the Contract based on any such purported changes.

**5.2 Assignment and
Delegation**

5.2.1 IN WHOLE. Contractor shall not assign in whole its rights or delegate in whole its duties under the Contract without Procurement Officer's prior written consent, which consent Procurement Officer may withhold at his or her discretion. If Contractor's proposed assignment or delegation stems from a split, sale, acquisition, or other non-merger change in control, then no such consent will be given in any event without the assignee or delegate giving State

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satisfactory and equivalent evidence or assurance of its financial soundness, competency, capacity, and qualification to perform as that which Contractor possessed when State first awarded it the Contract.

5.2.2 IN PART. Subject to paragraph 3.10 [Subcontracts] with respect to subcontracting, Contractor may assign particular rights or delegate particular duties under the Contract, but shall obtain Procurement Officer's written consent before doing so. Procurement Officer shall not unreasonably withhold consent so long as the proposed assignment or delegation does not attempt to modify the Contract in any way or to alter or impair State's rights or remedies under the Contract or laws.

6 Risk and Liability

6.1 Risk of Loss

Contractor shall bear all risk of loss to Materials while in pre-production, production, storage, transit, staging, assembly, installation, testing, and commissioning, if and as those duties are within the scope of the Work, until they have been accepted as conforming by State in the particular location and situation specified in the Order, or as specified generally elsewhere in the Contract if the Order does not provide particulars, provided that, risk of loss for nonconforming Materials will remain with Contractor notwithstanding acceptance to the extent the loss stems from the nonconformance.

6.2 Contractor Insurance

Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The Insurance Requirements herein are minimum requirements for this Contract and in no way, limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability – Written and Oral	\$1,000,000
Damage to Rented Premises (Fire Legal Liability)	\$50,000
Each Occurrence	\$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

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2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	\$1,000,000
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- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor that is exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4. Professional Liability (Errors and Omissions Liability)

Each Claim	\$ 2,000,000
Annual Aggregate	\$ 2,000,000

- a. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, the Contractor warrants that any retroactive date under the Policy shall precede the effective date of this Contract and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- b. The Policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this Contract.

ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- a. The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- b. Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

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NOTICE OF CANCELLATION: Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be electronically submitted via email to AZStateContractCOI@azdoa.gov and rocky.advani@azdoa.gov (State of Arizona, State Procurement Office, 100 N 15th Ave, Suite 402, Phoenix AZ 85007).

ACCEPTABILITY OF INSURERS: Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

VERIFICATION OF COVERAGE: Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1. All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
2. Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
3. All certificates required by this Contract shall be sent directly to **(Rocky Advani, 100 N 15th Ave, Suite 402, Phoenix AZ 85007)**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT DIVISION.**

SUBCONTRACTORS: Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum insurance requirements identified above. The State reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

APPROVAL and MODIFICATIONS: The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

EXCEPTIONS: In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

6.3 Basic Indemnification

6.3.1 CONTRACTOR/VENDOR (NOT PUBLIC AGENCY). To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless State Indemnitees from Indemnified Basic Claims that: (a) are caused or alleged to be caused in whole or in part by the negligent or willful acts or omissions of a Contractor Indemnitor; (b) arise out of or are recovered under

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worker compensation laws; and/or (c) arise out of a Contractor Indemnitor's failure to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. The parties specifically intend that the Contractor Indemnitors shall indemnify the relevant State Indemnitees from and against Indemnified Basic Claims in all instances except where the Indemnified Basic Claim arises solely from those State Indemnitees' own negligent or willful acts or omissions. Wherever the indemnification under this subparagraph applies, Contractor is responsible for primary loss investigation, defense, and judgment costs for an on behalf of the other Contractor Indemnitors with respect to State Indemnitees, and accordingly Contractor is also responsible for any cooperation, contribution, or subordination between or amongst the Contractor Indemnitors. In consideration of the award of the Contract by a State Indemnitee, Contractor hereby waives all rights of subrogation against State Indemnities for losses arising from the Work.

6.4 Patent and Copyright Indemnification

CONTRACTOR/VENDOR (NOT PUBLIC AGENCY). With respect to Materials or Services provided or proposed by a Contractor Indemnitor for performance under the Contract, Contractor shall indemnify, defend and hold harmless State Indemnitees against any third-party claims for liability, costs, and expenses, including, but not limited to reasonable attorneys' fees, for infringement or violation of any patent, trademark, copyright, or trade secret by the Materials and the Services. With respect to the defense and payment of claims under this subparagraph:

1. State shall provide reasonable and timely notification to Contractor of any claim for which Contractor may be liable under this paragraph;
2. Contractor, with reasonable consultation from State, shall have control of the defense of any action on an indemnified claim including all negotiations for its settlement or compromise;
3. State may elect to participate in such action at its own expense; and
4. State may approve or disapprove any settlement or compromise, provided that, (i) State shall not unreasonably withhold or delay such approval or disapproval and (ii) State shall cooperate in the defense and in any related settlement negotiations.

If Contractor is a public agency, this paragraph 6.4 does not apply.

6.5 Force Majeure

6.5.1 DEFINITION. For this paragraph, "force majeure" means an occurrence that is (a) beyond the control of the affected party, (b) occurred without the party's fault or negligence, and (c) something the party was unable to prevent by exercising reasonable diligence. Without limiting the generality of the foregoing, force majeure expressly includes acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authorities, and, subject to paragraph 7.7 [*Performance in Public Health Emergency*], declared public health emergencies. Force majeure expressly does not include late delivery caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, late performance by a Subcontractor unless the delay arises out of an occurrence of force majeure, or inability of either Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.

6.5.2 RELIEF FROM PERFORMANCE. Except for payment of sums due, the parties are not liable to each other if an occurrence of force majeure prevents its performance under the Contract. If either party is delayed at any time in the progress of their respective performance under the Contract by an occurrence of force majeure, the delayed party shall notify the other no later than the following working day after the occurrence, or as soon as it could reasonably have been expected to recognize that the occurrence had effect in cases where the effects were not readily apparent. In any event, the notice must make specific reference to this paragraph specifying the causes of the delay in the notice and, if the effects of the occurrence are on-going, provide an initial notification and thereafter the delayed party shall provide regular updates until such time as the effects are fully known. To the extent it is able, the delayed party shall cause the delay to cease promptly and notify the other party when it has done so. The parties

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shall extend the time of completion by Contract Amendment for a period equal to the time that the results or effects of the delay prevented the delayed party from performing.

6.5.3 EXCUSABLE DELAY IS NOT DEFAULT. Failure in performance by either party will not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if and to the extent that such failure was or is being caused by an occurrence of force majeure.

6.5.4 DEFAULT DIMINISHES RELIEF. Entitlement to relief from the effects of an occurrence of force majeure is diminished to the extent that the delay did or will result from the affected party's default unrelated to the occurrence, in which case and to that extent the other party's normal remedies and the affected party's obligations would apply undiminished.

**6.6 Third Party
Antitrust
Violations**

Contractor assigns to State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to Contractor toward fulfillment of the Contract.

7 Warranties

**7.1 Conformity to
Requirements**

Contractor warrants that, unless expressly provided otherwise elsewhere in the Contract, the Materials and Services will for 1 (one) year after acceptance and in each instance: (1) conform to the requirements of the Contract, which by way of reminder include without limitation all descriptions, specifications, and drawings identified in the Scope of Work and any Contractor affirmations included as part of the Contract; (2) be free from defects of material and workmanship; (3) conform to or perform in a manner consistent with current industry standards; and (4) be fit for the intended purpose or use described in the Contract. Mere delivery or performance does not substitute for express acceptance by State. Where inspection, testing, or other acceptance assessment of Materials or Services cannot be done until after installation, the forgoing warranty will not begin until State's acceptance.

**7.2 Contractor
Personnel**

Contractor warrants that its personnel will perform their duties under the Contract in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Contract. Contractor further warrants that its key personnel will maintain any certifications relevant to their work, and Contractor shall provide individual evidence of certification to State's authorized representatives upon request.

**7.3 Intellectual
Property**

Contractor warrants that the Materials and Services do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the infringement or violation.

**7.4 Compliance
with Laws**

Contractor warrants that the Materials and Services do and will continue to comply with all applicable federal, state, and local laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the non-compliance.

7.5 Licenses and Permits

Contractor warrants that it will maintain all licenses required under paragraph 3.7 [*Contractor Licenses*] and all required permits valid and in force.

**7.6 Operational
Continuity**

Contractor warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Contractor's duties hereunder absent a consented delegation under paragraph 5.2 [*Assignment and Delegation*] that expressly recognizes the event.

**7.7 Performance in Public
Health Emergency**

Contractor warrants that it will:

12. have in effect promptly after commencement a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum: (a) identification of response personnel by name; (b) key succession

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and performance responses in the event of sudden and significant decrease in workforce; and (c) alternative avenues to keep sufficient product on hand or in the supply chain; and

13. provide a copy of its current plan to State within 3 (three) business days after State's written request. If Contractor claims relief under paragraph 6.5 [*Force Majeure*] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on Contractor having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.

For clarification of intent, being obliged to implement the plan is not of itself an occurrence of force majeure, and Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement it. Furthermore, failure to have or implement an appropriate plan will be a material breach of contract.

7.8 Lobbying

7.11.1 PROHIBITION.

Contractor warrants that:

it will not engage in lobbying activities, as defined in 40 CFR part 34 and A.R.S. § 41-1231, et seq., using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Contractor's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and

upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety.

Contractor shall implement and maintain adequate controls to assure compliance with (a) above.

Contractor shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.

7.11.2 EXCEPTION. This paragraph does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

7.9 Survival of Warranties

All representations and warrants made by Contractor under the Contract will survive the expiration or earlier termination of the Contract.

8 State's Contractual Remedies

8.1 Right to Assurance

If State in good faith has reason to believe that Contractor does not intend to, or is unable to, perform or continue performing under the Contract, Procurement Officer may demand that Contractor promptly provide written assurance of intent to perform. Failure by Contractor to provide the assurance within the time specified may be the basis for terminating the Contract or for State to exercise any other remedy available to it under the Contract or laws.

8.2 Stop Work Order

The State may at any time require Contractor to stop all or any part of the Work by written order. Upon receipt of a stop order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize incurring of further costs during the period of stoppage that might be chargeable to State associated with the portions of the Work covered by the order. If Contractor incurs losses, it may make a claim under Article 10.

8.3 Non-exclusive Remedies

State's rights and remedies under the Contract are not exclusive.

8.4 Nonconforming Tender

The Materials provided and Services performed must comply fully with the Contract, and providing Materials or performing Services or any portion thereof that do not comply fully

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constitutes a breach of contract, in which event State will be entitled to exercise any remedy available to it under the Contract or laws.

8.5 Right of Offset

State is entitled to offset against any sums due Contractor any expenses or costs State incurs or damages it has assessed against it concerning Contractor's non-conforming performance or failure to carry out the Work, including any expenses, costs, and damages to which it is entitled by the Contract or laws.

9 Contract Termination

9.1 Termination for Conflict of Interest

By A.R.S. § 38-511, State may terminate the Contract within 3 (three) years after the effective date without penalty or further obligation if any Person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of State is or becomes an employee or agent of any other party to the Contract in any capacity or a consultant to any other party to the Contract with respect to the subject matter of the Contract. Any such termination will be effective when Contractor receives State's written notice of the termination unless the notice specifies a later date.

9.2 Gratuities

State may, by written notice, terminate the Contract, in whole or in part, if State determines that employment or a Gratuity was offered or made by Contractor or a representative of Contractor to any officer or employee of State for the purpose of influencing the outcome of the procurement or the administration of the Contract or any favorable treatment concerning the Contract or performance of the Contract. State, in addition to any other rights or remedies available to it, will be entitled to recover exemplary damages in the amount of 3 (three) times the value of the Gratuity offered by Contractor.

9.3 Suspension or Debarment

State may, by written notice to Contractor, terminate the Contract immediately if State discovers that Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. State has taken Contractor's submittal of the Accepted Offer and will take its performance under the Contract as Contractor's attestation that it is not currently suspended or debarred. If Contractor subsequently becomes suspended or debarred, it shall notify Procurement Officer immediately.

9.4 Termination for Convenience

State may terminate the Contract when in the best interest of State, in whole or in part, at any time, and without penalty or recourse on Contractor's part other than as expressly stated in the Contract. Upon receipt of State's written termination notice, Contractor shall stop work as directed in the notice, notify all Subcontractors of the termination and its effective date, and minimize any further costs that might be chargeable to State. In the event of termination under this paragraph, all documents, data, and reports prepared by Contractor under the Contract will become State's property and Contractor shall deliver it all promptly on demand. Contractor will be entitled to receive just and equitable compensation for necessary and attributable unfinished materials on hand, work in progress, work completed, and work accepted before the effective date of the termination, provided that, the cost principles and procedures in A.A.C. R2-7-701 are to be applied.

9.5 Termination for Default

In addition to the rights reserved to it under the Contract, State may terminate the Contract in whole or in part due to Contractor's failure to: (a) comply with any term or condition of the Contract; (b) obtain and maintain all required insurance policies, bonds, licenses, and permits; or (c) make satisfactory progress in carrying out the Work. Procurement Officer shall give written notice of the termination and the reasons for it. Upon termination under this paragraph, all documents, data and reports prepared by Contractor under the Contract and all necessary and attributable unfinished materials on hand, work in progress, work completed, and work accepted will become State's property, and Contractor shall deliver all of it immediately on demand. State may, following termination of the Contract under this paragraph, procure on terms and in the manner it determines to be appropriate materials or services to replace those that were to have been provided or performed by Contractor, and Contractor will be liable to State for any excess cost State incurs in procuring such substitutes.

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- 9.6 Continued Performance Required** Contractor shall continue to perform in accordance with the requirements of the Contract up to the effective date of any termination, as directed by State in the notice.

10 Contract Claims

- 10.1 Claim Resolution** Notwithstanding any law to the contrary, all contract claims or controversies under the Contract are to be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9, and rules adopted thereunder, including judicial review under A.R.S. § 12-1518.
- 10.2 Mandatory Arbitration** In compliance with A.R.S. § 12-1518, the parties agree to comply in a judicial review proceeding with any applicable, mandatory arbitration requirements.

11 General Provisions for Materials

- 11.1 Applicability** Article 11 applies to the extent the Work is or includes Materials.
- 11.2 Off-Contract Materials** Contractor shall ensure that the design and/or procedures for the Materials ordering method prevents Orders for off-contract items or excluded items. Notwithstanding that State might have its own internal administrative rules regarding off-contract or excluded item ordering, and endeavors to prevent such orders from occurring, Contractor is responsible for not accepting any such Orders; State may, at its discretion, return any such items under subparagraph 11.17 or cancel any such Order under subparagraph 11.18, in either case being without obligation and at Contractor's expense. As used above, "off-contract item" refers to any product not included in the scope of the Contract and for which no price or compensation has been established contractually, and "excluded item" refers to any product expressly stated in the Contract as being excluded from the Contract.
- 11.3 Compensation for Late Deliveries** Contractor shall have clear, published policies in place regarding late delivery, order cancellation, discounts, or rebates given to compensate for late deliveries, etc., and make them readily available to those Eligible Agencies, and Co-Op Buyers if applicable, that are likely to need them.
- 11.4 Indicate Shipping Costs on Order** Contractor shall identify and provide the required substantiating documentation for the amount it intends to add for shipping in the Order acknowledgment if shipping is additional to the contracted price or rate for an item; otherwise, Contractor shall indicate that shipping is included in the Order price (in other words, every Order must indicate clearly whether or not shipping is included in the Order price, and if not included, how much is to be added and why that amount is the correct or appropriate one).
- 11.5 Current Products** Contractor shall keep all products being offered under the Contract: (a) in current and ongoing production; (b) in its advertised product lines; (c) as models or types that are actively functioning in other paying customer environments; and (d) in conformance to the requirements of the Contract.
- 11.6 Maintain Comprehensive Selection** Contractor shall provide at all times the comprehensive selection of products for which a price is established in the Commercial Document for ordering by Eligible Agencies, and Co-Op Buyers if applicable.
- 11.7 Additional Products** State, at its discretion, may modify the scope of the Contract by Contract Amendment to include additional products or product categories so long as they are within the general scope of the ones originally covered by the Contract. Once the Contract Amendment has been fully executed, Contractor shall then update all applicable catalogs and price lists and make them available to all affected entities at no additional cost. Either party may make the request to add products to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional products, but State may elect not to add some or all of the products in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request must include: (a) documentation demonstrating that the additional products meet or exceed the specifications for the original products while remaining in the same product groups as the original ones; and (b) documentation demonstrating that the proposed price for the additional products is both fair and reasonable and at the same level of discount relative to market price as were the original ones. Demonstration of (b) typically

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requires showing how prices at which sales are currently or were last made to a significant number of buyers compare to the prices or discounts (as applicable) being proposed for the additional products.

- 11.8 Discontinued Products** If a product or groups of products covered by the Contract are discontinued by the manufacturer, Contractor shall notify State within 5 (five) business days after receiving the manufacturer's notification. State, at its discretion, will either allow Contractor to provide substitutes for the discontinued products or delete the products from the scope of the Contract, both of which will be accomplished by Contract Amendment. Contractor shall then update all applicable catalogs and price lists and make them available to all affected entities at no additional cost. The parties shall negotiate in good faith a fair price for any substitute product, but State may elect to delete the products from the scope of the Contract if no agreement is reached on substitute pricing in a timely manner. When notifying State of the discontinuance, Contractor shall provide: (a) manufacturer's announcement or documentation stating that the products have been discontinued, with identification by model/part number; (b) documentation demonstrating that the substitute products meet or exceed the specifications for the discontinued products while remaining in the same product groups as were the discontinued ones; and (c) documentation demonstrating that the proposed price for the substitute products is both fair and reasonable and at the same level of discount relative to market price as were the discontinued ones (with demonstration being as described in subparagraph 11.7).
- 11.9 Forced Substitutions** Forced substitutions will not be permitted; Contractor shall obtain State's prior written consent before making any discretionary substitution for any product covered by the Contract.
- 11.10 Recalls** In the event of a recall notice, technical service bulletin, or other important notification affecting a product offered under the Contract (collectively, "recalls" hereinafter), Contractor shall send timely notice to State for each applicable Order referencing the affected Order and product. Notwithstanding whatever protection Contractor might have under A.R.S. § 12-684 with respect to a manufacturer, Contractor shall handle recalls entirely and without obligation on State's part, other than to permit removal of installed products, retrieval of stored products, etc., as necessary to implement the recall.
- 11.11 Delivery**
- 11.11.1 **PRICING.** Unless stated otherwise in the Commercial Document, all Materials prices set forth therein are FCA (seller's dock) Incoterms®2010, with "seller's dock" meaning the last place of manufacturing, assembly, integration, final packing, or warehousing before departure to designated point of delivery to State. For reference, the foregoing is to be construed as equivalent to "F.o.b. Origin, Contractor's Facility" under [FAR 52.247-30](#).
- 11.11.2 **LIABILITY.** Unless stated otherwise in the Commercial Document or an Order, Contractor's liability for all Materials is DDP (State-designated receiving point per Order) Incoterms®2010, but with unloading at destination included. For reference, the foregoing is to be construed as equivalent to "F.o.b. Destination, Within Consignee's Premises" under [FAR 52.247-35](#).
- 11.11.3 **PAYMENT.** Unless stated otherwise in the Commercial Document or an Order, State shall reimburse Contractor the costs of the difference between DDP (State-designated receiving point per Order) and FCA (seller's dock) with no mark-up, which Contractor shall itemize and invoice separately.
- 11.12 Delivery Time** Unless stated otherwise in the Commercial Document generally or in the applicable Order particularly, Contractor shall make delivery within 7 (seven) business days after receiving each Order.

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11.13 Delivery Locations

Contractor shall offer deliveries to every location served under the scope of the Contract, specifically:

1. if the Contract is for a single State agency in a single area, then Contractor shall deliver to any agency location in that area;
2. if the Contract is for a single State agency in all its locations, then Contractor shall deliver to any of that agency's location in Arizona;
3. if the Contract is for statewide use but excludes certain areas, then Contractor shall deliver to any Eligible Agency or Co-Op Buyer location that is not in the excluded areas; and
4. if the Contract is for unrestricted statewide use, then:
 - a. Contractor shall deliver to any Eligible Agency or Co-Op Buyer anywhere in Arizona;
 - b. if the Pricing Document indicates defined delivery areas and prices, those always apply unless the Order expressly states otherwise and Contractor accepts it.

11.14 Conditions at Delivery Location

Contractor shall verify receiving hours and conditions (i.e. height/weight restrictions, access control, etc.) with the relevant purchaser for the receiving site before scheduling or making a delivery. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late delivery if Contractor has failed to make the verification or comply with the applicable conditions. Contractor shall make each delivery to the specific location indicated in the Order, which Contractor acknowledges might be inside an industrial building, institutional building, low-rise office building, or high-rise office building instead of a normal receiving dock. Contractor might be required to make deliveries to locations inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required for each delivery and driver individually. Contractor shall contact each such facility directly to confirm its most-current security clearance procedures, allowable hours for deliveries, visitor dress code, and other applicable rules. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late delivery if Contractor has failed to make the confirmation or comply with the applicable conditions.

11.15 Materials Acceptance

State has the right to make acceptance of Materials subject to a complete inspection on delivery and installation, if installation is Contractor's responsibility. State may apply as acceptance criteria conformity to the Contract, workmanship and quality, correctness of constituent materials, and any other matter for which the Contract or applicable laws state a requirement, whether stated directly or by reference to another document, standard, reference specification, etc. Contractor shall remove any rejected Materials from the delivery location, or from any immediate environs to which it might have been reasonably necessary to move it, carry it off the delivery premises, and subsequently deliver an equal number or quantity of conforming items. State will not owe Contractor any payment for rejected Materials, and State may, at its discretion, withhold or make partial payment for any rejected Materials that have been returned to Contractor in those instances where State has agreed to permit repair instead of demanding replacement.

11.16 Correcting Defects

Contractor shall, at no additional cost and without entitlement to extension of any delivery deadline or specified time for performance, remove or exchange and replace any defective or non-conforming delivered or installed Materials.

1. Contractor shall be solely responsible for the cost of any associated cutting and patching, temporary protection measures, packing and crating, hoisting and loading, transportation, unpacking, inspection, repacking, reshipping, and reinstallation if installation is within the scope of the Contract.
2. If Contractor fails to do so in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.

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3. Whether State will permit Contractor to repair in place or demands that Contractor remove and replace is at State's discretion in each instance, provided that, State shall not apply that discretion punitively if repair in place is practicable and doing so would not create safety hazards, put property at risk, unreasonably interfere with operations, create public nuisance, or give rise to any other reasonable concern on State's part.

11.17 Returns

State may, at its discretion, return for full credit and with no restocking charges any delivered Materials unused in the original packaging, including any instruction manuals or other incidental item that accompanied the original shipment, within 30 (thirty) days after receipt. If State elects to return delivered Materials, then State shall pay all freight, delivery, and transit insurance costs to return the products to the place from which Contractor shipped them, provided that, if State returns delivered Materials because they are defective or non-conforming or for any other reason having to do with Contractor fault or error, then State will not be responsible for paying freight, delivery, or transit insurance costs to return the products and may, at its discretion, either have those billed directly to Contractor or offset them under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.

11.18 Order Cancellation

State may cancel Orders within a reasonable period after issuance and at its discretion. The same method as that used for ordering will be used for cancellation. If State cancels an Order, then State shall:

1. pay Contractor for any portion of the Materials and Services from that Order that have been properly delivered or performed as of the cancellation effective date plus 1 (one) additional business day;
2. reimburse Contractor for:
 - a. its actual, documented costs incurred in fulfilling the Order up to the cancellation effective date plus 1 (one) additional business day; and
 - b. the cost of any obligations it incurred as of the cancellation effective date plus 1 (one) additional business day that demonstrably cannot be canceled, or that have pre-established cancellation penalties specified in the relevant Subcontracts, to the extent the penalties are reasonable and customary for the work in question; and
3. Contractor shall not charge or be entitled to charge State for any new costs it incurs after receiving the cancellation notice plus 1 (one) business day or for any lost profits or opportunity.

By way of reminder, State is not liable for any products that were produced, shipped, or delivered or any services that were performed before Contractor had acknowledged the corresponding Order.

11.19 Product Safety

Materials as-shipped must comply with applicable safety regulations and standards. Unless expressly stated otherwise in the Scope of Work, State is not responsible for making any Materials safe or compliant following acceptance and is relying exclusively on Contractor to deliver only products that are already safe and compliant.

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11.20 Hazardous Materials

Contractor shall timely provide State with any "Safety Data Sheets" (SDS) and any other hazard communication documentation required under the US Department of Labor's Occupational Safety and Health Administration (OSHA) "Hazard Communication Standard" (often referred to as the "HazCom 2012 Final Rule") that is reasonably necessary for State to comply with regulations when it or its other contractors install, handle, operate, repair, maintain or remove any Materials. Note that, in the past, those documents might have been referred to as "Material Safety Data Sheets" or "Product Safety Data Sheets", but State (and this Contract) use only the more up-to-date "SDS" reference. Contractor shall ensure that all its relevant personnel understand the nature of and hazards associated with, to the extent it they are Contractor's responsibility under the Contract, the design, shipping, handling, delivery, installation, repair and maintenance of any portion of the Work that is, contains or will become upon use a hazardous material, with "hazardous material" being any material or substance that is: (1) identified now or in the future as being hazardous, toxic or dangerous under applicable laws; or (2) subject to statutory or regulatory requirement governing special handling, disposal or cleanup.

12 Data and Information Handling

12.1 Applicability

Article 13 applies to the extent the Work includes handling of any (1) State's proprietary and sensitive data or (2) confidential or access-restricted information obtained from State or from others at State's behest.

12.2 Data Protection and Confidentiality of Information

Contractor warrants that it will establish and maintain procedures and controls acceptable to State for ensuring that State's proprietary and sensitive data is protected from unauthorized access and information obtained from State or others in performance of its contractual duties is not mishandled, misused, or inappropriately released or disclosed. For purposes of this paragraph, all data created by Contractor in any way related to the Contract, provided to Contractor by State, or prepared by others for State are proprietary to State, and all information by those same avenues is State's confidential information. To comply with the foregoing warrant:

- Contractor shall: (a) notify State immediately of any unauthorized access or inappropriate disclosures, whether stemming from an external security breach, internal breach, system failure, or procedural lapse; (b) cooperate with State to identify the source or cause of and respond to each unauthorized access or inappropriate disclosure; and (c) notify State promptly of any security threat that could result in unauthorized access or inappropriate disclosures; and
- Contractor shall not: (a) release any such data or allow it to be released or divulge any such information to anyone other than its employees or officers as needed for each person's individual performance of his or her duties under the Contract, unless State has agreed otherwise in advance and in writing; or (b) respond to any requests it receives from a third party for such data or information, and instead route all such requests to State's designated representative.

12.3 Personally Identifiable Information.

Without limiting the generality of paragraph 12.2, Contractor warrants that it will protect any personally identifiable information ("PII") belonging to State's employees' or other contractors or members of the general public that it receives from State or otherwise acquires in its performance under the Contract.

For purposes of this paragraph:

- PII has the meaning given in the [federal] Office of Management and Budget (OMB) *Memorandum M-07-16 Safeguarding Against and Responding to the Breach of Personally Identifiable Information*; and

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2. “protect” means taking measures to safeguard personally identifiable information and prevent its breach that are functionally equivalent to those called for in that OMB memorandum and elaborated on in the [federal] General Services Administration (GSA) *Directive CIO P 2180.1 GSA Rules of Behavior for Handling Personally Identifiable Information*.

NOTE (1): For convenience of reference only, the OMB memorandum is available at:

<https://www.whitehouse.gov/sites/default/files/omb/memoranda/fy2007/m07-16.pdf>

NOTE (2): For convenience of reference only, the GSA directive is available at:

<http://www.gsa.gov/portal/directive/d0/content/658222>

12.4 Protected Health Information

Contractor warrants that, to the extent performance under the Contract involves individually identifiable health information (referred to hereinafter as protected health information (“PHI”) and electronic PHI (“ePHI”) as defined in the Privacy Rule referred to below), it:

1. is familiar with and will comply with the applicable aspects of the following collective regulatory requirements regarding patient information privacy protection: (a) the “Privacy Rule” in CFR 45 Part 160 and Part 164 pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996; (b) Arizona laws, rules, and regulations applicable to PHI/ePHI that are not preempted by CFR 45-160(B) or the Employee Retirement Income Security Act of 1974 (“ERISA”) as amended; and (c) State’s current and published PHI/ePHI privacy and security policies and procedures;
2. will cooperate with State in the course of performing under the Contract so that both State and Contractor stay in compliance with the requirements in (1) above; and
3. will sign any documents that are reasonably necessary to keep both State and Contractor in compliance with the requirements in (1) above, in particular “Business Associate Agreements” in accordance with the Privacy Rule.

NOTE: For convenience of reference only, the Privacy Rule is available at:

<http://www.hhs.gov/hipaa/for-professionals/privacy/index.html>

12.5 Section 508 Compliance

Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. § 18-131 and § 18-132 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

End of Section 2-C

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SECTION 2-D: Uniform Terms and Conditions

1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

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| 1.1 Attachment | "Attachment" means any item the solicitation requires the Offeror to submit as part of the Offer. |
| 1.2 Contract | "Contract" means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments. |
| 1.3 Contract Amendment | "Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract. |
| 1.4 Contractor | "Contractor" means any Person who has a Contract with the State. |
| 1.5 Days | "Days" means calendar days unless otherwise specified. |
| 1.6 Exhibit | "Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation. |
| 1.7 Gratuity | "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received. |
| 1.8 Materials | "Materials" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space. |
| 1.9 Procurement Officer | "Procurement Officer" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract. |
| 1.10 Services | "Services" has the meaning given in A.R.S. § 41-2503(35), which, for convenience of reference only, is "... the furnishing of labor, time, or effort by [the] [C]ontractor or [S]ubcontractor which does not involve the delivery of a specific end product other than required reports and performance [but] does not include employment agreements or collective bargaining agreements." Services includes Building Work and the service aspects of software described in paragraph 1.19. |
| 1.11 State | "State" means the State of Arizona and Department or Agency of the State that executes the Contract. |
| 1.12 State Fiscal Year | "State Fiscal Year" means the period beginning with July 1 and ending June 30. |
| 1.13 Subcontract | "Subcontract" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract. |

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2.0 Contract Interpretation

- 2.1 Arizona Law** The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- 2.2 Implied Terms** Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3 Contract Order of Precedence** In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
- 2.3.1. Special Terms and Conditions;
 - 2.3.2. Uniform Terms and Conditions;
 - 2.3.3. Statement or Scope of Work;
 - 2.3.4. Specifications;
 - 2.3.5. Attachments;
 - 2.3.6. Exhibits;
 - 2.3.7. Documents referenced or included in the Solicitation.
- 2.4 Relationship of Parties** The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5 Severability** The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 2.6 No Parole Evidence** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7 No Waiver** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3.0 Contract Administration and Operation

- 3.1 Records** Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2 Non-Discrimination** The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- 3.3 Audit** Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4 Facilities Inspection** The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or

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and Materials Testing	materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines noncompliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
3.5 Notices	Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
3.6 Advertising, Publishing and Promotion of Contract	The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
3.7 Property of the State	Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
3.8 Ownership of Intellectual Property	Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.
3.9 Federal Immigration and Nationality Act	The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.
3.10 E-Verify Requirements	In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

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3.11 Offshore Performance of Work Prohibited.

Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4.0 Costs and Payments

4.1 Payments

Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2 Delivery

Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3 Applicable Taxes

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4 Availability of Funds for the Next State fiscal year

Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5 Availability of Funds for the current State fiscal year

Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

- 4.5.1. Accept a decrease in price offered by the contractor;
- 4.5.2. Cancel the Contract; or
- 4.5.3. Cancel the contract and re-solicit the requirements

5.0 Contract Changes

5.1 Amendments

This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without

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effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2 Subcontracts

The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3 Assignment and Delegation

The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6.0 Risk and Liability

6.1 Risk of Loss

The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2 Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3 Indemnification – Patent and Copyright

The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4 Force Majeure

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall **not** include the following occurrences:

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- 6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
- 6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
- 6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- 6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
- 6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5 Third Party Antitrust Violations

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7.0 Warranties

7.1 Liens

The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2 Quality

Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

- 7.2.1. Of a quality to pass without objection in the trade under the Contract description;
- 7.2.2. Fit for the intended purposes for which the materials are used;
- 7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
- 7.2.4. Adequately contained, packaged and marked as the Contract may require; and
- 7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3 Fitness

The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 Inspection/Testing

The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5 Compliance with Laws

The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6 Survival of Rights and Obligations after Contract Expiration or Termination

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

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7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8.0 State's Contractual Remedies

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|-----------------------------------|--|
| 8.1 Right to Assurance | If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract. |
| 8.2 Stop Work Order | <p>8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.</p> <p>8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.</p> |
| 8.3 Non-exclusive Remedies | The rights and the remedies of the State under this Contract are not exclusive. |
| 8.4 Nonconforming Tender | Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it. |
| 8.5 Right of Offset | The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions. |

9.0 Contract Termination

- | | |
|---|--|
| 9.1 Cancellation for Conflict of Interests | Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511. |
|---|--|

	Request for Proposals Solicitation No: ADSO18-00008152 Description Furniture, Products and Services	Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 402 Phoenix, AZ 85007
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9.2 Gratuities

The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment

The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4 Termination for Convenience

The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5 Termination for Default

- 9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.
- 9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.
- 9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6 Continuation of Performance Through Termination

The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10.0 Contract Claims**10.1 Contract Claims**

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

	Request for Proposals Solicitation No: ADSO18-00008152 Description Furniture, Products and Services	Arizona Department of Administration State Procurement Office 100 N 15th Ave., Suite 402 Phoenix, AZ 85007
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11.0 Arbitration

11.1 Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12.0 Comments Welcome

12.1 Comments Welcome

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 402, Phoenix, Arizona, 85007.

End of Section 2-D

End of Part 2

	Solicitation Amendment		State of Arizona State Procurement Office 100 N. 15 th Avenue Phoenix, AZ 85007
	Solicitation No.: ADSP018-00008152		
	Amendment No.: 1	Date: May 21, 2018	

The State of Arizona would like to include under the current Scope of Work a vendor provided dedicated facility for managing, storing and providing logistics for the State's excess furniture assets. The vendor needs to utilize and demonstrate a web based technology to track the furniture and communicate in real time

The minimum requirements for the vendor are

Experience- Vendor with a minimum of 10 years proven experience of managing warranty, inventory, and logistics from the warehouse

Type - Warehouse needs to have racking systems, climate controlled, have a fire protection system, be monitored and alarmed

Size-The warehouse needs to be at least 50,000 sq. feet

References- At least 3 references need to be provided with current clients

Insurance- The insurance requirements will be the same as in Section 6.2-Contractor Insurance of the RFP

Requested Data	Amount
Inventory Data Capture / Maintenance	\$X/ hr
Warehouse Storage Rates	\$X/ sq foot
Product Handling	\$X/ hr
Delivery or Pickup of Product	\$X/ hr
Truck and Driver Rate	\$X/ hr

No other changes have been made to this solicitation and the current due date remains to be June 15, 2018 at 3PM.

ACKNOWLEDGEMENT

ALL SOLICITATION SPECIFICATIONS, TERMS AND CONDITIONS AND REQUIREMENTS REMAIN UNCHANGED. THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY AND REQUIRES NO APPROVAL.

	Solicitation Amendment		State of Arizona State Procurement Office 100 N. 15 th Avenue Phoenix, AZ 85007
	Solicitation No.:	ADSP018-00008152	
	Amendment No.:	2	Date: June 1, 2018

- A. **For Category 6 Only**-Classroom / Special School Furniture-In lieu of mandatory minimum requirements listed for individual product categories, all education furniture products offered in Category 6 in response to this RFP shall comply with one of the two options:
1. Meet or exceed applicable test and performance standards prescribed in ANSI/BIFMA most current product safety and performance standards, guidelines, and testing.
 2. If your firm does not perform durability, performance, and safety testing you may submit as an alternative a warranty document that exceeds, at a minimum, the mandatory minimum warranty period by 50%. As an example the mandatory minimum warranty period for school desks is 10 years. If your firm does not perform durability, performance, and safety testing you may submit as a substitute a 15-year warranty for desks.
- B. **Freight Charges** – please use updated price file to indicate if freight is included or not-Also a column for warranty term has now been included-please put the number of years against each line item
- C. **Returns** – Section 11.17 Page 31 of 42 of RFP- This will be changed to a partial credit from a full credit and restocking fees can be charged in certain instances as long as the end product is defect free-All other terms remain the same
- D. **Due Date**- This bid is being extended from June 15th 2018 at 3PM to June 22nd 2018 to 3PM

Please continue to post any questions in the Q&A tab

ACKNOWLEDGEMENT

ALL SOLICITATION SPECIFICATIONS, TERMS AND CONDITIONS AND REQUIREMENTS REMAIN UNCHANGED. THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY AND REQUIRES NO APPROVAL.

	Contract Amendment		Arizona Department of Administration State Procurement Office 100 N. 15th Avenue, Suite 402 Phoenix, AZ 85007
	Contract: ADSPO18-211712		
	Amendment #: 3	Date: 05/13/2021	

Furniture, Products and Services

Interior Solutions of Arizona LLC

In accordance with the Special Terms and Conditions, Section 3.2 - Contract Extensions, this Contract is extended for the contract period through August 31, 2022.

RECITALS

The State and Supplier entered into the Master Service Agreement effective as of September 1, 2018 pursuant to which Supplier is to provide Furniture, Products and Services.

Thereafter, Amendment 1, executed on May 20, 2019, extended the contract period from August 31, 2019 through August 31, 2020.

Thereafter, Amendment 2, executed on March 11, 2020, extended the contract period from August 31, 2020 through August 31, 2021.

ALL OTHER REQUIREMENTS, SPECIFICATIONS, TERMS AND CONDITIONS REMAIN UNCHANGED

ACKNOWLEDGEMENT AND AUTHORIZATION

This amendment shall be fully executed upon the electronic approval in the State e-Procurement system by the Procurement Officer or delegate.

Available online at
app.az.gov

Page | 1

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
INTERIOR SOLUTIONS OF ARIZONA, LLC

[Quotes]

See following pages.

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118175-97857
 CHINO VALLEY PD - STORAGE & LOCKERS
 Quote Date: 5/3/2022
 Expires: 5/6/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

STATE OF ARIZONA CONTRACT# ADSP018-211712

Bill To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

Install To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

101 JANITOR

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
1)	WIRE SHELVING, 36"W X 86-3/4"H X 18"D, 6 SHELVES	\$491.52	1	\$491.52

214 JANITOR

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
2)	WIRE SHELVING, 36"W X 86-3/4"H X 18"D, 6 SHELVES	\$491.52	1	\$491.52

202 STORAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
3)	(2) 4-POST SHELVING UNITS, 48"W X 97-1/4"H X 18"D, 6 SHELVES	\$882.46	1	\$882.46

217 STORAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
4)	(2) 4-POST SHELVING UNITS, 36"W X 97-1/4"H X 18"D, 6 SHELVES	\$648.46	1	\$648.46

128 ADMIN MOBILE SYSTEM

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
5)	MECHANICAL ASSIST HIGH DENSITY MOBILE SYSTEM (4) CARRIAGES 8' X 24-9/16" (1) CARRIAGE 8' X 15-9/16" WITH 48"W 4-POST SHELVING UNITS, EACH WITH (8) OPENINGS, (2) DIVIDERS PER SHELF	\$21,606.41	1	\$21,606.41

119 ARMORY

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
6)	(3) 42"W X 84"H UNIVERSAL GUN CABINETS (1) 72"W X 30"D X 35-3/4"H CABINET WITH DOUBLE DOORS (1) 36"W X 84"W NON-PASS THRU EVIDENCE LOCKER	\$17,114.23	1	\$17,114.23

118 DRUGS

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
7)	(6) 4-POST SHELVING UNITS, 42"W X 97-1/4" X 18"D, 6-SHELVES	\$2,309.70	1	\$2,309.70

116 EVIDENCE LOCKERS

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
8)	(1) NON-PASS THRU EVIDENCE FRIDGE, 36"W X 82"H (5) PASS-THRU EVIDENCE LOCKERS, 36"W X 83"H	\$63,992.90	1	\$63,992.90

117 EVIDENCE MOBILE SYSTEM

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
9)	MECHANICAL ASSIST HIGH DENSITY MOBILE SYSTEM, 34'6" X 8-1/8" (1) STATIONARY RUN WITH (2) 48"W X 94-1/4"H X 15"D 4-POST SHELVING UNITS, 6 OPENINGS (1) CARRIAGE 15-9/16" X 95"H WITH (2) 48"W 4-POST SHELVING UNITS, 8 OPENINGS, WAIST HIGH LOCK (1) CARRIAGE 60-9/16" X 95"H WITH 48"W 4-POST SHELVING UNITS, 8 OPENINGS (3) CARRIAGES 48-9/16" X 95"H WITH 48"W 4-POST SHELVING UNITS, 6 OPENINGS (3) CARRIAGE 36-9/16" X 95"H WITH 48"W 4-POST SHELVING UNITS, 6 OPENINGS	\$38,497.76	1	\$38,497.76

FREEZER/COLD STORAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
10)	(6) SECTIONS WIRE SHELVING, 42"W X 86-3/4"H X 18"D, 6 SHELVES, STAINLESS STEEL	\$11,894.40	1	\$11,894.40

114 GARAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
11)	(2) 36"W X 95-3/4"H X 24"D HINGED DOOR STORAGE CABINETS, 4 OPENINGS (1) 48"W X 24"D X 41-1/4"H MOBILE CABINET WITH LOCK, STAINLESS STEEL TOP, (4) DRAWERS (4", 6", 8", 12")	\$4,007.59	1	\$4,007.59

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118175-57857
 CHINO VALLEY PD - STORAGE & LOCKERS
 Quote Date: 5/3/2022
 Expires: 5/6/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

122 MENS LOCKER ROOM				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
12)	(40) POWERED FREESTYLE LOCKERS WITH SLOPED TOPS & DRAWERS 84"H X 18"W X 18"D	\$50,924.43	1	\$50,924.43
130 QUARTER MASTER OFFICE				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
13)	(2) 42"W X 24"D X 88-1/4"H 4-POST SHELVING UNITS, 6 OPENINGS (4) 48"W X 30"D X 88-1/4"H 4-POST SHELVING UNITS, 4 OPENINGS HEAVY DUTY SHELVES & SUPPORTS	\$3,155.70	1	\$3,155.70
112 STORAGE 1				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
14)	(2) 24"D X 88-1/4"H 4-POST SHELVING UNITS, (1) 30"W, (1) 36"W, 2 OPENINGS, BIN DIVIDERS	\$723.00	1	\$723.00
125 STORAGE 2				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
15)	(6) 36"W X 97-1/4"H X 18"D 4-POST SHELVING UNITS, 6 OPENINGS	\$1,851.60	1	\$1,851.60
124 STORAGE 3				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
16)	(2) 97-1/4"H X 18"D 4-POST SHELVING UNITS, (1) 36"W, (1) 42"W, 6 OPENINGS	\$724.81	1	\$724.81
WALL MOUNTED GUN LOCKERS				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
17)	(1) 6 GUN WALL MOUNT HAND GUN LOCKER (1) 4 GUN WALL MOUNT HAND GUN LOCKER	\$2,212.20	1	\$2,212.20
121 WOMENS LOCKER ROOM				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
18)	(16) POWERED FREESTYLE LOCKERS WITH SLOPED TOPS & DRAWERS 84"H X 18"W X 18"D	\$20,828.12	1	\$20,828.12
FREIGHT				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
19)	ESTIMATED FREIGHT - SUBJECT TO CHANGE PENDING FINAL INVOICE FROM MANUFACTURER	\$30,454.66	1	\$30,454.66
PROJECT SERVICES				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
20)	PROJECT MANAGEMENT	\$50.00	24	\$1,200.00
21)	LABOR TO RECEIVE, DELIVER, AND INSTALL DURING REGULAR BUSINESS HOURS	\$46,830.00	1	\$46,830.00
ELECTRICAL CONNECTION TO BE COORDINATED BY CUSTOMER				

Customer Sign-Off

CHINO VALLEY PD - STORAGE & LOCKERS Total

Subtotal	\$320,841.47
Sales tax	\$19,630.99
Total	\$340,472.46

Authorized Signature

Accepted Date

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 118175-37857
CHINO VALLEY PD - STORAGE & LOCKERS
Quote Date: 5/3/2022
Expires: 5/6/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

Agreement of Terms and Conditions

1. Orders and Deposits. Interior Solutions (IS) requires a non-refundable deposit of 50% of the total order before product or services can be ordered. No order will be placed with manufacturers or removed from IS stock for the customer until such deposit is received by IS. The Deposit will be applied to the customer's account pro rata as product is invoiced.

2. Design and Modifications. The quotations referenced herein are based upon a design layout prepared by Interior Solutions or another design firm and approved by the customer and upon the plans and specifications and anticipated conditions of the job site. Any services rendered for customer to change or modify the design and/or layout before or during installation will be charged to the customer at prevailing rates. If such changes or modifications result in the need for additional products, parts, materials or labor, they will be agreed upon in writing, in advance, including the specific costs to be paid by Customer. The signed design and layout are hereby included as part of the terms and conditions of the job.

3. Cancellation or changes. The sales proposal, including the terms and conditions, after execution by IS and Purchaser, cannot be cancelled or modified except with written approval from Interior Solutions. No wall, window, floor coverings, furniture, or specialty items can be cancelled after the manufacturer begins production. Neither can such items be returned for a refund. Quantities and prices of coverings and other items estimated from blueprints or other drawings are subject to change when field measurements are taken. Such changes will be charged or credited to the purchaser.

4. Invoicing and Payment. Customers will be invoiced for the balance of projects (after deposit) when a majority of the product is received at Interior Solutions' or a third-party warehouse. If product is being delivered from the manufacturer directly to the customer site, the order will be invoiced upon vendor invoice to Interior Solutions. Purchaser agrees to pay each invoice within ten days of the invoice date. Installation charges need to be paid within ten days of installation. Customer must sign delivery tickets to acknowledge receipt of individual components delivered on site. Should any portion of the job be unacceptable or undelivered, Purchaser may withhold payment for such unacceptable or undelivered products only. In no case is payment to be withheld for acceptable products. Proposals reflect a cash/check payment. Credit card payments are subject to a 2.5% processing fee.

5. Installation. Interior Solutions will make every effort to install all products as timely as possible. Due to the nature of the component modular furniture industry, e.g. uncertain factory shipping schedules, it is possible that Interior Solutions will only be able to deliver and install portions of the job at a time. Installation and delivery services are conducted during the normal business hours of 8:00 am to 5:00 pm, Monday through Friday. Services performed before or after normal business hours will be charged at 1 ½ times the rate charged during normal business hours unless mutually agreed to in writing. If the customer requests moving of products, other than those delivered or previously agreed upon, or if conditions at the delivery and/or installation site(s) are significantly changed from those anticipated at the signing of the Purchase Agreement (such as elevator not available, staging area not cleared, other trades still working in installation or staging areas, etc.) the customer shall be invoiced for, and agrees to pay for, all necessary extra charges associated therewith. Any additional installation charges will be at prevailing rates including overtime rates. If the customer is unable or unwilling to accept installation or delivery of the products according to the specified schedule, the products may be stored by Interior Solutions, in which case the customer shall pay warehouse storage charges as well as labor charges associated with any additional handling required. If, during installation, additional products are necessary or required to complete the job, such additional products and the labor to install such products will be charged to the customer at prevailing rates.

6. Warranties and Claims. Interior Solutions MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, AS TO MERCHANTABILITY OR AS TO THE SUITABILITY OF THE MERCHANDISE FOR ANY PARTICULAR PURPOSE, EXCEPT THOSE MADE BY THE MANUFACTURER OF THE PRODUCTS. No warranty is given on used or close-out products. Purchaser shall inspect the merchandise upon delivery. Acceptance of delivery constitutes acceptance of the merchandise as delivered. Any warrant claims for latent defects in workmanship and materials, not discoverable upon reasonable inspection at delivery, must be made in writing within the warranty period of the manufacturer.

7. Security Interest. Interior Solutions retains and the customer hereby grants to Interior Solutions a security interest in the products to secure the purchase price thereof. The products shall remain personal property regardless of being affixed to any real property. If the customer defaults in the payment of the purchase price when due, Interior Solutions shall have all rights and remedies granted by the Uniform Commercial Code.

8. Insurance and Risk of Loss. All risk of loss shall pass from IS to Purchaser upon delivery of merchandise to either the Purchaser, or into storage for the account of the Purchaser after the installation date. Purchaser shall be responsible for insurance on such merchandise.

9. Taxes. Prices do not include applicable sales tax or other state, county, city, or other taxes. If there are such taxes, Purchaser shall be responsible to pay such taxes. Buyers exempt from taxes shall furnish certificate(s) of exemption as soon as practicable but in any event, prior to invoicing by IS.

10. Default, Interest, and Fees. Purchaser shall pay interest at 18% per annum on all payments in default, and shall pay reasonable attorney's fees, costs, and expenses incurred by IS in the enforcement of this agreement.

11. Agreement and Controlling Law. On entering into this agreement, Purchaser is relying only on the written IS proposal and these terms and conditions which are made part of that proposal, and not upon any other oral or written statements from IS personnel nor manufacturers nor third party service providers.

This agreement shall be interpreted according to the laws of the State of Arizona

Authorized Signature _____

Date _____

STATE OF ARIZONA CONTRACT# ADSP018-211712

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 118175-57857
Page 4 of 4
CHINO VALLEY PD - STORAGE & LOCKERS
Quote Date: 5/3/2022
Expires: 5/6/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118175-57954
 CHINO VALLEY PD - FURNITURE
 Quote Date: 5/3/2022
 Expires: 6/1/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

STATE OF ARIZONA CONTRACT# ADSP018-211712

Bill To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

Install To

Chino Valley Police Department
 1950 Voss
 Chino Valley, AZ 86323

LOBBY 100

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
1)	(6) SIDE CHAIRS (1) 24X42 OCCASIONAL TABLE (1) 48X72X24 DISPLAY CASES WITH PANEL BASES	\$9,858.10	1	\$9,858.10

INTERVIEW 102

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
2)	(1) 24X48 TABLE (3) GUEST CHAIRS, ARMLESS	\$1,087.26	1	\$1,087.26

OFFICE 103

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
3)	L-SHAPE DESK WITH HUTCH, 30X66 DESK WITH BOX/BOXFILE PEDESTAL, 24X48 RETURN WITH FILE/FILE (1) TASK CHAIR (2) GUEST CHAIRS, ARMLESS	\$3,365.67	1	\$3,365.67

SERGEANTS 104

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
4)	(4) L-SHAPE DESKS WITH HUTCHES, 30X66 DESK WITH BOX/BOX/FILE PEDESTAL, 24X48 RETURN WITH FILE/FILE PEDESTAL (4) TASK CHAIRS (2) GUEST CHAIRS, ARMLESS	\$11,871.92	1	\$11,871.92

DETENTION INTERVIEW 105

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
5)	(1) 24X54 DETENTION TABLE, STAINLESS STEEL, HANDCUFF LOOPS ON EITHER SIDE (3) GUEST CHAIRS, ARMLESS	\$739.23	1	\$739.23

HOLDING 107

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
6)	(1) 24X36X42 STAINLESS STEEL INTAKE TABLE WITH FULL UNDERSHELF (1) 30X60X42 STAINLESS STEEL DETENTION TABLE WITH HANDCUFF RINGS (1) PHLEBOTOMY CHAIR (1) TASK STOOL, ARMLESS	\$5,463.12	1	\$5,463.12

REPORTS 113

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
7)	(5) TOUCHDOWN STATIONS, 50"H PANELS, NON-POWERED, 24X44 WORKSURFACES (5) TASK CHAIRS, ARMLESS (1) 42X72 CONFERENCE TABLE, POWERED (4) TASK CHAIRS, ARMLESS (1) STORAGE 108X25X35H WITH STACK-ON MAIL SORTERS, (2) DOUBLE HINGED DOOR CABINETS, (2) 2-DRAWER DOUBLE HINGED DOOR CABINETS, (2) 15X17X30H STACK-ON SORTERS WITH 6-SLOTS, (1) 72X17X30H STACK-ON SORTER WITH 36-SLOTS (1) 48X12X60H FLOOR STANDING SORDER WITH 52-SLOTS, 12" KICK	\$14,244.39	1	\$14,244.39

GARAGE

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
8)	STANDARD FLAMMABLE STORAGE CABINET, MANUAL DOORS, YELLOW, 45 GALLON	\$1,526.67	1	\$1,526.67

EVIDENCE STORAGE 117

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
9)	(1) 24X60 TABLE	\$365.40	1	\$365.40

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
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QUOTE: 118173-57954
 CHINO VALLEY PD - FURNITURE
 Quote Date: 5/3/2022
 Expires: 6/1/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

WOMEN'S LOCKER ROOM 121

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
10)	(1) 12X60 LOCKER ROOM BENCH (1) 20X42 ADA LOCKER ROOM WALL MOUNTED BENCH (1) 20X36 ADA LOCKER ROOM WALL MOUNTED BENCH	\$1,311.78	1	\$1,311.78

MEN'S LOCKER ROOM 122

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
11)	(2) 12X96 LOCKER ROOM BENCH (1) 20X42 ADA LOCKER ROOM WALL MOUNTED BENCH	\$2,342.71	1	\$2,342.71

BREAK 127

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
12)	(2) 36" DIAMETER TABLES WITH X-BASES (8) SIDE CHAIRS	\$2,389.80	1	\$2,389.80

PATIO

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
13)	(1) 36" DIAMETER OUTDOOR TABLE (4) OUTDOOR CHAIRS	\$813.78	1	\$813.78

RECEPTION 128

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
14)	(4) L-SHAPE STATIONS, 42"H PANELS WITH FRAMELESS GLASS, POWERED & NON-POWERED PANELS, 30X84 MAIN SURFACES, 24X48 RETURN SURFACES, BOXBOX/FILE AND FILE/FILE PEDESTALS, OVERHEAD STORAGE, WALL MOUNTED TACKBOARDS (4) TASK CHAIRS WITH ARMS (2) 36X40H HINGED DOOR STORAGE CABINETS WITH TOP (2) TASK STOOLS WITH ARMS	\$16,392.91	1	\$16,392.91

WORKROOM 129

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
15)	(2) L-SHAPE STATIONS, 42"H PANELS WITH FRAMELESS GLASS, POWERED & NON-POWERED PANELS, 30X84 MAIN SURFACES, 24X48 RETURN SURFACES, BOXBOX/FILE AND FILE/FILE PEDESTALS, OVERHEAD STORAGE, WALL MOUNTED TACKBOARDS (2) TASK CHAIRS WITH ARMS (4) 36X40H HINGED DOOR STORAGE CABINETS (2) 36X40H LATERAL FILES (2) 42X72 RECTANGLE TOPS TO CREATE COMMON TOP FOR FILE ISLAND (2) 3" DIAMETER POWER DOCKS	\$11,129.64	1	\$11,129.64

QUARTERMASTER 130

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
16)	L-SHAPE DESK WITH HUTCH, 30X66 DESK WITH BOX/BOXFILE PEDESTAL, 24X48 RETURN WITH FILE/FILE (1) TASK CHAIR (1) GUEST CHAIR, ARMLESS	\$3,194.70	1	\$3,194.70

C.O.P. OFFICE 131

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
17)	(1) 24X54 SINGLE BOX/BOX/FILE PEDESTAL DESK, RECESSED MODESTY (1) 38X16X26H WALL MOUNTED STEEL ORGANIZER WITH 12-SLOTS (1) TASK CHAIR (2) GUEST CHAIRS, ARMLESS	\$2,011.89	1	\$2,011.89

INTERVIEW 132

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
18)	(1) 18X48 TABLE (3) GUEST CHAIRS, ARMLESS	\$1,077.33	1	\$1,077.33

UPPER LOBBY 200

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
19)	(4) LOUNGE SINGLE SEAT, CLOSED BASE, 42"H BACK (2) 24X30X20H LOUNGE TABLES	\$3,342.86	1	\$3,342.86

SOFT INTERVIEW 201

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
20)	(1) LOUNGE TWO-SEATS, CLOSED BASE, 42"H BACK (1) 24X30X20H LOUNGE TABLE (2) GUEST CHAIRS, ARMLESS, CASTERS	\$1,744.66	1	\$1,744.66

Interior Solutions of Arizona, LLC
 6965 S Priest Dr, Ste. 1
 Tempe, AZ 85283
 Phone: (800) 339-7538
 Fax: (480) 413-9656
 www.interiorsolutions.net



QUOTE: 118175-57954
 CHINO VALLEY PD - FURNITURE
 Quote Date: 5/3/2022
 Expires: 6/1/2022
 Salesperson: Richard Chandler
 Payment Terms: Net 30

POLICE CHIEF 203

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
21)	U-SHAPE DESK UNIT, 72X36 MAIN DESK, 24X48 BRIDGE, (2) 24X66 SURFACES FOR CREDENZA WITH (2) 36W 2-DRAWER LATERAL FILES, (1) 18X30 OPEN BOOKCASE, 30X53H STACK-ON OPEN BOOKCASE, 36W WALL MOUNTED OVEHEAD WITH TACKBOARD (1) 36 DIAMETER MEETING TABLE WITH X-BASE (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$6,378.40	1	\$6,378.40

ADMIN ASST 204

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
22)	(1) 60X36 DESK CREDENZA WITH (2) 36W LATERAL FILES, (1) 30W LATERAL FILE, 30W MULTI-FILE, (2) 18X53H STACK-ON OPEN BOOKCASES, (1) 48W WALL MOUNTED HINGED DOOR OVERHEAD DUAL MONITOR ARM (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$6,325.04	1	\$6,325.04

LIEUTENANT 205

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
23)	U-SHAPE DESK UNIT 72X36 DESK, 24X72 RETURN, (2) 54W WALL MOUNTED HINGED DOOR OVERHEADS WITH TACKBOARDS, CREDENZA WITH (2) 36W LATERAL FILES AND BOX/BOX/FILE PEDESTAL (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$5,995.07	1	\$5,995.07

ADMIN LIEUTENANT

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
24)	U-SHAPE DESK UNIT 72X36 DESK, 24X72 RETURN, (2) 54W WALL MOUNTED HINGED DOOR OVERHEADS WITH TACKBOARDS, CREDENZA WITH (2) 36W LATERAL FILES AND BOX/BOX/FILE PEDESTAL (1) TASK CHAIR (2) GUEST CHAIRS WITH ARMS	\$5,984.00	1	\$5,984.00

DETECTIVES 207

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
25)	(5) L-SHAPE DESKS WITH HUTCH, TACKBOARD, BOX/BOX/FILE AND FILE/FILE PEDESTALS (1) 30X66 DESK WITH BOX/BOX/FILE PEDESTAL (1) 88X75 MOBILE WHITEBOARD (1) 48X72 TABLE (10) TASK CHAIRS	\$18,196.90	1	\$18,196.90

CONFERENCE 208

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
26)	(1) 48X120 BOAT SHAPED CONFERENCE TABLE, POWER/DATA MODULE (1) 60X36 CREDENZA WITH HINGED DOORS AND DRAWERS (10) TASK CHAIRS	\$6,965.84	1	\$6,965.84

E.O.C. / TRAINING / COMMUNITY 218

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
27)	(22) 24X60 FLIP TOP TRAINING TABLES, POWERED (50) NESTING CHAIRS, FLIP UP ARMS	\$37,147.88	1	\$37,147.88

GENERAL / MISC

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
28)	Core Removal Key - Wesko Type	\$2.93	1	\$2.93

FREIGHT

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
29)	ESTIMATED FREIGHT - SUBJECT TO CHANGE PENDING FINAL INVOICE FROM MANUFACTURER	\$6,396.04	1	\$6,396.04

PROJECT SERVICES

LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
30)	PROJECT MANAGEMENT	\$50.00	24	\$1,200.00

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 118173-57954
CHINO VALLEY PD - FURNITURE
Quote Date: 5/3/2022
Expires: 6/1/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

PROJECT SERVICES				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
31)	LABOR TO RECEIVE, DELIVER, AND INSTALL DURING REGULAR BUSINESS HOURS	\$42.00	519	\$21,798.00
	ELECTRICAL CONNECTION AND DATA CABLING TO BE COORDINATED BY CUSTOMER			
CONTINGENCY				
LINE	DESCRIPTION	PRICE EA	QTY	EXT PRICE
32)	5% CONTINGENCY - POTENTIAL PRICE INCREASES	\$9,974.65	1	\$9,974.65
Customer Sign-Off		CHINO VALLEY PD - FURNITURE Total		

Subtotal	\$220,638.57
Sales tax	\$15,490.79
Total	\$236,129.36

Authorized Signature

Accepted Date

Interior Solutions of Arizona, LLC
6965 S Priest Dr, Ste. 1
Tempe, AZ 85283
Phone: (800) 339-7538
Fax: (480) 413-9656
www.interiorsolutions.net



QUOTE: 118175-57954
CHINO VALLEY PD - FURNITURE
Quote Date: 5/3/2022
Expires: 6/1/2022
Salesperson: Richard Chandler
Payment Terms: Net 30

Agreement of Terms and Conditions

1. Orders and Deposits. Interior Solutions (IS) requires a non-refundable deposit of 50% of the total order before product or services can be ordered. No order will be placed with manufacturers or removed from IS stock for the customer until such deposit is received by IS. The Deposit will be applied to the customer's account pro rata as product is invoiced.

2. Design and Modifications. The quotations referenced herein are based upon a design layout prepared by Interior Solutions or another design firm and approved by the customer and upon the plans and specifications and anticipated conditions of the job site. Any services rendered for customer to change or modify the design and/or layout before or during installation will be charged to the customer at prevailing rates. If such changes or modifications result in the need for additional products, parts, materials or labor, they will be agreed upon in writing, in advance, including the specific costs to be paid by Customer. The signed design and layout are hereby included as part of the terms and conditions of the job.

3. Cancellation or changes. The sales proposal, including the terms and conditions, after execution by IS and Purchaser, cannot be cancelled or modified except with written approval from Interior Solutions. No wall, window, floor coverings, furniture, or specialty items can be cancelled after the manufacturer begins production. Neither can such items be returned for a refund. Quantities and prices of coverings and other items estimated from blueprints or other drawings are subject to change when field measurements are taken. Such changes will be charged or credited to the purchaser.

4. Invoicing and Payment. Customers will be invoiced for the balance of projects (after deposit) when a majority of the product is received at Interior Solutions' or a third-party warehouse. If product is being delivered from the manufacturer directly to the customer site, the order will be invoiced upon vendor invoice to Interior Solutions. Purchaser agrees to pay each invoice within ten days of the invoice date. Installation charges need to be paid within ten days of installation. Customer must sign delivery tickets to acknowledge receipt of individual components delivered on site. Should any portion of the job be unacceptable or undelivered, Purchaser may withhold payment for such unacceptable or undelivered products only. In no case is payment to be withheld for acceptable products. Proposals reflect a cash/check payment. Credit card payments are subject to a 2.5% processing fee.

5. Installation. Interior Solutions will make every effort to install all products as timely as possible. Due to the nature of the component modular furniture industry, e.g. uncertain factory shipping schedules, it is possible that Interior Solutions will only be able to deliver and install portions of the job at a time. Installation and delivery services are conducted during the normal business hours of 8:00 am to 5:00 pm, Monday through Friday. Services performed before or after normal business hours will be charged at 1 ½ times the rate charged during normal business hours unless mutually agreed to in writing. If the customer requests moving of products, other than those delivered or previously agreed upon, or if conditions at the delivery and/or installation site(s) are significantly changed from those anticipated at the signing of the Purchase Agreement (such as elevator not available, staging area not cleared, other trades still working in installation or staging areas, etc.) the customer shall be invoiced for, and agrees to pay for, all necessary extra charges associated therewith. Any additional installation charges will be at prevailing rates including overtime rates. If the customer is unable or unwilling to accept installation or delivery of the products according to the specified schedule, the products may be stored by Interior Solutions, in which case the customer shall pay warehouse storage charges as well as labor charges associated with any additional handling required. If, during installation, additional products are necessary or required to complete the job, such additional products and the labor to install such products will be charged to the customer at prevailing rates.

6. Warranties and Claims. Interior Solutions MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, AS TO MERCHANTABILITY OR AS TO THE SUITABILITY OF THE MERCHANDISE FOR ANY PARTICULAR PURPOSE, EXCEPT THOSE MADE BY THE MANUFACTURER OF THE PRODUCTS. No warranty is given on used or close-out products. Purchaser shall inspect the merchandise upon delivery. Acceptance of delivery constitutes acceptance of the merchandise as delivered. Any warrant claims for latent defects in workmanship and materials, not discoverable upon reasonable inspection at delivery, must be made in writing within the warranty period of the manufacturer.

7. Security Interest. Interior Solutions retains and the customer hereby grants to Interior Solutions a security interest in the products to secure the purchase price thereof. The products shall remain personal property regardless of being affixed to any real property. If the customer defaults in the payment of the purchase price when due, Interior Solutions shall have all rights and remedies granted by the Uniform Commercial Code.

8. Insurance and Risk of Loss. All risk of loss shall pass from IS to Purchaser upon delivery of merchandise to either the Purchaser, or into storage for the account of the Purchaser after the installation date. Purchaser shall be responsible for insurance on such merchandise.

9. Taxes. Prices do not include applicable sales tax or other state, county, city, or other taxes. If there are such taxes, Purchaser shall be responsible to pay such taxes. Buyers exempt from taxes shall furnish certificate(s) of exemption as soon as practicable but in any event, prior to invoicing by IS.

10. Default, Interest, and Fees. Purchaser shall pay interest at 18% per annum on all payments in default, and shall pay reasonable attorney's fees, costs, and expenses incurred by IS in the enforcement of this agreement.

11. Agreement and Controlling Law. On entering into this agreement, Purchaser is relying only on the written IS proposal and these terms and conditions which are made part of that proposal, and not upon any other oral or written statements from IS personnel nor manufacturers nor third party service providers.

This agreement shall be interpreted according to the laws of the State of Arizona

Authorized Signature _____

Date _____



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Study Session

2)

Meeting Date: 05/17/2022
Contact Person: Joe Duffy, Finance Director
Phone: 928-636-2646 x-1211
Department: Finance
Estimated length 15 minutes
of Staff Presentation:
Physical location of item: N/A

Information

AGENDA ITEM TITLE:

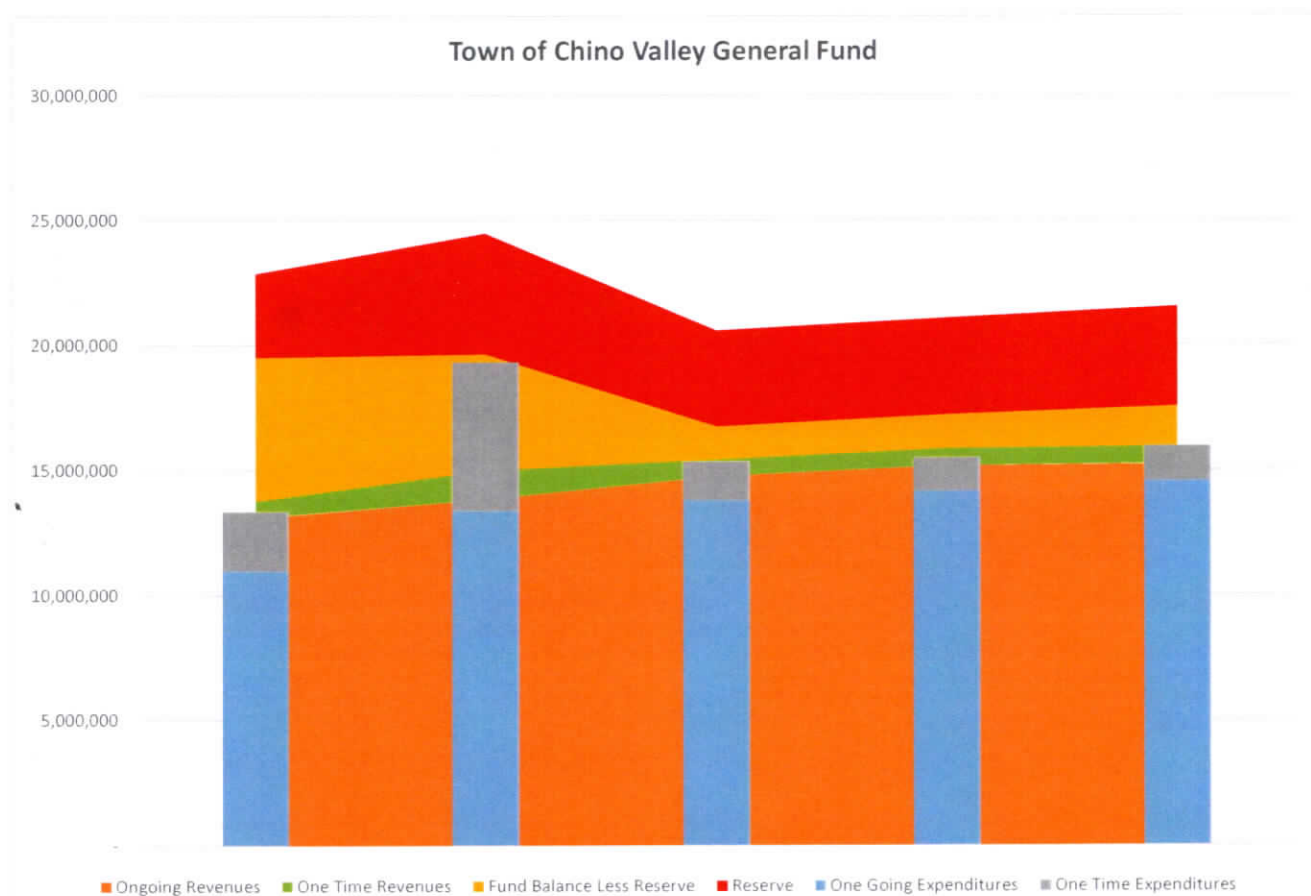
Presentation and discussion regarding the preliminary budget for Fiscal Year 2022/2023. (Joe Duffy, Administrative Services Director)

Attachments

Fund Balance Analysis FY2223
Supplemental Budget Request Summary
Official Budget Forms FY2223

Town of Chino Valley
One Time vs Ongoing Analysis - Graph

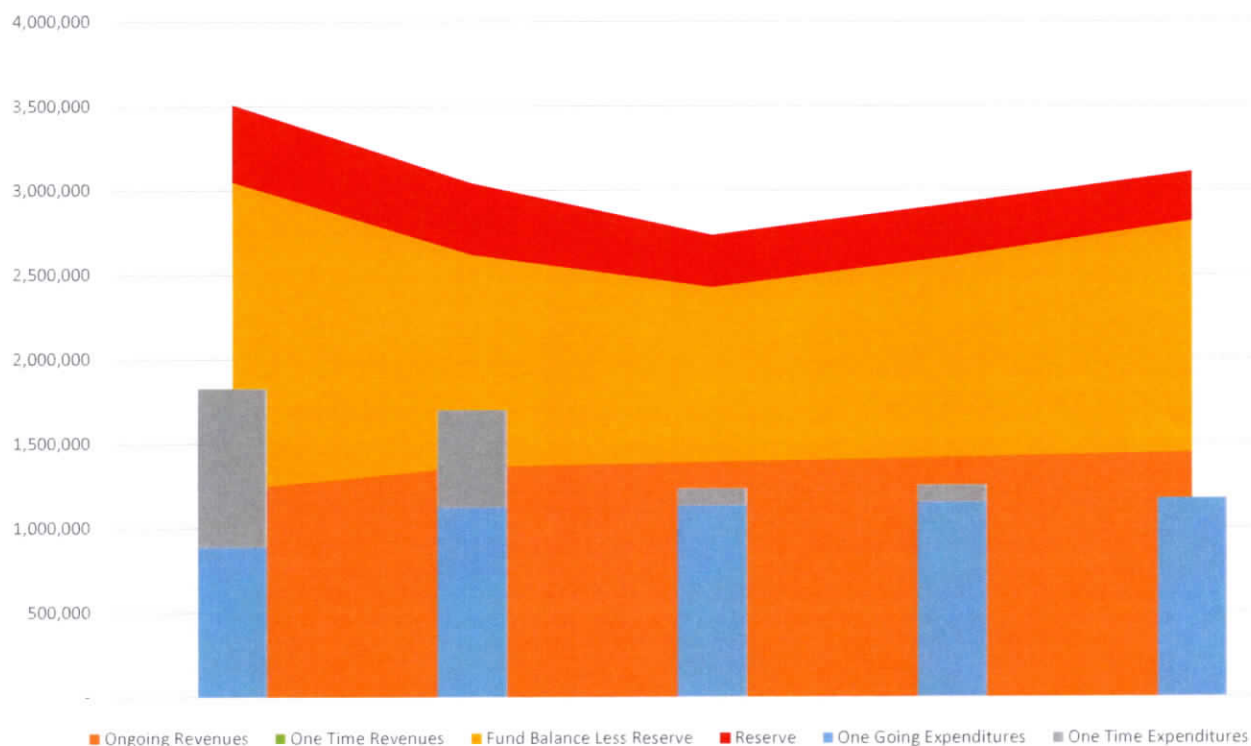
	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
General Fund					
Beginning Fund Balance	9,091,132	9,490,686	5,157,985	5,222,885	5,593,085
Reserve	3,340,539	4,829,650	3,836,750	3,869,450	3,988,850
Fund Balance Less Reserve	5,750,593	4,661,036	1,321,235	1,353,435	1,604,235
Total Revenues	13,761,709	14,985,900	15,411,900	15,848,000	15,934,900
One Time Revenues	665,974	1,157,500	673,050	689,000	705,350
Ongoing Revenues	13,095,736	13,828,400	14,738,850	15,159,000	15,229,550
Total Expenditures	13,362,156	19,318,600	15,347,000	15,477,800	15,955,400
One Time Expenditures	2,374,700	5,937,900	1,560,000	1,315,000	1,400,000
One Going Expenditures	10,987,456	13,380,700	13,787,000	14,162,800	14,555,400
Total Available Ongoing	2,108,280	447,700	951,850	996,200	674,150



Town of Chino Valley
One Time vs Ongoing Analysis - Graph

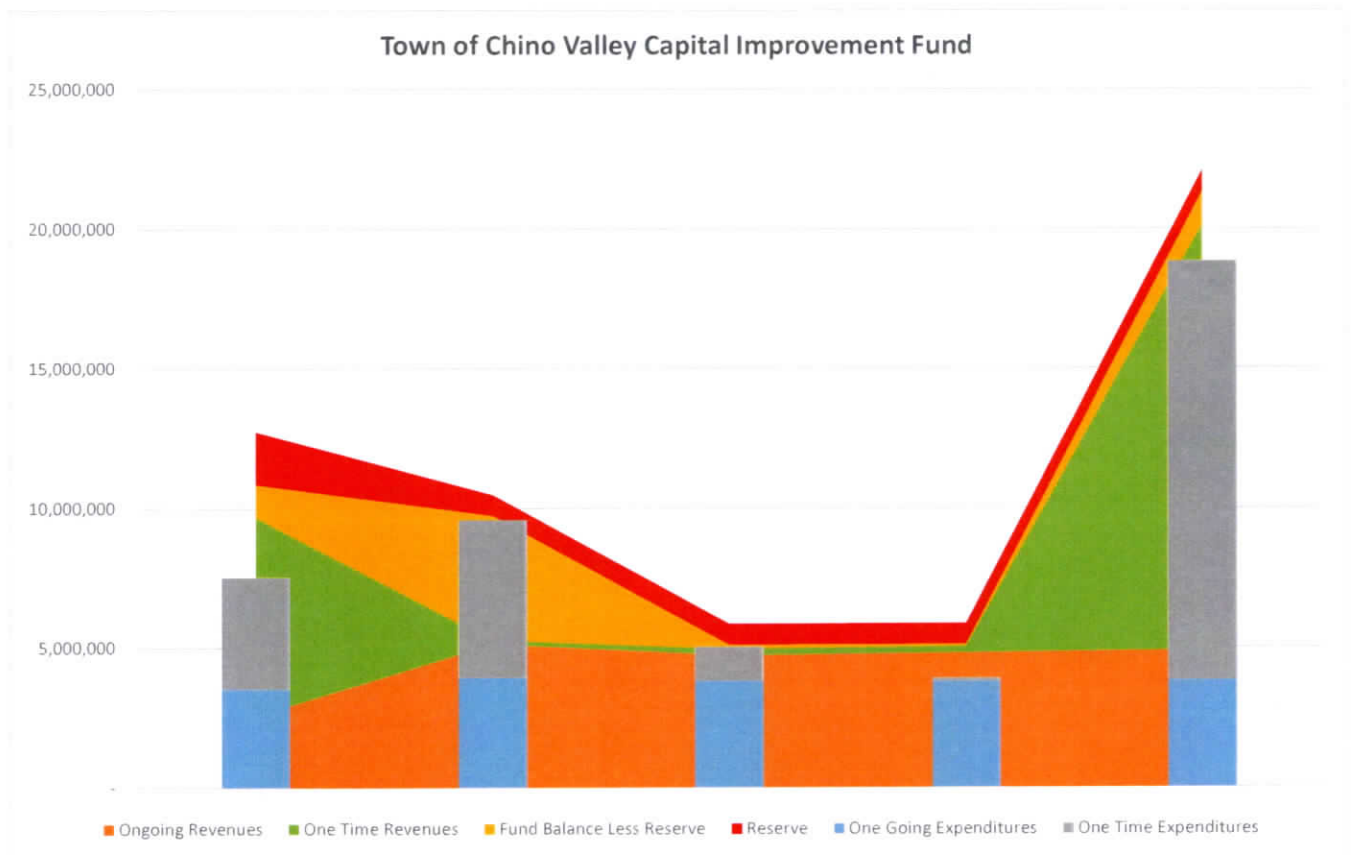
	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
HURF Fund					
Beginning Fund Balance	2,278,747	1,680,461	1,343,461	1,500,861	1,665,161
Reserve	456,595	425,125	308,325	313,525	294,275
Fund Balance Less Reserve	1,822,152	1,255,336	1,035,136	1,187,336	1,370,886
 Total Revenues	1,228,093	1,363,500	1,390,700	1,418,400	1,446,700
One Time Revenues	-	-	-	-	-
Ongoing Revenues	1,228,093	1,363,500	1,390,700	1,418,400	1,446,700
 Total Expenditures	1,826,379	1,700,500	1,233,300	1,254,100	1,177,100
One Time Expenditures	935,839	575,000	100,000	100,000	-
One Going Expenditures	890,540	1,125,500	1,133,300	1,154,100	1,177,100
 Total Available Ongoing	337,553	238,000	257,400	264,300	269,600

Town of Chino Valley HURF Fund



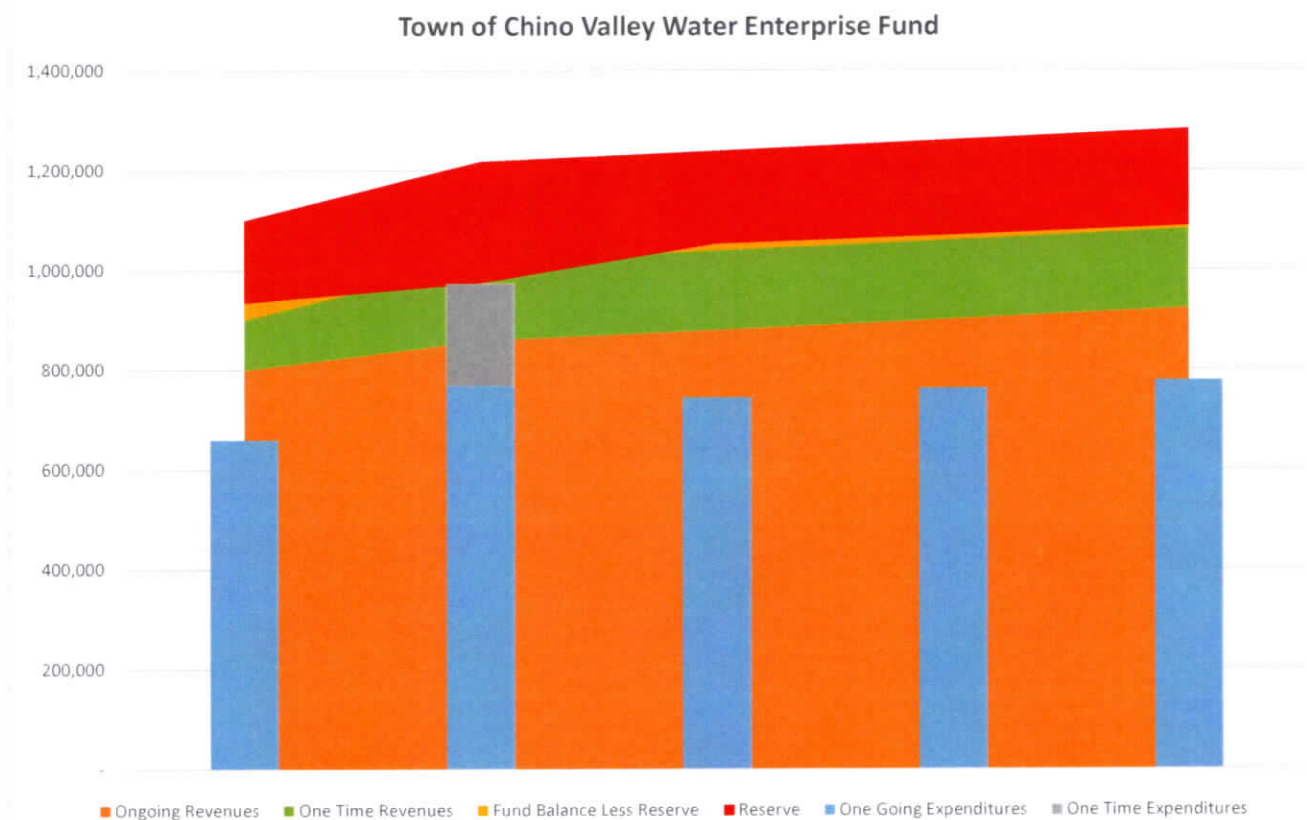
Town of Chino Valley
One Time vs Ongoing Analysis - Graph

	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Capital Improvement Fund					
Beginning Fund Balance	3,056,538	5,212,538	891,838	818,438	1,953,638
Reserve	1,881,675	750,000	750,000	750,000	750,000
Fund Balance Less Reserve	1,174,863	4,462,538	141,838	68,438	1,203,638
Total Revenues	9,682,700	5,269,800	4,959,400	5,051,200	20,145,600
One Time Revenues	7,133,600	137,600	241,750	246,000	15,250,400
Ongoing Revenues	2,549,100	5,132,200	4,717,650	4,805,200	4,895,200
Total Expenditures	7,526,700	9,590,500	5,032,800	3,916,000	18,827,300
One Time Expenditures	4,001,000	5,650,000	1,225,000	110,000	15,000,000
One Going Expenditures	3,525,700	3,940,500	3,807,800	3,806,000	3,827,300
Total Available Ongoing	(976,600)	1,191,700	909,850	999,200	1,067,900



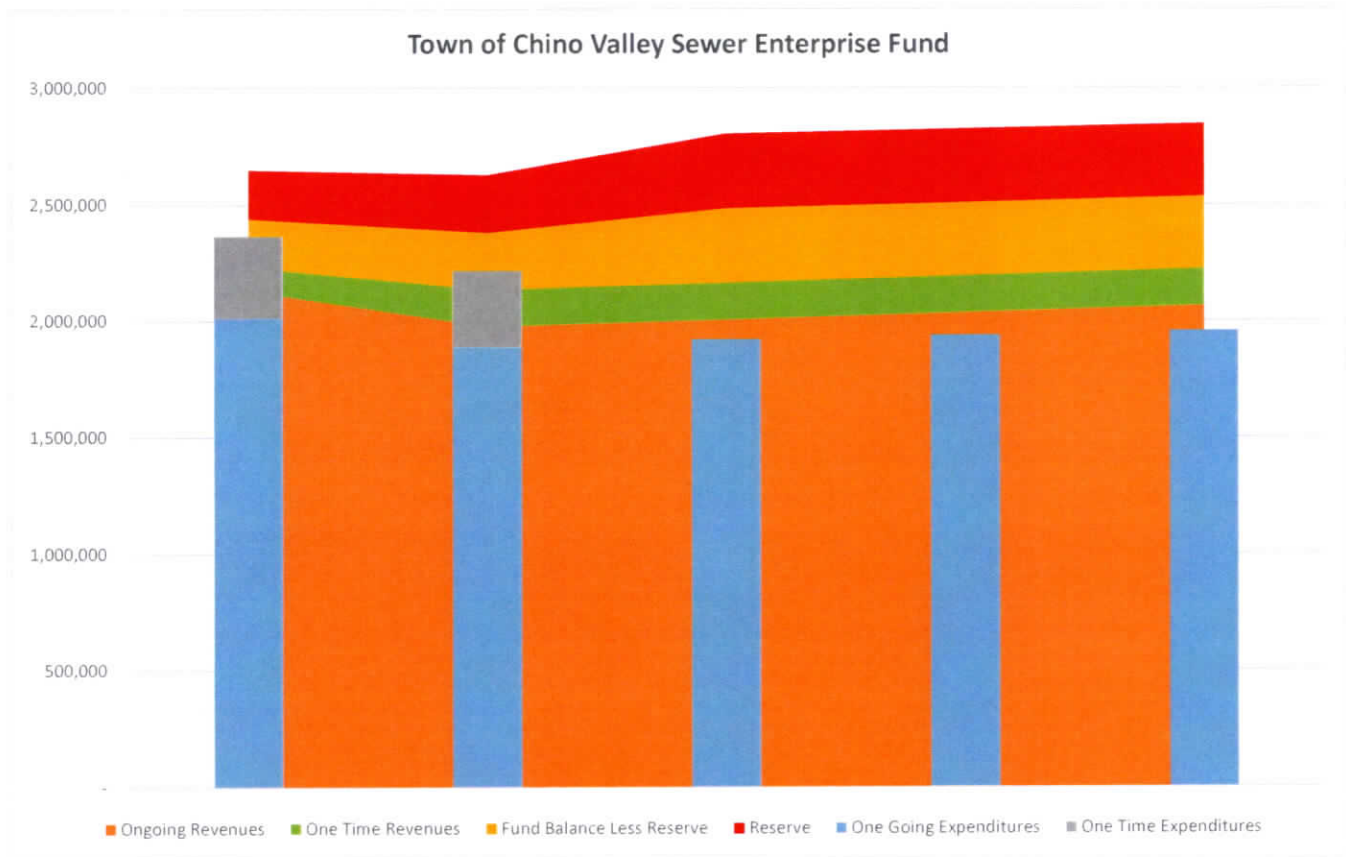
Town of Chino Valley
One Time vs Ongoing Analysis - Graph

	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Water Enterprise					
Beginning Fund Balance	200,000	200,000	200,000	200,000	200,000
Reserve	164,917	243,325	185,975	190,700	194,450
Fund Balance Less Reserve	35,083	(43,325)	14,025	9,300	5,550
Total Revenues	899,430	1,017,400	1,038,500	1,060,200	1,082,500
One Time Revenues	100,985	160,000	160,000	160,000	160,000
Ongoing Revenues	798,445	857,400	878,500	900,200	922,500
Total Expenditures	659,669	973,300	743,900	762,800	777,800
One Time Expenditures	-	205,750	-	-	-
One Going Expenditures	659,669	767,550	743,900	762,800	777,800
Total Available Ongoing	138,776	89,850	134,600	137,400	144,700



Town of Chino Valley
One Time vs Ongoing Analysis - Graph

	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Sewer Enterprise					
Beginning Fund Balance	800,000	800,000	800,000	800,000	800,000
Reserve	591,084	553,925	480,100	484,475	489,025
Fund Balance Less Reserve	208,917	246,075	319,900	315,525	310,975
Total Revenues	2,230,430	2,134,500	2,163,900	2,193,500	2,223,200
One Time Revenues	100,985	160,000	160,000	160,000	160,000
Ongoing Revenues	2,129,445	1,974,500	2,003,900	2,033,500	2,063,200
Total Expenditures	2,364,334	2,215,700	1,920,400	1,937,900	1,956,100
One Time Expenditures	352,966	328,150	-	-	-
One Going Expenditures	2,011,368	1,887,550	1,920,400	1,937,900	1,956,100
Total Available Ongoing	118,077	86,950	83,500	95,600	107,100



Town of Chino Valley FY22/23 Operating Budget - Supplemental Request Summary				
DEPARTMENT / DESCRIPTION	FTE	ON-GOING	ONE TIME	TOTAL
TOWN MANAGER 43				
<i>Public Affairs Officer</i>	1	\$ 116,100	\$ 5,600	\$ 121,700.00
MAINT OFFICE EQUIPMENT (Printing)		\$ 1,000	\$ -	\$ 1,000.00
SMALL TOOLS/EQUIP/FURNITURE		\$ 500	\$ -	\$ 500.00
HUMAN RESOURCES 44				
CONTRACT SERVICES (PayCom/HRIS)		\$ 5,000	\$ -	\$ 5,000.00
PROFESSIONAL SERVICES (Class & Comp)		\$ -	\$ 16,000	\$ 16,000.00
PROFESSIONAL SER. (Employee Handbook)		\$ -	\$ 20,000	\$ 20,000.00
PROFESSIONAL SERVICES (Legal Fees)		\$ 8,000	\$ -	\$ 8,000.00
TRAVEL/TRAINING/SEMINARS		\$ -	\$ 7,000	\$ 7,000.00
CELL PHONE STIPEND		\$ 600	\$ -	\$ 600.00
MUNICIPAL COURT 45				
PROFESSIONAL SERVICES (Triennial Audit)		\$ -	\$ 3,500	\$ 3,500.00
MAINT - OFFICE EQUIP/FURNITURE		\$ -	\$ 350	\$ 350.00
FINANCE 46				
PROFESSIONAL SERVICES (Xpress Pay Fees)		\$ 3,000	\$ -	\$ 3,000.00
SUBSCRIPTS & MEMBERSHIPS (AICPA Fee)		\$ 100	\$ -	\$ 100.00
CELLULAR PHONES		\$ 600	\$ -	\$ 600.00
TRAVEL/TRAINING/SEMINARS		\$ 2,500	\$ -	\$ 2,500.00
OFFICE FURNITURE		\$ -	\$ 4,000	\$ 4,000.00
MIS 47				
CITIZEN SERVE ANNUAL FEE		\$ 33,600	\$ -	\$ 33,600.00
REPLACE VISUAL HOST SERVER		\$ -	\$ 10,000	\$ 10,000.00
BANDWIDTH/ISP		\$ 9,600	\$ -	\$ 9,600.00
SUPPORT SERVICES		\$ 5,900	\$ -	\$ 5,900.00
COMPUTER SOFTWARE PURCHASES		\$ 3,800	\$ -	\$ 3,800.00
COMPUTER HARDWARE PURCHASES		\$ 2,500	\$ -	\$ 2,500.00
MAYOR & COUNCIL 50				
I-PADS FOR COUNCIL / P & Z		\$ -	\$ 6,600	\$ 6,600.00
BUILDING 56				
PROFESSIONAL SERVICES		\$ 10,000	\$ -	\$ 10,000.00
CLEAN UP CAMPAIGNS		\$ 10,000	\$ -	\$ 10,000.00
POLICE 60				
<i>Police Officer / Vehicle</i>	3	\$ 272,400	\$ 88,500	\$ 360,900.00
MACHINERY / EQUIPMENT (Body Cams)		\$ 7,400	\$ -	\$ 7,400.00
SMALL TOOLS (Stop Sticks)		\$ 4,000	\$ 8,900	\$ 12,900.00
VEHICLES - (Evidence Trailer)		\$ -	\$ 10,000	\$ 10,000.00
UNIFORMS		\$ 1,500	\$ -	\$ 1,500.00
CELL PHONE STIPEND		\$ 18,000	\$ -	\$ 18,000.00
ANIMAL CONTROL 61				
ACO VEHICLE WITH BOX		\$ -	\$ 62,000	\$ 62,000.00
MAINT - OFFICE EQUIP/FURN (Yard Repairs)		\$ -	\$ 2,000	\$ 2,000.00
RECREATION 63				
RECREATION PROGRAMS - New Event		\$ 15,000	\$ -	\$ 15,000.00
RECREATION PROGRAMS - Existing Events		\$ 4,000	\$ -	\$ 4,000.00
PEAVINE TRAIL FENCING		\$ -	\$ 80,000	\$ 80,000.00
MAINT - OFFICE EQUIP/FURNITURE		\$ -	\$ 2,000	\$ 2,000.00
ADVERTISING		\$ 500	\$ -	\$ 500.00

Town of Chino Valley FY22/23 Operating Budget - Supplemental Request Summary				
DEPARTMENT / DESCRIPTION	FTE	ON-GOING	ONE TIME	TOTAL
LIBRARY 64				
TRAVEL/TRAINING/SEMINARS		\$ 500	\$ -	\$ 500.00
BOOKS		\$ 3,000	\$ -	\$ 3,000.00
EBOOKS		\$ 2,000	\$ -	\$ 2,000.00
CHILDRENS PROGRAM		\$ 1,500	\$ -	\$ 1,500.00
OPERTATING SUPPLIES		\$ 1,000	\$ -	\$ 1,000.00
VIDEOS		\$ 1,000	\$ -	\$ 1,000.00
SMALL TOOLS/EQUIP/FURNITURE		\$ 1,500	\$ -	\$ 1,500.00
PERIODCALS		\$ 500	\$ -	\$ 500.00
PUBLIC RELATIONS		\$ 200	\$ -	\$ 200.00
SENIOR CENTER 66				
SENIOR KITCHEN (CDBG MATCH)		\$ 150,000	\$ -	\$ 150,000.00
FOOD PURCHASES		\$ 46,000	\$ -	\$ 46,000.00
CONTRACT SERVICES -Substitute Staff		\$ 5,000	\$ -	\$ 5,000.00
PROFESSIONAL SERVICES		\$ 300	\$ -	\$ 300.00
PARKS MAINTENANCE 68				
PROF SER - CEMETARY MAINTENANCE		\$ 2,000	\$ -	\$ 2,000.00
TRACTOR		\$ -	\$ 60,000	\$ 60,000.00
COMMUNITY CENTER IMPROVEMENTS		\$ -	\$ 50,000	\$ 50,000.00
UTILITIES - WATER		\$ 30,000	\$ -	\$ 30,000.00
NEW BUILDING/DESIGN		\$ -	\$ 50,000	\$ 50,000.00
CONTRACT AND SUPPORT SERVICES		\$ 25,000	\$ -	\$ 25,000.00
RECURRING FENCE MAINTENANCE		\$ 10,000	\$ -	\$ 10,000.00
JANITORIAL & SANITATION SUPPLIES		\$ 5,000	\$ -	\$ 5,000.00
SMALL TOOLS/EQUIP/FURNITURE		\$ -	\$ 5,000	\$ 5,000.00
TRAVEL/TRAINING/SEMINARS		\$ 1,500	\$ -	\$ 1,500.00
SAFETY SUPPLIES		\$ 500	\$ -	\$ 500.00
CLOTHING AND UNIFORMS		\$ 500	\$ -	\$ 500.00
LIGHTING LIBRARY/MEMORY PARK RAMADA		\$ -	\$ 5,500	\$ 5,500.00
LANDSCAPING RD 1 EAST LIBRARY		\$ -	\$ 5,500	\$ 5,500.00
AQUATICS CENTER 69				
LICENSES AND PERMITS		\$ 1,000	\$ -	\$ 1,000.00
FACILITIES MAINTENANCE 71				
<i>Facilities Maintenance Worker - Custodian</i>	1	\$ 54,000	\$ 65,000	\$ 119,000.00
<i>Certified Pool Operator / Vehicle</i>	1	\$ 61,900	\$ 66,700	\$ 128,600.00
MAINTENANCE - TOWN FACILITIES		\$ 31,000	\$ -	\$ 31,000.00
PAINTING AQUATICS CENTER		\$ -	\$ 25,000	\$ 25,000.00
FLOORING AQUATICS CENTER		\$ -	\$ 20,000	\$ 20,000.00
SHADE STRUCTURE FOR SLIDE		\$ -	\$ 5,000	\$ 5,000.00
UTILITIES - WATER		\$ 3,500	\$ -	\$ 3,500.00
PEST CONTROL PROGRAM		\$ 5,000	\$ -	\$ 5,000.00
DOOR MAT SERVICE		\$ 6,500	\$ -	\$ 6,500.00
CLOTHING AND UNIFORMS		\$ 100	\$ -	\$ 100.00
TRAVEL/TRAINING/SEMINARS		\$ 300	\$ -	\$ 300.00
CELL PHONE STIPEND		\$ 700	\$ -	\$ 700.00
SMALL TOOLS/EQUIP/FURNITURE		\$ 500	\$ -	\$ 500.00

Town of Chino Valley FY22/23 Operating Budget - Supplemental Request Summary				
DEPARTMENT / DESCRIPTION	FTE	ON-GOING	ONE TIME	TOTAL
FLEET MAINTENANCE 73				
FLEET SHOP BUILDING IMPROVEMENTS		\$ -	\$ 30,000	\$ 30,000.00
RTA SOFTWARE		\$ 10,000	\$ -	\$ 10,000.00
SMALL TOOLS/EQUIP/FURNITURE		\$ -	\$ 30,000	\$ 30,000.00
TRAVEL/TRAINING/SEMINARS		\$ 2,500	\$ -	\$ 2,500.00
OPERATING SUPPLIES		\$ 4,200	\$ -	\$ 4,200.00
SHOP SUPPLIES		\$ 4,050	\$ -	\$ 4,050.00
PUBLIC WORKS/ENGINEERING 74				
PAVEMENT MANAGEMENT PROGRAM		\$ 100,000	\$ -	\$ 100,000.00
ROAD MAINTENANCE (HURF) 78				
ROLLER WITH TRAILER		\$ -	\$ 90,000	\$ 90,000.00
ON-CALL PAY FOR ROADS STAFF		\$ 30,000	\$ -	\$ 30,000.00
HWY 89 MAINTENANCE		\$ 30,000	\$ -	\$ 30,000.00
PICKUP TRUCK		\$ -	\$ 60,000	\$ 60,000.00
TRAVEL/TRAINING/SEMINARS		\$ 8,000	\$ -	\$ 8,000.00
DUMP TRUCK REPLACEMENT		\$ -	\$ 225,000	\$ 225,000.00
WATER 82				
SYSTEM MAINT - BRIGHT STAR VFD		\$ -	\$ 24,500	\$ 24,500.00
SYSTEM MAINT - INFLATION		\$ 18,400	\$ -	\$ 18,400.00
F250 4X4 UTILITY TRUCK		\$ -	\$ 65,000	\$ 65,000.00
<i>Utilities Maintenance Tech (Water & Sewer)</i>	0.5	\$ 28,950	\$ 1,250	\$ 30,200.00
CONTRACT AND SUPPORT SERVICES		\$ 6,000	\$ -	\$ 6,000.00
CHEMICALS		\$ 2,500	\$ -	\$ 2,500.00
RATE STUDY		\$ -	\$ 15,000	\$ 15,000.00
SEWER 83				
EQUIPMENT BLOWER/PUMPS/VFDS		\$ -	\$ 61,900	\$ 61,900.00
<i>Utilities Maintenance Tech (Water & Sewer)</i>	0.5	\$ 28,950	\$ 1,250	\$ 30,200.00
RATE STUDY		\$ -	\$ 15,000	\$ 15,000.00
NON DEPARTMENTAL 95				
UPPER VERDE WATERSHED INCREASE		\$ 13,000	\$ -	\$ 13,000.00
COMP AND CLASS SALARY ADJUSTMENTS		\$ 200,000	\$ -	\$ 200,000.00
ADVERTISING AND MARKETING (GCVC)		\$ -	\$ 9,600	\$ 9,600.00
AGENDA MANAGEMENT PROGRAM		\$ -	\$ 50,000	\$ 50,000.00
TOTALS	7	\$ 1,473,650	\$ 1,362,650	\$ 2,836,300

Official Budget Forms
City/Town of Chino Valley
Fiscal year 2023

City/Town of Chino Valley
Revenues other than property taxes
Fiscal Year 2023

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
General Fund			
Local taxes			
Sales Taxes	\$ 7,169,000	\$ 7,680,570	\$ 7,910,900
Franchise Taxes	132,000	142,454	141,500
Licenses and permits			
Building Permits	320,000	357,916	325,000
Business Licenses	58,000	64,254	65,000
Plan Check Fees	145,000	154,730	150,000
Other Licenses and Permits	21,500	18,253	22,500
Intergovernmental			
State Shared Sales Tax	1,453,000	1,771,000	1,864,000
State Shared Income Tax	1,615,000	1,700,000	2,513,000
Vehicle License Tax	947,000	973,100	1,079,000
Yavapai County Library Funds	95,000	95,173	96,000
Police Dept Grants	7,500	8,050	7,500
Senior Nutrition Grant	88,000	106,814	115,000
Charges for services			
Engineering Fees	1,000	3,182	1,000
Senior Nutrition Program Fees	5,000	1,813	5,000
Facility Use Fees	20,000	24,739	27,000
Police Report Fees	5,000	4,261	4,000
Aquatic Center Fees	79,500	59,534	70,000
Other Charges for Services	30,000	47,927	28,000
Fines and forfeits			
Animal Control Fees	28,000	24,727	27,000
Library Fines	2,000	2,119	2,000
Court Fines and Forfeitures	130,000	120,233	130,000
Interest on investments			
Interest	5,000	860	2,000
In-lieu property taxes			
Contributions			
Senior Center Thrift Store	500		500
Miscellaneous			
Total General Fund	\$ 12,357,000	\$ 13,361,709	\$ 14,585,900

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City/Town of Chino Valley
Revenues other than property taxes
Fiscal Year 2023

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
Special revenue funds			
Highway User Revenue	\$ 1,070,000	\$ 1,224,800	\$ 1,360,000
Interest	1,000	284	1,000
Miscellaneous	2,000	3,009	2,500
	\$ 1,073,000	\$ 1,228,093	\$ 1,363,500
Miscellaneous Grants	\$ 3,500,000	\$	\$ 3,500,000
Cares Act Funding	1,476,500	2,066,502	485,000
CDBG Grant			349,000
	\$ 4,976,500	\$ 2,066,502	\$ 4,334,000
Special Revenue Fund-Court	\$ 26,200	\$ 27,611	\$ 24,500
Special Revenue Fund-PD	12,000	11,345	12,000
Lighting Improvement Districts #1, #2, #3	4,100	4,100	4,100
	\$ 42,300	\$ 43,056	\$ 40,600
Total special revenue funds	\$ 6,091,800	\$ 3,337,651	\$ 5,738,100

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City/Town of Chino Valley
Revenues other than property taxes
Fiscal Year 2023

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
Debt service funds			
Debt Refinancing Proceeds	\$	\$ 8,388,828	\$
Total debt service funds	\$	\$ 8,388,828	\$
Capital projects funds			
Capital Improvements Fund - General Fund	\$ 4,646,000	\$ 9,682,700	\$ 5,269,800
Capital Improvements Fund - Roads	500,000		
Asset Replacement Fund	14,000	1,617	4,000
	\$ 5,160,000	\$ 9,684,317	\$ 5,273,800
Total capital projects funds	\$ 5,160,000	\$ 9,684,317	\$ 5,273,800

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Enterprise funds

Water Enterprise Fund	\$ 939,000	\$ 899,430	\$ 1,017,400
Capital Improvement Fund - Water	2,000,000		2,000,000
Sewer Enterprise Fund	2,142,000	2,230,430	2,134,500
Capital Improvement Fund - Sewer	692,500	700,000	400,000
	\$ 5,773,500	\$ 3,829,860	\$ 5,551,900
Total enterprise funds	\$ 5,773,500	\$ 3,829,860	\$ 5,551,900

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Total all funds \$ 29,382,300 \$ 38,602,365 \$ 31,149,700

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City/Town of Chino Valley
Other financing sources/(uses) and interfund transfers
Fiscal year 2023

Fund	Other financing 2023		Interfund transfers 2023	
	Sources	(Uses)	In	(Out)
General Fund				
Trans from Capital Improv Fund	\$	\$	\$ 400,000	\$
Trans to Capital Asset Replacement				250,000
Trans to Gen Fund CIP				500,000
Trans to CIP - Roads				3,100,000
Trans to SLFRF				1,000,000
Total General Fund	\$	\$	\$ 400,000	\$ 4,850,000
Special revenue funds				
HURF - Trans To CIP Roads	\$	\$	\$	\$ 200,000
Roads - CIP Trans from Gen			3,100,000	
Roads - CIP Trans from HURF			200,000	
SLFRF - Trans from General Fund			1,000,000	
Total special revenue funds	\$	\$	\$ 4,300,000	\$ 200,000
Debt service funds				
Trans From Capital Improvement	\$	\$	\$ 1,384,500	\$
Total debt service funds	\$	\$	\$ 1,384,500	\$
Capital projects funds				
Gen CIP - Trans from General Fund	\$	\$	\$ 500,000	\$
Trans to Debt Service				1,384,500
Trans to General Fund				400,000
Cap Asset - Trans from General Fund			250,000	
Total capital projects funds	\$	\$	\$ 750,000	\$ 1,784,500
Permanent funds	\$	\$	\$	\$
Total permanent funds	\$	\$	\$	\$
Enterprise funds				
Water CIP	\$	\$	\$ 100,000	\$
Water Ent Fund to Water CIP				100,000
Sewer CIP			250,000	
Sewer Ent Fund to Sewer CIP	3,500,000	3,500,000		250,000
Total enterprise funds	\$ 3,500,000	\$ 3,500,000	\$ 350,000	\$ 350,000
Internal service funds	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
Total all funds	\$ 3,500,000	\$ 3,500,000	\$ 7,184,500	\$ 7,184,500

**City/Town of Chino Valley
Expenditures/expenses by fund
Fiscal year 2023**

Fund/Department	Adopted budgeted expenditures/ expenses 2022	Expenditure/ expense adjustments approved 2022	Actual expenditures/ expenses* 2022	Budgeted expenditures/ expenses 2023
General Fund				
Prosecutor	\$ 133,700	\$	\$ 130,150	\$ 139,900
Town Clerk	300,800		247,924	296,400
Town Manager	501,000		549,287	748,700
Human Resources	283,300		292,466	355,100
Magistrate Court	336,700		318,520	363,500
Finance	491,700		484,411	539,500
Mgmt Info Systems	391,300		383,085	434,200
Mayor & Council	51,200		44,078	53,300
Planning	337,700		321,926	632,500
Building Inspection	400,500		361,511	493,400
Police	3,705,700		3,686,337	4,526,800
Animal Control	209,400		206,909	280,600
Recreation	157,650		155,143	257,300
Library	400,500		379,568	426,300
Senior Center	346,400		345,632	563,600
Parks	876,700		797,072	809,500
Aquatic Center	343,800		280,900	236,800
Facilities Maintenance	613,800		612,409	941,800
Fleet Maintenance	290,150		252,606	392,400
Engineering	533,700		441,090	652,300
Customer Service	38,300		19,832	
Non-Departmental	646,600		503,800	724,700
Contingency	600,000		600,000	600,000
Total General Fund	\$ 11,990,600	\$	\$ 11,414,656	\$ 14,468,600
Special revenue funds				
Highway User Revenue Fund	\$ 1,095,500	\$	\$ 926,379	\$ 1,500,500
Roads - CIP	4,355,000		4,407,712	2,500,000
Miscellaneous Grants Fund	3,500,000			3,500,000
Special Revenue Fund -- Court	43,500		20,000	17,000
Special Revenue Fund -- PD	12,000		1,900	12,000
Lighting Improvement Districts	4,000		4,000	4,000
CSLFRF	2,952,900		206,800	5,400,000
CDBG Grant			1,000	348,000
Total special revenue funds	\$ 11,962,900	\$	\$ 5,567,791	\$ 13,281,500
Debt service funds				
Debt Service Fund	\$ 991,500	\$	\$ 9,584,265	\$ 1,384,500
Total debt service funds	\$ 991,500	\$	\$ 9,584,265	\$ 1,384,500
Capital projects funds				
General Fund CIP	\$ 10,092,500	\$	\$ 4,772,700	\$ 7,806,000
Asset Replacement Fund	241,000		142,000	245,000
Total capital projects funds	\$ 10,333,500	\$	\$ 4,914,700	\$ 8,051,000
Permanent funds				
Contingency	\$	\$	\$	\$
Total permanent funds	\$	\$	\$	\$
Enterprise funds				
Water Enterprise Fund	\$ 720,300	\$	\$ 559,669	\$ 873,300
Water CIP	2,355,000		55,000	2,202,000
Sewer Enterprise Fund	1,908,700		2,019,334	1,965,700
Sewer CIP	1,037,500		870,270	815,000
Total enterprise funds	\$ 6,021,500	\$	\$ 3,504,273	\$ 5,856,000
Internal service funds				
Contingency	\$	\$	\$	\$
Total internal service funds	\$	\$	\$	\$
Total all funds	\$ 41,300,000	\$	\$ 34,985,685	\$ 43,041,600

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City/Town of Chino Valley
Full-time employees and personnel compensation
Fiscal year 2023

Fund	Full-time equivalent (FTE) 2023	Employee salaries and hourly costs 2023	Retirement costs 2023	Healthcare costs 2023	Other benefit costs 2023	Total estimated personnel compensation 2023
General Fund	105.5	\$ 6,545,216	\$ 1,142,089	\$ 928,293	\$ 649,686	\$ 9,265,284
Special revenue funds						
Highway User Revenue	9.0	\$ 438,992	\$ 53,645	\$ 82,729	\$ 67,583	\$ 642,949
Total special revenue funds	9.0	\$ 438,992	\$ 53,645	\$ 82,729	\$ 67,583	\$ 642,949
Enterprise funds						
Water Enterprise	3.5	\$ 218,038	\$ 26,644	\$ 34,997	\$ 24,285	\$ 303,964
Sewer Enterprise	3.5	\$ 218,038	\$ 26,644	\$ 34,997	\$ 24,285	\$ 303,964
Total enterprise funds	7.0	\$ 436,076	\$ 53,288	\$ 69,994	\$ 48,570	\$ 607,928
Total all funds	121.5	\$ 7,420,284	\$ 1,249,022	\$ 1,081,016	\$ 765,839	\$ 10,516,161

City/Town of Chino Valley
Expenditures/expenses by department
Fiscal year 2023

Department/Fund	Adopted budgeted expenditures/ expenses 2022	Expenditure/ expense adjustments approved 2022	Actual expenditures/ expenses* 2022	Budgeted expenditures/ expenses 2023
Prosecutor				
General Fund	\$ 133,700	\$	\$ 130,150	\$ 139,900
Department Total	<u>\$ 133,700</u>	<u>\$</u>	<u>\$ 130,150</u>	<u>\$ 139,900</u>
Town Clerk				
General Fund	\$ 300,800	\$	\$ 247,924	\$ 296,400
Department Total	<u>\$ 300,800</u>	<u>\$</u>	<u>\$ 247,924</u>	<u>\$ 296,400</u>
Town Manager				
General Fund	\$ 501,000	\$	\$ 549,287	\$ 748,700
Department Total	<u>\$ 501,000</u>	<u>\$</u>	<u>\$ 549,287</u>	<u>\$ 748,700</u>
Human Resources				
General Fund	\$ 283,300	\$	\$ 292,466	\$ 355,100
Department Total	<u>\$ 283,300</u>	<u>\$</u>	<u>\$ 292,466</u>	<u>\$ 355,100</u>
Municipal Court				
General Fund	336,700		318,520	363,500
Special Revenue Fund	\$ 43,500	\$	\$ 20,000	\$ 17,000
Department Total	<u>\$ 380,200</u>	<u>\$</u>	<u>\$ 338,520</u>	<u>\$ 380,500</u>
Finance				
General Fund	\$ 491,700	\$	\$ 484,411	\$ 539,500
Department Total	<u>\$ 491,700</u>	<u>\$</u>	<u>\$ 484,411</u>	<u>\$ 539,500</u>
Mgmt Info Systems				
General Fund	\$ 391,300	\$	\$ 383,085	\$ 434,200
Department Total	<u>\$ 391,300</u>	<u>\$</u>	<u>\$ 383,085</u>	<u>\$ 434,200</u>
Mayor and Council				
General Fund	\$ 51,200	\$	\$ 44,078	\$ 53,300
Department Total	<u>\$ 51,200</u>	<u>\$</u>	<u>\$ 44,078</u>	<u>\$ 53,300</u>
Planning				
General Fund	\$ 337,700	\$	\$ 321,926	\$ 632,500
Department Total	<u>\$ 337,700</u>	<u>\$</u>	<u>\$ 321,926</u>	<u>\$ 632,500</u>
Building Inspection				
General Fund	\$ 400,500	\$	\$ 361,511	\$ 493,400
Department Total	<u>\$ 400,500</u>	<u>\$</u>	<u>\$ 361,511</u>	<u>\$ 493,400</u>
Police				
General Fund	3,705,700		3,686,337	4,526,800
Special Revenue Fund	12,000		1,900	12,000
Department Total	<u>\$ 3,717,700</u>	<u>\$</u>	<u>\$ 3,688,237</u>	<u>\$ 4,538,800</u>
Animal Control				
General Fund	\$ 209,400	\$	\$ 206,909	\$ 280,600
Department Total	<u>\$ 209,400</u>	<u>\$</u>	<u>\$ 206,909</u>	<u>\$ 280,600</u>
Recreation				
General Fund	\$ 157,650	\$	\$ 155,143	\$ 257,300
Department Total	<u>\$ 157,650</u>	<u>\$</u>	<u>\$ 155,143</u>	<u>\$ 257,300</u>

City/Town of Chino Valley
Expenditures/expenses by department
Fiscal year 2023

	Adopted budgeted expenditures/ expenses	Expenditure/ expense adjustments approved	Actual expenditures/ expenses*	Budgeted expenditures/ expenses
Library				
General Fund	\$ 400,500	\$	\$ 379,568	\$ 426,300
Department Total	\$ 400,500	\$	\$ 379,568	\$ 426,300
Senior Center				
General Fund	\$ 346,400	\$	\$ 345,632	\$ 563,600
Department Total	\$ 346,400	\$	\$ 345,632	\$ 563,600
Parks Maintenance				
General Fund	\$ 876,700	\$	\$ 797,072	\$ 809,500
Department Total	\$ 876,700	\$	\$ 797,072	\$ 809,500
Aquatics Center				
General Fund	\$ 343,800	\$	\$ 280,900	\$ 236,800
Department Total	\$ 343,800	\$	\$ 280,900	\$ 236,800
Facilities Maintenance				
General Fund	\$ 613,800	\$	\$ 612,409	\$ 941,800
Department Total	\$ 613,800	\$	\$ 612,409	\$ 941,800
Fleet Maintenance				
General Fund	\$ 290,150	\$	\$ 252,606	\$ 392,400
Department Total	\$ 290,150	\$	\$ 252,606	\$ 392,400
Engineering				
General Fund	\$ 533,700	\$	\$ 441,090	\$ 652,300
Department Total	\$ 533,700	\$	\$ 441,090	\$ 652,300
Customer Service				
General Fund	\$ 38,300	\$	\$ 19,832	\$
Department Total	\$ 38,300	\$	\$ 19,832	\$
Non-Departmental				
General Fund	\$ 2,146,600	\$	\$ 1,103,800	\$ 1,324,700
Debt Service Fund	991,500			1,384,500
Debt Service Refunding			9,584,265	
Capital Improvement Fund	9,192,500		4,772,700	7,806,000
CDBG Grant			1,000	348,000
Grant Fund	3,500,000			3,500,000
AZ Cares Act /ARP	2,952,900		206,800	5,400,000
Asset Replacement Fund	241,000		142,000	245,000
Department Total	\$ 19,024,500	\$	\$ 15,810,565	\$ 20,008,200
Water Utilities				
Water Enterprise Fund	\$ 720,300	\$	\$ 559,669	\$ 873,300
WATER CIP	2,355,000		55,000	2,202,000
Department Total	\$ 3,075,300	\$	\$ 614,669	\$ 3,075,300
Sewer Utilities				
Sewer Enterprise Fund	\$ 1,908,700	\$	\$ 2,019,334	\$ 1,965,700
Sewer CIP	1,037,500		870,270	4,315,000
Department Total	\$ 2,946,200	\$	\$ 2,889,604	\$ 6,280,700

City/Town of Chino Valley
Expenditures/expenses by department
Fiscal year 2023

	Adopted budgeted expenditures/ expenses	Expenditure/ expense adjustments approved	Actual expenditures/ expenses*	Budgeted expenditures/ expenses
Roads				
HURF	\$ 1,095,500	\$	\$ 926,379	\$ 1,500,500
Roads CIP	4,355,000		4,407,712	\$2,500,000
Department Total	\$ 5,450,500	\$	\$ 5,334,091	\$ 4,000,500
Street Lighting Improvement District				
SLID Fund	\$ 4,000	\$	\$ 4,000	\$ 4,000
Department Total	\$ 4,000	\$	\$ 4,000	\$ 4,000
 TOTAL ALL DEPARTMENTS	 \$ 41,300,000	 \$	 \$ 34,985,685	 \$ 46,541,600

Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.