Tom Armstrong	Eric Granillo	John McCafferty	Sherri Phillips	Larry Holt	Robert Switzer
Mayor	Vice-Mayor	Councilmember	Councilmember	Councilmember	Councilmember

TOWN COUNCIL NOTICE & AGENDA

EXECUTIVE SESSION
TUESDAY, APRIL 14, 2026
5:00 PM

COUNCIL CONFERENCE ROOM | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

AGENDA

1. **CALL TO ORDER; ROLL CALL**

2. **An executive session pursuant to A.R.S. §38-431.03(A) for discussion or consideration of employment with Magistrate Angela Bradshaw-Napper as part of the annual review process.**

3. **ADJOURNMENT**

TOWN COUNCIL NOTICE & AGENDA

REGULAR MEETING
TUESDAY, APRIL 14, 2026
6:00 PM

COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

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; PLEDGE OF ALLEGIANCE; ROLL CALL**

2. **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

   a. Presentation of Proclamation for Stand with Me, Be Drug Free Week.

   b. Presentation of Proclamation for Fair Housing Month.

   c. Presentation from Arizona Public Service (APS) on Fire Mitigation and Public Safety Power Shutoff Program.

3. **CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment on items not on the agenda will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a. Status reports by Mayor and Council regarding current events.

b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

5. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

a. Consideration and possible action to approve a budget capacity transfer in the amount of $49,459 from the general fund contingency to the police impoundment special revenue fund and to approve the purchase of a Skydio X10 Unmanned Aerial System for $49,458.59 for the Police Department.

b. Consideration and possible action to approve Ordinance No. 2026-964 amending Town Code Chapter 110, General Licensing Provisions, regarding business licenses.

c. Consideration and possible action to approve the March 24, 2026, regular meeting and study session minutes.

6. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

a. Consideration and possible action to (i) appoint John Ginn to fill the vacant position on the Town Council, and (ii) administer the Oath of Office to the newly appointed Councilmember.

Recommended Action: Appoint John Ginn to fill the vacant position on the Town Council and administer the Oath of Office.

b. Consideration and possible action to approve the Purchase and Sale Agreement and Economic Development Agreement with Chino Valley Rodeo Drive, LLC, in the amount of $786,500.

Recommended Action: Approve the Purchase and Sale Agreement and the Economic Development Agreement with Chino Valley Rodeo Drive, LLC, in the amount of $786,500.

c. Consideration and possible action to award a Cooperative Purchasing Agreement to Cactus Asphalt for the FY26 Street Improvements Project in an amount not to exceed $2,950,000.

Recommended Action: Award a cooperative purchasing agreement to Cactus Asphalt for the FY26 Street Improvements project for an amount not to exceed $2,950,000.

d. Consideration and possible action to approve a budget capacity transfer in the amount of $302,591 from the wastewater fund to the capital asset replacement fund, highway user revenue fund, and water fund, and to approve the purchase of a 2024 Vac Con Truck for $392,975.

Recommended Action: a) Approve the budget capacity transfer in the amount of $302,591 from Wastewater Fund to the following funds:
$121,823 to the Capital Asset Replacement Fund
$90,384 to the Highway User Revenue Fund
$90,384 to the Water Fund; **and**
b) Approve the purchase of a 2024 Vac Con Truck in the amount of $392,974.70 from Enviro-Clean, for use by Wastewater, Water, Streets, and Parks.

e. Consideration and possible action to approve Resolution No. 2026-1305, authorizing the submission of an application for FY26 State Community Development Block Grant (CDBG) funds; certifying that said application meets the community's previously identified housing and community development needs and the requirements of the state CDBG program; and authorizing all actions necessary to implement and complete the activities outlined in said application.

Recommended Action: Approve Resolution 2026-1305.

f. Public hearing, consideration, and possible action to accept funds from the Arizona Department of Housing for the Town of Chino Valley's three-year rotational Community Development Block Grant (CDBG) and authorizing the Mayor to sign said application upon completion by NACOG and Town Staff.

Recommended Action: (i) Hold Public Hearing
(ii) Approve the Senior Center Capacity Expansion Project as the Town's selected project for 2026 CDBG funding.

7. ADJOURNMENT

Dated this 7th day of April, 2026.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 928-636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting. Citizens will have access to the meeting room 30 minutes prior to the start time of each meeting.

Council meetings are live-streamed on Town of Chino Valley website, www.chinoaz.net.

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 COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2b
MEETING DATE: 04/14/2026
CONTACT PERSON: Tom Armstrong, Mayor
ITEM TYPE: Proclamation

AGENDA ITEM TITLE:
Presentation of Proclamation declaring April 20 – 24, 2026 as Stand with Me, Be Drug Free Week.

ATTACHMENTS:

1.	Stand With Me Be Drug Free Proclamation 2026

PROCLAMATION

Stand with Me, Be Drug Free Week – April 20 – 24, 2026

Whereas, *MATFORCE has proclaimed April 20 – 24, 2026 to be Stand with Me, Be Drug Free Week; and*

Whereas, *the Town of Chino Valley embraces a vision of a healthy, vibrant, and strong community for children, youth, families and people of all ages; and celebrates the fact that a majority of people do not abuse drugs and alcohol; and*

Whereas, *the Town of Chino Valley recognizes that youth prevention is essential based on the fact that nine out of 10 people who struggle with substance use disorders began using substances as a teenager; and*

Whereas, *knowing that families are adversely affected by illegal drug use, including work problems, legal problems, mental health problems, physical illness, addiction, accidents, accidental death, economic loss, child abuse, destruction of families, driving while impaired, and crimes against persons and property; and*

Whereas, *the Town of Chino Valley would like to commend and pay tribute to all its citizens who choose to be free of illegal drug use.*

Now, Therefore, *I, Tom Armstrong, Mayor of the Town of Chino Valley, do hereby proclaim April 20 – 24, 2026 as* ***STAND WITH ME, BE DRUG FREE WEEK*** *and encourages its citizens to participate in the celebration of a drug-free, healthy community by participating in the planned events, activities, and displays.*

In Witness Whereof, *I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this* ***14th*** *day of* ***April 2026****.*

_____

Tom Armstrong, Mayor

ATTEST: *Erin N. Deskins, Town Clerk*

MATFORCE
Building Healthier Communities

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2b
MEETING DATE: 04/14/2026
CONTACT PERSON: Jessi Sorteberg, Executive Analyst
ITEM TYPE: Proclamation

AGENDA ITEM TITLE:
Presentation of Proclamation declaring April 2026 as Fair Housing Month.

ATTACHMENTS:

1.	Fair Housing Month 2026

PROCLAMATION

Fair Housing Month – April 2026

Whereas, *The National Fair Housing Law of 1986, as amended by the Fair Housing Amendments Act of 1988 prohibits discrimination in housing and declares it a national policy to provide within constitutional limits, for fair housing in the United States; and*

Whereas, *the principle of Fair Housing is not only national law and national policy but a fundamental human concept and entitlement for all Americans; and*

Whereas, *April has traditionally been designated as Fair Housing Month in the United States;*

Now, Therefore, *I, Tom Armstrong, Mayor of the Town of Chino Valley, do hereby proclaim April as* ***FAIR HOUSING MONTH in Chino Valley*** *and do hereby urge all citizens of this community to comply with the letter and spirit of the Fair Housing Law.*

In Witness Whereof, *I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this* ***14th*** *day of* ***April 2026****.*

ADOH

EQUAL HOUSING OPPORTUNITY

Tom Armstrong, Mayor

ATTEST: Erin N. Deskins, Town Clerk

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5a
MEETING DATE: 4/14/2026
CONTACT PERSON: Marrilee Easton, Civilian Officer Supervisor
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:
Consideration and possible action to approve a budget capacity transfer in the amount of $49,459 from the general fund contingency to the police impoundment special revenue fund and to approve the purchase of a Skydio X10 Unmanned Aerial System for $49,458.59 for the Police Department.

SUMMARY:
The Police Department is requesting authorization to purchase a **Skydio X10** drone to enhance operational capabilities and improve officer and community safety. The system provides advanced autonomous flight capability, high-resolution imaging, and thermal camera technology that can assist officers in:

- Locating missing or endangered persons
- Conducting search and rescue operations in difficult terrain
- Documenting traffic collisions and crime scenes
- Providing aerial situational awareness during emergency incidents
- Supporting disaster response and public safety operations

Use of the unmanned aerial system will comply with **Federal Aviation Administration (FAA) regulations**, and the Police Department will maintain written policies governing training, operational use, privacy protections, and data retention. The drone selected will be procured through a State of Arizona Cooperative Contract, CTR074453-2.

Over the years, approximately $93,000 in revenues restricted to traffic enforcement of the Police Department have been accumulated. Although sufficient restricted cash is available for this drone purchase, there is currently no budget authority to do so. This item authorizes a transfer of budget capacity from the General Fund contingency line to the Police Impoundment Special Revenue Fund to allow for this purchase to proceed. This is simply a budget authority request to allow utilization of existing special revenue, not an authorization to utilize General Funds for the purchase.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:
a) Approve the budget capacity transfer in the amount of $49,459 from General Fund contingency to the Police Impoundment Special Revenue Fund; **and**
b) Approve the purchase of a Skydio X10 unmanned aerial system (UAS) in the amount of $49,458.59,

for use by the Police Department to support public safety operations including search and rescue, emergency response, accident reconstruction, and situational awareness during critical incidents.

FISCAL IMPACT?

a) Budget Capacity Transfer Action:

Available budget: General Fund - Contingency	$686,152
Less this approval item: Budget Capacity Transfer to Police Impoundment Special Revenue Fund*	-49,459
Remaining budget: General Fund - Contingency	$636,693

**It is important to note, that although budget capacity is being transferred, the actual expense will be funded using restricted Police Impoundment funds; therefore, no additional General Fund resources are required.*

b) Purchase Action:

Available budget: Police Impoundment Special Revenue Fund - Traffic Related Expenses	$49,459.00
Less this approval item: Skydio X10 unmanned aerial system (UAS)	-49,458.59
Remaining budget: Police Impoundment Special Revenue Fund - Traffic Related Expenses	$0.41

ATTACHMENTS:

1.	AGR - CPA - Skydio - Unmanned Aerial System (001)(4.7.26)
2.	Exhibit A - State Contract - Skydio
3.	Exhibit B - Quote - Skydio - Drone Order Form

COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SKYDIO, INC.

THIS COOPERATIVE PURCHASING AGREEMENT (this "Agreement") is entered into as of April 14, 2026, between the Town of Chino Valley, an Arizona municipal corporation (the "Town"), and Skydio, Inc., a Delaware corporation (the "Contractor"). The Town and Contractor are the only parties to this Agreement; each is an individual "Party," and together they are the "Parties."

RECITALS

A. After a competitive procurement process, the State of Arizona (the "State") entered into Contract No. CTR074453, dated November 7, 2024, as amended (the "State Contract"), for the Contractor to provide drones, remotely operated devices, and related goods and services, as more particularly outlined in Section 2 below on an as-needed basis (the "Materials 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 the Materials and Services under the State Contract, at its discretion and with the agreement of the awarded Contractor.

C. The Town and the Contractor desire to enter into this Agreement to (i) acknowledge their cooperative contractual relationship under the State Contract and this Agreement, (ii) establish the terms and conditions by which the Contractor may provide the Town with the Materials and Services, and (iii) set the maximum aggregate amount to be expended pursuant to this Agreement related to the Materials and Services.

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 Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until **April 13, 2029**, unless terminated as otherwise provided in this Agreement or the State Contract (the "Term"). The terms and conditions of the State Contract are incorporated herein and shall survive the termination or expiration thereof.

2. Compensation. The total compensation for the Materials and Services purchased under this Agreement shall not exceed $49,458.59 for the entire Term of this Agreement.

3. Scope of Work. The Contractor shall provide the Materials and Services to the Town under the terms and conditions of the State Contract and this Agreement, and in the

configuration set forth in Order Form # Q-52239 attached hereto as Exhibit B and incorporated herein by reference (the "Quote").

3.1 Inspection; Acceptance. All Materials and Services are subject to final inspection and acceptance by the Town. Materials failing to conform to the requirements of this Agreement or the State Contract will be held at the Contractor's risk and may be returned to the Contractor. If so returned, all costs are the Contractor's responsibility. Upon discovery of non-conforming Materials or Services, the Town may elect to do any or all of the following by written notice to the Contractor: (A) waive the non-conformance; (B) stop the work immediately; or (C) bring Materials or Services into compliance and withhold the cost of same from any payments due to the Contractor.

4. Compensation. The Town shall pay the Contractor an amount not to exceed $49,458.59 for the Materials and Services at the unit rates set forth in the State Contract and as more particularly outlined in the Quote.

5. Payments. The Town shall pay the Contractor monthly, based upon acceptance and delivery of Materials and/or Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the State Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of Materials delivered, time expended, and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the State Contract will be subject to rejection and may be returned.

6. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that complies with standards of the Occupational Safety and Health Administration, the American National Standards Institute, and the National Institute for Occupational Safety and Health. If, in the Contractor's sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

7. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 7 below, the Contractor'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 of the Contractor's 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 (i) evaluation and verification of any invoices, payments, or claims based on the Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (ii) evaluation of the Contractor'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, the Contractor 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 the Contractor pursuant to this Agreement. The Contractor 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 the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor 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.

8. E-Verify Requirements. To the extent applicable under Ariz. Rev. Stat. § 41-4401, the Contractor 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). The Contractor's or its subcontractor's 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.

9. Israel. To the extent applicable under Ariz. Rev. Stat. § 35-393 through § 35-393.03, the Parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a "boycott" of goods or services from Israel, as that term is defined in Ariz. Rev. Stat. § 35-393.

10. Conflict of Interest. The Town may cancel this Agreement pursuant to Ariz. Rev. Stat. § 38-511.

11. 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.

12. 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 the Contractor 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. The Contractor 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.

13. Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, the State Contract, the Quote, any order forms, and invoices, the documents shall govern in that order.

14. 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 this Agreement.

15. 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 Contractor's obligation to provide the indemnification and insurance. In any event, the Contractor shall indemnify, defend, and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes, or omissions, in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement.

16. 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, 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:

If to the Town: Town of Chino Valley
202 N. 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 the Contractor: Skydio, Inc.
3000 Clearview Way
San Mateo, California 94402
Attn:_____

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.

17. Forced Labor of Ethnic Uyghurs. To the extent applicable under Ariz. Rev. Stat. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or any Contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware that it is not in compliance with this paragraph, it shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

18. Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

19. Click-Through Terms and Conditions.

19.1 Terms and conditions not fully outlined in this Agreement, provided to the Town only by reference to one or more websites, or provided to the Town only as "clickwrap" or "click-through" terms when using or attempting to use the Materials or Services, or any site related thereto, are not binding upon the Town.

19.2 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 a software-based ordering system with respect to this Agreement, or any web- or software-based platform to use the Materials or Services (collectively, "Electronic Systems"), the Parties acknowledge and agree that Electronic Systems are for ease of administration only, and the Contractor is hereby given notice that the persons using Electronic Systems on behalf of the Town do not have any actual or apparent authority to create legally binding obligations that vary from the terms and conditions of this Agreement. Accordingly, where an authorized Town user is required to "click through" or otherwise accept or be made subject to any terms and conditions in using Electronic Systems, any such terms and conditions are deemed void upon presentation. Additionally, where an authorized Town user is required to accept, or be subject to, any terms and conditions in accessing or using any Materials or Services, those terms and conditions will also be void.

[SIGNATURES ON FOLLOWING PAGES]

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

_____
Tom Armstrong, Mayor

ATTEST:

_____
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

_____
Andrew J. McGuire, Town Attorney
Gust Rosenfeld P.L.C.

"**Contractor**"

SKYDIO, INC.,
a Delaware corporation

_____
Signature

_____
Name

_____
Title

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SKYDIO, INC.

[State Contract]

See following pages.

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SKYDIO, INC.

[Quote Q-52239]

See the following pages.

Cover Sheet

Contract No.: CTR074453

Supplier Name: Skydio, Inc.

Solicitation No.: BPM006393

Contents:

- Executed Offer and Acceptance Form
- Scope, Pricing and Terms and Conditions
- Conformance Statements

Statewide Procurement Manager:

Michael Hillebrand
Statewide Procurement Manager
State Procurement Office
Arizona Department of Administration
1802 West Jackson Street - Number 100
Phoenix AZ 85007
Michael.Hillebrand@azdoa.gov
Office: 602-542-4229

	Request for Proposal **Solicitation No. BPM006393** **Drones, Remotely Operated Devices, Unmanned Aerial Vehicles, and Related Goods and Services**	Arizona Department of Administration State Procurement Office 1802 West Jackson Street - Number 100 Phoenix, AZ 85007

Attachment 1 – Offer and Acceptance Form

SUBMISSION OF OFFER: The undersigned hereby offers and agrees to provide **Drones, Remotely Operated Devices, Unmanned Aerial Vehicles, and Related Goods and Services** in compliance with all terms, conditions, specifications, and amendments in the Solicitation and any written exceptions in the Offer indicated by the latest dated version below

Skydio, Inc.	Tom McLaughlin 9/25/2024
	Signature of person authorized to sign Offer — Date
3000 Clearview Way, Bldg E.	Tom McLaughlin - Head of Finance, VP Corporate Controller
	Printed name and Title
San Mateo, CA 94402	Tom McLaughlin
	Contact name and Title
	Tom.mclaughlin@skydio.com — 855-463-5902
	Contact email address — Contact phone number

Revised Offers:				
	Date	Signature	Date	Signature
Best and Final Offer:	10/28/2024	Tom McLaughlin		
	Date	Signature		

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

1. Will not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, [Arizona] State Executive Orders 2023-09, 2023-01, 2009-09 or A.R.S. §§ 41-1461 through 41-1465;
2. 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;
3. Complies with A.R.S. § 18-132 when offering electronics or information technology products, Services, or maintenance;
4. Has submitted this Offer as a firm offer for 180 days following the Solicitation due date and time per the Instructions to Offers. Any extensions to the Offer Acceptance Period shall be made in accordance with the A.A.C. R2-7-C310;
5. Did not and will not involve collusion or other anti-competitive practices; and
6. Is not debarred from, or otherwise prohibited from, participating in any contract awarded by federal, state, or local government.

ACCEPTANCE OF OFFER

The offer is hereby accepted.
The Contractor is now bound to sell the Materials or Services listed by the attached Contract and based upon the Solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by the State.

The Contract shall henceforth be referred to as Contract No. CTR074453

The effective date of the Contract is 11/7/2024

The Contractor is cautioned not to commence any billable work or to provide any Material or Service under this Contract until Contractor receives purchase order or written notice to proceed.

State of Arizona Awarded this 31 **day of** October **20** 24

Michael Hillebrand

Michael Hillebrand
Statewide Procurement Manager
Procurement officer signature

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Solicitation Summary

1. What is the State Soliciting?

The Arizona Department of Administration, State Procurement Office (the State), as authorized under A.R.S. § 41-2501 *et seq.* is seeking to establish one or more mandatory statewide Contracts to supply drones, remotely operated devices, unmanned aerial vehicles, and related goods and services for use by the State and its eligible cooperative entities. This contract is intended for the outright purchase of drone systems, and not for as-needed drone operator services.

The State anticipates awarding contract(s) with the intent to secure service coverage statewide. Whether or not it actually enters into any contracts, how many contracts it enters into, and how the work is awarded between those contracts are all at the State's discretion. Furthermore, the State will use any awarded contracts on an as-needed basis, with no guarantee as to its actual spending under them.

The State reserves the right to accept any item or combination of items specified in the Solicitation, unless the Offeror expressly restricts an item or combination of items in its Offer, and conditions its response on receiving all items for which it provided a proposal. In the event of such restriction, the State will evaluate if an award on such a basis will result in the best value and is in the best interest for the State. The State may otherwise determine, at its sole discretion, that such restriction is non-responsive and deem the Offeror ineligible for further evaluation.

2. What is in the Solicitation?

2.1. At the time of publication, the following documents are included in the Solicitation:

2.1.1. Attachment: BPM006393 Solicitation Requirements

2.1.1.1. Notice / Cover Page
2.1.1.2. Table of Contents
2.1.1.3. Solicitation Summary
2.1.1.4. Scope of Work
2.1.1.5. Special Terms and Conditions
2.1.1.6. Addendum A to the Special Terms and Conditions
2.1.1.7. Addendum B to the Special Terms and Conditions
2.1.1.8. Uniform Terms and Conditions

2.1.2. Attachment: BPM006393 Solicitation Instructions

2.1.2.1. Special Instructions to Offerors
2.1.2.2. Standard Instructions to Offerors (RFP)

2.1.3. Solicitation Attachments

2.1.3.1. Offer and Acceptance

2.1.3.2. Boycott of Israel Disclosure
2.1.3.3. Forced Labor of Ethnic Uyghurs Ban
2.1.3.4. Confidential Information Designation
2.1.3.5. Conformance Statements and Exceptions Requests
2.1.3.6. Key Personnel
2.1.3.7. Letter of Insurability
2.1.3.8. References
2.1.3.9. Proposed Subcontractors
2.1.3.10. Offeror Questionnaire
2.1.3.11. Financial and Accounting Information
2.1.3.12. Offer Checklist
2.1.3.13. Pricing Document

2.2. The State may issue a Solicitation Amendment at any time after Solicitation publication and before the Offer due date. It is the responsibility of the Prospective Offeror to routinely check the APP website for any Solicitation Amendments and revised documents.

Scope of Work

1.0 Purpose and Background

1.1 **Purpose:** The State of Arizona is seeking to establish one or more 'statewide' contracts to supply drones, remotely operated devices, and related goods and services for use by the State and its eligible cooperative entities. This contract is intended for the outright purchase of drone systems, and not for as-needed drone operator services.

1.2 **Background:** The State and its eligible cooperative entities have an increasing need to procure and deploy various unmanned devices to facilitate operations in a safe and efficient manner. Missions for these devices include operations in the air, on land, and under water. Examples of practical applications include, but are not limited to: aerial surveillance, aerial mapping, imagery, and land survey, payload delivery and transportation, bomb disposal, hazardous material handling, reconnaissance, threat pacification, search and rescue, and inspection and maintenance.

The State seeks related goods and services necessary to operate these devices in the furtherance of their missions. Examples of related goods and services include, but are not limited to: training, maintenance, parts and accessories, configuration and installation, certification and licensing, software and related software services, and countermeasure systems to aerial, terrestrial, and aquatic devices.

2.0 Scope of Goods and Services

2.1 Aerial Devices

2.1.1 Devices

2.1.1.1 Contractors selling aerial devices shall ensure that products offered meet all regulatory restrictions.

2.1.1.2 Contractors selling aerial devices shall ensure that they are duly authorized to sell the products.

2.1.1.3 Contractors selling aerial devices must notify Purchaser if their unit was refurbished or previously used prior to purchase.

2.1.1.4 Contractor must notify Purchaser of any recall notices from manufacturer and inform Purchaser of their options.

2.1.1.5 Product technical specifications and attributes must be provided to Purchaser upon request.

2.1.1.6 Contractor must specifically document at time of purchase any limitations on fitness for a particular purpose and convey a copy of such documentation to Purchaser. A general statement releasing Contractor from its implied

warranty or fitness for a particular purpose obligations on invoices, receipts, store policy, or other routine documentation sources is not applicable.

2.2 Maintenance and Configuration Services

2.2.1 Contractors providing maintenance or configuration services must disclose if their work will void any warranty from the equipment manufacturer to Purchaser prior to working on the equipment.

2.2.2 Contractor must provide Purchaser with a comprehensive itemized quote for approval prior to beginning any maintenance or configuration services.

2.2.3 Contractor must include delivery date for the completed product/work on the quote.

2.2.4 Work requiring the product to be shipped overseas must be disclosed to Purchaser. Purchaser shall have the right to require work be performed within the United States if a qualified service provider is available.

2.2.5 Payments for work done by a third party/subcontractor must be made to the Contractor.

2.2.6 Finished devices shall be tested by Contractor prior to delivery to Purchaser, and Purchaser shall have the right to require a demonstration pertaining to functionality of work performed at no additional cost prior to acceptance.

2.2.7 Parts

2.2.7.1 Contractor shall make it known to Purchaser prior to purchase if the part being sold is produced by the original equipment manufacturer (OEM) or a separate aftermarket manufacturer. Any disclaimers or consequences for using aftermarket parts instead of OEM parts must be made known to Purchaser prior to purchase.

2.2.7.2 Contractor must make it known to Purchaser if there is any associated restocking/return fee for a product ordered prior to filling the order.

2.2.7.3 Should parts for a model purchased from Contractor be discontinued by the manufacturer, or should Contractor elect to no longer stock replacement parts for a model purchased through this agreement, Contractor must notify Purchaser of the discontinuation within 30 days.

2.2.8 Training and Certification

2.2.8.1 Training classes for applicable FAA licensing and certification must be conducted by trained, qualified instructors.

2.2.9 Countermeasure Systems

2.2.9.1 Contractor shall be duly authorized to sell countermeasure systems for their intended purpose.

2.2.9.2 Materials detailing technical operating limitations must be disclosed and available to Purchaser prior to sale.

2.3 Terrestrial Devices

2.3.1 Devices

2.3.1.1 Contractors selling terrestrial devices shall ensure that products offered meet all regulatory certifications and standards.

2.3.1.2 Contractors selling terrestrial devices shall ensure that they are duly authorized to sell the products.

2.3.1.3 Contractors selling terrestrial devices must notify Purchaser if their unit was refurbished or previously used prior to purchase.

2.3.1.4 Contractor must notify Purchaser of any recall notices from manufacturer and inform Purchaser of their options.

2.3.1.5 Product technical specifications and attributes must be provided to Purchaser upon request.

2.3.1.6 Contractor must specifically document at time of purchase any limitations on fitness for a particular purpose and convey a copy of such documentation to Purchaser. A general statement releasing Contractor from its implied warranty or fitness for a particular purpose obligations on invoices, receipts, store policy, or other routine documentation sources is not applicable.

2.3.2 Maintenance and Configuration Services

2.3.2.1 Contractors providing maintenance or configuration services must disclose if their work will void any warranty from the equipment manufacturer to Purchaser prior to working on the equipment.

2.3.2.2 Contractor must provide Purchaser with a comprehensive itemized quote for approval prior to beginning any maintenance or configuration services.

2.3.2.3 Contractor must include delivery date for the completed product/work on the quote.

2.3.2.4 Work requiring the product to be shipped overseas must be disclosed to Purchaser. Purchaser shall have the right to require work be performed within the United States if a qualified service provider is available.

2.3.2.5 Payments for work done by a third party/subcontractor must be made to Contractor.

2.3.2.6 Finished devices shall be tested by contractor prior to delivery to Purchaser, and Purchaser shall have the right to require a demonstration pertaining to functionality of work performed at no additional cost prior to acceptance.

2.3.3 Parts

2.3.3.1 Contractor shall make it known to Purchaser prior to purchase if the part being sold is produced by the original equipment manufacturer (OEM) or a separate aftermarket manufacturer. Any disclaimers or consequences for using aftermarket parts instead of OEM parts must be made known to Purchaser prior to purchase.

2.3.3.2 Contractor must make it known to Purchaser if there is any associated restocking/return fee for a product ordered prior to filling the order.

2.3.3.3 Should parts for a model purchased from Contractor be discontinued by manufacturer, or should Contractor elect to no longer stock replacement parts for a model purchased through this agreement, Contractor must notify Purchasers of the discontinuation within 30 days.

2.3.4 Training and Certification

2.3.4.1 Training classes for applicable licensing and certification must be conducted by trained, qualified instructors.

2.3.5 Countermeasure Systems

2.3.5.1 Contractor shall be duly authorized to sell countermeasure systems for their intended purpose.

2.3.5.2 Materials detailing technical operating limitations must be disclosed and available to Purchaser prior to sale.

2.4 Aquatic Devices

2.4.1 Devices

2.4.1.1 Contractors selling aquatic devices shall ensure that products offered meet all regulatory restrictions.

2.4.1.2 Contractors selling aquatic devices shall ensure that they are duly authorized to sell the products.

2.4.1.3 Contractors selling aquatic devices must notify Purchaser if their unit was refurbished or previously used prior to purchase.

2.4.1.4 Contractor must notify Purchaser of any recall notices from manufacturer and inform Purchaser of their options.

2.4.1.5 Product technical specifications and attributes must be provided to Purchaser upon request.

2.4.1.6 Contractor must specifically document at time of purchase any limitations on fitness for a particular purpose and convey a copy of such documentation to Purchaser. A general statement releasing Contractor from its implied warranty or fitness for a particular purpose, obligations on invoices, receipts, store policy, or other routine documentation sources is not applicable.

2.4.2 Maintenance and Configuration Services

2.4.2.1 Contractors providing maintenance or configuration services must disclose if their work will void any warranty from the equipment manufacturer to Purchaser prior to working on the equipment.

2.4.2.2 Contractor must provide Purchaser with a comprehensive itemized quote for approval prior to beginning any maintenance or configuration services.

2.4.2.3 Contractor must include delivery date for the completed product/work on the quote.

2.4.2.4 Work requiring the product to be shipped overseas must be disclosed to Purchaser. Purchaser shall have the right to require work be performed within the United States if a qualified service provider is available.

2.4.2.5 Payments for work done by a third party/subcontractor must be made to the Contractor.

2.4.2.6 Finished devices shall be tested by Contractor prior to delivery to Purchaser, and Purchaser shall have the right to require a demonstration pertaining to functionality of work performed at no additional cost prior to acceptance.

2.4.3 Parts

2.4.3.1 Contractor shall make it known to Purchaser prior to purchase if the part being sold is produced by the original equipment manufacturer (OEM) or a separate aftermarket manufacturer. Any disclaimers or consequences for using aftermarket parts instead of OEM parts must be made known to Purchaser prior to purchase.

2.4.3.2 Contractor must make it known to purchaser if there is any associated restocking/return fee for a product ordered prior to filling the order.

2.4.3.3 Should parts for a model purchased from Contractor be discontinued by manufacturer, or should Contractor elect to no longer stock replacement parts for a model purchased through this agreement, Contractor must notify Purchaser of the discontinuation within 30 days.

2.4.4 Training and Certification

2.4.4.1 Training classes for applicable licensing and certification must be conducted by trained, qualified instructors.

2.4.5 Countermeasure Systems

2.4.5.1 Contractor shall be duly authorized to sell countermeasure systems for their intended purpose.

2.4.5.2 Materials detailing technical operating limitations must be disclosed and available to Purchaser prior to sale.

2.5 Software

2.5.1 Functionality

2.5.1.1 Features of the software application shall be made available to Purchaser upon request. Demonstrations may be arranged at Purchaser and Contractor mutual consent. Such demonstrations shall be at no cost to Purchaser.

2.5.1.2 Design and features of software solutions purchased by law enforcement entities shall meet all applicable Criminal Justice Information Services (CJIS) standards for their intended application by the law enforcement entity.

2.5.2 Maintenance and Support

2.5.2.1 Contractor shall provide for regular maintenance, updates, and support of purchased software applications and solutions.

2.5.2.2 Terms of any contractor maintenance and support, service level, or software license agreement that mention automatic renewal or price escalation are void. However, maintenance and support or service level agreement plans with an identified term ordered under this agreement shall survive the expiration of this agreement until the identified term has expired.

2.5.2.3 Contractor shall provide telephone support during business hours and maintain ticket tracking and problem escalation and prioritization procedures.

2.5.3 Configuration and Professional Services

2.5.3.1 Configuration, customization, implementation, training, or other professional services shall be quoted as a not to exceed, all-inclusive project price with identified project timelines and payment/deliverable milestones.

Special Terms and Conditions

The Special Terms and Conditions modify the Uniform Terms and Conditions. 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. Definition of Terms: As used in the Contract, the terms listed below are defined as follows:

   1.1. Acceptance: The document titled “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:

      1.2.1. If State did not request a Revised Offer, then “Accepted Offer” means the Initial Offer.

      1.2.2. If State requested a Revised Offer but not a Best and Final Offer, then “Accepted Offer” means the latest Revised Offer.

      1.2.3. If State requested a Best and Final Offer, then “Accepted Offer” means the Best and Final Offer.

   1.3. “AI” means the science and engineering of making machines capable of performing tasks that are typically associated with human intelligence, such as learning and problem-solving, and includes without limitation: AI systems, classic AI, external AI, generative AI, and large language model (LLM) AI.

   1.4. Arizona Procurement Code: The Arizona Procurement Code consists of Arizona Revised Statutes (A.R.S.) §§ 41-2501 *et seq*. and Arizona Administrative Code (A.A.C.) R2-7-101 *et seq.* There is additional information in the Solicitation Instructions regarding how to access these state statutes and rules.

   1.5. Arizona Risk and Authorization Management Program (AZRAMP): is used by the Arizona Department of Homeland Security to evaluate Cloud services and Contractors that will transfer, process, or store state data outside of state-managed or controlled networks, and has three levels of control review:

      1.5.1. AZ Mandatory Control Baseline: 35 Controls

      1.5.2. NIST Low Impact Control Baseline: Public Data Classification

1.5.3. NIST Moderate Impact Control Baseline: Confidential Data Classification

1.6. Arizona Transaction Privilege Tax (TPT): For information, refer to the Arizona Department of Revenue (DOR) website at: https://azdor.gov/transaction-privilege-tax-tpt

1.7. Attachment. Any item that:

1.7.1. The Solicitation required Offeror to submit as part of the Offer (e.g., Initial Offer, Revised Offer, or Best and Final Offer);

1.7.2. Was attached to an Offer when submitted; and

1.7.3. Was included in the Accepted Offer.

1.8. Cloud Services: Cloud or Cloud Services means any Software as a Service (SaaS), Infrastructure as a Service (IaaS), or Platform as a Service (Paas) involving the transfer, processing, or storage of state Data outside the control of state-managed and controlled networks.

1.9. Contract Terms and Conditions: The Special Terms and Conditions and the Uniform Terms and Conditions taken collectively.

1.10. Contractor: The Person identified on the Accepted Offer who has entered into the Contract with the State.

1.11. Contractor Indemnitor: Contractor or any of its owners, officers, directors, agents, employees, or Subcontractors.

1.12. Co-Op Buyer: 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 an "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 I.R.S. under Section 501(c)(3) through 501(c)(6) of the tax code.

1.13. Data Breach: Data Breach is used herein as defined as stated in A.R.S. Title 18, chapter 5, article 4 (Data Security Breaches), or in any relevant state or federal standard, to indicate an unauthorized acquisition of and unauthorized access that materially

compromises the security or confidentiality of unencrypted and unredacted computerized personal information maintained as part of a database of personal information regarding multiple individuals.

1.14. Eligible Agency:

1.14.1. If the Special Terms and Conditions indicate that the Contract is a "single-agency" contract, then "Eligible Agency" means the particular State of Arizona agency, university, commission, or board identified therein.

1.14.2. If the Special Terms and Conditions indicate that the Contract is a mandatory statewide contract, then "Eligible Agency" means any State of Arizona department, agency, university, commission, or board.

1.14.3. If the Special Terms and Conditions indicate that the Contract is a "cooperative" contract available for use by Co-Op Buyers, then "Eligible Agency" means any State of Arizona department, agency, university, commission, board, or any Co-Op Buyer.

1.15. Federal Risk and Authorization Management Program (FedRAMP): A federal government program that provides a standardized approach to security assessment, authorization, and continuous monitoring specifically for Cloud products and services relied upon by federal entities that store, process and transmit federal information.

1.16. Instructions to Offerors: The Solicitation Instructions document of the Solicitation.

1.17. Order: The instrument by which the Eligible Agency or Co-Op Buyer authorizes a Contractor to perform some or all of the Work. Whether the Contract will have one Order or many Orders depends on the scope of the Contract and how the State will use it. The Special Terms and Conditions provide that information. Any of the following are construed as an "Order": "Purchase order," "task order," "service order," or "job order".

1.18. State's eProcurement System: The 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 Technical Bulletin No. 020, The State's eProcurement System–The Official State eProcurement System. Technical Bulletin No. 020 is available online at:

https://spo.az.gov/sites/default/files/documents/files/TB_020_APP_20181024.pdf

1.19. 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 Eligible Agency or Co-Op Buyer who has issued the Order.

1.20. State Indemnitees: Collectively, the State of Arizona, its departments, agencies, universities, commissions, and boards and, and their respective officers, agents, and employees.

1.21. StateRAMP: A non-profit organization that provides a uniform approach to verifying that the cybersecurity of Cloud service providers (CSPs) meets the standards and regulations needed to do business with state and local governments.

1.22. Work: 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 Interpretations

2.1. Usage. Where the Contract:

2.1.1. assigns obligations to Contractor, any reference to “Contractor” is to be construed to be a reference to the 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 Subcontractor’s respective agents, representatives, and employees in every instance unless the context plainly requires that it is a reference only to Contractor as apart from Subcontractors.

2.1.2. uses the permissive “may” with respect to a party’s actions, determinations, etc., the terms is to be interpreted as in A.A.C. R2-7-101(32) [*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;

2.1.3. 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(44) [*Definitions*]. Conversely, the phrase “shall not” is to be interpreted as an imperative prohibition.

2.1.4. uses the term “must” with respect to a requirement, criterion, etc., the term is to be interpreted as conveying compulsion or strict necessity;

2.1.5. 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

2.1.6. 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.

2.2. Contract Order of Precedence

2.2.1. 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.

2.2.2. 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.

2.2.2.1. Contract Amendments;

2.2.2.2. The final Solicitation Documents, in the following 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) Specifications; and

(7) Any other documents referenced or included in the Solicitation;

2.2.2.3. Orders, in reverse chronological order; and

2.2.2.4. Accepted Offer.

2.2.3. 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.

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 twelve (12) months unless canceled, terminated, or permissibly extended.

3.2. Contract Extensions. State may at its discretion extend the initial Contract term in increments of one (1) or more months and do so one or more times, provided that the maximum aggregate term of the Contract including extensions cannot exceed the maximum aggregate term of five (5) years.

3.3. Notices and Correspondence

3.3.1. To Contractor. State shall 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 State's eProcurement System Vendor Profile; and 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. Contractor shall address all Contract correspondence other than formal notices to the email address indicated in "Contact Instructions" in the State's eProcurement System Summary for State; and address any required notices to State via email to the Procurement Officer identified as "Purchaser" in the State's eProcurement System and via mail to the following mailing address:

Arizona Department of Administration
State Procurement Office
1802 W. Jackson, #100,
Phoenix, AZ 85007

3.3.3. Changes. State may change the designated Procurement Officer, update contact information, or change the applicable mailing address.

3.4. Signing of Contract Amendments. Contractor's counter-signature (or "approval" in the State's eProcurement System, in the case of an amendment) is not required to give effect if the Contract Amendment only covers either:

3.4.1. extension of the term of the Contract within the maximum aggregate term; or

3.4.2. 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 3.4.1 and 3.4.2 above, both parties' signatures (or "approval" in the State's eProcurement System in the case of an Amendment) are required to give it effect.

3.5. Click-through 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 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 System, 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. In addition to the audit rights detailed in the Uniform Terms and Conditions, State also requires that, pursuant to A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating to any cost and pricing Data submitted in satisfaction of § 41-2543 for the period specified in the statute.

3.6.2. Usage Information. Additionally, any and all information (including, but not limited to, documentation or Data) related to Eligible Agency and Co-Op Buyer usage retained solely within the Contractor's system (for example, related to punch-out or Contractor catalog sales) shall be considered public information or information that can be shared with and distributed by the State freely and for any purpose under the State's government purpose rights detailed in Section 3 of the Uniform Terms and Conditions [Ownership of Intellectual Property]. Any modifications to this Contract notwithstanding, the State shall have free use of any and all information related to Eligible Agency or Co-Op Buyer purchasing. Upon request by the State, Contractor shall promptly provide the State with any usage information requested and shall not attempt to limit the State's use in any way.

3.6.3. Right To Audit. The retained books and records are subject to audit by State during that period. Pursuant to 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.

3.6.4. 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. Subcontract

3.7.1. Initial list. At the time of Contract execution, Contractor's candidate Subcontractors were identified in Attachment Proposed Subcontractors 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.

3.7.2. Additional names. Contractor shall not enter into a Subcontract to perform Work under the Contract, without first obtaining Procurement Officer's written consent with any prospective Subcontractor that (a) was not listed on the Attachment Proposed Subcontractors 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. Approval of additional subcontractors shall be added to the Contract by a bilateral Contract Amendment.

3.7.3. 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.

3.8. Orders

3.8.1. Order Sufficiency. The Contract was awarded in accordance with the Arizona Procurement Code; the transactions and procedures required by the Arizona Procurement Code for competitive source selection have been met. An Order issued that cites the correct State contract number will suffice to authorize the Contractor to provide the Materials and perform the Services covered by that Order.

3.8.2. Order Terms. All Orders are subject to the Contract Terms and Conditions; an Order cannot modify the Contract Terms and Conditions. Any Contractor terms added to quotes or otherwise unilaterally added to Eligible Agency or Co-Op Buyer Orders are null and void.

3.8.3. 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.

3.8.4. No Minimums or Commitments. (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.

3.8.5. Non-contracted Materials or Services. Any attempt to knowingly represent for sales, marketing, or related purposes that Materials or Services not specifically awarded are under a State contract is a violation of the Contract and law.

3.9. Order Cancellations. State may cancel Orders within a reasonable period after issuance and at its discretion. The same method used for ordering will be used for cancellation.

3.9.1. If State cancels an Order, then State shall:

3.9.1.1. 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; and

3.9.1.2. reimburse Contractor for actual, documented costs incurred in fulfilling the Order up to the cancellation effective date and the cost of any obligations incurred in fulfilling the Order up to the cancellation effective date 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.

3.9.2. Contractor shall not charge or be entitled to charge State for any new costs it incurs after receiving the cancellation notice; State is not liable for any Materials that were produced, shipped, or delivered, or Services that were performed before Contractor had acknowledged the corresponding Order.

3.9.3. State shall also be able to cancel Orders freely and without any further obligation at any time prior to Contractor's formal acknowledgement of the Order.

3.10. The Contract is a mandatory statewide contract (per A.A.C. R2-7-607) for multiple purchases, projects, or assignments, and a cooperative contract (per A.R.S. § 41-2632 and A.A.C. R2-7-1002(B)) that can be purchased against by some or all Eligible Agencies and any Co- Op Buyers that elect to participate. Even if only one Eligible Agency needs or elects to purchase against the Contract, it is to be construed as being a cooperative contract hereunder.

3.10.1. Contractor shall verify if an ordering entity is a current 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/suppliers/usage-reporting

3.10.2. 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).

3.10.3. Contractor shall pay State an administrative fee against all Contract sales to Co- Op Buyers, as provided for under A.R.S. § 41- 2633. Rates are set in accordance with SPO Technical Bulletin (TB) 007, available on the SPO website, which may be revised at the State's sole discretion as part of Arizona state procurement policy. For convenience (though note that this link may change over time) TB 007 may be found here:

https://spo.az.gov/suppliers/usage-reporting.

Failure to remit the administrative fees is a material breach of contract, and will entitle the State to its remedies under Contract Terms and Conditions Section 8 and its right to terminate for default under Section 9. Method of calculation, payment procedures, and other details are provided on the State Procurement Office website:

https://spo.az.gov/suppliers/usage-reporting.

3.10.4. 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 the State to its remedies under Contract Terms and Conditions Section 8 and its right to terminate for default under Section 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

https://spo.az.gov/suppliers/usage-reporting.

3.10.5. Contractor shall acknowledge each Order from Eligible Agencies within one (1) business day after receipt by either: (a) "approving" the Order electronically in the State's eProcurement System, which will indicate Contractor's unqualified acceptance of the Order as- issued; or (b) "rejecting" the Order electronically in the State's eProcurement System, 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 the Contractor may reject or refuse an Order are those set out in subparagraph 3.8.3 [*Orders are Obligatory*]. Unless and until Contractor has approved the Order in the State's eProcurement System, 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 the State's eProcurement System within three (3) business days. Contractor shall thereafter be barred from subsequently rejecting the Order in the State's eProcurement System and if it does so the rejection will be void.

3.10.6. Contractor shall acknowledge each Order from Co- Op Buyers in conformance with each Co-Op 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.

3.11. Multiple-Use Provisions. Eligible Agencies may issue Orders for Services in several forms, all of which become final and effective by a Purchase Order in the State's eProcurement System. Orders issued by Co-Op 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:

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

3.11.2. 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;

3.11.3. As described in 3.11.2 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; or

3.11.4. As described in 3.11.3 above but introducing ad-hoc commercial competition by making the selection and ordering conditional on obtaining more favorable prices than the contractually-established ones.

3.12. Work on State Premises

3.12.1. 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.

3.12.2. 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 in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 of the Uniform Terms and Conditions [Right of Offset].

3.13. Transitions

3.13.1. During commencement, Contractor shall attend transition meetings with any outgoing suppliers to coordinate and ease the transition so that the impact on

State's operations is kept to a minimum. State may elect to have outgoing suppliers complete some or all of their Work or Orders in progress, even if that Work could be covered under the incoming supplier's Contract. Conversely, the State may have a continued need for the same Materials and Services upon expiration or earlier termination of the Contract. Accordingly, Contractor shall work closely with any incoming supplier and State to ensure as smooth and complete a transition transfer as is practicable.

3.13.2. Eligible Agency or Co-Op Buyers representative will coordinate all transition activities and facilitate joint development of a comprehensive transition plan by both Contractor and the incoming supplier. As with the incoming transition, State may permit Contractor, when Contractor is outgoing, to complete work or orders in progress to ease the transition as is safest and most efficient in each instance.

3.13.3. RESERVED

4. Costs and Payments

4.1. Type of Pricing. Offeror shall include only minimum discount off manufacturer's list price in the offer.

4.2. Contractor's Best Pricing. Contractor warrants that, for the term of the Contract, the prices and discounts set out in the Attachments titled Pricing, including any subsequent agreed amendment to it (the "Contract Pricing"), shall be equal to or better than the lowest prices and largest discounts, both separately and in combination, at which Contractor sells equivalent services, items of equipment, and materials.

4.2.1. That price-plus-discount equivalence ("Contractor's Best Pricing") is intended to be irrespective of whether or not those other sales have special purchase terms, conditions, rebates, or allowances.

4.2.2. If Contractor's Best Pricing for equivalent services, items of equipment, and materials is better than the Contract Pricing, then Contractor agrees to adjust the Contract Pricing to match the Contractor's Best Pricing for all sales related to the Contractor made after the date when the Contractor's Best Pricing was first better than the Contract Pricing.

4.2.3. For clarification of intent, that date is intended to be the date when the difference first occurred, which might have been before the difference was first identified. If the difference occurred before it was identified, then Supplier agrees to charge less than the Contract Pricing until the extended difference

that would have been realized (i.e. if the Contractor's Best Pricing had been applied when it should have been) has been settled.

4.3. Pricing is all-inclusive, including any ancillary fees and costs required to accomplish the Scope of Work and all aspects of Contractor's offer as accepted by State.

4.3.1. Details of service not explicitly stated in the Scope of Work or in Contractor's Offer, but necessarily a part of, are deemed to be understood by Contractor and included herein. All administrative, reporting, or other requirements, all overhead costs and profit and any other costs toward the accomplishment of the requirements in the Contract are included in the pricing provided.

4.3.2. Additional Charges. Any charges or fees not delineated in the Contract shall not be added, billed, or invoiced under the Contract.

4.4. Price Increase. The State may review a fully documented request for a price increase. The requested increase shall be in writing and be based upon a cost increase to the Contractor that was clearly unpredictable at the time of the offer and is directly correlated to the price of the product concerned. Contractor must provide conclusive evidence of a need for any price increases.

4.4.1. Initial Contract prices shall be honored for one year after award of Contract.

4.4.2. The State needs sufficient time to make a fair and equitable determination in response to any Contractor requests for price adjustments. As a result, the State requests that the Contractor provide ninety (90) days advance notice prior to any price adjustment whenever possible, and at a minimum, sixty (60) days advance notice. Requests sent to the State with less than sixty (60) days notice will be denied, unless the Contractor provides proper documentation demonstrating the urgency of the request. The State shall determine whether the price increase is in the best interest of the State.

4.4.3. All price adjustments will be implemented by a formal Contract Amendment. State shall determine whether the requested price increase or an alternate option is in the best interest of the State.

4.4.4. State expects Contractors to use Lean Six Sigma principles to reduce costs in their supply chain, and not simply pass new costs on to the State. If a price increase is requested, State will ask for evidence that Lean Six Sigma principles and tools have been used by Contractor to attempt to reduce costs in advance of any request for a price increase under the Contract.

4.5. Price Reductions. Price reductions shall be immediately passed along to State and may be submitted in writing to State for consideration at any time during the Contract period.

The contractor shall offer State a price reduction on the Contract product(s) concurrent with a published price reduction made to other customers. The State at its own discretion may accept a price reduction. The price reduction request shall be in writing and include documentation showing the actual reduction of cost. Sales promotions requests shall include differences in pricing, begin, and end date of promotion along with the products covered.

4.6. Travel. Contractor shall request and receive written approval prior to any travel under the Contract in which reimbursement of expenses will be requested. Contractor will be reimbursed for actual expenses incurred in accordance with the current rates specified in the State's Travel Policy. Contractor shall itemize all per diem and lodging charges. State Travel Policy, including State rates, may be located at https://gao.az.gov/travel/travel-information. Eligible Agency or State shall reject any claim for travel reimbursement for which Contractor did not receive prior written approval.

4.7. Funding

No particular funding considerations apart from Uniform Terms and Conditions Sections 4.5 [Availability of Funds for the Next State Fiscal Year] and 4.6 [Availability of Funds for the Current State Fiscal Year] have been identified as of the Solicitation publication date.

4.8. Invoicing

4.8.1. Invoices Go To Ordering 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 or by utilizing the Ordering Entity’s purchasing tool/process.

4.8.2. Minimum Invoice Requirements. Every invoice shall include the following information:

4.8.2.1. Bill-to name and address;
4.8.2.2. Contractor name and contact information;
4.8.2.3. Remit-to address;
4.8.2.4. Invoice number and date;
4.8.2.5. State contract number;
4.8.2.6. Order number (APP PO number);
4.8.2.7. Material or Service description (itemized);
4.8.2.8. Date(s) Services were performed or Materials were delivered;
4.8.2.9. Applicable payment terms;
4.8.2.10. Quantity delivered or performed;
4.8.2.11. Line item unit of measure;
4.8.2.12. Item price;

4.8.2.13. Extended pricing;
4.8.2.14. Receipt for pass-through expenses (if applicable);
4.8.2.15. Taxes (as a separate invoice line item), including the percentage used to calculate taxes;
4.8.2.16. Mailing fees (if applicable); and
4.8.2.17. Total invoice amount due.

4.8.3. No Invoice Without Authorization. Contractor shall not seek payment for any:

4.8.3.1. Materials or Services that have not been authorized on an acknowledged Order;

4.8.3.2. Expediting, overtime, premiums, or upcharges absent State's express prior approval; or

4.8.3.3. Materials or Services that are the subject of a Contract Amendment that has not been fully signed by the Procurement Officer.

4.8.4. Submitting Invoices. Contractor shall submit an invoice to the ordering Eligible Agency or Co- Op Buyer using the form and/or process required by the ordering Eligible Agency or Co-Op Buyer. Every invoice must be signed by Contractor's authorized representative and accompanied by all supporting information and documentation required by the Contract and applicable laws.

4.8.5. Defective Invoices. Without prejudice to its other rights under the Contract or further obligation to Contractor, the ordering Eligible Agency or Co-Op Buyer may, at its discretion, reject any materially defective invoice.

4.8.5.1. The ordering Eligible Agency or Co-Op Buyer shall notify the Contractor within five (5) business days after receipt if it determines an invoice to be materially defective.

4.8.5.2. Invoices will be deemed automatically rejected upon delivery if they: are sent to an incorrect address, do not reference the correct State contract and Purchase Order number, or are payable to any Person other than the Contractor.

4.8.5.3. The ordering Eligible Agency or Co-Op Buyer shall have no obligation to pay against a defective invoice unless and until Contractor has re-submitted it free of defects.

4.9. Payments

4.9.1. 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 Pricing Section of the Special Terms and Conditions above, 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 occur: (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 Contract, provided that, State will not make or be liable for any payments to Contractor until Contractor has registered properly in the State's eProcurement System and provided a current I.R.S. Form W-9 to State unless excused by law from providing one.

4.9.2. Payments Only To Contractor. Unless an assignment and assumption agreement has been reached between the Contractor and State pursuant to Section 5.1 of the Special Terms and Conditions [Assignment and Delegation] or the State has been otherwise compelled by operation of law or order of a court of competent jurisdiction, State will only make payment to Contractor under the federal tax identifier the Contract was awarded to within the eProcurement System.

4.9.3. Payment. The applicable Eligible Agency or Co-Op Buyer shall pay undisputed amounts due to Contractor within the time period specified in Section 4 Costs and Payments of the Uniform Terms and Conditions.

4.9.4. 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.

4.9.5. Recovery of Overpayment. If applicable, Eligible Agency or Co-Op Buyer determines that an overpayment has been made to Contractor on any prior invoice, it shall inform Contractor of the amount and date of the overpayment and may deduct the overpaid amount from amounts then or thereafter due to Contractor.

4.9.6. Purchasing Card. Applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders using a purchasing card. Any and all fees related to payment using a purchasing card (also called a p-card) are the responsibility of the Contractor. Unless otherwise stated in the Contract, there

will be no additional fees or increase in prices associated with this method of payment.

4.9.7. 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, the 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/publications/forms.

4.10. Applicable Taxes

4.10.1. Contractor To Pay All Taxes. State is subject to Arizona Transaction Privilege Tax (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 will not relieve the Contractor of any obligation to remit sales or use taxes that are due under the Contract or laws. Unless clearly stated otherwise in the Contract, 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.

4.10.2. 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 as any related costs; the foregoing expressly includes Arizona TPT, unemployment compensation insurance, social security, and workers' compensation insurance.

5. Contract Changes

5.1. Assignment and Delegation

5.1.1. 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 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.

5.1.2. In Part. Subject to Special Terms and Conditions sections 3.7 [Subcontract] 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 state law.

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. General Contractor Indemnification and Insurance Requirements

6.2.1. Contractor Indemnification (Not Public Agency). To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or Subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is

applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the Contractor or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.

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.

6.2.3. **Insurance Requirements**. **Addendum A to the Special Terms and Conditions: Contractor Insurance Requirements is incorporated herein as part of the Special Terms and Conditions.**

6.3. 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:

6.3.1. State shall provide reasonable and timely notification to Contractor of any claim for which Contractor may be liable under this paragraph;

6.3.2. 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;

6.3.3. State may elect to participate in such action at its own expense; and

6.3.4. 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 section 6.3 does not apply.

7. Warranties

7.1. Warranties and Requirements Related to Information Security. Addendum B: Warranties and Requirements Related to Arizona Information Security Statewide Policies, Standards, and Procedures is incorporated herein as part of the Special Terms and Conditions.

8. State's Contractual Remedies

8.1. [RESERVED]

9. Contract Termination

9.1. [RESERVED]

10. Contract Claims

10.1. [RESERVED]

11. Arbitration

11.1. [RESERVED]

12. General Provisions for Materials

12.1. Applicability. Section 12 applies to the extent the Work is or includes Materials.

12.2. Off-Contract Materials. Contractor shall ensure that the design and/or procedures for the Materials ordering method prevents Orders for items not included in the scope of the Contract (and for which no price or compensation has been established contractually) or specifically 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 12.17 or cancel any such Order under subparagraph 12.18, in either case being without obligation and at Contractor's expense.

12.3. 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. If late deliveries have been specifically addressed in the Contract, the Contract shall take precedence over any such Contractor policies.

12.4. 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).

12.5. 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.

12.6. Maintain Comprehensive Selection. Contractor shall provide at all times the comprehensive selection of products for which a price is established in the Contract for ordering by Eligible Agencies, and Co-Op Buyers, if applicable.

12.7. 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 pricing and make the pricing 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 shall 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 requires showing how prices offered to a significant number of buyers compare to the prices or discounts proposed for the additional products.

12.8. Discontinued Products. If a product or groups of products covered by the Contract are discontinued by the manufacturer, Contractor shall notify State within five (5) business days after receiving the manufacturer's notification. State, at its discretion, may allow Contractor to provide substitutes for the discontinued products or delete the products from the scope of the Contract. The resulting change to the Contract will be formalized by Contract Amendment. Contractor shall then update all applicable pricing and make the pricing 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 any 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.

12.9. Forced Substitutes. The Contractor shall not provide forced substitutions under the Contract; Contractor shall obtain State's prior written consent before making any discretionary substitution for any product covered by the Contract.

12.10. 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, retrieve stored products, and take any other reasonably necessary actions, to implement the recall.

12.11. Delivery Time. Unless stated otherwise in the Purchase Order, Contractor shall make delivery within two (2) business days after receiving each Order.

12.12. Delivery Locations. Contractor shall offer deliveries to every location served under the scope of the Contract, specifically

12.12.1. if the Contract is for a single State agency in a single area, then Contractor shall deliver to any agency location in that area;

12.12.2. 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;

12.12.3. if the Contract is for cooperative 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

12.12.4. if the Contract is for unrestricted mandatory statewide and cooperative use, then:

12.12.4.1. Contractor shall deliver to any Eligible Agency or Co-Op Buyer anywhere in Arizona;

12.12.4.2. if a prospective Co-Op Buyer outside Arizona wishes to order against the Contract, Contractor agrees to negotiate in good faith any fair and reasonable price or lead time adjustments necessary to serve that location if practicable to do so within the scope of its normal business; and,

12.12.4.3. if the Purchase Order indicates defined delivery areas and prices, those always apply unless the Order expressly states otherwise and Contractor accepts it.

12.13. Conditions at Delivery Location. Contractor shall verify receiving hours and conditions (e.g. height/weight restrictions, access control, etc.) with the relevant Eligible Agency or Co-Op Buyer for the receiving site before scheduling or making a delivery. 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 shall not pay extra charges for wait time, comebacks, or the like, nor excuse late deliveries if Contractor has failed to comply with this section.

12.14. Materials Acceptance**.** State has the right to accept Materials subject to a complete inspection on delivery and installation, if installation is Contractor's responsibility. State may require acceptance criteria, including, but not limited to, conformity to the Contract, workmanship, and quality under the Contract or for a specific Order. Contractor shall remove any rejected Materials from the delivery location, or from any area to which it might have been reasonably necessary to move it, and subsequently deliver an equal quantity of conforming items within a timeframe set by the Eligible Agency or Co-Op Buyer. State shall 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.

12.15. 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.

12.15.1. 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.

12.15.2. If Contractor fails to do so in a timely manner, State will be entitled to exercise its remedies under the Contract, including but not limited to, paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.

12.15.3. 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.

12.16. Returns. State may, at its discretion, return for full credit and with no restocking charges, any delivered Materials unused in the original packaging within thirty (30) days after receipt, regardless of acceptance. If State elects to return delivered Materials, then State shall pay delivery costs to return the products to the place from which Contractor shipped them. However, 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 any costs associated with returning the Materials and may, at its discretion, either have those billed directly to Contractor, offset them under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions, or take any other appropriate actions under the Contract.

12.17. 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. Contractor shall only deliver Materials that are already safe and compliant with the warranties in the Contract Terms and Conditions.

12.18. Hazardous Materials. Contractor shall timely provide State with any "Safety Data Sheets" (SDS) and any other hazard communication documentation required under the United States 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 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.

13. General Provisions for Services

13.1. Applicability. Article 13 applies to the extent the Work is or includes Services.

13.2. Comprehensive Services. Contractor shall provide the comprehensive range of Services for which a price is established in the Contract for ordering by Eligible Agencies and Co-Op Buyers.

13.3. Additional Services. State at its discretion may modify the scope of the Contract by Contract Amendment to include additional Services or service categories that are within the general scope of the ones originally covered by the Contract. Once the Contract Amendment is fully executed, Contractor shall then update all applicable pricing and make them available to all affected entities at no additional cost. Either party may make the request to add Services to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional Services, but State may elect not to add some or all of the Services in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request shall include documentation demonstrating that the proposed price for the additional Services is both fair and reasonable and comparable to the original prices.

13.4. Off-Contract Services. Contractor shall ensure that the ordering process for the Services prevents Orders for Services not included in the scope of the Contract (and for which no price or compensation has been established in the Contract) or Services explicitly excluded from the Contract. Notwithstanding that State might have its own internal administrative rules regarding off-contract or excluded ordering of Services, and endeavors to prevent such Orders from occurring, Contractor is responsible for not accepting any such Orders. State may, at its discretion, cancel any such Order without obligation.

13.5. Removal of Personnel. Notwithstanding that Contractor is in every circumstance responsible for hiring, assigning, directing, managing, training, disciplining, and rewarding its personnel, State may at its discretion, and without the obligation to demonstrate cause, instruct Contractor to remove any of its personnel from State's facilities or from further assignment under the Contract. In such cases, Contractor shall promptly replace removed personnel with other personnel that have equivalent qualifications, experience, and capabilities.

13.6. Accuracy of Work. Contractor is responsible for the accuracy of the Services, and shall promptly make all necessary revisions or corrections resulting from errors and omissions on its part without additional compensation. Acceptance by State shall not relieve Contractor of responsibility for correction of any errors discovered subsequently or necessary clarification of any ambiguities.

13.7. Requirements at Location of Services

13.7.1. Contractor personnel shall perform their assigned portions of the Services at the specific location indicated in the Order. Contractor acknowledges that the location might be inside an industrial building, institutional building, or one of various office types and classes.

13.7.2. If performing the Services requires Contractor personnel to work inside a secured perimeter at certain institutional facilities (including but not limited to prisons) where prior clearances are required, Contractor shall contact the facility directly in advance of performing the Services to confirm its current security clearance procedures, allowable hours for work, visitor dress code, and other applicable rules. State shall not pay any additional fees (including but not limited to service charges) or excuse late performance, if Contractor has failed to comply with these requirements.

13.8. Acceptance of Services. State has the right to accept Services subject to acceptance criteria. State may apply acceptance criteria to the Contract or a specific Order, which may include, but are not limited to, accuracy, completeness, conformance to requirements, or quality. State shall not pay Contractor for unaccepted Services, and State may, at its discretion, withhold or make partial payment for any rejected Services, while Contractor is in the process of re-performing or otherwise curing the grounds for State's rejection.

13.9. Corrective Action Required. Notwithstanding any other guarantees, general warranties, or particular warranties Contractor has given under the Contract, and in addition to any other rights and remedies available under the Contract, if Contractor fails to perform any material portion of the Services including, but not limited to, failure to complete any contractual deliverable or failure to meet agreed-upon service levels or service standards set out in or referred to in the Contract, then Contractor shall perform a root-cause analysis to identify the source of the failure and use all commercially reasonable efforts to correct the failure and meet the Contract requirements as promptly as is practicable.

13.9.1. Contractor shall provide State a report detailing the identified cause and setting out its detailed corrective action plan promptly after the date the failure occurred (or the date when the failure first became apparent, if it was not apparent immediately after occurrence).

13.9.2. State may demand to review and approve Contractor's analysis and plans, and Contractor shall make any and all reasonable corrections State instructs and adopt State's recommendations, including any measures State determines to

be necessary for employee or public safety, or the protection of property or the environment.

13.9.3. Contractor shall take the necessary action(s) to avoid any like failures in the future**.**

14. Data and Information Handling

14.1. Applicability. Article 14 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.

14.2. 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:

14.2.1. Contractor shall provide the State and Eligible Agencies with a copy of its Disaster Recovery plan upon request. The Disaster Recovery plan shall outline the Contractor's actions, with timelines, in the event of a natural disaster, cyber-attack or loss of ability to operate and perform services under this contract.

14.2.2. Contractor shall: (a) notify State immediately of any unauthorized access or inappropriate disclosures, whether stemming from an external Data Breach, internal Data Breach, system failure, or procedural lapse within twenty-four (24) hours of a Data Breach, by sending an email to the Arizona Department of Homeland Security at AZSOC@azdohs.gov and GRC@azdohs.gov, reporting the incident that occurred; (b) cooperate with State to identify the source or cause 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

14.2.3. 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.

14.3. Personally Identifiable Information. Without limiting the generality of paragraph 14.2, Contractor warrants that it will employ protections for 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:

14.3.1. PII has the meaning given in Arizona Revised Statute (A.R.S.) § 18-551; and

14.3.2. "protections" has the meaning given in the National Institute of Standards and Technology (NIST) *Special Publication 800-160, Revision 2, Volume 1*.

NOTE (1): For convenience of reference only, Arizona Revised Statute (A.R.S.) § 18-551 is available at:

https://www.azleg.gov/ars/18/00551.htm

NOTE (2): For convenience of reference only, NIST SP 800-160, Revision 2, Volume 1 is available at:

https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-160v2r1.pdf

14.4. Protected Health Information. Contractor warrants that, to the extent performance under 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:

14.4.1. 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 CFR45-160(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;

14.4.2. 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

14.4.3. 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

15. Information Technology Work

15.1. Applicability. Article 15 applies to any Invitation for Bids, Request for Proposals, or Request for Quotations for "Information Technology," as defined In A.R.S. §18-101(6) "…all computerized and auxiliary automated information processing, telecommunications and related technology, including hardware, software, vendor support and related services, equipment and projects," if and to the extent that the Work is or includes Information Technology.

15.2. Background Checks. Each Contractor's personnel who is an applicant for an information technology position must undergo the security clearance and background check procedure, which includes fingerprinting, as required by A.R.S. § 41-710, Eligible Agency, or Co-Op Buyer. Contractor shall obtain and pay for the security clearance and background check. Contractor personnel who will have administrator privileges on a State network must additionally provide identity and address verification and undergo State-specified training for unescorted access, confidentiality, privacy, and Data security

15.3. Information Access

15.3.1. System Measures. Contractor shall employ appropriate system management and maintenance, fraud prevention and detection, and encryption application and tools to any systems or networks containing or transmitting State's proprietary Data or confidential information.

15.3.2. Individual Measures. Contractor personnel shall comply with applicable State policies and procedures regarding Data access, privacy, and security, including prohibitions on remote access and obtaining and maintaining access identifications (IDs) and passwords. Contractor is responsible to State for ensuring that any State access IDs and passwords are used only by the person to whom they were issued. Contractor shall ensure that personnel are only provided the minimum only such level of access necessary to perform their duties. Contractor shall, on request, provide a current register of the access IDs and passwords and corresponding access levels currently assigned to its personnel.

15.3.3. Access Control. Contractor is responsible to State for ensuring that hardware, software, Data, information, and that has been provided by State or belongs to or is in the custody of State and is accessed or accessible by Contractor personnel is only used in connection with carrying out the Work and is never commercially exploited in any manner whatsoever not expressly permitted under the Contract. State may restrict access of Contractor personnel, or

instruct Contractor to restrict their access, if in its determination the requirements of this subparagraph are not being met.

15.4. Pass-Through Indemnity

15.4.1. Indemnity from Third Party. For computer hardware or software included in the Work as discrete units that were manufactured or developed solely by a third party, Contractor may satisfy its indemnification obligations under the Contract by, to the extent permissible by law, passing through to State such indemnity as it receives from the third-party source (each a "Pass-Through Indemnity") and cooperating with State in enforcing that indemnity. If the third party fails to honor its Pass-Through Indemnity, or if a Pass-Through Indemnity is insufficient to indemnify State Indemnitees to the extent and degree, Contractor is required to do by the Uniform Terms and Conditions, then Contractor shall indemnify, defend and hold harmless State Indemnitees to the extent the Pass-Through Indemnity does not.

15.4.2. Notification of Claims. State shall notify Contractor promptly of any claim to which a Pass-Through Indemnity might apply. Contractor, with reasonable consultation from State, shall control of the defense of any action on any claim to which a Pass-Through Indemnity applies, including negotiations for settlement or compromise, provided that:

15.4.2.1. State reserves the right to elect to participate in the action at its own expense;

15.4.2.2. State reserves the right to approve or reject any settlement or compromise on reasonable grounds and if done so timely; and

15.4.2.3. State shall in any case cooperate in the defense and any related settlement negotiations.

15.5. Systems and Controls. In consideration for State having agreed to permit Pass-Through Indemnities in lieu of direct indemnity, Contractor agrees to establish and keep in place systems and controls appropriate to ensure that State funds under this Contract are not knowingly used for the acquisition, operation, or maintenance of Materials or Services in violation of intellectual property laws or a third party's intellectual property rights.

15.6. Redress of Infringement

15.6.1. Replace, License, or Modify. If Contractor becomes aware that any Materials or Services infringe, or are likely to be infringing, on any third party's intellectual property rights, then Contractor shall, at its sole cost and expense and in consultation with State, either:

15.6.1.1. replace any infringing items with non-infringing ones;

15.6.1.2. obtain for State the right to continue using the infringing items; or

15.6.1.3. modify the infringing items so that they become non-infringing, so long as they continue to function as specified following the modification.

15.6.2. Cancellation Option. In every case under 15.6.1, if none of those options can reasonably be accomplished, or if the continued use of the infringing items is impracticable, State may cancel the relevant Order or terminate the Contract, and Contractor shall take back the infringing items. If State does cancel the Order or terminate the Contract, Contractor shall refund to State:

15.6.2.1. for any software created for State under the Contract, the amount State paid to Contractor for creating it;

15.6.2.2. for all other Materials, the net book value of the product provided according to generally accepted accounting principles; and

15.6.2.3. for Services, the amount paid by State or an amount equal to twelve (12) months of charges, whichever is less.

15.6.3. Exceptions. Contractor will not be liable for any claim of infringement based solely on any of the following by a State Indemnitee:

15.6.3.1. modification or use of Materials other than as contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor;

15.6.3.2. operation of Materials with any operating software other than that supplied by Contractor or authorized or proposed by a Contractor Indemnitor; or

15.6.3.3. combination or use with other products in a manner not contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor.

15.7. First Party Liability Limitation

15.7.1. Limit. Subject to the provisos that follow below and unless stated otherwise in the Special Terms and Conditions, State's and Contractor's respective first party liability arising from or related to the Contract is limited to the greater of $1,000,000 (one million dollars) or three (3) times the purchase price of the specific Materials or Services giving rise to the claim.

15.7.2. Provisos. This paragraph limits liability for first party direct, indirect, incidental, special, punitive, and consequential damages relating to the Work regardless

of the legal theory under which the liability is asserted. This paragraph does not limit liability arising from any:

15.7.2.1. Indemnified Claim against which Contractor has indemnified State Indemnitees under paragraph 6.2;

15.7.2.2. claim against which Contractor has indemnified State Indemnitees under paragraph 6.3; or

15.7.2.3. provision of the Contract calling for liquidated damages or specifying amounts or percentages as being at-risk or subject to deduction for performance deficiencies.

15.7.3. Purchase Price Determination. If the Contract is for a single-agency and a single Order (or if no Order applies), then “purchase price” in Subparagraph 15.7.1 above means the aggregate Contract price current at the time of Contract expiration or earlier termination, including all Contract Amendments having an effect on the aggregate price through that date. In all other cases, “purchase price” above means the total price of the Order for the specific equipment, software, or services giving rise to the claim, and therefore a separate limit will apply to each Order.

15.7.4. No Effect on Insurance. This paragraph does not modify the required coverage limits, terms, and conditions of, or any insured’s ability to claim against any insurance that Contractor is required by the Contract to provide, and Contractor shall obtain express endorsements that it does not.

15.8. Information Technology Warranty

15.8.1. Specified Design. Where the Scope of Work for information technology, Work provides a detailed design specification or sets out specific performance requirements, Contractor warrants that the Work will provide all functionality material to the intended use stated in the Contract, provided that, the foregoing warranty does not extend to any portions of the Materials that are:

15.8.1.1. modified or altered by anyone not authorized by Contractor to do so;

15.8.1.2. maintained in a way inconsistent to any applicable manufacturer recommendations; or

15.8.1.3. operated in a manner not within its intended use or environment.

15.8.2. COTS Software. With respect to Materials provided under the Contract that are commercial-off-the-shelf (COTS) software, Contractor warrants that:

15.8.2.1. to the extent possible, it will test the software before delivery using commercially available virus detection software conforming to current industry standards;

15.8.2.2. the COTS software will, to the best of its knowledge, at the time of delivery be free of viruses, backdoors, worms, spyware, malware, and other malicious code that could hamper performance, collect unlawfully any personally identifiable information, or prevent products from performing as required by the Contract; and

15.8.2.3. it will provide a new or clean install of any COTS software that State has reason to believe contains harmful code.

15.8.3. Payment has no Effect. The warranties in this paragraph are not affected by State's inspection, testing, or payment.

15.9. Specific Remedies. Unless expressly stated otherwise elsewhere in the Contract, State's remedy for breach of warranty under paragraph 15.8 includes, at State's discretion, re-performance, repair, replacement, or refund of any amounts paid by State for the nonconforming Work, plus (in every case) Contractor's payment of State's additional, documented, and reasonable costs to procure materials or services equivalent in function, capability, and performance that was first called for. For clarification of intent, the foregoing obligations are limited by the limitation of liability in paragraph 15.7. If none of the foregoing options can reasonably be effected, or if the use of the materials by State is made impractical by the nonconformance, then State may seek any remedy available to it under law.

15.10. 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 (IT) that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

15.10.1. Data.

Addendum A to the Special Terms and Conditions

Contractor Insurance Requirements

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

1.2 Insurance Requirements

1.2.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, 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, its agents, representatives, employees or subcontractors.

1.2.2 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.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
- Damage to Rented Premises $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.

1.3.2 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

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.

1.3.3 Workers' 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 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).

1.4 Additional Insurance Requirements

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

1.4.1 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).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 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 mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 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.

1.7 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.

1.7.1 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.

1.7.2 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.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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.

1.8 Subcontractors

Contractor's 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 Department 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.

1.9 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.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Addendum B to the Special Terms and Conditions

Warranties and Requirements Related to
Arizona Information Security Statewide Policies, Standards, and Procedures

1. Security Standards
   1.1. Security of the State's systems and Data are of **utmost** importance to the State. In order to assure security from a personnel and operations perspective, Contractor shall comply with all requirements, in their entirety, as described in the statewide enterprise architecture; statewide Information Technology security policies, standards, and procedures; and any applicable agency-specific Information Technology security policies, standards, and procedures.
   1.2. Contractor shall follow the correct, current version of these policies, standards, and procedures established by the Arizona Department of Homeland Security (AZDOHS) pursuant to their authority under A.R.S. Title 41, Chapter 41. The current website for these policies, standards, and procedures is: Information Technology Policies, Standards and Procedures. Note that this link is provided for convenience only.
   1.3. For security reasons, some state facilities require non-state personnel to have escorts. If required by the state facility, Contractor personnel shall only be allowed inside of a State facility if accompanied by an escort designated by the State. This is applicable in Correctional facilities, Public Safety facilities, State Lottery, and other facilities as designated by the State.

2. Security Framework
   2.1. The State of Arizona information security policies and standards follow the National Institute of Standards and Technology (NIST) SP 800-53 Rev. 5 Security and Privacy Guidelines may currently be located at: https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r5.pdf.
   2.2. The State has established a process to assess risk associated with storing, processing and/or transmitting State of Arizona Data with external, non-State of Arizona entities. The Arizona Risk and Authorization Management Program (AZRamp) was developed to ensure State and contractors meet these requirements. All contractors responding to State solicitations must successfully complete the AZRamp risk assessment based upon the Data classification involved as determined by the Data owner and AZDOHS Cyber Command. Failure to successfully complete AZRamp assessment will be deemed as breach of contract.

2.3. In the State's sole discretion, the State may also accept current FedRamp and StateRamp certifications as evidence that the Contractor has met the State's risk assessment requirements.

2.4. Other forms of Cybersecurity Frameworks (CSF), Trust Documents, Self-Attestations, including, but not limited to, ISO/IEC, SOC 2 & 3, PCI, or HIPAA reports of compliance, may be reviewed as part of the State's risk assessment, but are not exclusive or conclusive evidence that the Contractor has met the State's risk assessment requirements.

3. Additional Security Requirements

3.1. Contractor shall comply with all security requirements requested by the State.

3.2. If an Arizona Risk and Authorization Management Program (AZRamp) is required, it will generally follow these steps, each of which shall be completed by the Contractor upon request by the State:

3.2.1. Contractor shall submit a completed Arizona Baseline Infrastructure Security Controls Prerequisite assessment spreadsheet with its Offer. The Arizona Baseline Infrastructure Security Controls Prerequisite assessment spreadsheet as found at: https://azdohs.gov/sites/default/files/arizona_baseline_security_controls_pre-requisite__0_0.xls, and mitigate gaps or install compensating controls for any issues of concern identified by State.

3.2.2. Contractor shall provide Information Security documentation for the AZRamp assessment to include System Security Plan (SSP), Written Information Security Programs (WISP), or supporting written IT policies for review of the assessment.

3.2.3. Note regarding the confidential treatment of Contractor information:

3.2.3.1. The State of Arizona seeks a partnership with our supporting vendors, therefore, Non-Disclosure Agreements (NDA) for release to review submitted SSPs, WISPs, or written IT policies will not be considered.

3.2.3.2. Submitted SSPs, WISPs, or written IT policies are deleted and not retained after AZRamp Authorization is granted.

3.2.3.3. Procedures for submission of documents considered confidential or proprietary are identified within this RFP.

3.2.3.4. Special secure transfer of documents related to this AZRamp review process may be made by contacting: GRC@AZDOHS.gov to make special arrangements for the transfer of these documents.

3.2.4. If applicable to this Solicitation, Contractor shall complete and submit with the Offer an unedited and signed State of Arizona Health Insurance Portability and Accountability Act (HIPAA) Business Associate Addendum (BAA).

3.2.5. All contract awards are contingent on the successful completion of the AZRamp 125 Low Impact (public information) or the AZRamp 325 Moderate (Confidential, PII, or PHI) Impact Control spreadsheet titled "Arizona Infrastructure Security Controls 2017 (Excel)," to be determined by the Enterprise Security, Privacy & Risk Compliance team. Low (Column E) and Moderate (Column F) Impact controls spreadsheet can be located here: https://azdohs.gov/sites/default/files/arizona_baseline_security_controls_2017_v2_0_0.xls.

3.3. The State reserves the right to conduct risk assessments, vulnerability assessments, black-box penetration tests or hire a third party to conduct risk assessments, vulnerability assessments, and black-box penetration tests of the Contractor's environment. Contractor will be alerted in advance and arrangements made for an agreeable time. Contractor shall respond to all flaws deemed serious by the State when discovered by providing an acceptable timeframe to resolve the issue and/or implement a compensating control(s).

3.4. Upon request, Contractor shall submit copies of system logs from Contractor's environment to the State of AZ security team in the format requested to be added to the State SIEM (Security Information Event Monitor) or IDS (Intrusion Detection System).

3.5. Contractor shall comply with all applicable State and Federal laws and regulations, including, but not limited to, the following (please note that the links are provided for convenience only and may change):

3.5.1. State of Arizona statewide policies, standards and procedures: https://azdohs.gov/information-technology-it-policies-standards-and-procedures;

3.5.2. Federal Information Security Modernization Act of 2014 (FISMA): https://csrc.nist.gov/topics/laws-and-regulations/laws/fisma;

3.5.3. OMB Circular A-130: https://www.federalregister.gov/documents/2016/07/28/2016-17872/revision-of-omb-circular-no-a-130-managing-information-as-a-strategic-resource;

3.5.4. National Cyber Strategy of the United States of America: https://www.cisa.gov/executive-order-strengthening-cybersecurity-federal-networks-and-critical-infrastructure;

3.5.5. Health Insurance Portability and Accountability Act (HIPAA) including Business Associate Agreement/ Health Information Technology for Economic and Clinical Health Act (HITECH): https://www.hhs.gov/hipaa/index.html;

3.5.6. Tax Information Security Guidelines For Federal, State and Local Agencies: Safeguards for Protecting Federal Tax Returns and Return Information (I.R.S. Publication 1075): https://www.irs.gov/pub/irs-pdf/p1075.pdf;

3.5.7. Criminal Justice Information Services Security Policy (CJIS): https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center;

3.5.8. Centers for Medicare & Medicaid Services (CMS), Minimum Acceptable Risk Standards for Exchanges (MARS-E): https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/2-MARS-E-v2-0-Minimum-Acceptable-Risk-Standards-for-Exchanges-11102015.pdf;

3.5.9. A.R.S. §18-104 - Arizona Department of Administration, Arizona Strategic Enterprise Technology (ADOA-ASET), Powers and duties of the agency: https://www.azleg.gov/arsDetail/?title=18;

3.5.10. A.R.S. §41-4282 - Statewide Information Security and Privacy Office (SISPO): https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/04282.htm

3.5.11. A.R.S. §18-551 - Definitions Information Security Including PII: https://www.azleg.gov/ars/18/00551.htm;

3.5.12. A.R.S. §18-552 - Notification of security system breaches; requirements; enforcement; civil penalty; preemption; exceptions: https://www.azleg.gov/ars/18/00552.htm;

3.5.13. Arizona Executive Order 2008-10 – Mitigating Cyber Security Threats: https://aset.az.gov/node/428;

3.5.14. SIPC Memorandum of Understanding (MOU): https://www.sipc.org/about-sipc/;

3.5.15. State Environmental policies: https://azdeq.gov/LawsAndRules;

3.5.16. Family Education Rights Privacy Act (FERPA): https://www2.ed.gov/policy/gen/guid/fpco/ferpa/index.html?src=rn;

3.5.17. Driver's Privacy Protection Act (DPPA): https://azdot.gov/motor-vehicles/driver-services/driver-license-information/motor-vehicle-records;

3.5.18. Incident Response Reporting program and system: https://azdohs.gov/sites/default/files/p8240-incident-response-planning_0.pdf;

3.5.19. State of Arizona Library, Archives and Public Records, Records Management Division, General Retention Schedules https://azlibrary.gov/branches/archives-records-management; and

3.5.20. Payment Card Industry (PCI) Security Standards including but not limited to Supplemental Documents, Information Supplements and Validation Requirements: https://www.pcisecuritystandards.org.

Uniform Terms and Conditions 10.5

1. Definition of Terms. As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1. "AI" means the science and engineering of making machines capable of performing tasks that are typically associated with human intelligence, such as learning and problem-solving, and includes without limitation: AI systems, classic AI, external AI, generative AI, and large language model (LLM) AI.

1.2. "Attachment" means any item the Solicitation which requires the Offeror to submit as part of the Offer.

1.3. "Contract" means the combination of the Solicitation, including the 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.

1.4. "Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.5. "Contractor" means any person who has a Contract with the State.

1.6. "Data" means recorded information, regardless of form or the media on which it may be recorded. The term may include technical Data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.

1.7. "Days" means calendar days unless otherwise specified.

1.8. "Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation generally containing maps, schematics, examples of reports, or other documents that will be used to perform the requirements of the Scope of Work after contract award.

1.9. "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.

1.10. "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.

1.11. "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.

1.12. "Services" means the furnishing of labor, time or effort by a Contractor or Subcontractor 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.

1.13. "State" means any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona that executes the Contract.

1.14. "State Fiscal Year" means the period beginning with July 1 and ending June 30.

1.15. "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 Materials or any Services required for the performance of the Contract.

1.16. "Subcontractor" means a person who contracts to perform work or render Services to a Contractor or to another Subcontractor as a part of a Contract with the State.

2. 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 Contract 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; then
2.3.7. Any other documents referenced or included in the Solicitation including, but not limited to, any Bid or Offer documents provided by the Contractor that do not fall into one of the above categories.

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 Parol 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. 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 any and all Data and other "records" relating to the acquisition and performance of the Contract for a period of five (5) 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 Nos. 2023-09, 2023-01, 2009-09, and any and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to A.R.S. § 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 and Materials Testing. 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 Materials covered under this Contract as required under A.R.S. § 41-2547. 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 non-compliance 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, stated in the Contract, or listed on the State's eProcurement system. 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. Continuous Improvement. Contractor shall recommend continuous improvements on an ongoing basis in relation to any Materials and Services offered under the Contract, with a view to reducing State costs and improving the quality and efficiency of the provision of Materials or Services. State may require Contractor to engage in continuous improvements throughout the term of the Contract.

3.8. Other Contractors. State may undertake on its own or award other contracts to the same or other suppliers for additional or related work. In such cases, the Contractor shall cooperate fully with State employees and such other suppliers 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, Materials, Services, or records to State or the other suppliers. Contractor shall not commit or permit any act that interferes with the State's or other suppliers' performance of their work, provided that, State shall enforce the foregoing section equitably among all its suppliers so as not impose an unreasonable burden on any one of them.

3.9. Ownership of Intellectual Property

3.9.1. Rights In Work Product. 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.

3.9.2. "Government Purpose Rights" are:

3.9.2.1. 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;

3.9.2.2. the right to release or disclose that work product to third parties for any State government purpose; and

3.9.2.3. 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.

3.9.3. "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.

3.9.4. Joint Developments. The Contractor and State 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.

3.9.5. 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:

3.9.5.1. any derivative works of such pre-existing Materials or elements thereof that are created pursuant to the Contract are part of that work product;

3.9.5.2. any elements of derivative work of such pre-existing Materials that was not created pursuant to the Contract are not part of that work product; and

3.9.5.3. 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.

3.9.6. Developments Outside Of Contract. Unless expressly stated otherwise in the Contract, this Section 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. Property of the State. If there are any materials that are not covered by Section 3.9 above created under this Contract, including but not limited to, reports and other deliverables, these materials 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.

3.11. Federal Immigration and Nationality Act. 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, 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 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 or debarment of the contractor.

3.12. 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.

3.13. Offshore Performance of Work involving Data is 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 Data shall be performed within the defined territories of the United States.

3.14. Protection of State Cybersecurity Interests. The Contractor shall comply with State Executive Order No. 2023-10, which includes, but is not limited to, a prohibition against (a) downloading and installing of TikTok on all State-owned and State-leased information technology; and (b) accessing TikTok through State information technology.

3.15. Artificial Intelligence (AI) Prohibitions. Consistent with State policy, if Contractor supplies AI Services or Materials (either directly or through Subcontractors or the sale of licenses), such as research, development, training, implementation, deployment, maintenance, provision, or sale of AI systems, then Contractor is prohibited from using State of Arizona Materials or Data in generative AI queries or for building or training proprietary generative AI programs unless explicitly approved in advance by the State in writing.

3.15.1. Contractor shall also disclose the utilization of generative AI before producing works owned by the State and/or integrating generative AI into Materials or Services used by the State.

3.15.2. Contractor shall perform due diligence to ensure proper licensure of model training data for all generative AI services.

3.16. Certifications Required by State Law.

3.16.1. If Contractor is a Company as defined in A.R.S. § 35-393, Contractor certifies that it is not currently engaged in a boycott of Israel as described in A.R.S. §§ 35-393 *et seq*. and will refrain from any such boycott for the duration of this Contract.

3.16.2. Contractor further certifies that it shall comply with A.R.S. § 35-394, regarding use of the forced labor of ethnic Uyghurs, as applicable.

4. 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 Materials 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, per A.R.S. § 47-2319, all prices shall be F.O.B. (“free on board”) Destination and shall include all freight delivery and unloading at the destination.

4.3. Firm, Fixed Price. Unless stated otherwise in the Special Terms and Conditions of the Contract, all prices shall be firm-fixed-prices.

4.4. Applicable Taxes

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

4.4.2. 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.

4.4.3. 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.

4.4.4. I.R.S. 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.

4.5. 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.

4.6. 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 Materials or Services are not funded, the State may take any of the following actions:

4.6.1. Accept a decrease in price offered by the Contractor;
4.6.2. Cancel the Contract; or
4.6.3. Cancel the Contract and re-solicit the requirements.

5. 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 Services or Materials, the revision of payment terms, or the substitution of Services 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 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 as described in Arizona State Procurement Office Standard Procedure 002. 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. Risk and Liability

6.1. Risk of Loss. The Contractor shall bear all loss of conforming Materials 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).To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or Subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all

rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the Contractor or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.

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 paragraph shall not apply.

6.4. Force Majeure.

6.4.1. Except for payment of sums due, neither the Contractor nor State 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, 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:

6.4.2.1. Late delivery of equipment, Materials, or Services 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 the Contractor or State 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. 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 the Special Terms and Conditions, the Contractor warrants that, for one (1) 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. Conformity to Requirements.

7.3.1. Contractor warrants that, unless expressly provided otherwise elsewhere in the Contract, the Materials and Services will for one (1) year after acceptance and in each instance:

7.3.1.1. 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 and all Contractor affirmations included as part of the Contract;

7.3.1.2. Be free from defects of material and workmanship;

7.3.1.3. Conform to or perform in a manner consistent with current industry standards; and

7.3.1.4. Be fit for the intended purpose or use described in the Contract.

7.3.2. Mere delivery or performance does not substitute for express acceptance by the State. Where inspection, testing, or other acceptance assessment of Materials or Services cannot be done until after installation or invoicing, the forgoing warranty will not begin until State's explicit acceptance of the Materials or Services.

7.4. Inspection/Testing. The warranties set forth in this Section 7 [Warranties] are not affected by inspection or testing of or payment for the Materials or Services by the State.

7.5. 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 and all certifications relevant to their work, and Contractor shall provide individual evidence of certification to State's authorized representatives upon request.

7.6. Compliance With Applicable Laws. The Materials and Services supplied under this Contract shall comply with all applicable federal, state, and local laws and policies (including, but not limited to, information technology policies, standards, and procedures available on the State's website and/or the website of any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona). Federal requirements may be incorporated into this Contract, if required, pursuant to A.R.S. § 41-2637. Contractor shall maintain any and all applicable license and

permit requirements. This requirement includes, but is not limited to, any and all Arizona state statutes that impact state contracts, regardless of whether those statutory references have been removed during the course of contract negotiations; this is notice to Contractors that the State does not have the authority to modify Arizona state law by contract.

7.7. 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.

7.8. Licenses and Permits. Contractor warrants that it will maintain all licenses required to fully perform its duties under the Contract and all required permits valid and in force.

7.9. 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 5.3 [Assignment and Delegation] that expressly recognizes the event.

7.10. Performance in Public Health Emergency. Contractor warrants that it will:

7.10.1. 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:

7.10.1.1. Identification of response personnel by name;

7.10.1.2. Key succession and performance responses in the event of sudden and significant decrease in workforce; and

7.10.1.3. Alternative avenues to keep sufficient product on hand or in the supply chain.

7.10.2. Provide a copy of its current plan to State within three (3) business days after State's written request. If Contractor claims relief under paragraph 6.4 [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.

7.10.3. A request from the State related to this paragraph 7.10 does not necessarily indicate that there has been an occurrence of force majeure, and the

Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement a plan.

7.10.4. Failure to have or implement an appropriate plan will be a material breach of contract.

7.11. Lobbying

7.11.1. Prohibition. Contractor warrants that it will not engage in lobbying activities, as defined in 40 Code of Federal Regulations (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 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 7.11 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.

7.12. Covered Telecommunications or Services. Contractor warrants that the Materials and Services rendered under this Agreement will not require Contractor to use for the State, or provide to the State to use, "covered telecommunications equipment or Services" as a substantial or essential component of any system, or as critical technology as part of any system, within the meaning of Federal Acquisition Regulation ("FAR") Section 52.204-25.

7.13. Debarment, Suspension, U.S. Government Restricted Party Lists. Contractor warrants that it is not, and its Subcontractors are not, on the U.S. government's Denied Parties List, the Unverified List, the Entities List, the Specially Designated Nationals and Blocked Parties List, and neither the Contractor nor any Subcontractors are presently debarred, suspended, proposed for debarment or otherwise declared ineligible for award of federal contracts or participation in federal assistance programs or activities.

7.14. False Statements. Contractor represents and warrants that all statements and information Contractor prepared and submitted in response to the Solicitation or as part of the Contract documents are current, complete, true, and accurate. If the Procurement Officer determines that Contractor submitted an Offer or Bid with a false statement, or makes material misrepresentations during the performance of the Contract, the Procurement

Officer may determine that Contractor has materially breached the Contract and may void the submitted Offer or Bid and any resulting Contract.

7.15. Survival of Rights and Obligations after Contract Expiration or Termination.

7.15.1. Survival of Warranty. All representations and warranties made by Contractor under the Contract will survive the expiration or earlier termination of the Contract.

7.15.2. 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.

7.15.3. 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. State's Contractual Remedies

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.

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.

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.

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. Contract Termination

9.1. Cancellation for Conflict of Interest. 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.

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 with 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 (3) 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 or Services accepted before the effective date of the termination. The cost principles and procedures provided in A.R.S. § 41-2543 and A.A.C. Title 2, Chapter 7, Article 7, 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. 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.

11. 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 (A.R.S. Title 41).

	Request for Proposal **Solicitation No. BPM006393** **Drones, Remotely Operated Devices, Unmanned Aerial Vehicles, and Related Goods and Services**	Arizona Department of Administration State Procurement Office 1802 West Jackson Street - Number 100 Phoenix, AZ 85007

Attachment 4 - BPM006393 Conformance Statements and Exceptions Requests

Offeror Name: Skydio, Inc.

If taking exceptions, the relevant subsequent sections must be completed. Add additional rows as needed.

This document must be returned in an **Excel** (.xls or .xlsx) format.

NOTE: The STATE WILL NOT CONSIDER ANY EXCEPTIONS UNLESS DESIGNATED ON THIS FORM.

READ ALL INSTRUCTIONS TO OFFERORS BEFORE TAKING ANY EXCEPTIONS. OFFERS WITH EXCEPTIONS MAY BE FOUND NOT SUSCEPTIBLE FOR AWARD UNDER A.A.C. R2-7-C311.

IF NEITHER BOX IS MARKED WITH AN "X" UNDER ANY SECTION BELOW, THE OFFEROR'S RESPONSE TO THAT SECTION WILL BE CONSIDERED "YES" AND STATE WILL INTERPRET THE OFFER AS IF THERE WERE NO EXCEPTIONS TAKEN.

CONFORMANCE TO THE INSTRUCTIONS TO OFFERORS	
Place an "X" in one of the following boxes to indicate the Offeror's conformance:	
	YES – Offeror acknowledges that it has read and understands the Instructions to Offerors (RFP) of the Solicitation Documents and attests that its Offer complies with all aspects.
X	NO – Offeror acknowledges that it has read and understands the Instructions to Offerors (RFP) in the Solicitation Documents, and attests that its Offer complies with all aspects EXCEPT FOR the exceptions listed below.

Exceptions to Instructions to Offerors (RFP)

Article / Paragraph or Exhibit Reference	RFP language (Copy and paste from Solicitation)	Proposed Changes / Alternate Language	Rationale for Proposed Change	State Response
Special Instructions to Offerors				

Standard Instructions to Offerors (RFP)				

CONFORMANCE TO THE SCOPE OF WORK AND SPECIFICATIONS	
Place an "X" in one of the following boxes to indicate the Offeror's conformance:	
x	YES – Offeror acknowledges that it has read and understands the Scope of Work and Specifications, along with any respective Exhibits, Addendums, and Appendices of the Solicitation Requirements and attests that its Offer complies with all aspects.
	NO – Offeror acknowledges that it has read and understands the Scope of Work and Specifications, along with any respective Exhibits, Addendums, and Appendices of the Solicitation Requirements and attests that its Offer complies with all aspects EXCEPT FOR the exceptions listed below.

Exceptions to Scope of Work and Specifications

Article / Paragraph or Exhibit Reference	RFP language (Copy and paste from Solicitation)	Proposed Changes / Alternate Language	Rationale for Proposed Change	State Response
Scope of Work and Specifications				

CONFORMANCE TO THE CONTRACT TERMS AND CONDITIONS	
Place an "X" in one of the following boxes to indicate the Offeror's conformance:	
	YES – Offeror acknowledges that it has read and understands the Special Terms and Conditions and the Uniform Terms and Conditions, along with any respective Exhibits, Addendums, and Appendices of the Solicitation Requirements and attests that its Offer complies with all aspects.

x	NO – Offeror acknowledges that it has read and understands the Special Terms and Conditions and the Uniform Terms and Conditions, along with any respective Exhibits, Addendums, and Appendices of the Solicitation Requirements and attests that its Offer complies with all aspects EXCEPT FOR the exceptions listed below.

Exceptions to Contract Terms & Conditions

Article / Paragraph or Exhibit Reference	RFP language (Copy and paste from Solicitation)	Proposed Changes / Alternate Language	Rationale for Proposed Change	State Response
Special Terms & Conditions				
4.2	Contractor's Best Pricing. Contractor warrants that, for the term of the Contract, the prices and discounts set out in the Attachments titled Pricing, including any subsequent agreed amendment to it (the "Contract Pricing"), shall be equal to or better than the lowest prices and largest discounts, both separately and in combination, at which Contractor sells equivalent services, items of equipment, and materials. 4.2.1. 4.2.2. 4.2.3. That price-plus-discount equivalence ("Contractor's Best Pricing") is intended to be irrespective of whether or not those other sales have special purchase terms, conditions, rebates, or allowances. If Contractor's Best Pricing for equivalent services, items of equipment, and materials is better than the Contract Pricing, then Contractor agrees to adjust the Contract Pricing to match the Contractor's Best Pricing for all sales related to the Contractor made after the date when the Contractor's Best Pricing was first better than the Contract Pricing. For clarification of intent, that date is intended to be the date when the difference first occurred, which might have been before the difference was first identified. If the difference occurred before it was identified, then Supplier agrees to charge less than the Contract Pricing until the extended difference that would have been realized (i.e. if the Contractor's Best Pricing had been applied when it should have been) has been settled	Skydio proposes that this section be marked as "Reserved"	Skydio cannot accept "best pricing" clauses.	
12.11	Delivery Time. Unless stated otherwise in the Purchase Order, Contractor shall make delivery within two (2) business days after receiving each Order.	Delivery Time. Contractor will work with the purchasing agency to ensure timely delivery. Most deliveries are completed within 45 days.	Skydio will ship products as soon as possible, but 2 days is not possible. Skydio typically is in close contact with customers and can accomodate quick delivery, but delivery timelines vary depending on product and manufacturing demand.	

Addendum B to Special Terms & Conditions				
Uniform Terms & Conditions				

	Contract Amendment	Arizona Department of Administration State Procurement Office 1802 West Jackson Street - Number 100 Phoenix, AZ 85007
	Contract Number: CTR074453	
	Amendment 1	

Drones, Remotely Operated Devices, Unmanned Aerial Vehicles, and Related Goods and Services

Skydio Inc.

Pursuant to Uniform Terms and Conditions, Section 5, Contract Changes, 5.1 Amendments, the above referenced Contract shall be amended as follows:

1. A new Pricing Sheet entitled "**CTR074453 Pricing Document - Updated 3-19-2025**" has been added.

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 an authorized representative of the Contractor and applied to the contract in the State e-Procurement system by the Procurement Officer or delegate.

	Contract Amendment	Arizona Department of Administration State Procurement Office 1802 West Jackson Street - Number 100 Phoenix, AZ 85007
	Contract Number: CTR074453	
	Amendment 2	

Drones, Remotely Operated Devices, and Related Goods and Services

Skydio Inc.

Pursuant to the above referenced Contract, and the State's Uniform Terms and Conditions, Paragraph 5.1 Amendments, the contract shall be amended as follows:

- In accordance with, Special Terms and Conditions, Paragraph 3.2 Contract Extensions, the contract is hereby extended through November 6, 2026.

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 an authorized representative of the Contractor and applied to the contract in the State e-Procurement system by the Procurement Officer or delegate.

Skydio, Inc.
3000 Clearview Way
San Mateo, CA 94402
United States
(855) 463-5902
orderadmin@skydio.com

Order Form

Order Form #:	Q-52239
Created Date:	3/30/2026
Expiration Date:	4/29/2026
Prepared By:	Eric Foote
Prepared By Email:	eric.foote@skydio.com

Customer Information

Customer: Chino Valley Police Department (AZ)

Billing Information
Chino Valley Police Department (AZ)
220 N State Route 89
Chino Valley, ARIZONA 86323
United States

Billing Contact (for Invoices)
Marrilee Easton
measton@chinoaz.net
928-636-3662

Shipping Information
Chino Valley Police Department (AZ)
1020 W Palomino Rd Dept 101
Chino Valley, Arizona 86323
United States

Shipping Contact
Jon Szymanski
jszymanski@chinoaz.net
928-636-3662

Order Contact
Terri Denemy
tdenemy@chinoaz.net
928-636-3662

A La Carte

Hardware + Perpetual Software

Product Code	Product Name	QTY	Term (Months)	List Unit Price	Net Unit Price	Total (USD)
DR4KITPLDFR	Skydio X10 Patrol-Led DFR Kit	1.00		$20,700.00	$20,700.00	$20,700.00
DR4ATTSPK	Skydio Speaker for X10	1.00		$320.00	$320.00	$320.00
DR4ATTSPTL	Skydio Spotlight for X10	1.00		$265.00	$265.00	$265.00
					Hardware + Perpetual Software Subtotal:	$21,285.00

Cloud Based Software

Product Code	Product Name	QTY	Term (Months)	List Unit Price	Net Unit Price	Total (USD)
DR4PLDFRCR5G	Skydio X10 Patrol-Led DFR Plan with Cellular Data	1.00	36	$17,418.53	$14,228.97	$14,228.97
					Cloud Based Software Subtotal:	$14,228.97

Services

Product Code	Product Name	QTY	Term (Months)	List Unit Price	Net Unit Price	Total (USD)
DR4PLDFRCRMA	DFR Patrol Services - Premium Solution	1.00	36	$10,020.34	$9,148.45	$9,148.45
					Services Subtotal:	$9,148.45

Totals

Total Fees	$48,723.87
Discount	$4,061.45
Total After Discount	$44,662.42
Estimated Shipping	$157.33
Grand Total	$44,819.75

Special Terms

Customer acknowledges and agrees that, unless otherwise agreed in writing, any SaaS Services provided under this Order Form will be hosted in the United States.

Skydio V200 and VT300 gimbals are export-controlled items, with export control classification number (ECCN) 6A003.b.4.b. If Skydio delivers an export controlled item to a customer in the U.S. and that customer intends to export, re-export, or transfer the item (including "deemed exports" to foreign nationals within the U.S.), it is the Customer's sole responsibility to comply with all applicable U.S. export laws and regulations, including obtaining any required licenses. Diversion contrary to U.S. law is prohibited.

Certain items in this order may be subject to certification requirements under United States federal and/or state laws. Skydio's delivery of any such item within the United States is contingent upon completion of applicable US-based certification processes. Skydio shall bear sole responsibility for such certification processes unless the parties otherwise mutually agreed in writing, and will provide a full refund to Customer for any affected items for which Skydio is unable to obtain applicable US-based certification.

Terms and Conditions

This Order Form shall be incorporated in, governed by, and subject to the Skydio Enterprise Terms of Service and Conditions of Sale ("Skydio Terms") located at https://www.skydio.com/legal unless there is a separate agreement signed by both Customer and Skydio). The product descriptions and definitions are set forth in Exhibit A. In the event of any conflict, the order of precedence shall be the Order Form, followed by any other agreement signed by both Customer and Skydio, and finally the Skydio Terms.

The purchase prices and fees listed in this Order Form do not include taxes or duties, and may include an annual uplift to cover inflation. Any discount pricing or bundling is contingent on Customer timely paying for all products and services in this Order Form.

All Orders are non-cancelable and any fees paid are non-refundable unless explicitly stated otherwise on this Order Form.

Lead Times: Manufacturing lead times are at least 30 days from the date this Order Form is fully signed.

Standard Shipping: Standard Shipping means ground shipping based on weight and package size as prepared for delivery. Unless noted otherwise, shipping fees shown on the Order Form are for Standard Shipping.

Expedited Shipping: Any expedited shipping requests, or requests to ship to multiple locations, made after execution of the Order Form will incur additional fees, which will be added to the invoice at the time of shipping. Skydio will make reasonable efforts to accommodate such requests but reserves the right to notify Customer of any increased shipping fees, which must be approved by Customer via email before proceeding.

All delivery dates are estimates only.

Additional Information

Is there a purchase order (PO) number or other reference number that you would like us to include on your invoice and packing slip (if applicable)?

[ ] No
[ ] Yes - Please complete below

PO or Reference Number: _____

Please email any purchase orders or tax exemption documentation to orderadmin@skydio.com

Any inclusion of Customer's PO Number or PO Amount is for reference purposes only. Furthermore, any terms or conditions contained on any Customer PO shall not be binding on Skydio, and no action by Skydio (including the reference of the Customer's PO Number on invoicing, shipment of the ordered products, activation of any licensed software, etc.) shall be construed as Skydio's acceptance of such terms or conditions.

This Order Form has been executed by the parties' authorized representatives as of the dates of their respective signatures below.

Customer	Skydio Inc.
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

Exhibit A: Product Descriptions and Definitions

Product Name	Description
Skydio X10 Patrol-Led DFR Plan with Cellular Data	Skydio X10 Patrol-Led DFR Plan enables public safety agencies to operate Drone as First Responder programs with DFR Command. Includes one (1) Skydio DFR Command for X10 Patrol subscription and one (1) cellular data plan for the X10 and controller. Includes access to all Skydio Extend APIs, Axon Integrations, and Extend Partner Integrations. Price is annual per drone.
DFR Patrol Services - Premium Solution	Includes one (1) parachute for X10 plan. The plan covers one (1) parachute attachment hardware with unlimited deployment repacks and useful life hardware replacements as determined by Skydio. Customer is responsible for the replacement of the parachute attachment on the drone in accordance with Skydio recommendation. Customer will be charged the full cost of the parachute if Skydio fails to receive the replaced hardware within thirty (30) days of the shipment. Includes access to a discounted and fixed repair and replacement price of $990 per X10 vehicle, up to 3 units over customer's purchased term, beginning on the date of customer receipt of X10. Customer will be charged the full cost of the replacement drone if Skydio fails to receive payment of associated replacement fees (covered in T&C) within thirty (30) days of the shipment. Includes access to Skydio Academy Online content. Price is annual.
Skydio X10 Patrol-Led DFR Kit	Includes one (1) Skydio X10 Ready Kit (2.4/5 GHz, 5G/LTE Ready: SIM Card Included, IR) NA + VT300-Z [Kit includes one (1) Skydio X10 + VT300-Z, one (1) Controller, one (1) Ready Case, one (1) set additional propellers, three (3) batteries, and one (1) dual charger with cords. Includes one (1) license to Skydio Autonomy Drone Software that allows the drone to see, understand, and act upon the world. License is perpetual and non-transferable. Data sold separately.], one (1) Skydio NightSense with IR Attachment for X10.
Skydio Speaker for X10	One (1) speaker attachment that can be carried by the Skydio X10.
Skydio Spotlight for X10	One (1) spotlight attachment that can be carried by the Skydio X10.

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5b
MEETING DATE: 4/14/2026
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:
Consideration and possible action to approve Ordinance No. 2026-964 amending Town Code Chapter 110, General Licensing Provisions, regarding business licenses.

SUMMARY:
Staff is requesting an update of the Town's Business License Code to better align with current administrative practices and state standards. The proposed revisions will clarify existing language, remove outdated or redundant provisions, and improve overall usability of the code for businesses, staff, and the public. These updates are intended to streamline the licensing process, reduce confusion caused by ambiguous wording, and ensure the Town's regulations are clear, consistent, and easier to administer.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:
Approve Ordinance No. 2026-964 amending Town Code Chapter 110, General Licensing Provisions, regarding business licenses.

FISCAL IMPACT?
N/A

ATTACHMENTS:

1.	ORD 2026-964 - Code Amendment - 110 - Business Licenses (002)(4.7.26)
2.	CODE - Chapter 110 - Business Licenses (005)(4.7.26)
3.	Redline

ORDINANCE NO. 2026-964

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT ON FILE WITH THE TOWN CLERK TITLED "2026 AMENDMENTS TO CHINO VALLEY TOWN CODE CHAPTER 110 REGARDING BUSINESS LICENSES"; ADOPTING THE SAME BY REFERENCE AND AMENDING THE CHINO VALLEY TOWN CODE AS SET FORTH THEREIN; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, FOR SEVERABILITY, AND FOR PENALTIES.

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to update Chino Valley Town Code (the "Town Code") Chapter 110, General Licensing Provisions, to align with current practices and standards, clarify language, eliminate redundancies, and simplify the licensing process.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The above recitals are hereby incorporated as if fully set forth herein.

SECTION 2. That certain document entitled "2026 Amendments to Chino Valley Town Code Chapter 110 Regarding Business Licenses" (the "Amendment"), of which one paper copy and one electronic copy are maintained, in compliance with Ariz. Rev. Stat. § 44-7041, on file in the office of the Town Clerk as required by Ariz. Rev. Stat. § 9-802, and available for public use and inspection during normal business hours, is hereby declared to be a public record, and said copies are hereby ordered to remain on file with the Town Clerk.

SECTION 3. The Town Code is hereby amended as set forth in the Amendment, which is hereby referred to, adopted, and made a part hereof as if fully set forth herein.

SECTION 4. All ordinances and parts of ordinances in conflict with the provisions of this ordinance or with any part of the Amendment adopted herein by reference are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this ordinance or any part of the Amendment adopted herein is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 6. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this ordinance.

SECTION 7. The Amendment includes the following penalty provisions:

§ 110.99 PENALTY.

(A) Any person found operating a business in violation of this chapter, or who fails to renew a license issued under § 110.06 and allows the renewal to become delinquent, shall be assessed a fine equal to 100% of the applicable license fee, which shall be added to the license fee.

(B) Failure to pay the fine assessed under (A) above within 30 days of the renewal date or required application date is a violation of this chapter, subject to penalty under (C) below.

(C) Any person found guilty of violating any part of this chapter, except as described in (A) above, shall be guilty of a Class 3 Misdemeanor. Each day that a violation continues shall be a separate offense.

(D) If the violation remains unresolved after 30 days from the date of citation, the Town reserves the right to close the business through lockout procedures.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 14th day of April 2026.

_____
Tom Armstrong, Mayor

ATTEST:

_____
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

_____
Andrew J. McGuire, Town Attorney
Gust Rosenfeld P.L.C.

I hereby certify that the above foregoing Ordinance No. 2026-964 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on April 14, 2026, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

_____
Erin N. Deskins, Town Clerk

2026 AMENDMENTS TO CHINO VALLEY TOWN CODE CHAPTER 110 REGARDING BUSINESS LICENSES

SECTION 1. Chino Valley Town Code, Title XI, Business Regulations, Chapter 110, General Licensing Provisions, is amended to read as follows:

§ 110.01 PURPOSE.

The purpose of the Chino Valley business license is to regulate business conducted in the Town to protect the health, safety, and welfare of residents. In no case shall the location of a business determine whether this chapter applies. All businesses of any kind, including those located outside the Town, must obtain a business license if they conduct business within the Town.

§ 110.02 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

AUCTION. A sale in which items are sold one by one, each going to the last and highest of a series of competing bidders.

AUCTION HOUSE. A structure in which a regularly scheduled auction is held.

BUSINESS. All activities or acts, whether personal or corporate, engaged in or caused to be engaged in with the purpose of obtaining gain, benefit, or advantage, either directly or indirectly, including, but not limited to, any trades, callings, professions, occupations, games, or amusements, but excluding any casual activities or sales.

CALLING. One's occupation, profession, or trade.

CASUAL ACTIVITIES OR SALES. An occasional transaction of an isolated nature made by persons who neither represent themselves to be nor conduct business that is subject to transaction privilege tax. Casual activities or sales include, but are not limited to, the sale of used capital assets, provided that the volume and frequency of such a sale does not indicate that the seller regularly engages in selling such property.

CONDUCT. To commence, manage, own, solicit, canvass, practice, transact, engage in, or carry on.

CONTRACTING. Engaging in business as a contractor.

DELIVERY. Constitutes making deliveries either on a wholesale or retail basis.

ENGAGE. Carry on or conduct.

FIXED LOCATION. A specific, permanent business location.

FRATERNAL ORDER. A society of members banded together for mutual benefit or for work toward a common goal for the benefit of others.

HOME OCCUPATION. A vocation, trade, or profession conducted entirely within the home by one or more family members. It should not alter the residential character of the surrounding neighborhood, nor should it infringe on the rights of nearby residents to enjoy their property.

HOTEL. Any public or private hotel, inn, hostelry, tourist home or house, motel, rooming house, apartment house, trailer, or lodging place, wherein the owner and operator thereof, for compensation, furnishes lodging to any transient, except foster homes, rest homes, sheltered care homes, nursing homes, and hospitals.

LODGING and LODGING SPACE. The use or possession, or the right to the use or possession, of any room or apartment in a hotel, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room, including storage or parking space for the property of a transient.

MOBILE VENDOR. Any person selling goods or services from any vehicle, kiosk, or any other point of sale that is not a permanent structure having a postal address. Such vendors may include, but are not limited to, food trucks, flower trucks, mobile bookstores, and pop-up shops.

MOBILE SERVICE. A commercial or professional service that is provided from a vehicle, trailer, cart, or other portable means of conveyance not at a fixed location. Such services may include, but are not limited to, personal care services (e.g., pet grooming, haircuts), repair services, or other customer-oriented operations conducted on a temporary or itinerant basis.

NOTICE. A written instrument served by the Town in any of the following ways, with time commencing from the date of mailing, serving, filing, or recording:

(1) By registered or certified mail to the last known residential or business address of the person to whom it is required to be given.

(2) By personal service upon the person or the person’s lawful representative.

(3) By filing or recording with a clerk of the Superior Court or a county recorder.

(4) By publication in a newspaper of general circulation in the community.

(5) By serving upon a statutory agent of the person.

PERSON. An individual, firm, partnership, joint venture, association, corporation, estate, trust, receiver, syndicate, broker, the federal government, this state, any county, city, town, district (other than a school district), or other political subdivision of this state, and any other group or combination thereof acting as a unit. A subsidiary corporation shall be considered a separate person from its parent corporation for licensing purposes.

PROFESSION. An occupation that requires advanced learning acquired by a prolonged course of specialized intellectual instruction or that involves original or creative work depending primarily on invention, imagination, or talent, including, but not limited to, accountants, architects, artists, attorneys, dentists, doctors, medical technicians, nurses, engineers, surveyors, teachers, and veterinarians.

PROPERTY RENTAL - RESIDENTIAL. The leasing or renting of real property, or a portion thereof, for use as a dwelling or residence by one or more individuals, for a term of 30 consecutive days or more. This includes single-family homes, apartments, condominiums, duplexes, and other dwelling units intended for human habitation. A person who has two or more residential property rentals is deemed to be in the real property rental business and must comply with all business license requirements.

PROPERTY RENTAL - COMMERCIAL. The leasing or renting of real property, or a portion thereof, for business, industrial, office, retail, or institutional purposes. This excludes any use of property primarily intended for residential occupancy. A person who has one or more units of commercial property rentals is deemed to be in the real property rental business and must comply with all business license requirements.

RETAILER. A person engaged in the business of making sales at retail.

§ 110.03 LICENSE REQUIRED.

(A) It is unlawful for any person, whether acting alone or as a principal, agent, or member of any firm, partnership, association, or corporation, to conduct business in the Town without first obtaining a business license from the Town for that purpose. No license shall be issued unless the applicant demonstrates compliance with all applicable laws, regulations, and requirements governing the proposed business. The Town Clerk shall verify that issuing the requested license would not result in a violation of the Town's zoning regulations.

(B) A separate license must be obtained for each branch or separate location of the same business, and for each separate business conducted in the same location, even if conducted by the same person. Each license authorizes only the conduct of the business specified in that license and only at the location specified therein.

(C) A license obtained under this chapter is not evidence or proof that the licensee is in compliance with this chapter or other parts of the Town Code, nor does the issuance of a license limit the prosecution by the Town for any violations of law.

§ 110.04 EXEMPTIONS.

(A) The terms of this chapter do not apply to the acts of persons selling personal property at wholesale to dealers, nor to the acts of merchants or their employees in delivering goods for resale or wholesale in the regular course of business, nor to casual activities or sales, as defined herein and by A.A.C. R15-5-101, as amended hereafter. Nothing contained in this chapter shall apply to any sale required by statute or by order of any court.

(B) The following shall also be exempt from the license requirements established in this chapter:

(1) All nonprofit entities recognized under Section 501(c) of the Internal Revenue Code, provided they can demonstrate proof of their nonprofit status. Such entities may include, but are not limited to, educational institutions, fraternal orders, service clubs, and religious organizations.

(2) A permanent resident who wishes to sell agricultural products that have been produced or raised by the resident, including livestock.

(3) Fundraising projects conducted by nonprofit and religious organizations, provided such activities are not conducted on a regular basis.

(4) Persons under the age of 18 years who are engaged in part-time or seasonal employment while attending school full-time.

(5) Any business, such as utility services, that has been granted a franchise by the Town following a vote of approval by Town residents.

(6) All persons exempted pursuant to the Arizona Revised Statutes.

§ 110.05 ISSUANCE OF LICENSE.

The procedure for the issuance of a business license shall be as follows:

(A) Any person wanting to conduct business in the Town must submit a business license application to the Town Clerk at least 15 days before beginning any business activities within the Town. The applicant shall complete the business license application through the Town's website. It is the applicant's responsibility to provide all required information. Each partner in a partnership shall be listed separately on the application.

(B) Upon submission of the business license application, duly sworn by the applicant and determined complete by the Town Clerk, and upon payment of all required license and processing fees as set forth in § 110.07 of this Code, the Town Clerk shall accept and date the application.

(C) It shall be the duty of the Town Clerk upon receipt of a properly completed application for a business license and verification of the data contained thereon, to prepare and issue a license under this chapter for every person required to pay a license fee hereunder and to state in each license the amount charged for the same, the period of time covered thereby, the name of the person for whom it was issued, the business being licensed, and the location or area where the business is to be conducted.

(D) In no case shall any mistake made by the Town Clerk in issuing a license or collecting the fee, or the amount actually due from any person required to pay for a license as provided herein, prevent, prejudice, or stop the Town from collecting the correct fee or charge for any license or the amount actually owed, or revoking any erroneously-issued license and refunding the collected fee.

(E) No greater or lesser amount of money shall be charged or received by the Town Clerk for any license than is provided for in this chapter, and no license shall be issued for any period of time other than as provided herein.

(F) All charges for a license required by this chapter shall be paid in advance and in lawful money of the United States of America at the Office of the Clerk.

(G) The Town Clerk or designee shall be the inspector of licenses and may, with the approval of the Town Manager, appoint assistant inspectors as may be required to enforce these regulations.

(H) Each assistant license inspector must, as soon as they become aware of the facts, report to the Town Clerk the name of any person conducting business in the Town without the necessary license as required by this chapter.

(I) The license inspector and the assistant inspectors, while performing their duties, shall have and exercise the following powers:

(1) They may file a complaint with the Town Magistrate for any violation of this chapter; and

(2) They may enter, free of charge and at any reasonable time, any place of business that requires a license under this chapter, and demand exhibition of the current license from anyone engaged in business there. If the person fails to exhibit the license immediately, they shall be subject to the penalties specified for violations of this chapter.

(J) When the charge for any license required hereunder remains unpaid for 10 days after the due date, the charge shall become delinquent, on which day the Town Clerk shall add an amount equal to 100% of the charge as a penalty. The Town Clerk shall not issue any receipt or license thereafter until both the charge and penalty are paid in full.

(K) Each business license issued by the Town Clerk must state the following: the term of the license; the name of the person for whom the license is issued; the business being licensed; and the location or place of business or permanent address where the business is conducted.

(1) If there is any change in ownership or the nature of the business, the licensee must submit a new application and pay any additional fees as required in § 110.06.

(2) A license may be renewed for additional 12-month terms in accordance with this chapter and the renewal procedures established by the Town Clerk.

§ 110.06 PAYMENT OF BUSINESS LICENSE FEES.

(A) Payment of fees shall be made when due to the Town Clerk in legal currency of the United States and at the rates set forth in § 110.07.

(B) An applicant for a license for a new business shall pay, in addition to the general business license fee, a processing fee and, if additional inspections are required, an inspection fee to be calculated as a per-hour charge.

(1) In the event no license is issued, the general business license fee shall be returned to the applicant; however, the processing fee and any inspection fees shall not be returned.

(2) In the event an incorrect fee is assessed, the Town Clerk shall collect the proper fee and refund to the applicant any overage collected.

(3) In the event that an inspection fee is charged, the Town Clerk shall provide to the applicant an accounting of the fees incurred.

(C) If a license is issued erroneously, the license shall be revoked, and the general license fee shall be refunded to the applicant, but not the processing or inspection fees.

(D) Except as otherwise set forth in this section, there shall be no refunds once a business license has been issued.

§ 110.07 BUSINESS LICENSE FEES.

(A) For any business's initial license, and for all renewals thereof, a business license fee must be paid in the amount set by resolution of the Town Council.

§ 110.08 EXHIBITION OF LICENSE REQUIRED; DISPLAY STREET ADDRESS.

(A) Every licensee operating at a fixed location must keep the license displayed in a conspicuous place at that location. If there is no fixed location, the licensee must possess the business license whenever conducting business. Regardless of location, every licensee must produce and exhibit the license during normal business hours when requested by any police officer or any Town official authorized to issue or inspect licenses.

(B) It is unlawful for any person to exhibit any copy of the original license issued under this chapter.

(C) Each licensee shall display near or above the front door of the business location the correct street address in five-inch or greater numbers or letters so that the address is plainly visible and legible from the middle of the street or highway in front of the business, including home occupation businesses.

§ 110.09 LICENSE NOT TRANSFERABLE.

(A) No license issued under this chapter shall be in any manner assignable or transferable to anyone other than the person named on the license.

§ 110.10 ENFORCEMENT.

(A) The Chief of Police and the Code Enforcement Officer shall have and shall exercise the power to file complaints against any person violating the provisions of this chapter.

(B) The Chief of Police shall have and shall exercise the power to cite and release or arrest all persons violating the provisions of this chapter.

§ 110.11 REFUSAL TO RENEW; REVOCATION OR SUSPENSION OF LICENSE.

(A) The Town Clerk shall refuse to issue a license to any applicant, or shall promptly revoke the existing license of any licensee, who is in violation of the provisions of this chapter.

(B) The Town Clerk or designee shall deliver or mail by certified mail to the applicant or licensee written notice of the denial of an application or the revocation of an existing license. The notice shall state the reason for denial or revocation. Notice shall be delivered or mailed to the address of the applicant, licensee, or the statutory agent as shown on the current business license application. Notice shall be deemed served as of the date of mailing or delivery. Notice of revocation shall be given at least 30 days before the revocation is to take effect.

(C) An applicant has the right to request a hearing before the Town Manager within 15 days of denial, revocation, or non-renewal of a business license. Appeal of the Town Manager's decision shall be to the Town Council and shall be made by the aggrieved party within 30 days of the decision of the Town Manager.

(D) If payment of the business license itself has been made by an insufficient funds check, the license shall be immediately revoked with or without notice to the person or entity holding the license. The Town Clerk shall thereafter determine the conditions under which a license can be issued to the applicant.

(E) All buildings, structures, and equipment used by an applicant or licensee for any business activity shall comply with all applicable federal, state, county, special district, and Town regulations, requirements, and codes. Where an ongoing maintenance program is necessary to comply with those, including but not limited to such things as fire extinguishers, hoods, and vents over cooking devices, a routine inspection by authorized fire, building, zoning, health, and safety personnel may occur at any time during normal business hours, to ensure the equipment or structure is kept in proper operating condition. Any remodeling or modification of the structure or property, expansion of facilities, alteration or modification of devices or equipment herein, which was not approved by authorized fire, building, zoning, health, and safety personnel, and which may cause safety or code violations to exist, is grounds for suspension or revocation of any license issued pursuant to this chapter. If the building, structure, or equipment of a business licensed under this chapter is found to be faulty, unsafe, or inoperable, the Town may suspend this license, and any violation occurring after issuance of the business license must be corrected. Thereafter, the premises must be reinspected and approved before any reopening of the business may occur. Any person who continues to engage in business while the violations exist is subject to the immediate revocation without prior notice of any license issued pursuant to this chapter. Business may be resumed only after the Town has provided written notice that the violation has been cured.

(F) Should a federal, state, county, special district official, or town official declare that an immediate or potential hazard to the public exists which arises from or affects a licensed business activity, the Town Clerk may immediately suspend the affected license and order the business activity discontinued immediately. The suspension shall continue as long as the emergency situation is present or affects the business.

(G) A violation of the standards of conduct set forth in this chapter, which occurs after issuance of a business license, may be grounds for revocation or non-renewal of a business license.

§ 110.99 PENALTY.

(A) Any person found operating a business in violation of this chapter, or who fails to renew a license issued under § 110.06 and allows the renewal to become delinquent, shall be assessed a fine equal to 100% of the applicable license fee, which shall be added to the license fee.

(B) Failure to pay the fine assessed under (A) above within 30 days of the renewal date or required application date is a violation of this chapter, subject to penalty under (C) below.

(C) Any person found guilty of violating any part of this chapter, except as described in (A) above, shall be guilty of a Class 3 Misdemeanor. Each day that a violation continues shall be a separate offense.

(D) If the violation remains unresolved after 30 days from the date of citation, the Town reserves the right to close the business through lockout procedures.

2026 AMENDMENTS TO CHINO VALLEY TOWN CODE CHAPTER 110 REGARDING BUSINESS LICENSES

SECTION 1. Chino Valley Town Code, Title XI, Business Regulations, Chapter 110, General Licensing Provisions, is amended to read as follows:

§ 110.01 PURPOSE.

The purpose of the Chino Valley business license is to regulate business ~~activity which occurs or is transacted within the Chino Valley town limits in order~~conducted in the Town to protect the health, safety, and welfare of ~~the people of the town and to generate revenue for the town~~residents. In no case shall the location of a ~~permanent~~ business ~~be determinative of~~determine whether this chapter ~~shall apply~~applies. All businesses of any kind, including ~~businesses~~those located outside the ~~town limits of Chino Valley, shall~~Town, must obtain a business license if ~~such person, firm, corporation or association engages in any~~they conduct business ~~activity~~ within the ~~Chino Valley town limits. Business activity which involves rental of tangible personal property in Chino Valley, for example, requires a business license.~~Town.

§ 110.02 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning~~.~~:

AUCTION. A sale in which items are sold ~~1~~one by ~~1~~one, each going to the last and highest of a series of competing bidders.

AUCTION HOUSE. A structure in which a regularly scheduled auction is held.

BUSINESS~~ ACTIVITY. Any activity or act~~,. All activities or acts, whether personal or corporate, engaged in or caused to be engaged in with the ~~object~~purpose of obtaining gain, benefit, or advantage, either directly or indirectly, including, but not limited to, any trades, callings, professions, occupations, games, or amusements, but excluding any casual activities or sales.

CALLING. One's occupation, profession, or trade.

~~CASUAL SALES. One made by a person not engaged in an activity taxable under the state sales tax statutes, provided that the seller does not make a practice of making sales of such volume or frequency as to indicate that the seller is a dealer.~~

CASUAL ACTIVITIES OR SALES. An occasional transaction of an isolated nature made by persons who neither represent themselves to be nor conduct business that is subject to transaction privilege tax. Casual activities or sales include, but are not limited to, the sale of used capital assets, provided that the volume and frequency of such a sale does not indicate that the seller regularly engages in selling such property.

CONDUCT. To commence, manage, own, solicit, canvass, practice, transact, engage in, or carry on.

CONTRACTING. Engaging in business as a contractor.

DELIVERY. Constitutes making deliveries either on a wholesale or retail basis.

ENGAGE. Carry on or conduct.

FIXED LOCATION. A specific, permanent business location.

FRATERNAL ORDER. A society of members banded together for mutual benefit or for work toward a common goal for the benefit of others.

HOME OCCUPATION. A vocation, trade, or profession ~~which is~~ conducted entirely within the home by ~~a member or~~one or more family members ~~of the family~~. It should not alter the residential character of the surrounding neighborhood, nor should it infringe on the rights of nearby residents to enjoy their property.

HOTEL. Any public or private hotel, inn, hostelry, tourist home or house, motel, rooming house, apartment house, trailer, or lodging place, wherein the owner and operator thereof, for compensation, furnishes lodging to any transient, except foster homes, rest homes, sheltered care homes, nursing homes ~~or~~, and hospitals.

LODGING and LODGING SPACE. The use or possession, or the right to the use or possession, of any room or apartment in a hotel, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room, including storage or parking space for the property of a transient.

MOBILE VENDOR. Any person selling goods or services from any vehicle, kiosk, or any other point of sale that is not a permanent structure having a postal address. Such vendors may include, but are not limited to, food trucks, flower trucks, mobile bookstores, and pop-up shops.

MOBILE ~~MERCHANT~~SERVICE. A ~~business conducted from a structure that is not permanently affixed to the ground, but is capable of being moved from 1 location to another. A MERCHANT must be committed to do business in the town for at least 1 year, evidenced by presenting a copy of a lease(s) from a landowner(s).~~commercial or professional service that is provided from a vehicle, trailer, cart, or other portable means of conveyance not at a fixed location. Such services may include, but are not limited to, personal care services (e.g., pet grooming, haircuts), repair services, or other customer-oriented operations conducted on a temporary or itinerant basis.

NOTICE. A written instrument served by the ~~town as follows~~Town in any of the following ways, with time commencing from the date of mailing, serving, filing, or recording:

(1) By registered or certified mail to the last known residential or business address of the person to whom it is required to be given~~;~~.

(2) By personal service upon the person or the person's lawful representative~~;~~.

(3) By filing or recording with a clerk of the Superior Court or a county recorder~~;~~.

(4) By publication in a newspaper of general circulation in the community~~; or~~.

(5) By serving upon a statutory agent of the person.

PERSON. An individual, firm, partnership, joint venture, association, corporation, estate, trust, receiver, syndicate, broker, the federal government, this state ~~or~~, any county, city, town, district (other than a school district), or other political subdivision ~~or agency~~ of this state, and any

other group or combination thereof acting as a unit. A subsidiary corporation shall be considered a separate person from its parent corporation for licensing purposes of licensing.

PROFESSION. An occupation whichthat requires advanced learning acquired by a prolonged course of specialized intellectual instruction or whichthat involves original or creative work depending primarily on invention, imagination, or talent, including, but not limited to, accountants, architects, artists, attorneys, dentists, doctors, medical technicians, nurses, engineers, surveyors, teachers, and veterinarians.

REAL PROPERTY RENTAL BUSINESS - RESIDENTIAL. The leasing or renting of real property, or a portion thereof, for use as a dwelling or residence by one or more individuals, for a term of 30 consecutive days or more. This includes single-family homes, apartments, condominiums, duplexes, and other dwelling units intended for human habitation. A person who has two or more than 2 apartment units, houses, trailer spaces or other residential or lodging spaces available for rent or leaseproperty rentals is deemed to be in the real property rental business and must comply with all business license requirements.

PROPERTY RENTAL - COMMERCIAL. The leasing or renting of real property, or a portion thereof, for business, industrial, office, retail, or institutional purposes. This excludes any use of property primarily intended for residential occupancy. A person who has 1one or more units of commercial rental property or 1 or more units of commercial rental property plus 1 or more residential or lodging spaces for rent or lease or available for rent or leaseproperty rentals is deemed to be in the real property rental business and must comply with all business license requirements.

RETAILER. A person engaged in the business of making sales at retail.

§ 110.03 LICENSE REQUIRED.

(A) It is unlawful for any person, whether as principal or agentacting alone or as a principal, agent, or member of any firm or, partnership or, association, or for any corporation, to commence, practice, transact or carry on for profit or gain any trade, calling, profession, occupation, game, amusement or other business activity within the town limitsconduct business in the Town without first having procured aobtaining a business license from the town to do so and without complying with all regulations of the trade, calling, profession, occupation, game, amusement or business as required by lawTown for that purpose. No license shall be issued without proof byunless the applicant of thedemonstrates compliance and verification by the Town Clerk that nowith all applicable laws, regulations, and requirements governing the proposed business. The Town Clerk shall verify that issuing the requested license would not result in a violation of the town'sTown's zoning regulations will occur by such issuance.

(B) A separate license must be obtained for each branch establishment or separate business location of the same business, and for each trade, calling, profession, occupation or business activity; provided, however, that when more than 1 trade, calling, profession, occupation or business is carried on, transacted or practiced by the same person, corporation or partnership at 1 fixed place of business, only 1 license shall be required and the charge for the license shall be the highest charge applicable to any of the activities, and all activities shall be listed on the license issued. When more than 1 trade, calling, profession, occupation or business is carried on, transacted or practiced by the same person, corporation or partnership without any fixed place of business, a separate license shall be required and a separate charge shall be paid for each activity for which a license is required by this chapterseparate business conducted in the same

location, even if conducted by the same person. Each license ~~shall authorize~~authorizes only the conduct of the ~~trade, calling, profession, occupation or~~ business ~~activity described in the~~specified in that license and only at the location ~~or place of business indicated on the license~~specified therein.

~~(C) Any person that engages in any business activity without any fixed place of business, whether a resident of the town or not, shall obtain either a transient merchant license, pursuant to §§ 112.01 et seq., or a peddler's license, pursuant to §§ 112.20 et seq., whichever is applicable.~~

~~(D) Concerning real property rentals, when a person rents more than 2 residential real property rentals or 1 or more units of commercial rental property or 1 commercial rental property and 1 or more residential rentals, a business license is required.~~

~~(E) A license shall be obtained for any business activity by a person whose business is located outside of the Chino Valley corporate limits when the business causes business activity within the town limits of Chino Valley.~~

(~~F~~C) A license obtained under this chapter is not evidence or proof that the licensee ~~has complied~~is in compliance with ~~the provisions of~~ this chapter or other ~~provisions~~parts of the ~~town code~~Town Code, nor ~~shall~~does the ~~granting~~issuance of a license limit the prosecution by the ~~town of~~Town for any violations of ~~the~~ law.

~~(G) A mobile merchant shall be committed to do business from the same location or locations, as specified on the business license for at least 1 year and must provide a copy of written lease(s) from a landowner(s). Restroom and sanitation facilities must be guaranteed for the employees and customers. All zoning codes, setback regulations, building and electrical codes and fire codes must be followed. A mobile food merchant must also comply with all Health Department regulations and obtain all applicable licenses and certificates.~~

§ 110.04 EXEMPTIONS.

(A) The terms of this chapter do not apply to the acts of persons selling personal property at wholesale to dealers, nor to the acts of merchants or their employees in delivering goods for resale or wholesale in the regular course of business, nor to ~~business activity involving~~ casual activities or sales, as defined herein and by A.A.C. ~~R15-5-1812~~R15-5-101, as amended hereafter. Nothing contained in this chapter shall apply to any sale required by statute or by order of any court.

(B) The ~~exemptions to~~following shall also be exempt from the license requirements ~~of~~established in this chapter ~~shall also include~~:

(1) ~~Nonprofit~~All nonprofit entities recognized under Section 501(c) of the Internal Revenue Code, provided they can demonstrate proof of their nonprofit status. Such entities may include, but are not limited to, educational institutions, fraternal orders, service clubs, and religious organizations~~;~~.

(2) A permanent resident ~~wishing~~who wishes to sell ~~any form of~~ agricultural products that have been produced or raised by the resident, including livestock~~;~~.

(3) ~~Fund raising~~Fundraising projects ~~of~~conducted by nonprofit and religious organizations, provided such activities are not conducted on a regular basis~~;~~.

(4) Persons under the age of 18 years who are engaged in ~~part time~~part-time or seasonal employment while ~~still~~ attending school ~~full time;~~full-time.

(5) Any business ~~activity~~, such as utility services, ~~which~~that has been granted a franchise by the ~~town~~Town following a vote of approval by ~~the citizens; and~~Town residents.

(6) All ~~exemptions granted~~persons exempted pursuant to the Arizona Revised Statutes.

§ 110.05 ISSUANCE OF LICENSE.

The procedure for the issuance of a business license shall be as follows:

(A) ~~Every~~Any person ~~shall~~wanting to conduct business in the Town must submit ~~an application for~~ a business license application to the Town Clerk at least 15 days ~~prior to commencement of~~before beginning any business ~~activity~~activities within ~~town limits for profit or gain~~the Town. The applicant shall complete ~~an application for~~the business license ~~on a form provided by the Town Clerk. It shall be the~~application through the Town's website. It is the applicant's responsibility ~~of the applicant~~ to provide all ~~the~~required information ~~required~~. Each partner ~~of~~in a partnership shall be ~~separately~~ listed separately on the ~~form~~application.

(B) ~~At such time as an applicant submits the application for~~Upon submission of the business license application, duly sworn ~~to~~ by the applicant and ~~deemed~~determined complete by the Town Clerk, and ~~the applicant has paid the~~upon payment of all required license ~~fees~~ and processing fees as set forth in § 110.07 of this ~~code~~Code, the Town Clerk shall accept and date the application.

(C) It shall be the duty of the Town Clerk upon receipt of a properly completed application for a business license and verification of the data contained thereon, to prepare and issue a license under this chapter for every person~~, corporation or partnership~~ required to pay a license fee hereunder and to state in each license the amount charged for the same, the period of time covered thereby, the name of the person~~, corporation or partnership~~ for whom it was issued ~~and~~, the ~~trade, calling, profession, occupation or~~ business being licensed, and the location or ~~place of business~~area where the ~~trade, calling, profession, occupation or~~ business is to be ~~carried on, transacted or practiced~~conducted.

(D) In no case~~,~~ shall any mistake made by the Town Clerk in issuing ~~any~~a license or collecting the ~~amount of~~ fee ~~for any license~~, or the amount actually due from any person required to pay for a license as provided herein, prevent, prejudice, or stop the ~~town~~Town from collecting the correct ~~amount of~~ fee or charge for any license or the amount actually ~~due from any person required to pay for a license as provided herein~~owed, or revoking any erroneously-issued license ~~erroneously issued~~ and refunding the ~~fee~~ collected fee.

(E) No greater or lesser amount of money shall be charged or received by the Town Clerk for any license than is provided for in this chapter, and no license shall be issued for any period of time other than as provided herein.

(F) All charges for a license required by this chapter shall be paid in advance and in lawful money of the United States of America at the Office of the Clerk.

(G) The Town Clerk or designee shall be the inspector of licenses and may ~~appoint~~, with the approval of the Town Manager, ~~the~~appoint assistant inspectors as may be required to enforce these regulations.

(H) Each assistant license inspector ~~of licenses, immediately upon~~must, as soon as they become aware of the facts ~~coming to his or her knowledge, shall~~, report to the Town Clerk the name of any person~~, corporation or partnership carrying on, transacting or practicing any trade, calling, profession or~~ conducting business ~~within~~in the ~~town~~Town without ~~first having obtained a~~the necessary license as required by this chapter.

(I) The license inspector ~~of licenses~~ and the assistant inspectors, ~~each in the discharge and performance of his or her~~while performing their duties, shall have and exercise the following powers:

(1) ~~To~~They may file a complaint ~~for any violation of the provisions of this chapter~~ with the Town Magistrate for any violation of this chapter; and

(2) ~~To~~They may enter, free of charge and at any reasonable time, any place of business ~~for which~~that requires a license ~~is required by~~under this chapter, and ~~to~~ demand exhibition of the current license ~~for the current period of time from any person, corporation or partnership~~from anyone engaged in ~~carrying on, transacting or practicing any trade, calling, profession, occupation or~~ business ~~at the place of business and, if~~there. If the person~~, corporation or partnership shall fail then and there~~ fails to exhibit the license~~, the person, corporation or partnership shall be liable~~ immediately, they shall be subject to the penalties ~~provided for violation~~specified for violations of this chapter.

(J) When the charge for any license required hereunder ~~shall remain~~remains unpaid for ~~5~~10 days ~~from and~~ after the due date, the charge shall ~~be~~become delinquent ~~and~~, on which day the Town Clerk~~, on the day upon which said charge becomes delinquent,~~ shall add ~~thereto~~ an amount equal to 100% of the charge as a penalty ~~and no~~. The Town Clerk shall not issue any receipt or license ~~shall be issued~~ thereafter ~~by the Town Clerk~~ until both the charge and penalty ~~shall be~~are paid in full.

(K) Each business license issued by the Town Clerk ~~shall~~must state the following: the term of the license; the name of the person~~, firm, corporation, association, partnership or business entity~~ for whom the license is issued; the ~~trade, calling, profession, occupation or~~ business ~~activity~~ being licensed; and the location or place of business or permanent address where ~~said trade, calling, profession, occupation or~~the business is ~~carried on~~conducted.

~~(1) Each business license shall be issued for a 12 month term.~~

(~~2~~1) ~~The~~If there is any change in ownership or the nature of the business, the licensee ~~shall~~must submit a new application ~~in the event of any change to the information supplied on the original application and shall~~and pay any additional fees as required in § 110.06.

(~~3~~2) A license may be renewed for additional 12-month terms~~, pursuant to~~ in accordance with this chapter and the renewal procedures established by the Town Clerk ~~and in accordance with all requirements of this chapter~~.

§ 110.06 PAYMENT OF BUSINESS LICENSE FEES.

(A) Payment of fees shall be made when due to the Town Clerk in legal currency of the United States and at the rates set forth in § 110.07.

(B) An applicant for a license for a new business shall pay, in addition to the general business license fee, a processing fee and, if additional inspections are required, an inspection fee to be calculated as a ~~per hour~~per-hour charge.

(1) In the event no license is issued, the general business license fee shall be returned to the applicant; however, the processing fee and any inspection fees shall not be returned.

(2) In the event an incorrect fee is assessed, the Town Clerk shall collect the proper fee and refund to the applicant any overage collected.

(3) In the event that an inspection fee is charged, the Town Clerk shall provide to the applicant an accounting of the fees incurred.

~~(C) In the event any information regarding a business license changes, an additional processing fee shall be assessed. If the location of the business changes, additional processing and, if necessary, inspection fees shall be assessed.~~

~~(D) License renewal fees provided for in this chapter shall be due and payable on or before the last day of the month of the term of the current license.~~

(~~E~~C) If a license is issued erroneously, the license shall be revoked, and the general license fee shall be refunded to the applicant, but not the processing or inspection fees.

(~~F~~D) ~~There~~Except as otherwise set forth in this section, there shall be no refunds once a business license has been issued.

§ 110.07 BUSINESS LICENSE FEES.

(A) For any business's initial ~~business licenses~~license, and for all renewals thereof, ~~all businesses, occupations, professions, trades or callings shall pay the~~a business license ~~fees in amounts established by resolution of the Town Council, and such business licenses fees shall be payable on an annual, daily or other basis as established~~fee must be paid in the amount set by resolution of the Town Council.

~~(B) On July 1 of each year, commencing in 2005, the amount of the business license fees to be paid to the town pursuant to this section shall be increased by the percentage change in the annual average of the engineering news record (ENR) index between the prior 2 calendar years. The Finance Director shall make the required calculation by April 1 of each year, and the amount of the business license fees for the next 12 month period beginning July 1 of that year, as calculated by the Finance Director based upon the calculation, without the necessity of further action by the Town Council. In no event shall the amount of the business license fees be reduced based upon a change in the ENR index. No later than 30 days after the business license fees are adjusted each year as provided in this section, the Town Council shall cause to be published a public notice setting forth the amount of the adjusted business license fees. The notice shall be published 1 time in a newspaper of general circulation in the town, provided, however, that the~~

failure of the Town Clerk to cause the notice to be published shall not affect the validity of the adjustment to business license fees as made by the Finance Director pursuant to this section. In the event the ENR index information for the prior calendar years is unavailable by April 1, the business license fees as previously fixed for the prior fiscal year (July 1 to June 30) shall continue in effect until such time as the ENR index for the prior years is available and the Finance Director makes the required calculation.

§ 110.08 EXHIBITION OF LICENSE REQUIRED; DISPLAY STREET ADDRESS.

(A) Every licensee carrying on any business activityoperating at a fixed place of business shalllocation must keep the license posted and exhibiteddisplayed in a conspicuous part of the place of business. Every licensee, whether the fixed place of business is within town limits or not, shallplace at that location. If there is no fixed location, the licensee must possess the business license whenever conducting business. Regardless of location, every licensee must produce and exhibit the license during normal business hours when requested to do so by any police officer or by any townTown official authorized to issue or inspect licenses.

(B) It shall beis unlawful for any person to exhibit any copy or facsimile of the original license issued under this chapter.

(C) Each licensee shall display near or above the front door of the business location the correct street address in 5 inchfive-inch or greater numbers or letters so that the address shall beis plainly visible and legible from the middle of the street or highway in front of eachthe business, including home occupation businesses.

§ 110.09 LICENSE NOT TRANSFERABLE.

(A) No license granted or issued under any of the provisions of this chapter shall be in any manner assignable or transferable to any other personanyone other than isthe person named on the license.

§ 110.10 ENFORCEMENT.

(A) The Chief of Police and the Code Enforcement Officer shall have and shall exercise the power to file complaints against any person violating the provisions of this chapter.

(B) The Chief of Police shall have and shall exercise the power to cite and release or arrest all persons violating the provisions of this chapter.

§ 110.11 REFUSAL TO RENEW; REVOCATION OR SUSPENSION OF LICENSE.

(A) The Town Clerk shall refuse to issue a license to anany applicant, or shall promptly revoke the existing license of any licensee, who is in violation of the provisions of this chapter.

(B) The Town Clerk or designee shall deliver or mail by certified mail to the applicant or licensee written notice of the denial of an application or the revocation of an existing license. The notice shall state the reason for denial or revocation. Notice shall be delivered or mailed to the address of the applicant or, licensee, or the statutory agent as shown on the current business license application. Notice shall be deemed served as of the date of mailing or delivery. Notice of revocation shall be given at least 30 days before the revocation is to take effect.

(C) An applicant has the right to request a hearing before the Town Manager within 15 days of denial, revocation, or ~~non-renewal~~non-renewal of a business license. Appeal of the Town Manager's decision shall be to the Town Council and shall be made by the aggrieved party within 30 days of the decision of the Town Manager.

(D) If payment of the business license itself has been made by an insufficient funds check, the license shall be immediately revoked with or without notice to the person or entity holding the license. The Town Clerk shall thereafter determine the conditions under which a license can be issued to the applicant.

(E) All buildings, structures, and equipment used by an applicant or licensee for any business activity shall comply with all applicable federal, state, county, special district, and ~~town~~Town regulations, requirements, and codes. Where an ongoing maintenance program is necessary to comply with ~~applicable federal, state, county, town and special district regulations, requirements and codes~~those, including but not limited to such things as fire extinguishers, ~~hood~~hoods, and vents over cooking devices, a routine inspection by authorized fire, building, zoning, health, and safety personnel may occur at any time during normal business hours, to ~~insure~~ensure the equipment or structure is kept in proper operating condition. Any remodeling or modification of the structure or property, expansion of facilities, alteration or modification of devices ~~of~~or equipment herein, which was not approved by authorized fire, building, zoning, health, and safety personnel, and which may cause safety or code violations to exist, is grounds for suspension or revocation of any license issued pursuant to this chapter. If the building, structure, or equipment of a business licensed under this chapter is found to be faulty, unsafe, or inoperable, the ~~town~~Town may suspend this license, and any violation occurring after issuance of the business license must be corrected. Thereafter, the premises must be reinspected and approved before any reopening of the business ~~shall~~may occur. Any person who continues to engage in ~~a~~ business ~~activity~~ while the violations exist is subject to the immediate revocation without prior notice of any license issued pursuant to this chapter. Business ~~activity~~ may be resumed only after the ~~town~~Town has provided written notice ~~in writing~~ that the violation has been cured.

(F) Should a federal, state, county, special district official, or town official declare that an immediate or potential hazard to the public exists which arises from or affects a licensed business activity, the Town Clerk may immediately suspend the affected license and order the business activity discontinued immediately. The suspension shall continue as long as the emergency situation is present or affects the business.

(G) A violation of the standards of conduct set forth in this chapter, which occurs after issuance of a business license, may be grounds for revocation or ~~non-renewal~~non-renewal of a business license.

§ 110.99 PENALTY.

(A) Any person found operating a business in violation of this chapter, or who fails to renew a license issued under § 110.06 and ~~who~~ allows the renewal to become delinquent, shall be assessed a fine equal to 100% of the applicable license fee, which ~~the fine~~ shall be added to the license fee. ~~If~~

(B) Failure to pay the fine ~~is not paid~~assessed under (A) above within 30 days of the renewal date or required application date~~, division~~ is a violation of this chapter, subject to penalty under (~~B~~C) below ~~shall apply~~.

(~~B~~C) Any person found guilty of ~~violation of~~violating any ~~provisions~~part of this chapter, except as ~~set forth in division~~described in (A) above, shall be guilty of a Class 3 Misdemeanor. Each day that a violation continues shall be a separate offense.

~~(C) For purposes of this section, the required application date shall be the date upon which a person receives notification from the Town Clerk of a violation of this chapter.~~

(D) If the violation remains unresolved after 30 days from the date of citation, the Town reserves the right to close the business through lockout procedures.

Summary report: Litera Compare Cloud 11.15.0.57 Document comparison done on 4/8/2026 12:25:18 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: CODE - Chapter 110 - Business Licenses (Current 3.13.26).docx	
Modified filename: CODE - Chapter 110 - Business Licenses (005)(4.7.26).docx	
Changes:	
Add	239
~~Delete~~	230
~~Move From~~	1
Move To	1
Table Insert	0
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	471

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5c
MEETING DATE: 4/14/2026
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Consent/Minutes

AGENDA ITEM TITLE:
Consideration and possible action to approve the March 24, 2026, regular meeting and study session minutes.

STAFF RECOMMENDATION:
Approve the March 24, 2026, regular meeting and study session minutes.

ATTACHMENTS:

1.	2026_03_24_CC_EX_RG_SS_MND

MINUTES OF THE REGULAR MEETING AND STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY TUESDAY, MARCH 24, 2026 5:30 PM COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

REGULAR MEETING

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1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Armstrong called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Present:	Mayor Tom Armstrong, Vice-Mayor Eric Granillo - remote, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer
Absent:	
Staff Present:	Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Keith Hurtt (Sgt. at Arms), Executive Analyst Jessi Sorteberg, Executive Assistant Mike Coomer, Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Finance Director Katie Pehl, Economic Development Manager Maggie Holmberg, Town Magistrate Angela Bradshaw-Napper, Assistant Public Works Director/Town Engineer Steven Sullivan, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment on items not on the agenda will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

Erin Deskins, Town Clerk, stated there were no requests to speak.

3. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a. Status reports by Mayor and Council regarding current events.

Councilmember McCafferty expressed disappointment in the lack of candidates that would appear on the ballot as there would be no competition. He also expressed dismay that candidates were forced out by being doxxed and having their livelihoods threatened. He stated the Town had allowed outsiders to influence insiders.

Mayor Armstrong stated that nothing is set in stone.

b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

Terri Denemy, Town Manager, presented the following:

- The Town had open positions and anyone interested could go to the website for more information.
- Recognized Sara Burchill, Deputy Town Clerk, for achieving her Certified Municipal Clerk designation from the International Institute of Municipal Clerks.
- A Zoning Ordinance Update will be held on Wednesday, April 8th at 5:00 p.m. in the Council Chambers. The public is invited to attend.
- The public is invited to attend a groundbreaking for the relocation of the disc golf course, which is being funded by a $50,000 grant. More information to come soon.
- A Community Development Block Grant public hearing would be held at the next Council meeting for citizen input. The Town is expected to receive $312,000 to be used to benefit low-income persons and areas, alleviate slum and blight, or address urgent needs.
- The Territorial K-9 Stroll will be held on April 25th from 9:00 a.m. to 1:00 p.m. benefiting the K-9 police unit.
- The Town was selected by APS to receive $100,000 for the Fred Harvey Farm in honor of their 140th anniversary.

4. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

Councilmember Switzer removed item 4b from the Consent Agenda.

MOVED by Councilmember John McCafferty, seconded by Councilmember Larry Holt to approve Consent Agenda items a, c, d, e, f, g, and h.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty,

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Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed - Unanimously

a. Consideration and possible action to approve the Amended and Restated Lease Agreement between the Town of Chino Valley and the Chino Valley Flyer's Inc., extending the current lease for an additional fifteen-year term, through March 31, 2041.

b. Consideration and possible action to approve a budget transfer in the amount of $42,112 from General Fund contingency to the Court Special Revenue Fund for Court Security Enhancements.

Councilmember Switzer wanted to clarify that the requested action was to authorize a capacity transfer only. The actual expense is to be funded using existing Restricted Court Enhancement Funds and not General Fund dollars.

MOVED by Councilmember Robert Switzer, seconded by Councilmember Larry Holt to approve a budget transfer in the amount of $42,112 for Court Security Enhancements from General Fund contingency to the Court Special Revenue Fund.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed - Unanimously

c. Consideration and possible action to approve a budget transfer in the amount of $8,536 from General Fund contingency to the IT Services line item for Building Access Control.

d. Consideration and possible action to acknowledge scrivener's correction on Ordinance No. 2025-954 approved on October 28, 2025, pursuant to Town Code §10.20 Authority to Correct Scrivener's Errors.

e. Consideration and possible action to acknowledge scrivener's correction on Ordinance No. 2025-959 attachment approved on November 18, 2025, pursuant to Town Code §10.20 Authority to Correct Scrivener's Errors.

f. Consideration and possible action to approve the February 23, 2026, public hearing minutes.

g. Consideration and possible action to approve the February 24, 2026, regular meeting minutes.

h. Consideration and possible action to approve the March 10, 2026, regular meeting minutes.

5. ACTION ITEMS

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The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

a. Consideration and possible action to approve a Public Utility Easement for Peppertree Place in connection with Highlands Apartments.

Recommended Action: Approve a Public Utility Easement for Peppertree Place in connection with Highlands Apartments.

Terri Denemy, Town Manager, presented the following:

- There was a little confusion with the wording of what Council's intent was with this item. There is a difference between a public utility easement and an ingress/egress public utility easement. The developer stated that they are willing to do public utility easement, but if the Town really wants an ingress/egress public utility easement, they would like to go back to the right-of-way.
- Staff brought both options to Council so they can make a choice as the developer is anxious to move forward with the project.

Steven Sullivan, Town Engineer, presented the following:

- Discussed the previous action on the matter.
- Presented the original exhibit and the current proposal for water easements with color-coded maps.

Council and staff discussed the following:

- Councilmember Switzer remembered the applicant saying he would landscape the 25-foot easement and asked if that was correct.
    - Staff stated that was not a current proposal, but could be.
- Councilmember McCafferty inquired if the public utility easement would be fine from the Town Engineer's perspective in terms of space.
    - Staff stated that Peppertree would just be the 50-foot easement. The developer was proposing the segments in blue.
    - Staff stated what was originally being requested by Council would have given the Town the opportunity to make Peppertree a road if it needed to.
    - Councilmember Switzer pointed out that there is an APS utility box right in front of the easement and didn't think it would ever become a road.
        - Staff stated that led to the discussion of a utility easement rather than a right-of-way.

Council and applicant TJ Brown discussed the following:

- Mr. Brown stated that they left the last meeting to do a public utility easement, but when they went to draw it up they discovered that there are no utilities in that space other than the three water lines at the top, and one at the bottom, and one through the middle, but Town staff stated they didn't need that one. His intent was to put amenities in that area for the community including landscaping, a pickleball court,

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etc. He agreed that there would never be a road there and he didn't want it to be a weed patch.

- Councilmember Switzer inquired which option Mr. Brown was in favor of.
  - Mr. Brown stated he was in favor of the public utility easement.
  - Councilmember Switzer clarified that Mr. Brown would use that property to benefit his project and the Town.
    - Mr. Brown stated that was correct.

MOVED by Councilmember Robert Switzer, seconded by Councilmember John McCafferty to approve a public utility easement for Peppertree Place in connection with Highlands Apartments.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed - Unanimously

6. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember Robert Switzer to adjourn at 6:20 p.m.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 Passed - Unanimously

STUDY SESSION

1. CALL TO ORDER; ROLL CALL

Mayor Armstrong called the meeting to order at 6:20 p.m.

Present:	Mayor Tom Armstrong, Vice-Mayor Eric Granillo - remote, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer
Absent:	
Staff Present:	Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Keith Hurtt (Sgt. at Arms), Executive Analyst Jessi Sorteberg, Executive Assistant Mike Coomer, Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Finance Director Katie Pehl, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual

DRAFT

Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. **Presentation and discussion regarding Economic Development Strategic Planning by Maggie Holmberg, Economic Development Manager.**

Maggie Holmberg, Economic Development Manager, presented the following:

- Discussed the South Gateway Center, Soutgate Center, and Uptown Center commercial corridors in detail, including available lots and buildings, the availability of infrastructure, site-specific constraints related to existing uses and ownership, and Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analyses.
- Staff further discussed investing in the expansion of the Town's infrastructure and future items that will come to Council regarding those possibilities.
- Briefly discussed Old Home Manor (OHM) and the new plan to make it an outdoor recreation hub and current plans to develop the area, and the potential to sell land or put out a Request for Proposal.
- Discussed Economic Development goals and plans for retail recruitment, tourism, and hospitality.
- Staff was looking for direction from the Council about where staff should direct their focus for capital improvements.

Council and staff discussed the following:

- Councilmember Holt inquired if the pot farm was still owned by the original owner and inquired if Bonnie Farms would be interested in it.
    - Staff stated they had also thought about that and stated that expanding might be an option for them.
- Councilmember Holt felt that the large parcel in the South Gateway Center would be a good "anchor" location.
- Councilmember Switzer asked for clarification about the water IGA with Prescott.
    - Staff stated that the availability of water in that area is attractive, but the additional cost is not. The IGA requires the City to provide commercial businesses in that area with water, but there is an upcharge on the water service fee, and they can't guarantee fire flow. Further discussion ensued regarding ways to obtain fire flow and what types of businesses would use less water.
- Discussion ensued regarding the large lots south of Road 4 South. Staff stated it is in a flood plain and the cost to develop would be high.
- Councilmember Switzer inquired how many lots there were at OHM that the Town could sell.
    - Staff stated they could sell up to $15 million worth without going to a vote.
    - Staff stated they would provide Council with a map showing all parcels and which have current uses and which are vacant.
- Councilmember McCafferty inquired about efforts to get the business corridor off Highway 89.
    - Staff discussed their efforts to move businesses off the highway as in the case of Sherwin-Williams.
    - Councilmember McCafferty discussed the possibility of moving businesses West between the highway and the Senior Center.

DRAFT

        - Staff stated that it's a good idea; the problem is infrastructure availability.
        - Further discussion ensued regarding the open 90 acres east of Heritage Middle School and infrastructure possibly becoming available by bringing them to Angus north of that area.
- Councilmember McCafferty likes Uptown Center because it allows the town to expand further west. He discussed Clarkdale and the ability to walk around from business to business.
- Councilmember Switzer suggested staff put together the pros and cons with cost analyses of South Gateway Center and Uptown Center.
    - Staff discussed putting together an analysis of where investment might have a greater ROI.
- Mayor Armstrong inquired if it was still the plan to bring water and sewer under Highway 89 at Perkinsville and tying in at Angus coming down toward Center Street.
    - Staff stated they need funding, but there have been plans made for that.
- Mayor Armstrong addressed his areas of concern, including the pot farm at the south end of town and the ADOT yard.
    - Staff stated they had talked with the owner of the pot farm, but he has not been very responsive.
    - Staff hoped that new leadership within ADOT might be more proactive about working together on moving the ADOT yard.
- Vice-Mayor Granillo stated that he agrees with Councilmember McCafferty about needing to move businesses off the highway, both east and west. He also stated the importance of moving the sewer west to open a lot of potential.
- Mayor Armstrong summarized that staff should bring back proposals for the different areas and what it might cost to bring infrastructure, and what the possibilities would be for Council action.
    - Staff stated they would combine that with OHM and whether Council would like to sell land.
- Councilmember McCafferty discussed tax revenue and the need for more funding for important projects like water sustainability.
    - Staff further discussed the Town's revenue constraints and the challenges they present and the limited way the Town can bring in more funds.
- Discussion ensued regarding the census and whether the Town's population went up or down.
- Councilmember Holt suggested equestrian events at OHM and possibly leasing land to Olsen's Grain to expand their events.

3. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember John McCafferty to adjourn the meeting at 7:02 p.m.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

6 - 0 PASSED - Unanimously

DRAFT

_____
Tom Armstrong, Mayor

ATTEST:

_____
Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting and Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 24th day of March, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2026.

_____
Erin N. Deskins, Town Clerk

DRAFT

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6a
MEETING DATE: 4/14/2026
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Action Item

AGENDA ITEM TITLE:
Consideration and possible action to (i) appoint John Ginn to fill the vacant position on the Town Council, and (ii) administer the Oath of Office to the newly appointed Councilmember.

SUMMARY:
The Appointments Subcommittee met on March 19, 2026, to review applications for appointment to fill the vacant position on the Town Council. The Subcommittee voted 2/1 to recommend John Ginn to fill the remainder of the term of the vacant position expiring December 2026.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:
Appoint John Ginn to fill the vacant position on the Town Council and administer the Oath of Office.

FISCAL IMPACT?
N/A

ATTACHMENTS:

1.	J_Ginn_Application for TC_Redacted
2.	J_Stankewicz_Application for TC_Redacted
3.	C_Turpin_Application for TC_Redacted
4.	D_Croft_Application for TC_Redacted

CHINO VALLEY
ARIZONA

RECEIVED
MAR 18 2026
BY: E. Deskins

Town Clerk 202 N. State Route 89 Chino Valley, AZ 86323 Phone (928) 636-2646 clerks@chinoaz.net; www.chinoaz.net	**APPLICATION FOR PUBLIC BODY APPOINTMENT** (Council, Commissions, Boards, Committees)

PUBLIC BODY APPLYING FOR:

- ☒ Town Council
- ☐ Planning & Zoning Commission
- ☐ Building Advisory Board
- ☐ Parks & Recreation Advisory Board
- ☐ Board of Adjustment
- ☐ Capital Improvement Program Citizen's Advisory Committee
- ☐ Other _____

NAME John Ginn

RESIDENCE ADDRESS [redacted] Chino

MAILING ADDRESS Same

PHONE #s [redacted]

EMAIL [redacted]@gmail.com

IS YOUR RESIDENCE WITHIN THE TOWN LIMITS? ☒ YES ☐ NO

HOW LONG HAVE YOU LIVED IN THE CHINO VALLEY AREA? 71 yrs

ARE YOU A QUALIFIED ELECTOR (qualified to vote even if not registered)? ☒ YES ☐ NO

ARE YOU RELATED TO ANY TOWN EMPLOYEE? ☐ YES ☒ NO

If Yes, what is the employee's name? _____

Please respond to the questions below.
Attach a separate sheet if necessary.

Have you ever served on a municipal public body? If yes, please note the name of the public body, the municipality served in, and length of time served.

no I did work on Chino's Last general plan Committee

Why would you like to be appointed to this position?

learn more about Town opperations and Town budget. Try to Serve the Town and Citizens

What do you believe is the key responsibility of this position?

To consider all items that come before the Counsel and gather input From town members. Council it to represent the wishes of the Constituents and become educated on the issues.

What experience, skills, and qualities would you bring to this position?

I have owned and operated 2 businesses in Chino. I have managed people most of my life. I Feel I have a good knowledge of the town. I work well with other people. I understand budgeting + budgets. I am not a contensious person.

Please attach a RESUME or SUMMARY of related previous experience, if applicable (REQUIRED for Planning and Zoning Commission & Board of Adjustment).

SIGNATURE

3-18-2026
DATE

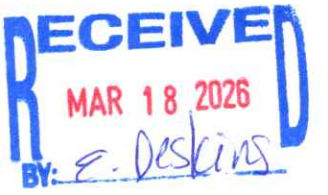
Office Use Only:

Appointment Date:	Term Start:	Resignation/Term End:

Return application to Town Clerk's Office, 202 N. State Route 89, Chino Valley, or email scanned application to clerks@chinoaz.net

Rev. 03-2024; seb

Throughout my years running Double G Hardware store, I built it both financially and added new buildings and expanded the inventory.
During my years of service with the fire department, I learned to value the input of others in the department as I made department decisions.
During my tenure as Fire Chief, our department built a fire station, a repair and storage facility, an administration building, and purchased several pieces of apparatus.



RECEIVED
MAR 18 2026
BY: E. Perkins

JOHN GINN

Town Council Member

[redacted] Chino Valley, United States

[redacted]

[redacted]@gmail.com

PROFILE

Throughout my years running Double G Hardware store, I built it both financially and added new buildings and expanded the inventory.

During my years of service with the fire department, I learned to value the input of others in the department as I made department decisions.

During my tenure as Fire Chief, our department built a fire station, a repair and storage facility, an administration building, and purchased several pieces of apparatus.

EMPLOYMENT HISTORY

Fire Chief, Chino Valley Fire District — Jul 2006 — Dec 2012
Chino Valley, AZ

I managed 40 employees and a six million dollar budget. I oversaw purchasing and building of assets.

Operations Chief, Chino Valley Fire District — Jun 2005 — Jun 2006
Chino Valley, AZ

I managed the day to day operations of the department.

Fire Captain, Chino Valley Fire District — Jul 1992 — Jun 2005
Chino Valley, AZ

I managed a station and a crew on my shift.

Owner and operator of Double G Hardware store. , Self — Jul 1977 — Jun 1995
Chino Valley, AZ

I owned and operated a lumber yard, hardware store and truss plant. I built a new store building and lumber storage sheds.

EDUCATION

Yavapai College
AA in Fire Science — Prescott, AZ

I completed an AA degree in Fire Science and a certificate in business management.

Phoenix College — Aug 1988 — Dec 2012
Paramedic — Prescott, AZ

I received a license to practice paramedicine.

SKILLS

I managed the fire department budget without issue.	*Expert*	I get along well with people.	*Expert*

TO: Town Clerk's Office
202 N. State Route 89
Chino Valley, AZ. 86323



This letter is to inform you of my desire to be appointed to the open position of "Town Council Member" for the Town of Chino Valley. I am currently a candidate running for open positions on our Town Council, file date: January 14, 2026.

I have lived in Chino Valley for just over 10 years and currently own and operate two businesses with-in the town limits (Compass Training Center AZ and Fabled Horse Solution). Compass Training Center AZ operates as a non-profit training company and Fabled Horse Solutions is a training and security consulting business.

I am an Honorably Discharged Veteran from the United States Navy with three overseas deployment. After being honorably discharged from the US Navy, I entered the business world. I was a Supervisor and Operations Analyst for Franklin Templeton Mutual Funds and Charles Schwab Financial Corporation.

I have also served as a police officer for 14 years in two police agencies. During my tenure my duties included many diverse positions such as a Patrol Officer, Field Training Officer, Motor Officer, Chief Firearms Instructor, Police Corporal and the Police Association President for over seven years of my career.

As professional businessperson and a resident, Chino Valley is extremely important to me. If appointed, I look forward to serving Chino Valley and all current businesses and residents. In our future, I want growth to be measured and intelligent, serving the needs of current residents and growing our towns business strength. While continually improving life for our businesses and residents, I want to see more opportunities for visitors to enjoy and learn about our rich history.

Thank you for this opportunity,

John M. Stankewicz 3/10/2026

John Stankewicz

Town of Chino Valley

APPLICATION FOR PUBLIC BODY APPOINTMENT

(Council, Commissions, Boards, Committees)

Office Use Only

Appointment Date _____

Term Start _____

Date of Resignation/ Term End _____

PUBLIC BODY APPLYING FOR

- ☑ Town Council
- ☐ Planning & Zoning Commission
- ☐ Board of Adjustment
- ☐ Building Advisory Board
- ☐ Other _____
- ☐ Parks & Recreation Advisory Board
- ☐ Public Safety Retirement Board
- ☐ Roads & Streets Committee

NAME John Stankewicz

RESIDENCE ADDRESS [redacted] Chino Valley, AZ. 86323

MAILING ADDRESS same

PHONE #s [redacted]

EMAIL [redacted]@gmail.com

IS YOUR RESIDENCE WITHIN THE TOWN LIMITS? ☑ YES ☐ NO

HOW LONG HAVE YOU LIVED IN THE CHINO VALLEY AREA? 11 years

ARE YOU A QUALIFIED ELECTOR (qualified to vote even if not registered)? ☑ YES ☐ NO

ARE YOU RELATED TO ANY TOWN EMPLOYEE? ☑ YES ☑ NO

If Yes, what is the employee's name? _____

Please respond to the questions on the second page.
Attach a separate sheet if necessary.

RECEIVED
MAR 10 2026
BY: E. Dekins @ 2:50 P

Rev.05-2023;sb

Have you ever served on a municipal public body? If yes, please note the name of the public body, the municipality served in, and length of time served.

No

Why you would like to be appointed to this position?

I am currently running for a Chino Valley Town Council position. If I am appointed, I hope to gain a "Head Start" in furthering my understanding of council responsibilites, issues and concerns.

What do you believe is the key responsibility of this position?

Assisting in the proper Management of the town as a whole.

Help maintain Chino Valleys public safety needs.

Continue to improve the towns infrastructure and economic developement.

What experience, skills, and qualities would you bring to this position?

I have had several careers in my lifetime that include, military service with three overseas deployments, a business career in the finacial industry and a career in Law Enforcement that included seven years as a Police Association President. All of my time in those job fields included many positions of leadership in supervisor and/or management roles.

Please attach a RESUME or SUMMARY of related previous experience, if applicable (REQUIRED for Planning and Zoning Commission & Board of Adjustment).

SIGNATURE

March 10, 2026
DATE

Return application to Town Clerk's Office, 202 N. State Route 89, Chino Valley, or email scanned application to clerks@chinoaz.net.

Rev.05-2023;sb

Clay Turpin
[redacted]
Chino Valley, AZ 86323
[redacted]
[redacted]@gmail.com

RECEIVED
MAR 17 2026
BY: E. Deskins

15 March, 2026

Town of Chino Valley
Attention: Town Clerk's Office
202 N. State Route 89
Chino Valley, AZ 86323

To the Honorable Town Clerk's Office and Distinguished Members of the Chino Valley Town Council,

I am writing to formally express my strong interest in being appointed to fill the current vacancy on the Chino Valley Town Council. As a dedicated resident and candidate in the upcoming general election for Town Council, I am eager to serve our community immediately and contribute thoughtfully to the decisions that will shape Chino Valley's future. I understand this appointment would cover the remainder of the term ending in December 2026, and I am fully committed to fulfilling those responsibilities with diligence while continuing my campaign.

I chose Chino Valley five years ago as the place to buy my first home because of its strong sense of community, natural beauty, and potential for balanced, thoughtful growth. My wife and I now have two children attending schools in Chino Valley, which has only strengthened my personal stake in ensuring our town remains safe, family friendly, and prosperous for years to come.

At 32 years old, I bring youthful energy, fresh perspectives, and a deep passion to help Chino Valley thrive. My Bachelor's degree in Business has provided me with solid skills in analysis, leadership, budgeting, and economic development. These are tools I would apply directly to municipal governance. As a Marine veteran, I learned the importance of discipline, integrity, selfless service, and collaborating toward shared goals, values I would carry into every Council discussion and decision.

I recognize that I have become somewhat of a talking point among those opposing the proposed Embry Riddle training airfield project. An email of mine was leaked showing my personal support for aspects of the project, and text messages I sent to a leader in the opposition demonstrated my willingness to seek common ground and listen to concerns. While I hold personal views on this and other issues, I want to be absolutely clear; the spirit of Chino Valley and the best interests of our entire town will always come first in my service. I will not allow any vocal minority, on any side of an issue, to dictate my approach to public service. Instead, I am committed to weighing all perspectives, following the facts, adhering to state law and town processes, and making decisions that promote long term well being for residents, families, businesses, and our quality of life.

If appointed to this sudden vacancy, I would view it as a valuable opportunity to learn directly from those whose wisdom and experience have helped keep Chino Valley the special place it is today. I am eager to listen, ask questions, prepare thoroughly for meetings, and grow in my understanding of local governance so I can serve more effectively both now, and if elected in July.

I have completed the Public Body Appointment Application and attached a brief resume summarizing my background and qualifications. I would welcome the chance to meet with the Council, discuss my vision for our community, and address any questions you may have.

Thank you for your time and consideration during this process. I am deeply honored to call Chino Valley home and excited about the possibility of contributing to its leadership. Please contact me at [redacted] or [redacted]@gmail.com at your convenience.

Sincerely,

Clay Turpin



Town of Chino Valley

APPLICATION FOR PUBLIC BODY APPOINTMENT

(Council, Commissions, Boards, Committees)

Office Use Only

Appointment Date _____

Term Start _____

Date of Resignation/ Term End _____

PUBLIC BODY APPLYING FOR

- ☑ Town Council
- ☐ Planning & Zoning Commission
- ☐ Board of Adjustment
- ☐ Building Advisory Board
- ☐ Other _____
- ☐ Parks & Recreation Advisory Board
- ☐ Public Safety Retirement Board
- ☐ Roads & Streets Committee

NAME Clay Turpin

RESIDENCE ADDRESS [redacted] Chino Valley, AZ 86323

MAILING ADDRESS [redacted] Chino Valley, AZ 86323

PHONE #s [redacted]

EMAIL [redacted]@gmail.com

IS YOUR RESIDENCE WITHIN THE TOWN LIMITS? ☑ YES ☐ NO

HOW LONG HAVE YOU LIVED IN THE CHINO VALLEY AREA? 5 years

ARE YOU A QUALIFIED ELECTOR (qualified to vote even if not registered)? ☑ YES ☐ NO

ARE YOU RELATED TO ANY TOWN EMPLOYEE? ☐ YES ☑ NO

If Yes, what is the employee's name? _____

Please respond to the questions on the second page.
Attach a separate sheet if necessary.

RECEIVED
MAR 17 2026
BY: E. Dickins

Rev.05-2023;sb

Have you ever served on a municipal public body? If yes, please note the name of the public body, the municipality served in, and length of time served.

No.

Why you would like to be appointed to this position?

I seek this appointment not as a stepping stone, but as an immediate opportunity to contribute meaningfully to council deliberations, especially on critical issues facing our community.

What do you believe is the key responsibility of this position?

Attend and participate actively in council meetings and vote on key issues.

Approve the annual budget and financial policies for efficient use of public funds.

Uphold high ethical standards, integrity, and collaboration to preserve Chino Valley's character

Adopt ordinances, resolutions, and budgets to guide community welfare, safety, and growth.

What experience, skills, and qualities would you bring to this position?

Proven leadership and discipline from my service as a Marine.

Strong business acumen.

Deep community commitment.

Fresh energy and youthful perspective.

Collaborative and open minded approach with a dedication to public service.

Please attach a RESUME or SUMMARY of related previous experience, if applicable (REQUIRED for Planning and Zoning Commission & Board of Adjustment).

SIGNATURE

3/17/26.
DATE

Return application to Town Clerk's Office, 202 N. State Route 89, Chino Valley, or email scanned application to clerks@chinoaz.net.

Rev.05-2023;sb

Clay Turpin - Resume

[redacted]

Chino Valley, AZ 86323

[redacted]@gmail.com

RECEIVED
MAR 17 2026
BY: E. Deskins

Professional Summary

Dedicated public servant and healthcare leader with a strong background in business development, risk management, operations, and strategic leadership. U.S. Marine emphasizing discipline, integrity, and teamwork. Committed five year resident of Chino Valley, raising two children in local schools. Passionate about community service, fiscal responsibility, and balanced growth to preserve and enhance Chino Valley's quality of life. Seeking appointment to the Chino Valley Town Council to contribute immediately while campaigning for election.

Professional Experience

Director of Patient Care:

The Pines Home Health & Hospice – Prescott, AZ (Serving Yavapai County, including Chino Valley)

- Lead clinical operations and patient care delivery for home health and hospice services, ensuring high quality, compassionate care for all we serve.
- Oversee interdisciplinary teams, compliance with regulations, quality improvement, and patient/family satisfaction to support community health needs.

Regional Director

BrightSpring Health Services (Prescott Valley)

- Directed regional operations for comprehensive home and community based health services, focusing on complex and high need populations.
- Managed multi site teams in Prescott Valley, Flagstaff and Cottonwood. Optimized strategic planning, performance metrics, and service expansion to improve outcomes and operational efficiency.

Risk Assessment and Acquisition Manager (Prescott)

SC Audit and Accounting Solutions – Prescott, AZ

- Conducted risk assessments, due diligence, and acquisition evaluations for financial and operational efficiency.
- Provided analytical support for business decisions, compliance, and strategic acquisitions.

Business Development Manager (Dallas, TX)

Vizient, Inc.

- Drove business growth and client relationships for the nation's largest member owned healthcare performance improvement company.
- Leveraged data analytics, contracting, and advisory services to help healthcare organizations reduce costs, enhance quality, and improve market performance.

U.S. Marine Corps – 0311 Rifleman / Squad Leader / E3

- Served as an infantry rifleman and squad leader, leading teams in high stakes environments with emphasis on mission accomplishment, discipline, and unit cohesion.
- Developed leadership, decision making under pressure, and commitment to selfless service. These core values applied to community leadership.

Education

Bachelor of Business Administration - *Oklahoma State University*

Strategic Management, *University of Pennsylvania – The Wharton School (Executive Education/Certificate)*

Business and Financial Modeling Specialization, *University of Pennsylvania – The Wharton School (Online Specialization)*

Volunteer & Community Involvement

Treasurer / Education Chairman - *Prescott Area Young Professionals (Nonprofit)*

Board Member - *Prescott Area Little League (Nonprofit)*

Board Member - *Valleywise Health Foundation (Nonprofit)*

Resume of Darryl L. Croft

[redacted]

Chino Valley, AZ. 86323

[redacted]@mail.com

March 18, 2026\

Darryl retired and moved to Chino Valley in 2005. Interested in becoming active in the local community, he served as President of the Rotary Club of Chino Valley; as a member of Chino Valley Area Chamber of Commerce Board of Directors; and Yavapai Regional Transit Board of Directors. Additionally, he served as a Town of Chino Valley Town Council Member from 2011 to 2016, and Mayor of the Town of Chino Valley from 2016 to 2020.

Darryl is a Viet Nam veteran, who served in the United State Navy for over 22 years. During his military career he earned a Master of Business Administration Degree and after retirement a Master of Science Degree in Education.

His work experience includes teaching business classes and serving as Personnel Director and Dean of Vocational Education Programs at Imperial Valley College.

He later served as Manager of the Human Resources Department at Imperial Irrigation District, a large public utility.

Darryl was actively involved in the widening of State Route 89 from Chino Valley to Prescott; the construction of roundabouts for traffic control; the addition of sidewalks on south State Route 89, and the construction of the new police station to serve our citizens.

Darryl is married to retired Judge Mary Hamm and they make their home in Chino Valley.

"I look forward to serving the citizens and businesses of Chino Valley."

RECEIVED
MAR 18 2026
BY: LA

Town of Chino Valley

APPLICATION FOR PUBLIC BODY APPOINTMENT

(Council, Commissions, Boards, Committees)

Office Use Only

Appointment Date _____

Term Start _____

Date of Resignation/ Term End _____

PUBLIC BODY APPLYING FOR

- [x] Town Council
- [ ] Planning & Zoning Commission
- [ ] Board of Adjustment
- [ ] Building Advisory Board
- [ ] Other _____
- [ ] Parks & Recreation Advisory Board
- [ ] Public Safety Retirement Board
- [ ] Roads & Streets Committee

NAME DARRYL L. CROFT

RESIDENCE ADDRESS [redacted]

MAILING ADDRESS CHINO VALLEY, AZ 86323

PHONE #s [redacted]

EMAIL [redacted]@mail.com

IS YOUR RESIDENCE WITHIN THE TOWN LIMITS? [x] YES [ ] NO

HOW LONG HAVE YOU LIVED IN THE CHINO VALLEY AREA? 23 YRS

ARE YOU A QUALIFIED ELECTOR (qualified to vote even if not registered)? [x] YES [ ] NO

ARE YOU RELATED TO ANY TOWN EMPLOYEE? [ ] YES [x] NO

If Yes, what is the employee's name? _____

Please respond to the questions on the second page.
Attach a separate sheet if necessary.

Rev.05-2023;sb

RECEIVED
MAR 18 2026
Town Clerk's Office
BY: LA

Have you ever served on a municipal public body? If yes, please note the name of the public body, the municipality served in, and length of time served.

TOWN OF CHINO VALLEY TOWN COUNCIL 5 YRS
" " " " MAYOR 4 YRS

Why you would like to be appointed to this position?

TO SUPPORT THE TOWN COUNCIL IN DEALING WITH SOME DIFFICULT DECISIONS THEY ARE FACING.

What do you believe is the key responsibility of this position?

WORKING WITH TOWN STAFF AND THE COUNCIL IN PROBLEM-SOLVING AND DECISION-MAKING IN PROVIDING ACTIVITIES AND SERVICES TO OUR CITIZENS.

What experience, skills, and qualities would you bring to this position?

I BELIEVE THAT MY EXPERIENCE IN BUSINESS AND GOVERNMENT CAN BE BENEFICIAL IN ASSISTING TOWN COUNCIL AND STAFF IN MEETING THE NEEDS OF OUR COMMUNITY

Please attach a RESUME or SUMMARY of related previous experience, if applicable (REQUIRED for Planning and Zoning Commission & Board of Adjustment).

SIGNATURE

3/18/26
DATE

Return application to Town Clerk's Office, 202 N. State Route 89, Chino Valley, or email scanned application to clerks@chinoaz.net.

rev.05-2023;sb

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6b
MEETING DATE: 4/14/2026
CONTACT PERSON: Maggie Holmberg, Economic Development Manager
ITEM TYPE: Action Item

AGENDA ITEM TITLE:
Consideration and possible action to approve the Purchase and Sale Agreement and Economic Development Agreement with Chino Valley Rodeo Drive, LLC, in the amount of $786,500.

SUMMARY:
Chino Valley Rodeo Drive, LLC, will be presenting a purchase offer and development agreement to the town for parcel 306-02-001X. They are offering $786,500.00, or $30,250.00 per acre. Earnest money to be deposited into an escrow account in the amount of $20,000.00 within three days of the mutual execution of this agreement. The development will be connected to Town water and sewer services.

The approximately 180 unit RV Park will have facilities to qualify it as "Luxury". These include a store, pickle-ball courts, a community center, and more. In addition, the General Plan, approved by residents, deems Old Home Manor Horizontal Multi-Use (HMU) stating, "The HMU category requires additional master planning and a Development Agreement to define the goals, character, and conditions of the development approval. It is a flexible category that supports entertainment centers, town centers, master-planned communities, campuses, and new economic/employment centers. Old Home Manor was identified as a critical opportunity for an activity center with the preferred uses being sports and recreation facilities and commercial and business parks, and with lesser uses being educational facilities and uses to support tourism."

PREVIOUS ACTION:

- 05/24/2023 - Invitation For Bids (IFB) for the purchase of up to 40 at Old Home Manor for development of an RV Park.
- 04/30/2024 - Update and discussion regarding a new RV Park at Old Home Manor.
- 09/24/2024 - Consideration and possible action to authorize staff to move forward with the successful bidder for RV Park at OHM.
- 10/22/2024 - Consideration and possible action to authorize staff to move forward with successful bidder for RV Park at OHM.
- 12/31/2024 - Update and discussion regarding potential RV Park at Old Home Manor.
- 01/14/2025 - Discussion, update, and presentation regarding the potential RV Park at Old Home Manor.
- 01/14/2025 - Consideration and possible action to authorize staff to move forward with successful bidder for RV Park at OHM.
- 10/14/2025 - Consideration and possible action to adopt Notice of Intent - RV Park development tax incentive agreement.

- 10/21/2025 - Presentation and discussion regarding a proposed Economic Development Agreement with Chino Valley Rodeo Drive, LLC for an RV Park at Old Home Manor.
- 11/18/2025 - Presentation regarding an emergency expenditure authorization with Rounds Consulting Group for the RV Park Economic Impact Study.

STAFF RECOMMENDATION:
Approve the Purchase and Sale Agreement and the Economic Development Agreement with Chino Valley Rodeo Drive, LLC, in the amount of $786,500.

FISCAL IMPACT?
The Town will receive approximately $786,500 from the sale of approximately 26 acres of Town-owned property to Chino Valley Rodeo Drive, LLC for the development of a 184-space RV Park. In conjunction with the sale, the Economic Development Agreement provides a performance-based wastewater buy-in credit valued at up to $1,200,000, applied over a period not to exceed 10 years. The credit will be offset by actual tax revenues generated by the project, including construction, retail, and short-term lodging (TPT) revenues generated in the RV Park. The Town will also receive standard permit fees, water buy-in fees, and wastewater buy-in fees in excess of the credit amount.

Independent analysis by Rounds Consulting Group verified that new tax revenues generated by the RV Park are expected to fully offset the incentive within a 10-year period following the opening of the park. The agreement includes multiple safeguards, including annual appropriation requirements, developer repayment of any shortfall, and liquidated damages provisions that protect the Town from financial loss.

ATTACHMENTS:

1.	AGR - Chino Valley Rodeo Drive - Economic Development Agreement FINAL (014)(4.06.26)
2.	AGR - Chino Valley Rodeo Drive - RV Park Purchase (GR 003)(03.31.26) FINAL

When recorded, return to:

Town Clerk
Town of Chino Valley
202 N State Route 89
Chino Valley, AZ 86323

ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
CHINO VALLEY RODEO DRIVE, LLC

THIS ECONOMIC DEVELOPMENT AGREEMENT (this "Agreement") is made as of April 14, 2026 (the "Effective Date"), by and between the Town of Chino Valley, an Arizona municipal corporation (the "Town"), and Chino Valley Rodeo Drive, LLC, an Arizona limited liability company (the "Developer") (each a "Party," and together, the "Parties").

RECITALS

A. The Developer wishes to acquire from the Town approximately 25.8934 acres of certain real property generally located at 2301 N. Jerome Junction, Chino Valley, Arizona, comprising portions of Yavapai County Assessor's Parcel Number (APN) 306-02-001X, as described and depicted on Exhibit A, attached hereto and made a part hereof (the "Property").

B. The Developer shall develop the Property as a recreational vehicle park (the "RV Park"), as more particularly described in the Site Plan (defined below); however, before investing the significant resources required to develop the RV Park, the Developer requires assurances from the Town that it can complete the RV Park according to the Site Plan, and the Town needs assurances from the Developer that the RV Park, public improvements and infrastructure, and the Rodeo Drive Extension (defined below) will be developed in accordance with the terms and conditions of this Agreement.

C. Pursuant to A.R.S. § 9-500.11, the Town is empowered to appropriate and spend public monies for and in connection with economic development activities. Accordingly, the Parties wish to enter into this Agreement to outline the conditions under which the Developer may develop the RV Park after acquiring the Property from the Town, and to provide for certain reimbursement incentives related to such development.

D. The Town collects transaction privilege taxes (TPT) levied pursuant to the Town Tax Code for various taxable activities, such as taxable construction activities ("Construction Sales Taxes"), lodging rental stays of 29 days or less ("Short-Term Rental Taxes"), lodging rental stays of 30 days or more ("Lodging Sales Taxes"), and taxable retail sales activities ("Retail Sales Taxes"). The Town directs one percentage point of the Town's 4% rates for Construction Sales Taxes, Lodging Sales Taxes, and Retail Sales Taxes, and one percentage point of the Town's 8% rate for Short-Term Rental Taxes, to the Town's general capital improvement fund. The

Construction Sales Taxes, Lodging Sales Taxes, Short-Term Rental Taxes, and Retail Sales Taxes, minus their respective restricted portions, are referred to herein respectively as the "Unrestricted Construction Sales Taxes," "Unrestricted Lodging Sales Taxes," "Unrestricted Retail Sales Taxes," and "Unrestricted Short-Term Rental Taxes."

E. Pursuant to A.R.S. § 9-500.11(D), on October 14, 2025, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") adopted that certain document titled "Notice of Intent to Enter into a Development Incentive Agreement and Findings of Fact" (the "Notice of Intent"), attached hereto as Exhibit B and made a part hereof, and accepted the findings set forth therein that (i) the tax incentives set forth herein are anticipated to raise more revenue than the amount of the incentives within the duration of the Agreement is anticipated to raise more revenue than the amount of the incentives set forth below within the duration of this Agreement, (ii) the RV Park will bring significant planning, economic, and other public benefits to the Town and its residents, and (iii) in the absence of the tax incentives offered to the Developer, neither the RV Park nor a similar development would locate in Chino Valley, Arizona, at the same time or place or in the same manner as contemplated herein (collectively, the "Findings"). Findings clause (i) was independently verified on September 17, 2025, by an outside consultant, Rounds Consulting Group (the "Verification"), which is attached to the Notice of Intent set forth in Exhibit B.

F. The Developer represents and warrants that it (i) did not finance, or cause to be financed, the Verification, (ii) did not have input into the selection of Rounds Consulting Group for the purposes of such Verification, and (iii) would not have located the RV Park in the Town at the same time or place or in the same manner as contemplated herein in the absence of the tax incentives set forth in this Agreement.

G. This Agreement constitutes a "Development Agreement" within the meaning of A.R.S. § 9-500.05 and a "Retail Development Tax Incentive Agreement" within the meaning of A.R.S. § 9-500.11, entered into to (i) support proper municipal zoning and development of the Property by establishing, among other things, (a) conditions, terms, restrictions, and requirements for constructing and installing public improvements and infrastructure; (b) allowed uses for the Property; and (c) the density and intensity of those uses; and (ii) bring significant planning, economic, and other public benefits to the Town and its residents by, among other things, (a) supporting the planning, design, engineering, construction, acquisition, and installation of public improvements and infrastructure to support expected development of the Property; (b) promoting planned and orderly development of the Property consistent with the Town's general plan and zoning and land use ordinances; (c) increasing the Town's assessed property value; (d) boosting tax revenues to the Town from or related to the improvements to be built on the Property and their use under this Agreement; and (e) creating numerous new jobs and enhancing the economic well-being of Town residents.

H. This Agreement will be recorded against the Developer's interest in the Property in the Office of the Yavapai County Recorder to give notice to all persons of its existence and of the intent that the burdens and benefits contained herein be binding on and inure to the benefit of the Developer, the Town, and their respective successors and assigns.

I. Accordingly, the Town Council has determined that it is in the best interests of Chino Valley residents to (i) instead of requiring full upfront payment of the RV Park's wastewater buy-in fees, provide a credit (the "Buy-In Credit") to the Developer equal to the lesser of (a) the actual amount of the RV Park's wastewater buy-in fee or (b) $1,200,000; and (ii) offset the Buy-In Credit by transferring up to $1,200,000 from the Town's general fund to the Town's sewer enterprise fund during a period not exceeding 10 years from the Opening Date (defined below) (the "Credit Period"), comprised of the following sources: (a) the Unrestricted Construction Sales Taxes collected from the construction of the RV Park and the development of the Property, (b) the Unrestricted Short-Term Rental Taxes collected from lodging rental stays of 29 days or less at the RV Park, (c) the Unrestricted Lodging Sales Taxes from lodging rental stays of 30 days or more, and (d) the Unrestricted Retail Sales Taxes collected from taxable activities on the Property (collectively, all such sources are the "TPT Offsets").

AGREEMENT

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

1. Developer Obligations. The obligations set forth in this Section are collectively the "Developer Obligations."

1.1 Property Purchase. The Developer agrees to purchase the Property for $30,250 per acre (approximately $786,500 total) pursuant to the Parties' Purchase and Sale Agreement executed on April 14, 2026 (the "Purchase Agreement"). The purchase price may be subject to certain credits and other prorations as described below and in the Purchase Agreement.

1.2 Site Plan. The Developer's obligations under this Agreement are contingent upon the Town's approval of a site plan contemplating a 184-space RV park with an approximately 4,000-square-foot office, a small general store, a laundry facility, a community building (with separate building plans to be submitted to the town for approval), a swimming pool, dual-purpose courts (four tennis/eight pickleball), shuffleboard and cornhole courts, a basketball court, a dog park, a dump station, an LP gas filling station, picnic areas, landscaping, and a waterline loop around the RV Park to accommodate fire hydrants, as required and specified by the Town and the Central Yavapai Fire District, substantially similar to the site plan attached hereto as Exhibit C and made a part hereof (the "Site Plan"). Additionally:

A. Landscape Plan. The Developer shall submit a landscape plan with the Site Plan.

B. No Septage in Town Sewer. The Developer shall not, and is not permitted to, connect the dump station to the Town's sewer system. All dump station waste must be hauled and disposed of off-site.

C. Waterline Loop. The waterline loop and required hydrants must be designed and constructed at the Developer's cost.

D. RV Space Water and Wastewater. All water and wastewater hookups for the RV Park's 184 spaces must be designed and constructed at the Developer's cost. There will be no individual water meters for each space. For water and wastewater purposes, the RV Park is being developed as a commercial project.

1.3 Surveys, Assessments, and Plans. The Developer shall supply the Town with copies of the following items prepared in connection with the Developer's review and development of the Property:

A. ALTA survey.
B. Topographical survey.
C. Phase I Environmental Site Assessment.
D. Geotechnical Soil Sample Report.
E. Site Plan with Landscape Plan.
F. Wastewater Pretreatment Report.

1.4 Electrical and Utility Improvements. The improvement plans for the Property shall provide that all non-transmission electrical lines serving the Property and all other utilities serving the Property shall be installed underground prior to the RV Park opening for business. Except for the Rodeo Drive Extension, as defined below, which will be paid for as described below, the Developer shall construct utilities and other on-site improvements at the Developer's expense.

1.5 Construction and Operation. The Developer agrees and understands that the Town Obligations are specifically conditioned upon the Developer (i) causing development of the RV Park on the Property substantially in accordance with the Site Plan and as more particularly set forth herein; and (ii) operating or causing the RV Park to operate, consistent with the Site Plan and all Town regulations, for a continuous period of at least 12 years from the Opening Date (the "Operating Period").

A. Construction Timing; Opening. The Developer shall cause construction of the RV Park to begin within 15 months of Close of Escrow on the sale of the Property (the "Construction Start Date"), and ensure complete construction and opening of the RV Park for business at the location shown on the Site Plan not later than 36 months from the Construction Start Date (the date of such construction completion and opening is referred to herein as the "Opening Date").

B. Operating Covenants. After construction is completed and the RV Park has been open for business on the Property, the Developer shall:

i. Notify the Town, in writing, within 10 business days of the Opening Date, which Opening Date notification shall be acknowledged by the Town and attached hereto as Exhibit D.

ii. Ensure that the Developer, its successors, or assigns continuously operate, or cause to be operated, the RV Park on the Property at all times during the Operating Period.

iii. Ensure that the Developer, its successors, or assigns continuously prohibit, or cause to be prohibited, the renting of any particular space in the RV Park for longer than five months, the use of "park models" in the RV Park, and the use or establishment of other indicia of persons who reside or intend to reside in the RV Park full-time.

1.6 Rodeo Drive Extension. The Developer has engaged SBL Engineering to provide a "Scope of Work" to the Town contemplating the extension of the roadway improvements for Rodeo Drive, including full curb, gutter, and sidewalks, and all utilities within Rodeo Drive (collectively, the "Rodeo Drive Extension") from its current location to the eastern boundary of the Property, subject to approval by the Town, and if necessary, Yavapai County.

A. South Rodeo Extension. The Developer shall, at its expense, design and construct the southern half of the Rodeo Drive Extension, including all utilities within Rodeo Drive, unless such utilities require "up-sizing" because of the Town's election to pay for the North Rodeo Drive Extension (the "South Rodeo Extension").

B. North Rodeo Extension. After "Closing," as that term is defined in the Purchase Agreement, the Town may elect in writing, in its sole discretion, for the Developer to also design and construct the northern half of the Rodeo Drive Extension (the "North Rodeo Extension"). In that case, the Developer shall design and construct the North Rodeo Extension with full curb, gutter, and sidewalk, and the Town shall reimburse the Developer for the Developer's out-of-pocket costs to design and construct the North Rodeo Extension (the "Town's Share"). The Town's Share shall be paid as set forth in Section 3.1.

C. Procurement. The Developer shall perform or cause to be performed its obligations under this Section 1.6 in accordance with applicable laws, including A.R.S. Title 34 and the Town's Procurement Code.

1.7 Wash Rerouting. The Developer shall reroute the wash on the south and west sides of the Property to enable interconnection with the wash running under Rodeo Drive (the "Wash Reroute"). To offset a portion of the Developer's costs of the Wash Reroute, the Town agrees to waive Town permit fees associated with the Wash Reroute.

1.8 Wastewater Pretreatment. If compliance with Chapter 51 of the Chino Valley Town Code necessitates wastewater pretreatment—whether the wastewater comes directly from the Developer or from the Developer's RV Park users—the Developer shall provide such pretreatment at the Developer's expense, in accordance with Chapter 51 of the Chino Valley Town Code.

2. Force Majeure Events. In the event that the RV Park is damaged by a force majeure event, and such damage renders more than 62 of the RV Park's 184 spaces unusable, the time periods for completing the Developer Obligations shall be tolled until such reasonable time as the damaged spaces may be repaired and returned to operating condition wherein not more than 62 of the RV Park's spaces are unusable; provided, however, that the time periods shall only be tolled in the event that the Developer immediately commences repairs and diligently pursues to completion such repairs; provided further, however, that no such repair/tolling period shall extend beyond 180

days after the last date of a force majeure event. The term "force majeure" means an occurrence that is beyond the control of the Party affected and occurs without its intentional misconduct or negligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy, war, riots, strikes, labor disputes, civil disorders, fire, floods, lockouts, injunctions, and other similar occurrences beyond the control of the Developer that the Developer is unable to prevent by exercising reasonable diligence. The force majeure event shall be deemed to commence when the Developer notifies the Town, in accordance with Section 10 below, of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the Developer from resuming performance in accordance with this Agreement. If the Developer declares a force majeure event, the Operating Period shall be extended for a period equal to the length of any such force majeure event and the corresponding repair period.

3. Town Obligations. The Developer Obligations set forth in Section 1 above shall be a continuing precondition to the Town's obligations set forth in this Section 3 (the "Town Obligations"). For so long as Developer fully performs the Developer Obligations, the Town shall be obligated to perform as set forth below.

3.1 Town's Share of the North Rodeo Extension. If the Developer designs and constructs the North Rodeo Extension as set forth in Section 1.6, the Town shall reimburse the Developer for the Town's Share within 30 days after completion of the Rodeo Drive Extension and acceptance by the Town.

3.2 TPT Offsets and the Buy-In Credit. The Town shall offset the Buy-In Credit by transferring funds equal to the TPT Offsets from its general fund to its sewer enterprise fund.

A. Reductions to Tax Revenues. The Developer agrees and understands that, in the event any or all of the TPT Offsets are no longer able to be collected by the Town pursuant to the Town Tax Code due to legislative enactment changing the applicable law, the Town's obligations in this Subsection 3.2 regarding the respective TPT Offsets shall be reduced by the amount of the deficit created by the legislative enactment, and the Town shall not be obligated to substitute any other funds in place of the lost TPT Offsets, and shall not have any further obligations relating to the extinguished portions thereof.

B. Shortfall in TPT Offsets. If the total TPT Offsets collected from taxable activities that occurred during the Credit Period are less than the Buy-In Credit, the Developer shall remit an amount representing the Buy-In Credit minus the amount of the TPT Offsets to the Town within 90 days' notice of such deficiency.

3.3 Bookkeeping. The TPT Offsets will be accounted for by the Town in a special bookkeeping record for that purpose; the Town is not required to deposit the funds in a separate account at a bank or other financial institution. Although the Town has no obligation to deposit the TPT Offsets in an interest-bearing account, any interest that may accrue on the account in which the TPT Offsets are held will be the property of the Town and will not accrue for the benefit of the Developer.

4. Modifications to Tax Code or Applicable Laws. This Agreement does not commit the Town or any taxing authority to prevent future changes to applicable laws related to taxation,

including the Town Tax Code. Changes in the Town Tax Code may result in changes to the amount of the TPT Offsets, which shall be subject to Section 3.2(C) above.

5. Term. This Agreement shall take effect upon the Effective Date and shall remain in full force and effect until April 13, 2041, unless sooner terminated pursuant to Section 9 below.

6. Waiver of Confidentiality. The Developer hereby waives, for the term of this Agreement, any rights it may have to keep confidential any records reasonably required by the Town to evaluate the Developer's performance under this Agreement, including but not limited to records indicating the length of lodging rental stays at, and retail sales generated by, the RV Park. The Developer further agrees to (i) take all steps necessary and to execute any required documents to permit the Town's authorized representative to examine any such records, and (ii) to require the same waiver herein as part of any contract or agreement between the Developer and any successors or assigns, or any person, firm, or entity operating any portion of the RV Park.

7. 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 the Developer informed as to the availability of funds for this Agreement and shall act in good faith regarding appropriation and budgeting for the payments under 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. The Developer 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.

8. Default. If either Party fails to perform any of its respective obligations pursuant to this Agreement, and such Party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting Party (the "Cure Period"), such Party will be in default. In the event of such default, the non-defaulting Party may terminate this Agreement and will have all remedies that are available to it at law or in equity, including, without limitation, the remedy of specific performance. If the nature of the defaulting Party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting Party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting Party immediately commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such Cure Period exceed 120 days.

9. Liquidated Damages. Without limiting the remedies available to the Town pursuant to Section 8 above, the Developer understands and acknowledges that if it fails to fulfill the Developer Obligations, the Town will suffer damages that are difficult to accurately specify and ascertain. The Developer hereby agrees that, upon its default hereunder and expiration of the Cure Period set forth in Section 8 above, it shall pay the Town, as liquidated damages, within 30 days of receipt of the Town's written demand therefore, the following amounts in immediately available funds of United States currency:

9.1 If the Developer's failure occurs within two years of the Construction Start Date, 100% of the Buy-In Credit, less any TPT Offsets collected by the Town as of the date of the Town's written demand.

9.2 If the Developer's failure occurs more than two years but less than five years from the Construction Start Date, 75% of the Buy-In Credit, less any TPT Offsets collected by the Town as of the date of the Town's written demand.

9.3 If the Developer's failure occurs more than five years from the Construction Start Date, 50% of the Buy-In Credit, less any TPT Offsets collected by the Town as of the date of the Town's written demand.

10. 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, 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 Section:

If to the Town:	Town of Chino Valley 202 N. State Route 89 Chino Valley, AZ 86323 Attn: Terri Denemy, Town Manager
With copy to:	Gust Rosenfeld P.L.C. One East Washington, Suite 1600 Phoenix, Arizona 85004-2327 Attn: Andrew J. McGuire
If to the Developer:	Chino Valley Rodeo Drive, LLC 10645 N Tatum Blvd #200-606 Phoenix, AZ 85028 Attn: Patrick Cantelme, Sr. Manager

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.

11. Verification of Employment Eligibility; E-Verify Program. The Parties agree that the incentives provided for in this Agreement are "economic development incentives" as defined in A.R.S. § 23-214(B)(1) and that this Agreement is subject to the provisions of such statute. Not later than 30 days after the Effective Date, the Developer shall register with and participate in the Employment Verification Program, as jointly administered by the United States Department of Homeland Security and the Social Security Administration, or any successor to such program (the "E-Verify Program"). Thereafter, prior to receiving any of the economic incentives contemplated by this Agreement, the Developer shall provide proof to the Town that the Developer is registered with and is participating in the E-Verify Program. If the Town determines that the Developer is not complying with the requirements of A.R.S. § 23-214, the Town shall notify the Developer by certified mail of the Town's determination of noncompliance and the Developer's right to appeal such determination, which appeal process shall be determined by the Town in its sole discretion. Upon final determination of the Developer's noncompliance, the Developer shall repay all monies received as an economic incentive under this Agreement to the Town within 30 days of such final determination, and such repayment shall not be reduced or limited by the liquidated damages process described in Section 9 above.

12. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Town or the Developer of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

13. Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as a waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of partial performance, shall not release the Developer from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

14. Attorneys' Fees. In the event either Party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing Party shall be entitled to receive from the other Party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

15. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and all such signature pages attached to a single instrument, so that the signatures of all parties can be physically attached to a single document.

16. Headings. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

17. Further Acts. Each of the Parties shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

18. Time of the Essence. Time is of the essence in this Agreement.

19. Other Offsets.

19.1 Offset for Damages. In addition to all other remedies at law or in equity, after providing written notice to the Developer, the Town may offset from any amounts due to the Developer any money owed by the Developer to the Town for damages resulting from a breach or deficiencies in performance, or breach of any obligation under this Agreement.

19.2 Offset for Delinquent Fees or Taxes. The Town may offset any amounts due to the Developer from any money owed by the Developer to the Town for delinquent fees, transaction privilege taxes, and property taxes, including any interest or penalties.

20. Assignment. This Agreement may be assigned, in whole or in part, by the Developer only upon the prior, written approval of the Town, as evidenced by the Town Manager's signature thereon, which approval may not be unreasonably withheld by the Town; provided, however, that the Developer may assign this Agreement without the Town's consent, but with not less than 30 days prior, written notice to the Town, to (i) any parent, subsidiary, or affiliate of the Developer, (ii) any person or entity that acquires all or substantially all of the assets of the Developer, or (iii) any lender to the Developer as collateral security for the obligations of the Developer under any credit facility or financing arrangement with respect to the Property.

21. Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to the execution of this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements, or oral agreements have been made by the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against, the Party drafting this Agreement. The Parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

22. Amendment. No amendment or waiver of any provision in this Agreement will be binding (i) on the Town unless and until it has been approved by the Town Council and has become effective, or (ii) on the Developer unless and until it has been executed by an authorized representative of the Developer.

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

24. Severability. Every provision of this Agreement is and will be construed to be a separate and independent covenant. If any provision in this Agreement or the application of the same is, to any extent, found to be invalid or unenforceable, the remainder of this Agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable will not be affected by that invalidity or unenforceability. Each provision in this Agreement will be valid and will be enforced to the extent permitted by law, and the Parties will negotiate in good faith for such amendments of this Agreement as may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

25. Covenant of Good Faith. In exercising their rights and in performing their obligations pursuant to this Agreement, the Parties will cooperate with one another in good faith to ensure the intent of this Agreement can be attained.

26. Conflict of Interest. This Agreement is subject to the provisions of A.R.S. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other Party to the Agreement in any capacity or a consultant to any other Party of the Agreement with respect to the subject matter of the Agreement.

27. Israel. To the extent applicable under A.R.S. §§ 35-393 through 35-393.03, the Developer certifies that it is not currently engaged in and agrees that it will not engage in, for the duration of this Agreement, a "boycott" of Israel, as that term is defined in A.R.S. § 35-393.

28. Forced Labor of Ethnic Uyghurs. To the extent applicable under A.R.S. § 35-394, the Developer warrants and certifies that it does not currently, and agrees that it will not use, for the duration of this Agreement, the forced labor, any goods or services produced by the forced labor, or any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

29. Computation of Time. In computing any period of time under this Agreement, the date of the act or event from which the designated period of time begins to run shall not be included. The last date of the period so completed shall be included unless it is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day that is not a Saturday, Sunday, or legal holiday. The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. (local time, Phoenix, Arizona) on the last day of the applicable time period provided herein.

30. Recording. This Agreement shall be recorded by the Town within 10 days of its execution.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first set forth above.

"**Town**"

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

_____
Tom Armstrong, Mayor

ATTEST:

_____
Erin Deskins, Town Clerk

APPROVED AS TO FORM:

_____
Gust Rosenfeld P.L.C., Town Attorney
By: Andrew J. McGuire

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

CHINO VALLEY RODEO DRIVE, LLC,
an Arizona limited liability company

_____
Patrick Cantelme, Sr. Manager

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF)

On _____, 2026, before me personally appeared _____ _____, the _____ of Chino Valley Rodeo Drive, LLC, an Arizona limited liability company, whose identity was proven to me on the basis of satisfactory evidence to be the person who he or she claims to be, and acknowledged that he or she signed the above document on behalf of Chino Valley Rodeo Drive, LLC, in his or her capacity as _____.

(Affix notary seal here)

_____
Notary Public

EXHIBIT A
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
CHINO VALLEY RODEO DRIVE, LLC

[Description and Depiction of Property]

See following page(s).

Yavapai County Print Parcel



Parcel ID	Check Digit
306-02-001X	1

Owner

Town of Chino Valley

Owner's Mailing Address

202 N State Route 89
Chino Valley, AZ 86323-5981

Secondary Owner

Recorded Date

N/A

Last Transfer Doc Docket	Last Transfer Doc Page
N/A	N/A

Physical Address	Incorporated Area
2301 Jerome Jct , Chino Valley, 86323	Town of Chino Valley

Assessor Acres	Subdivision	Subdivision Type
38.83	N/A	N/A

School District	Fire District
Chino Valley Unified SD #51	Chino Valley FD

Improvements (1)

Type: Commercial Yard Improvements
Year Built: 2023
Floor area ?: 1
Multi Level: No
Below Grade Area ?: None
Basement ?: No

Local Zoning

Town Of Chino Valley
BP

Assessment

Starting with the 2015 tax year, the Limited Property Value is the only value considered for taxation purposes, the Full Cash Value is no longer used for taxation.

Tax Year	2026	2025
Assessed Value(ALV)	$31,153	$21,783
Limited Value(LPV)	$207,683	$145,217
Full Cash(FCV)	$402,811	$276,458
Legal Class	Vacant or Other	Vacant Or Other
Assessment Ratio	15%	15%
Usage Code	9720 ?	9700 ?

Taxes

Tax Area Code	2025 Taxes Billed
5131	$

Recorded Documents & Sales (0)

No Recorded Documents were found.

Permits

Town of Chino Valley Permits

Most permit data is available from the mid 2000s, though not all types of permits are included. Please contact your local jurisdiction at (928) 636-3480 with any questions.

(1) Permits(s)

Permit #: ***Status:***
CB23-000028 CLOSED
Description:
Public work fill station
Permit Type: ***Permit Use:***
ADD EXEMPT
Name:
Town Of Chino Valley
Issued Date: ***Permit Amount:***
8/16/2023 $100,000.00

Disclaimer: Map and parcel information is believed to be accurate but accuracy is not guaranteed. No portion of the information should be considered to be, or used as, a legal document. Users should independently research, investigate and verify all information.

By using this website, the user knowingly assumes all risk of inaccuracy and waives any and all claims for damages against Yavapai County and its officers and employees that may arise from the use of this data and agrees to indemnify and hold harmless Yavapai County and its officers and employees to the fullest extent permitted by law. By using this website, the user also agrees that data and use of this website may not be used for commercial purposes.

EXHIBIT B
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
CHINO VALLEY RODEO DRIVE, LLC

[Notice of Intent]

See following page(s).

Town of Chino Valley, Arizona
Public Notice

Notice of Intent to Enter into a Development Tax Incentive Agreement and Findings of Fact

Pursuant to Ariz. Rev. Stat. § 9-500.11

Notice is hereby given by the Mayor and Common Council of the Town of Chino Valley, Arizona (the "Town Council"), that on a date that is not earlier than October 28, 2025, the Town Council intends to adopt that certain retail development tax incentive agreement titled "Economic Development Agreement between the Town of Chino Valley and Chino Valley Rodeo Drive, LLC" (the "Agreement").

Findings of Fact

With respect to the Agreement, and in accordance with Ariz. Rev. Stat. § 9-500.11, the Town Council hereby makes the following findings of fact:

1. The tax incentives set forth in the Agreement are anticipated to raise more revenue than the amount of the incentives within the duration of the Agreement. This finding has been independently verified in a report by Rounds Consulting Group, dated September 17, 2025, as set forth in Attachment 1, attached hereto and incorporated herein by reference.

2. In the absence of the tax incentives offered to Chino Valley Rodeo Drive, LLC, neither the RV Park nor a similar development would locate in Chino Valley, Arizona, at the same time or place or in the same manner as required by the Agreement.

ADOPTED by the Town Council on October 14, 2025.

ATTACHMENT 1
TO
NOTICE OF INTENT TO ENTER INTO
A DEVELOPMENT TAX INCENTIVE AGREEMENT
AND FINDINGS OF FACT

[Rounds Consulting Group Verification]

See following pages.

Chino Valley Rodeo Drive RV Park Economic & Fiscal Impact Analysis

September 2025

Prepared for:

CHINO VALLEY
ARIZONA

Prepared by:

Rounds Consulting Group

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Executive Summary

This report estimates the economic and fiscal impacts associated with the development and ongoing operations of a new recreational vehicle (RV) park in the Town of Chino Valley, Arizona. The project, known as the Chino Valley Rodeo Drive RV Park, will include:

- 184 RV spaces
- Clubhouse and office/check-in area
- Pool and hot tub
- Pickleball courts
- Ramadas and gathering areas
- Dog Park

Total capital expenditures for development are estimated at $9.5 million. Once operational, the project is expected to support approximately 5.5 full-time equivalent (FTE) jobs on-site. These positions include a general manager, front desk/reservation staff, janitorial/housekeeping staff, and maintenance/grounds personnel.

The analysis captures both short-term construction impacts and long-term operational impacts, including on-site employment and spending generated by visitors in the local economy. Impacts are reported as direct, indirect, and induced effects on jobs, labor income, economic output, and tax revenues.

Analysis Key Findings

The development of the 184-space RV Park in Chino Valley will deliver measurable benefits to the local and regional economy both during construction and throughout ongoing operations.

Construction Impacts

During the construction phase, the $9.5 million investment will generate significant short-term economic activity. Approximately 65 jobs will be supported, with more than $3.3 million in labor income earned by workers.

Total economic output is estimated at $10.8 million, with state, county, and town governments collectively receiving over $610,000 in tax revenues from construction-related activity. The Town of Chino Valley is estimated to collect nearly $127,000 in tax revenues from construction-related activity.

Total Economic & Fiscal Impact of Construction			
Jobs	Labor Income	Economic Output	Tax Revenues
65.4	$3,292,900	$10,808,000	$610,800

Note: Includes direct, indirect, and induced impacts. May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Operational Impacts

Once the park is operational, the project will sustain nearly 20 jobs in Chino Valley, including the equivalent of 5.5 full-time on-site positions such as management, reservations, housekeeping, and maintenance staff. Annual labor income is projected to reach nearly $776,000, while economic output is estimated at $2.3 million per year.

Operations are also expected to generate nearly $945,000 annually in tax revenues, distributed across state, county, town, and special district governments. The Town of Chino Valley is estimated to collect $323,000 in annual tax revenues, including taxes on RV space rentals, local employee spending, and retail expenditures made in the community by visiting RV guests.

Total Annual Economic & Fiscal Impact of Operations			
Jobs	Labor Income	Economic Output	Tax Revenues
19.6	$775,700	$2,336,400	$944,700

Note: Includes direct, indirect, and induced impacts. May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Impact Model Methodology & Assumptions

RCG used a combination of project-specific data, conservative industry assumptions, and regional input-output modeling to assess the economic and fiscal impacts.

Economic & Fiscal Impact Methodology

The approach to quantifying the economic and financial impacts is grounded in established industry standards and leverages proprietary economic modeling techniques that enhance the analysis. It goes beyond conventional approaches by incorporating tailored adjustments specific to Arizona's economic landscape, including the use of IMPLAN multipliers, to assess direct, indirect, and induced impacts.

An economic and fiscal impact model provides a quantifiable method to estimate the economic impact of a particular activity in any given area. Impacts can be used to measure existing activity and to measure potential expansions/contractions of an area's economy resulting from changes in economic activity. Typically, the level of economic effects resulting from the activity is estimated in terms of economic output, jobs, labor income, and tax revenues. These are defined as:

- Economic output captures the broader level of economic activity, or the total value of goods and services produced in the region, similar to how statistics like gross domestic product (GDP) capture economic volume in individual states and across the country.

- A job is simply one person working a full-time job over a one-year period.

- Labor income represents the income earned by employees. The earnings component measures the total change in income throughout the economy due to economic or business activity.

- Tax revenues refer to the estimated annual government tax revenues that are generated by a particular project, policy, business, development, or activity in any given area. For example, the types of taxes analyzed include sales taxes, state income taxes, and property taxes, among others. The types of activities subject to these taxes include payroll, retail sales, and real/personal property, to name a few.

The economic and fiscal impacts that occur as a direct consequence of the initial activity create additional activity in the regional economy. This relationship is known as the multiplier or ripple effect. The basis for multiplier effects is the interdependencies between industries, how one industry impacts other sectors, and the cycle of spending and re-spending within the regional economy.

An input-output model generates these multipliers. These multipliers quantify relationships among industries and estimate the extent to which the area being analyzed can capture sales, economic activity, and job impacts within the region.

Input-output models measure impacts based on their source. Direct effects are the result of the initial activity being analyzed. The multiplier effects, or secondary effects, are measured as either indirect or induced. These are defined as:

- Direct effects, or impacts, measure the economic activity at an individual site or the initial economic change attributed to the event under consideration.

- Indirect impacts capture additional economic output, labor income, employment, and tax revenue changes generated as a result of increased or decreased demand in the industries that supply services or products.

- Induced impacts capture additional output, labor income, employment, and tax revenue changes generated as a result of increased spending in the local economy made by the households of both the direct and indirect employees.

A commonly used input-output model framework for generating economic multipliers is IMPLAN (short for "impact analysis for planning"). Originally developed by the U.S. Forest Service in the 1970s, the responsibility for developing IMPLAN data sets shifted to the University of Minnesota as demand for regional models grew.

Now, IMPLAN runs as a private organization and is the leading provider of nationwide economic impact data and analytical software. The RCG custom economic impact model employs this input-output methodology.

Visitor Spending Impacts

Beyond on-site operations, RV parks generate substantial visitor spending in local communities. Visitors typically spend money on retail, dining, fuel, groceries, and recreation. These expenditures support additional jobs and tax revenues within the Town of Chino Valley.

Visitor spending estimates are based on Arizona Office of Tourism (AOT) survey data, which provides average daily spending profiles by visitor type. According to these surveys, the average visiting party spends approximately $64 per day on restaurants and food, $41 on transportation (including fuel), $38 on retail, and $34 on recreation and entertainment. These per-party spending levels were then

applied to the estimated number of occupied RV spaces per year, assuming a conservative 65% annual occupancy rate.

To calculate overall park revenues, a daily rental rate of $73.50 per space was applied, based on rates observed at comparable RV parks in the region.

To remain conservative, a 75% leakage rate was applied, meaning it is assumed that ¾ of total spending will occur outside of Chino Valley (e.g., in Prescott or other regional destinations). This adjustment ensures that the modeled impacts reflect only the portion of visitor spending that is likely to remain in the Town itself.

While this approach captures the direct economic effects tied to the RV Park, it is important to note that actual benefits to local businesses may be greater depending on visitor length of stay, spending patterns, and broader regional tourism linkages.

Analysis Disclosure

The assumptions and data used in this analysis are subject to marginal uncertainty and variation. Therefore, actual impacts may vary, and some impacts may not materialize due to unanticipated events and changing circumstances. However, RCG has made extensive efforts to confirm the accuracy of the information contained in this analysis. These projections are intended to provide an estimate based on current information and should not be viewed as guarantees of future performance.

Unless otherwise noted, the figures and estimates presented are based on the author's calculations and proprietary impact model. Readers are advised to review the entire report to understand the full context, methodologies, assumptions, and limitations of the analysis. Partial reading of the report may lead to misinterpretation of the findings and conclusions.

Economic & Fiscal Impacts

The Town of Chino Valley is poised to benefit from the development of a new 184-space RV Park that will expand the community's lodging and recreational offerings. This project represents a $9.5 million private investment that combines both accommodations and recreational amenities, including a clubhouse, pool, pickleball courts, ramadas, and a dog park.

The project will create direct employment opportunities and generate new tax revenues. Once complete, the RV Park is estimated to support approximately 5.5 FTE on-site positions. Beyond the on-site workforce, visitor activity will introduce new spending into the community as guests purchase food, fuel, groceries, and retail goods during their stays.

The analysis highlights two phases of economic impact:

- Construction Phase – The one-time effects associated with the $9.5 million in development expenditures.

- Operations Phase – The ongoing annual impacts from the RV Park's management, staffing, and visitor spending once the project is open.

Together, these impacts demonstrate the value of the project as both a short-term economic driver and a long-term contributor to Chino Valley's fiscal and community vitality.

Construction Phase Impacts

The one-time construction phase represents a significant investment in the Chino Valley economy. Based on the $9.5 million in capital expenditures, construction will generate a total of more than $10.8 million in economic output, supporting approximately 65 jobs and $3.3 million in labor income.

The majority of this impact comes from direct activity associated with construction itself, contractors, construction workers, and professional services directly tied to the RV Park's development. These direct impacts account for nearly 50 construction-related jobs, more than $2.5 million in wages, and approximately $8.1 million in economic output.

In addition, the project produces indirect and induced impacts, often referred to as "ripple effects." Indirect impacts arise when construction firms purchase goods and services from local vendors (e.g., materials, equipment rentals, or professional services). Induced impacts occur when construction workers spend their earnings on household needs such as groceries, dining, and retail.

Combined, these ripple effects add roughly 16 jobs, $767,000 in additional labor income, and nearly $2.8 million in economic output.

From a fiscal perspective, the construction activity is expected to generate more than $610,000 in tax revenues across state, county, and town governments. The Town of Chino Valley is expected to collect approximately $127,000 in tax revenues, with the majority of these revenues generated from local sales taxes on construction expenditures.

Economic and Fiscal Impact of Construction				
Impact Type	Direct	Indirect	Induced	Total
Jobs	49.6	6.6	9.2	65.4
Labor Income	$2,526,200	$369,600	$397,100	$3,292,900
Economic Output	$8,070,000	$1,319,800	$1,418,200	$10,808,000
Tax Revenues	$565,500	$20,500	$24,800	$610,800
State Taxes	$378,100	$16,800	$19,700	$414,600
County Taxes	$62,400	$2,900	$4,000	$69,300
Town Taxes	$125,000	$800	$1,100	$126,900
Special Districts	-	-	-	-

Note: May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Fiscal Impact of Construction – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax [1]	$259,400	-	-	$259,400
Retail Sales Tax [2]	$46,900	$6,600	$7,900	$61,400
Residential Property Tax [3]	-	-	-	-
Personal Income & Payroll Taxes [4]	$63,100	$9,100	$10,200	$82,400
Vehicle License Tax & Fees [5]	$8,700	$1,100	$1,600	$11,400
State Shared Revenues [6]	-	-	-	-
Total	$378,100	$16,800	$19,700	$414,600

(1) Includes sales tax on materials and construction-related services directly tied to the $9.5 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Not applicable for the state level. (4) Reflects state revenues from wages and salaries earned by workers supported by construction activity. (5) Represents state revenue from vehicle registrations and related fees tied to construction-related employment. (6) Not applicable at the state level.
Note: May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Fiscal Impact of Construction – Yavapai County				
Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax [1]	$39,300	-	-	$39,300
Retail Sales Tax [2]	$6,000	$800	$1,000	$7,800
Residential Property Tax [3]	$14,700	$1,900	$2,700	$19,300
Personal Income & Payroll Taxes [4]	-	-	-	-
Vehicle License Tax & Fees [5]	-	-	-	-
State Shared Revenues [6]	$2,400	$200	$300	$2,900
Total	$62,400	$2,900	$4,000	$69,300

(1) Includes sales tax on materials and construction-related services directly tied to the $9.5 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Accounts for county property tax revenues from residential demand associated with the temporary construction workforce. (4) Not applicable at the county level. (5) Not applicable at the county level. (6) Reflects county revenues received through statutory revenue-sharing mechanisms from the State of Arizona that are linked to construction-related sales tax collections.
Note: May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Fiscal Impact of Construction – Town of Chino Valley				
Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax [1]	$118,600	-	-	$118,600
Retail Sales Tax [2]	$5,400	$700	$900	$7,000
Residential Property Tax [3]	-	-	-	$0
Personal Income & Payroll Taxes [4]	-	-	-	-
Vehicle License Tax & Fees [5]	-	-	-	-
State Shared Revenues [6]	$1,000	$100	$200	$1,300
Total	$125,000	$800	$1,100	$126,900

(1) Includes sales tax on materials and construction-related services directly tied to the $9.5 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Not applicable at the town level. (4) Not applicable at the town level. (5) Not applicable at the town level. (6) Reflects revenue distributed to the Town from the State of Arizona under statutory revenue sharing formulas, tied to sales and income tax collections at the state level.
Note: May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Operational Phase Impacts

Once operational, the RV Park will sustain nearly 20 jobs in Chino Valley, including the equivalent of 5.5 full-time on-site positions such as management, reservations, housekeeping, and maintenance staff. In addition, visitor spending in the community will directly support another 10 FTE positions in local retail, dining, fuel, and service establishments.

Taken together, this brings the total direct job impact to 15.5 FTEs per year. Annual labor income is projected to reach approximately $776,000, while total economic output is estimated at $2.3 million per year.

Indirect impacts arise when the RV Park and local businesses purchase goods and services from area vendors, while induced impacts occur as direct and indirect employees spend their earnings on household and leisure goods and services. Together, these impacts support 4 FTEs, $187,800 in labor income, and $651,400 in economic output each year.

From a fiscal standpoint, annual operations are expected to generate nearly $945,000 in tax revenues across state, county, town, and special district governments. For the Town of Chino Valley specifically, the impact is approximately $323,000 each year. These revenues are derived from a combination of sales taxes on RV space rentals, employee household spending, and retail expenditures made in the community by visiting RV guests.

In addition, commercial property tax revenues will accrue to special districts, totaling approximately $86,100 per year. These revenues are distributed among Chino Valley School District #51, Chino Valley Fire District, Yavapai Community College, Yavapai County Library District, Yavapai Flood Control District, and the Mountain Institute Career and Technical Education District (CTED).

Annual Economic and Fiscal Impact of Operations				
Impact Type	Direct	Indirect	Induced	Total
Jobs	15.5	2.0	2.2	19.6
Labor Income	$588,100	$88,900	$98,900	$775,700
Economic Output	$1,684,900	$317,000	$334,400	$2,336,400
Tax Revenues	$933,600	$5,300	$5,800	$944,700
State Taxes	$425,000	$4,300	$4,700	$434,000
County Taxes	$99,600	$800	$900	$101,300
Town Taxes	$322,900	$200	$200	$323,300
Special Districts	$86,100	-	-	$86,100

Note: May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Annual Fiscal Impact of Operations – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Retail Sales Tax [1]	$284,000	$1,700	$1,900	$287,600
Lodging Sales Tax [2]	$123,900	-	-	$123,900
Commercial Property Tax [3]	-	-	-	-
Residential Property Tax [4]	-	-	-	-
Personal Income & Payroll Taxes [5]	$14,400	$2,200	$2,400	$19,000
Vehicle License Tax & Fees [6]	$2,700	$400	$400	$3,500
State Shared Revenues [7]	-	-	-	-
Total	$425,000	$4,300	$4,700	$434,000

(1) Include sales taxes on spending associated with the RV Park's operations, including employee household spending, visitor expenditures within the community, and taxable utility use by the RV Park. (2) Captures sales taxes on RV space rentals. (3) Not applicable at the state level. (4) Not applicable at the state level. (5) Reflects state income tax collections from wages earned by RV Park employees and additional jobs supported through indirect and induced effects. (6) Represents state revenues from vehicle registration and related fees tied to employment. (7) Not applicable at the state level.

Note: May not sum to totals due to rounding. In 2025 dollars.

Source: Rounds Consulting Group, Inc.

Annual Fiscal Impact of Operations – Yavapai County				
Impact Type	Direct	Indirect	Induced	Total
Retail Sales Tax [1]	$48,700	$200	$300	$49,200
Lodging Sales Tax [2]	$26,500	-	-	$26,500
Commercial Property Tax [3]	$15,900	-	-	$15,900
Residential Property Tax [4]	$4,600	$600	$600	$5,800
Personal Income & Payroll Taxes [5]	-	-	-	-
Vehicle License Tax & Fees [6]	-	-	-	-
State Shared Revenues [7]	$3,900	$0	$0	$3,900
Total	$99,600	$800	$900	$101,300

(1) Include sales taxes on spending associated with the RV Park's operations, including employee household spending, visitor expenditures within the community, and taxable utility use by the RV Park. (2) Captures sales taxes on RV space rentals. (3) Accounts for property tax revenue levied on the RV Park. (4) Captures county property tax revenues associated with residential demand supported by park-related employment. (5) Not applicable at the county level. (6) Not applicable at the county level. (7) Reflects the county's statutory revenue sharing distributions from the State of Arizona.

Note: May not sum to totals due to rounding. In 2025 dollars.

Source: Rounds Consulting Group, Inc.

Annual Fiscal Impact of Operations – Town of Chino Valley				
Impact Type	Direct	Indirect	Induced	Total
Retail Sales Tax [1]	$137,500	$200	$200	$137,900
Lodging Sales Tax [2]	$185,000	-	-	$185,000
Commercial Property Tax [3]	-	-	-	-
Residential Property Tax [4]	-	-	-	-
Personal Income & Payroll Taxes [5]	-	-	-	-
Vehicle License Tax & Fees [6]	-	-	-	-
State Shared Revenues [7]	$400	-	-	$400
Total	$322,900	$200	$200	$323,300

(1) Include sales taxes on spending associated with the RV Park's operations, including employee household spending, visitor expenditures within the community, and taxable utility use by the RV Park. (2) Captures sales taxes on RV space rentals. (3) Not applicable at the town level. (4) Not applicable at the town level. (5) Not applicable at the town level. (6) Not applicable at the town level. (7) Reflects statutory revenue sharing distributions from the State of Arizona to the Town of Chino Valley, linked to state-level sales and income tax collections.
Note: May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

Annual Fiscal Impact of Operations – Special Districts				
Impact Type	Direct	Indirect	Induced	Total
Chino Valley SD #51	$33,800	-	-	$33,800
Yavapai Community College	$14,000	-	-	$14,000
Chino Valley Fire Dist.	$34,300	-	-	$34,300
Fire District Assistance Tax	$700	-	-	$700
Yavapai County Library Dist.	$1,300	-	-	$1,300
Yavapai Flood Control Dist.	$1,500	-	-	$1,500
Mountain Institute CTED	$500	-	-	$500
Total	$86,100	-	-	$86,100

Note: All revenues shown represent the distribution of commercial property taxes levied on the RV Park. No additional indirect or induced revenues are assumed for special districts. May not sum to totals due to rounding. In 2025 dollars.
Source: Rounds Consulting Group, Inc.

EXHIBIT C
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
CHINO VALLEY RODEO DRIVE, LLC

[Site Plan]

See following page(s).



Proposed Plant Palette

SYMBOL	BOTANICAL NAME	COMMON NAME	SIZE
	DECIDUOUS ACCENT TREES		
	Chilopsis linearis	Seedless Desert Willow	25 Gal.
	Prunus spp.	Purple Leaf Plum	25 Gal.
	Vitex agnus-castus	Vitex	15 Gal.
	DECIDUOUS SHADE TREES		
	Chitalpa 'Pink Dawn'	'Pink Dawn' Chitalpa	25 Gal.
	Fraxinus velutina	Arizona Ash	25 Gal.
	EVERGREEN SHADE TREES		
	Quercus spp	Oak	25 Gal.
	EVERGREEN SCREEN TREES		
	Cupressus arizonica	Arizona Cypress	25 Gal.
	Juniperus spp.	Juniper	15 Gal.
	SHRUBS		
	Artemesia species	Sage	5 Gal
	Atriplex canescens	Four-wing Saltbrush	5 Gal
	Juniperus spp.	Juniper	5 Gal
	Mahonia fremontii	Fremont Barberry	5 Gal
	Pinus spp.	Mugo Pine	5 Gal
	Rosa spp.	Rose	5 Gal
	Rhus trilobata	Three Leaf Sumac	5 Gal
	Salvia greggii	Autumn Sage	5 Gal
	Spirea spp.	Spirea	5 Gal
	GRASSES		
	Aristida purpurea	Purple Three Awn	5 Gal
	Bouteloua curtipendula	Side-Oats Grama	5 Gal
	Muhlenbergia rigens	Deer Grass	5 Gal
	ACCENTS		
	Agave spp.	Agave	5 Gal
	Dasylirion wheeleri	Desert Spoon	5 Gal
	Hesperaloe parviflora	Red Yucca	5 Gal
	Nolina microcarpa	Beargrass	5 Gal
	Yucca spp.	Yucca	5 Gal
	GROUND COVERS		
	Ericameria laricifolia	Turpentine Bush	1 Gal
	Juniperus spp.	Juniper	1 Gal
	Rosmarinus 'prostratus'	Creeping Rosemary	1 Gal

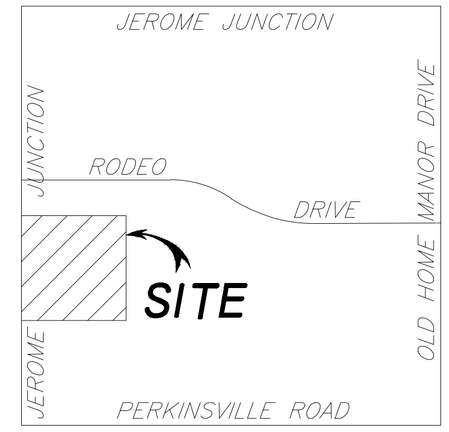
MISCELLANEOUS

DG	Decomposed Granite - Size: 1/2" Screened Color: 'Mahogany Brown' by RockPros 2" depth in all planting areas (Typ)
DG PATH	Stabilized DG Pathway - Size: 1/4" Minus Color: 'Mahogany Brown' by RockPros 2" compacted depth
TURF	Synthetic Turf- As selected by owner

Schematic Landscape Plan

SCALE: 1"=80'-0"

0 40' 80' 160' NORTH



Vicinity Map

SCALE: NTS NORTH

hillman workshop
landscape architecture
2901 e. highland ave
phoenix, az 85016
480-686-2001

LANDSCAPE ARCHITECT
CERTIFICATE NO.
46944
AARON J. HILLMAN
10.28.24
ARIZONA, U.S.A.

EXPIRES 09/30/25

REVISIONS:

Rodeo Drive RV Park

East Rodeo Drive, Chino Valley, AZ

DATE: 10.28.24

Schematic Landscape Plan

L1.0

1 of 1

Call at least two full working days before you begin excavation
ARIZONA811
Arizona Blue Stake, Inc.
Dial 8-1-1 or 1-800-STAKE-IT (782-5348)
In Maricopa County: (602)263-1100

EXHIBIT D
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
CHINO VALLEY RODEO DRIVE, LLC

[Opening Date Notification]

See following page(s).

(To be acknowledged by the Town and attached after the Opening Date)

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, together with any further escrow instructions or subsequent addenda signed by **TOWN OF CHINO VALLEY,** an Arizona municipal corporation ("Seller"), and **CHINO VALLEY RODEO DRIVE, LLC,** an Arizona limited liability company ("Purchaser"), shall constitute a binding contract (collectively, the "Agreement") on the part of Seller to sell to Purchaser the "Property" as hereafter defined in accordance with the terms and conditions contained in this Agreement and to create an escrow (the "Escrow'') with Pioneer Title Agency (Attn: Gloria Burnett) ("Escrow Agent") as escrow agent.

1. The Property. The Property consists of a certain tract of approximately 25.8934 acres of certain real property generally located at 2301 N. Jerome Junction, Chino Valley, Arizona, comprising portions of Yavapai County Assessor's Parcel Number (APN) 306-02-001X, as described and depicted on Exhibit A, attached hereto and made a part hereof, together with rights appurtenant thereto (the "Property"). The Property's APN is to be determined following the lot split and ALTA Survey set forth herein.

2. Conveyance Documents. Prior to Closing, Seller shall deliver to the Escrow Agent a special warranty deed ("Deed") conveying to Purchaser fee simple title to the Property, subject only to the Permitted Exceptions, which shall warrant title to the Property, and defend the same against the lawful claims of all persons claiming by, through, and under Seller, but none other, subject to the Permitted Exceptions and a restriction allowing the Property to only be used commensurate with the Town's Public Land zoning district (collectively, "Deed Restrictions"). Said Deed shall be in substantially the same form as that included in Exhibit B attached hereto and made a part hereof. Upon receipt of the entire Purchase Price (as defined below), the Escrow Agent shall record the Deed and other recordable documents as may be delivered in connection with the Closing. It is further understood and agreed that the Deed Restrictions shall be inserted by the Purchaser under this Agreement in every Deed or ground lease to be delivered by it conveying lots or plots or other portions of the Property or any interest therein and that such insertions of such Deed Restrictions in such Deed or ground lease shall be deemed a part of the consideration of this Agreement.

3. Purchase Price and Payment Terms. The purchase price to be paid by Purchaser (the "Purchase Price") shall be $786,500 based on $30,250 per acre. The final price is to be determined by a recorded lot split and ALTA Survey, due and payable as follows:

(a) $20,000 earnest money (the "Earnest Money"), to be deposited into Escrow within three days of the mutual execution of this Agreement. The Earnest Money shall, except only as otherwise provided in Section 10(b) and Section 30, be non-refundable upon the expiration of the portion of the Feasibility Period (as defined in Section 8 below) as described in Section 8 below and shall be paid to the Seller in the event that this Agreement is terminated prior to the Closing.

(b) The balance of the Purchase Price, in cash or other immediately available funds, to be deposited into Escrow and released to Seller on or before Close of Escrow.

4. Earnest Money. Escrow Agent is directed to hold the Earnest Money in a federally insured interest-bearing account with a commercial bank located in Phoenix, Arizona. In the event the transaction provided by this Agreement is consummated, the Earnest Money and any interest accrued thereon shall be applied against the Purchase Price. In the event the transaction is not consummated pursuant to the terms hereof, all interest earned shall be paid to the party entitled by the terms of this Agreement to receive the Earnest Money.

5. Escrow. Escrow Agent shall sign and date this Agreement on the space provided at the end of this Agreement, indicating that Escrow has been opened as of such date ("Opening of Escrow"). The date (the "Closing Date") for the consummation of the transaction described in this Agreement (the "Close of Escrow'' or "Closing") shall be on a date determined by Purchaser, but in all events on or before July 13, 2026.

6. Prorations, Taxes, and Costs. Escrow Agent will prorate (i.e., apportion) between the parties, in cash, to the Close of Escrow, the following:

(a) Taxes. Real property taxes and assessments for the Property based on the latest information available to Escrow Agent. Notwithstanding the foregoing, if the real property taxes for the year in which Close of Escrow occurs are not known as of the Closing Date, then within 30 days after the date that such real property taxes are levied, Purchaser and Seller shall readjust the proration of real property taxes based on the actual real property taxes for the year in which the Closing Date occurs, and each party agrees to pay to the other within such 30-day period any sums owed to the other party to effect such proration.

(b) Other Prorations. Any other items Seller and Purchaser mutually instruct Escrow Agent to prorate prior to the Close of Escrow.

(c) Thirty-Day Month. All prorations and/or adjustments called for in this Agreement are to be made on the basis of a 30-day month, unless otherwise specifically instructed by Seller and Purchaser in writing.

7. Fees and Costs.

(a) Purchaser will pay (i) one-half of Escrow Agent's escrow fee, and (ii) the fee for the extended owner's portion of the ALTA Extended Title Policy to be issued to Purchaser at the Close of Escrow plus the cost of any title endorsements Purchaser may request.

(b) Seller will pay (i) the fee for the standard owner's portion of the ALTA Extended Title Policy to be issued to Purchaser at the Close of Escrow, (ii) one-half of Escrow Agent's escrow fee, and (iii) the cost of the lot split.

(c) Seller and Purchaser expressly acknowledge that CBRE, Inc. ("CBRE") has acted as the exclusive broker for Seller and Purchaser in the transaction set forth in this Agreement. Seller will pay CBRE a brokerage fee of five percent of the Purchase Price. Purchaser agrees that Seller's payment of the brokerage fee set forth herein is the sole responsibility Seller has with respect to fees and costs payable to CBRE. Purchaser agrees it is solely responsible for

compensating CBRE for any costs or fees claimed by CBRE for services relating to the acquisition of the Property and hereby indemnifies Seller against any claim for such costs (including all costs and attorneys' fees expended in defending against such claim) arising from or related to the transaction set forth in this Agreement.

(d) Unnamed costs or expenses associated with the Closing will be paid by those customarily charged for closings in Yavapai County, Arizona.

8. Status of Title; Feasibility Period. Purchaser shall have 90 days from the Opening of Escrow (the "Feasibility Period") to determine the feasibility of the Property for Purchaser's intended use. At any time prior to the end of the Feasibility Period, the Purchaser may, for any reason in its sole and absolute discretion, cancel this Agreement. If such cancellation occurs within 90 days after the Opening of Escrow, Purchaser shall receive a refund of the Earnest Money; if such cancellation occurs later than 90 days after the Opening of Escrow, the Earnest Money shall be immediately paid to Seller.

(a) On or before 10 days of Opening of Escrow, Escrow Agent shall, at Seller's expense, provide Purchaser with a current commitment for title insurance and copies of all exceptions to title (the "Title Report") for the Property, disclosing all matters of record and other matters of which Escrow Agent has knowledge which relate to the title to the Property, and a legible copy of each of the instruments and documents referred to in the Title Report. Purchaser shall have until the expiration of the Feasibility Period to object in writing to Seller to any matter shown thereon. If Purchaser fails to object within said period, the condition of title to the Property shall be deemed approved. If Purchaser objects to any matter disclosed by said Title Report or any amendment thereto, Seller shall give written notice to Purchaser ("Seller's Response") within five business days of receipt of the objection that (i) Seller shall not cure or cause to be removed the objected-to matter or (ii) Seller shall cure or cause to be removed the objected-to matter in which event Seller shall have until the date set for Close of Escrow within which to cause to be removed any such objected to matter from the Title Report and any amendment and policy of title insurance to be issued in favor of Purchaser. If Seller fails to deliver its response within such five- business-day period, then Seller shall be deemed to have responded that it shall not attempt to cure or cause to be removed the objected-to matter. If Seller elects not to cure or cause to be removed the objected-to matter, Purchaser shall have until the date five business days following Purchaser's receipt of Seller's Response to elect to either waive its objection or terminate this Agreement. In the event that Purchaser fails to timely terminate this Agreement pursuant to this Section 8, the right to terminate contained herein shall be waived.

(b) Escrow Agent shall issue a title insurance policy for the Property at the Closing in the amount of the Purchase Price, showing Purchaser as the holder of fee title to the Property subject only to the Permitted Exceptions. Seller shall cooperate in all reasonable respects with the issuance of extended coverage, such as by signing and delivering to the Escrow Agent its standard form affidavit.

(c) Following the Opening of Escrow, Purchaser shall, at its sole cost and expense, cause to be performed a new or updated ALTA Survey of the Property certified to

Purchaser and the Escrow Agent. Purchaser shall have until the end of the Feasibility Period to review and approve or object to anything shown on or disclosed by the ALTA Survey.

(d) Following the Opening of Escrow, Purchaser shall, at its sole cost and expense, cause to be performed a new Phase I environmental survey of the Property certified to the Purchaser. Purchaser shall have until the end of the Feasibility Period to review and approve or object to anything set forth in or disclosed by the Phase One environmental survey.

(e) Following the Opening of Escrow, Purchaser shall, at its sole cost and expense, cause to be performed a topographic survey of the Property and a soils report. Purchaser shall have until the end of the Feasibility Period to review and approve or object to anything set forth in or disclosed by the topographic survey of the Property and soils report.

(f) Purchaser hereby agrees to furnish to Seller a copy of any survey, soils tests, engineering studies, or environmental studies when they are obtained, and any other nonconfidential data Purchaser may obtain during the time frames within this Agreement.

(g) At any time prior to the Closing, and at Purchaser's sole cost and responsibility, Purchaser or its authorized agents shall have the right to enter upon the Property for any lawful purpose, including, without limitation, conducting a survey and any other physical inspections and site analyses, test borings, and engineering studies. Purchaser agrees to defend, indemnify, and hold harmless Seller from any damages or liability to persons or property that might arise therefrom, and Purchaser agrees to repair at its sole cost and responsibility, or pay to Seller the cost of, any damages caused to the Property by such entry. Purchaser hereby warrants and represents to Seller that Purchaser, in exercising its rights under this Agreement, shall comply fully with any federal, state, or local laws, regulations, ordinances, permits, or other authorizations. The parties agree that Purchaser's breach of this Section shall be considered a default under the terms of this Agreement. This Section shall survive the Closing or earlier termination of this Agreement.

(h) The purchase of this Property is contingent upon Purchaser and Seller entering a development agreement regarding channeling and relocating a portion of the Property's wash (the "Development Agreement"). The parties agree to cap Purchaser's full financial obligation for relocating and channeling the wash at $200,000. Wash relocation and channeling costs above that amount will be Seller's responsibility. Purchaser and Seller shall make a good-faith effort to enter the Development Agreement.

9. Condition of Property. Notwithstanding anything to the contrary contained in this Agreement, it is expressly understood and agreed that Purchaser is buying the Property **"AS IS" AND "WHERE IS" AS OF THE TIME OF CLOSING, AND WITH ALL FAULTS AND DEFECTS, LATENT OR OTHERWISE, AND THAT SELLER IS MAKING NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, WITH RESPECT TO THE QUALITY, PHYSICAL CONDITIONS, OR VALUE OF THE PROPERTY, THE PROPERTY'S HABITABILITY, SUITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, THE PRESENCE OR ABSENCE OF CONDITIONS ON THE**

PROPERTY THAT COULD GIVE RISE TO A CLAIM FOR PERSONAL INJURY, PROPERTY, OR NATURAL RESOURCE DAMAGES; THE PRESENCE OF HAZARDOUS OR TOXIC SUBSTANCES, MATERIALS OR WASTE, SUBSTANCES, CONTAMINANTS, OR POLLUTANTS ON, UNDER, OR ABOUT THE PROPERTY; OR THE INCOME OR EXPENSES FROM OR OF THE PROPERTY. This Section shall survive the Closing or earlier termination of the Agreement.

10. Notice of Default: Non-Performance.

(a) In the event either party is in default of any provision hereof, the non-defaulting party, as a condition precedent to its remedies, must give the defaulting party written notice of the default in strict accordance with the notice requirements of Section 14. The defaulting party shall have five business days from receipt of such notice to cure the default. If the default is timely cured, this Agreement shall continue in full force and effect. If the default is not timely cured, the non-defaulting party may pursue its applicable remedies set forth in Sections 10(b) or 10(c).

(b) In the event of a default of Seller under this Agreement, Purchaser, as its sole and exclusive remedies, may either (prior to Close of Escrow) (i) terminate this Agreement and receive a refund of the Earnest Money, or (ii) waive such default and close Escrow, or (iii) institute an action for specific performance, provided however, any suit for specific performance must be instituted within 60 days of the occurrence of the Event of Default or the specific performance remedy shall be waived. Seller hereby acknowledges that the Property is unique and that, accordingly, it would be equitable for any court of competent jurisdiction to order the specific performance by Seller of Seller's obligations hereunder.

(c) In the event of a default of Purchaser under this Agreement, Seller may, as its sole and exclusive remedy, terminate this Agreement by giving written notice of termination to Escrow Agent and Purchaser. In the event of any termination under this Section 10(c), Seller shall retain as liquidated damages the Earnest Money, and neither party shall have any further obligation or liability to the other in connection with the Escrow or under this Agreement, except with respect to the provisions contained herein that the parties have agreed shall survive termination of this Agreement. It is understood that the Earnest Money deposited into Escrow represents a reasonable and good faith estimate of Seller's damages in the event of a default by Purchaser.

11. Termination. In the event this Agreement is timely terminated by Purchaser pursuant to the terms herein, (i) Escrow Agent shall pay the Earnest Money to the party entitled by the terms of this Agreement to receive the Earnest Money, together with interest accrued thereon, (ii) Escrow Agent shall return to each party all documents that the applicable party has deposited with Escrow Agent in connection with the Escrow, and (iii) Purchaser shall return to Seller all non-confidential documents prepared by or at the request of Purchaser in connection with Purchaser's examination of the Property. Upon such return of money and documents this Agreement shall be deemed null and void, and neither party shall have any further obligation or liability to the other or under this Agreement, except with respect to the provisions contained herein that the parties have agreed shall survive termination of this Agreement.

12. Seller's Representations, Warranties, and Additional Covenants. Each person or entity constituting Seller hereby represents, warrants, and covenants (with the understanding that Purchaser is relying on said representations, warranties, and covenants) that:

(a) Seller is the owner of the Property and has full power and authority to enter into and perform this Agreement in accordance with its terms.

(b) The individual executing this Agreement on behalf of each person or entity constituting Seller is authorized to do so, and upon such individual's executing this Agreement, this Agreement shall be binding and enforceable upon each person or entity constituting Seller in accordance with its terms. On or before Close of Escrow, Seller shall deliver to Escrow Agent such evidence of approval of this Agreement and the authority of the individual who executes this Agreement on behalf of Seller to do so as Escrow Agent may request.

13. Purchaser's Representations, Warranties. and Additional Covenants. Purchaser hereby represents, warrants, and covenants that:

(a) Purchaser has full power and authority to enter into and perform this Agreement in accordance with its terms.

(b) The individuals executing this Agreement on behalf of Purchaser are authorized to do so and, upon their executing this Agreement, this Agreement shall be binding and enforceable upon Purchaser in accordance with its terms.

(c) Purchaser acknowledges that except as specifically set forth in this Agreement, Seller and all agents of Seller have not made, and do not make, any representations, warranties, promises, covenants, agreements, or guaranties of any kind whatsoever, whether express or implied, oral or written, relating to the Property. Purchaser acknowledges that Purchaser has not relied on any representations or guaranties of any kind of Seller, or any agent of Seller relating to the Property that are not specifically set forth in this Agreement.

14. Notices. Any and all notices, demands, or requests required or permitted hereunder shall be in writing and shall be effective (i) upon personal delivery, (ii) three business days after being deposited in the U. S. Mail, registered or certified, return receipt requested, postage prepaid, or (iii) one business day after being deposited with any commercial air courier or express service, addressed as follows, or at any other address designated by Purchaser, Seller, or Escrow Agent, in the manner provided above:

To Seller: Town of Chino Valley
Attn: Town Manager
202 North State Route 89
Chino Valley, Arizona 86323

With copies to:	Gust Rosenfeld PLC Attn: Andrew McGuire One East Washington, Suite 1600 Phoenix, AZ. 85004-2553
To Purchaser:	Chino Valley Rodeo Drive, LLC Attn: Patrick Cantelme, Sr. 10645 N. Tatum Blvd., Suite 200-606 Phoenix, AZ 85028
To Escrow Agent:	Pioneer Title Agency Attn: Gloria Burnett 7310 North 16th Street, Suite 250 Phoenix, Arizona 85020

The inability to deliver because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept.

15. Compliance with Anti-Terrorism Orders. Purchaser and each manager, member, officer, director, and shareholder in Purchaser, and all beneficial owners of Purchaser and any such manager, member, officer, director, and shareholder (collectively the "Purchaser's Associates") are in compliance and will remain in compliance with the requirements of Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Asset Control, U.S. Department of the Treasury (OFAC), and in any enabling legislation or other Executive Orders in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"). Further, Purchaser and Purchaser's Associates are not listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order at OFAC's official website, ofac.treasury.gov/sanctions-programs-and-country-information, or any replacement website or other replacement official publication of such list, and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders.

16. Time of the Essence. Time is of the essence of this Agreement, and Purchaser and Seller hereby agree to perform each and every obligation hereunder in a prompt and timely manner; provided, however, that if the date for the performance of any action or the giving of any notice which is required hereunder, occurs on a Saturday, Sunday or legal holiday, the date for performance or giving of notice shall be the next succeeding business day.

17. Severability. If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected by such determination, but such term or provision shall be reduced or otherwise modified by such court or authority only to the minimum extent necessary to make it valid and enforceable, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any term or provision cannot be reduced or

modified to make it reasonable and permit its enforcement, it shall be severed from this Agreement and the remaining terms shall be interpreted in such a way as to give maximum validity and enforceability to this Agreement. It is the intention of the parties that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

18. Waiver. The waiver by either party hereto of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted herein, nor shall same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

19. Legal Fees. In the event it becomes necessary for either Seller or Purchaser to employ legal counsel or to bring action at law or other proceeding to enforce any of the terms, covenants, or conditions of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its costs and expenses incurred, including its reasonable attorneys' fees, from the other party.

20. Entire Agreement. This Agreement, together with the Deed attached hereto as Exhibit B, contains the entire agreement of the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements, arrangements, and understandings between the parties, and no other agreement, statement, or promise made by either party hereto that is not contained herein shall be binding or valid.

21. Amendments. This Agreement may be amended only by written document signed by each of the parties hereto.

22. Further Performance. Each party shall, whenever and as often as it shall be requested by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and documents, including supplemental escrow instructions, as may be necessary in order to complete the transaction contemplated hereby, and to do any and all things as may be requested in order to carry out the intent and purpose of this Agreement. Without limiting the generality of the foregoing, Purchaser agrees to make any dedications of right of way or grant any easements to Seller which are required by Seller in connection with Purchaser's proposed development of the Property. This Section 22 shall survive the Closing.

23. Counterparts. This Agreement shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

24. Assignment. Purchaser may assign its rights under this Agreement to an entity affiliated with the Purchaser upon not less than 10 days prior written notice to Seller or, with the written approval of the Seller, to an unaffiliated third party with the financial strength equal to or greater than Purchaser's and which has the financial capability to satisfy the obligations of this transaction. For purposes of the preceding sentence, an "affiliate" of Purchaser must be (and until

Closing remain) an entity that controls Purchaser, is controlled by Purchaser, or is under common control with Purchaser. No assignment or other transfer will relieve Seller or Purchaser of its primary responsibility for performance under this Agreement, and any assignee or transferee shall be deemed to have assumed and agreed to fully perform all obligations of the assignor or transferor. Within 10 days of any such assignment or other transfer, Purchaser shall furnish to Seller appropriate documentation evidencing the assignee's or transferee's agreement to assume and fully perform all of Purchaser's obligations under this Agreement, as amended, from and after the date of the assignment or transfer.

25. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, devisees, personal and legal representatives, successors and assigns.

26. Governing Law. This Agreement shall be construed and interpreted under, and governed and enforced according to, the laws of the State of Arizona. The parties hereto hereby submit to the jurisdiction of the courts of the State of Arizona in the event of any action or dispute arising herefrom.

27. Headings and Construction. The headings set forth in this Agreement are inserted only for convenience and are not in any way to be construed as part of this Agreement or a limitation on the scope of the particular Section to which it refers. Where the context requires herein, the singular shall be construed as the plural, and neuter pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Agreement shall be construed according to its fair meaning and neither for nor against either party hereto.

28. Survival. The representations, warranties, and covenants set forth herein shall survive the close of the Escrow and the recordation of the Deed for a period of one year.

29. Subsequent Acts. The terms and provisions of this Agreement shall not merge with, be extinguished by, or otherwise be affected by any subsequent conveyance or instrument by or between the parties hereto unless such instrument shall specifically so state and be signed by the parties hereto.

30. Risk of Loss. The risk of any loss or destruction of all or any part of the Property prior to Close of Escrow is upon the Seller. If, prior to Close of Escrow, the Property is partially damaged or destroyed (which damage or destruction is valued at in excess of $50,000) as a result of load or other casualty, including a taking by eminent domain by any governmental entity, Purchaser shall have the sole option to (i) terminate this Agreement (and receive a full refund of the Earnest Money and all interest accrued thereon), or (ii) close the escrow, without reduction in the Purchase Price, and contemporaneously accept an assignment at Close of Escrow of all proceeds of insurance from insurance policies or amounts due from any governmental entity covering the damage or destruction of the Property or the taking thereof, Seller then being obligated to assist Purchaser in collecting said proceeds. If Purchaser does not elect any of said alternatives prior to the Closing Date, Purchaser shall be deemed to have elected the option set forth in clause (ii). If, prior to Close of Escrow, the Property is damaged or destroyed (which

damage or destruction is valued at $50,000 or less), the parties shall close the escrow, with a reduction in the Purchase Price equal to the value of the damage or destruction.

31. Compliance. Purchaser hereby warrants and represents to Seller that in exercising its rights under this Agreement, Purchaser shall comply fully with any federal, state, or local laws, regulations, ordinances, permits, or other authorizations. This Section shall survive the Closing.

32. Cancellation. Notice is hereby given that the provisions of Ariz. Rev. Stat. § 38-511 are applicable to this Agreement and are hereby incorporated herein as though set forth in its entirety.

33. Budget Law and Non-appropriation. Seller 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 Seller's then-current fiscal year. Seller's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative decision of the Seller concerning budgeted purposes and appropriation of funds. Should Seller 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 Seller shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Seller has no obligation or duty of good faith to budget or appropriate the payment of the obligations found in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. Seller shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. Seller shall keep the other party informed as to the availability of funds for this Agreement. The obligation of Seller to make any payment pursuant to this Agreement is not a general obligation or indebtedness of Seller. The Seller hereby waives any and all rights to bring any claim against the Seller from or relating in any way to Seller's termination of this Agreement pursuant to this Section 33.

34. No Personal Liability. No member, official, employee, or agent of the Seller shall be personally liable to Purchaser, or any successor or assignee (i) in the event of any default or breach by the Seller, or (ii) pursuant to any obligation of the Seller under the terms of this Agreement.

(SIGNATURES FOLLOW)

IN WITNESS WHEREOF, Seller and Purchaser have executed this Agreement as of the Opening of Escrow.

"Seller"

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

_____
Tom Armstrong, Mayor

ATTEST:

_____
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

_____
Gust Rosenfeld P.L.C., Town Attorney
By: Andrew J. McGuire

"Purchaser"

CHINO VALLEY RODEO DRIVE, LLC,
an Arizona limited liability company

_____
Patrick Cantelme, Sr. Manager

(ESCROW AGENT'S SIGNATURE)

The Purchase and Sale Agreement is accepted, and Escrow is opened, this ____ day of _____ 2026. The Escrow Number, if assigned, is _____.

PIONEER TITLE AGENCY

_____
Gloria Burnett, Senior Escrow Officer

EXHIBIT A
TO
PURCHASE AND SALE AGREEMENT

[Legal Description and Depiction]

See following pages.

EXHIBIT B
TO
PURCHASE AND SALE AGREEMENT

[Special Warranty Deed]

See following page(s).

When recorded, return to:
Erin Deskins, Town Clerk
Town of Chino Valley
202 N. State Route 89
Chino Valley, Arizona 86323

SPECIAL WARRANTY DEED

THIS DEED IS EXEMPT FROM THE REQUIREMENT OF FILING AN AFFIDAVIT OF PROPERTY VALUE PURSUANT TO A.R.S. § 11-1134(A)(3).

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **TOWN OF CHINO VALLEY,** an Arizona municipal corporation ("Grantor"), does hereby grant and convey to **CHINO VALLEY RODEO DRIVE, LLC,** an Arizona limited liability company ("Grantee), the following real property situated in Yavapai County, Arizona (the "Property"), together with all rights and privileges appurtenant thereto:

See **Exhibit 1** attached hereto and made a part hereof.

SUBJECT TO current and future taxes and assessments, and liens, encumbrances, reservations in patents, covenants, conditions, restrictions, rights of way, easements, and other matters of record and any matters that would be disclosed by an accurate survey of the Property, and the following restriction:

> The Property shall only be used for purposes commensurate with the Property's Public Land zoning district (the "Use Restriction"). The Use Restriction herein shall run with and bind the Property, and bind Grantee or an affiliated entity, or its successors or assigns, and shall inure to the benefit of and be enforceable by Grantor, its successors and assigns, or benefited party by any appropriate proceedings at law or in equity. If the Property ceases to be used in accordance with the Use Restriction prior to _____, 20___, then title to the Property shall revert back to Grantor at the direction, in its sole discretion, of Grantor.

Grantor does warrant the title as against all acts of Grantor and those claiming by, through, or under Grantor, and no other, subject to the matters above set forth.

Dated this ____ day of _____ 2026.

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

SPECIMEN - NOT TO BE EXECUTED
Tom Armstrong, Mayor

ATTEST:

SPECIMEN - NOT TO BE EXECUTED
Erin N. Deskins, Town Clerk

EXHIBIT 1
TO
SPECIAL WARRANTY DEED

[Legal Description and Depiction]

See following pages.

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6c
MEETING DATE: 4/14/2026
CONTACT PERSON: Steven Sullivan, Assistant Town Engineer
ITEM TYPE: Action Item

AGENDA ITEM TITLE:
Consideration and possible action to award a Cooperative Purchasing Agreement to Cactus Asphalt for the FY26 Street Improvements Project in an amount not to exceed $2,950,000.

SUMMARY:
The FY26 Street Improvements Project will pulverize and chip seal various streets throughout town (see attached map). Procurement utilizes 1GPA National Purchasing Cooperative Procurement Contract #22-15P-01. Cactus Asphalt's proposal totals $2,878,933.09 and a contingency in the amount of $71,066.91 is proposed for a total contract amount not to exceed $2,950,000.

The Town's FY26 budget includes $3,000,000 for this project. The remaining $50,000 is set aside for geotechnical testing and roadside drainage rehabilitation.

Tentative construction commencement is anticipated mid-May 2026.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:
Award a cooperative purchasing agreement to Cactus Asphalt for the FY26 Street Improvements project for an amount not to exceed $2,950,000.

FISCAL IMPACT?

Available budget: Streets Capital Improvement Fund - Street Improvements	$3,000,000.00
Less this approval item: Cooperative Purchasing Agreement with Cactus Asphalt	-2,950,000.00
Remaining budget: Streets Capital Improvement Fund - Street Improvements	$50,000.00

ATTACHMENTS:

1.	AGR - CPA - Cactus Asphalt - FY26 Street Improvements
2.	Exhibit A - 1GPA Contract
3.	Exhibit B - Quote - TOCV FY 26 Pulv and Chip BASE Revised 3-30-2026
4.	ADDITIONAL BID ITEMS REQUESTED BY CACTUS - 2024 Updates REV September 2024
5.	Asphalt Products and Services - CACTUS 2024 Updated Pricing REV

COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CACTUS ASPHALT

THIS COOPERATIVE PURCHASING AGREEMENT (this "Agreement") is entered into as of **April 14, 2026**, between the Town of Chino Valley, an Arizona municipal corporation (the "Town"), and Cactus Asphalt, a division of Cactus Transport, Inc., an Arizona corporation (the "Contractor"). The Town and Contractor are the only parties to this Agreement; each is an individual "Party," and together they are the "Parties."

RECITALS

A. After a competitive procurement process, the Pinal County Education Service Agency's Mary C. O' Brien Accommodation District (the "District"), through the 1Government Procurement Alliance ("1GPA"), entered into Asphalt Products and Services, Contract # 22-15P-01, effective as of June 28, 2022, as amended (the "1GPA Contract"), for the Contractor to provide a broad range of asphalt products and services, as more particularly outlined in Section 2 below, on an as-needed basis (the "Materials and Services"). A copy of the 1GPA Contract is attached hereto as Exhibit A and incorporated herein by reference to the extent not inconsistent with this Agreement.

B. The 1GPA Contract permits its cooperative use by other 1GPA members, including the Town.

C. The Town is permitted to purchase the Materials and Services under the 1GPA Contract at its discretion and with the Contractor's agreement.

D. The Parties desire to enter into this Agreement to (i) acknowledge their cooperative contractual relationship under the 1GPA Contract and this Agreement, (ii) establish the terms and conditions by which the Contractor may provide the Town with the Materials and Services, and (iii) set the maximum aggregate amount to be expended pursuant to this Agreement related to the Materials and Services.

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 Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until **April 13, 2027**, unless terminated as otherwise provided in this Agreement or the 1GPA Contract (the "Term"). The terms and conditions of the 1GPA Contract are incorporated herein and shall survive the termination or expiration thereof.

2. Scope of Work. The Contractor shall provide the Materials and Services to the Town under the terms and conditions of the 1GPA Contract and this Agreement, and in the configuration set forth in the proposal attached hereto as Exhibit B and incorporated herein by reference (the "Quote").

2.1 Inspection; Acceptance. All Materials and Services are subject to final inspection and acceptance by the Town. Materials failing to conform to the requirements of this Agreement or the 1GPA Contract will be held at the Contractor's risk and may be returned to the Contractor. If so returned, all costs are the Contractor's responsibility. Upon discovery of non-conforming Materials or Services, the Town may elect to do any or all of the following by written notice to the Contractor: (A) waive the non-conformance; (B) stop the work immediately; or (C) bring Materials or Services into compliance and withhold the cost of same from any payments due to the Contractor.

3. Compensation. The Town shall pay the Contractor an amount not to exceed **$2,950,000** for the Materials and Services at the unit rates set forth in the 1GPA Contract and as more particularly outlined in the Quote.

4. Payments. The Town shall pay the Contractor monthly, based upon acceptance and delivery of Materials and/or Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the 1GPA Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of Materials delivered, time expended, and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the 1GPA Contract will be subject to rejection and may be returned.

5. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that complies with standards of the Occupational Safety and Health Administration, the American National Standards Institute, and the National Institute for Occupational Safety and Health. If, in the Contractor's sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 7 below, the Contractor'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 of the Contractor's 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 (i) evaluation and verification of any invoices, payments, or claims based on the Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (ii) evaluation of the Contractor'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, the Contractor 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 the Contractor pursuant to this Agreement. The Contractor 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 the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor 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 Contractor 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). The Contractor's or its subcontractor's 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 applicable under Ariz. Rev. Stat. § 35-393 through § 35-393.03, the Parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a "boycott" of goods or services from Israel, as that term is defined in Ariz. Rev. Stat. § 35-393.

9. Conflict of Interest. The Town may cancel this Agreement 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 the Contractor 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. The Contractor 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, the 1GPA Contract, the Quote, and any invoices, the documents shall govern in that order. 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 1GPA 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 1GPA Contract shall not alter such terms and conditions or relieve the Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

13. Rights and Privileges. Pursuant to the terms of the 1GPA Contract, the Town is a 1GPA "Member," as that term is defined in the 1GPA Contract, and is entitled to all the same benefits under the 1GPA Contract as the District and any 1GPA Member utilizing the 1GPA Contract. The Contractor shall afford such benefits to the Town.

14. Indemnification. 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 District and any 1GPA Member utilizing the 1GPA Contract, to the extent provided under the 1GPA 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 Contractor's obligation to provide the indemnification and insurance. In any event, the Contractor shall indemnify and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims") to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts, recklessness, or intentional misconduct of the Contractor, its officers, employees, agents, or any tier of subcontractor in connection with the Contractor's work or services in the performance of this Agreement.

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, 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:

If to the Town: Town of Chino Valley
202 N. 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 the Contractor: Cactus Asphalt
8211 W Sherman St
Tolleson, Arizona 85353
Attn: Jeff Abram

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.

16. Forced Labor of Ethnic Uyghurs. To the extent applicable under Ariz. Rev. Stat. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or any Contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware that it is not in compliance with this paragraph, it shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

17. Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGES]

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

"**Town**"	"**Contractor**"
TOWN OF CHINO VALLEY, an Arizona municipal corporation	CACTUS ASPHALT, a division of Cactus Transport, Inc., an Arizona corporation
_____ Tom Armstrong, Mayor	_____ Signature
ATTEST:	_____ Name
_____ Erin N. Deskins, Town Clerk	_____ Title
APPROVED AS TO FORM:	
_____ Andrew J. McGuire, Town Attorney Gust Rosenfeld P.L.C.	

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CACTUS ASPHALT

[1GPA Contract]

See following pages.

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CACTUS ASPHALT

[Quote]

See the following pages.

EXECUTIVE SUMMARY
Asphalt Products and Services
IFB 22-15P

The purpose of this solicitation is to enter into contracts with qualified firms that provide a broad range of asphalt products and services utilized by the Lead Agency and Members of 1GPA Cooperative. Products and/or services anticipated to be covered under the awarded contract include, but are not limited to repair and maintenance of existing asphalt, new asphalt, installation, removal services, speed humps and bumps, striping and other related products and services as needed in compliance with Arizona School Procurement Rules.

1GPA is awarding contracts to cover all of Arizona. Firms were also allowed to submit responses to include other states. Firms shall follow the laws as applicable in all states in which they submitted bids and assure that this solicitation meets the requirements of said states. Mary C. O'Brien Accommodation School/Pinal County ESA is the lead agency for this solicitation.

The invitation for bid was issued on March 16, 2022 and sent to the prospective bidders via Public Purchase, OpenGov Procurement and posted on the 1GPA website. More than 588 vendors received notification of the solicitation. This solicitation was advertised as follows:

- The Pinal Central Dispatch on March 17, 2022 and March 24, 2022
- The San Manuel Miner on March 16, 2022 and March 23, 2022
- The AZ Capitol Times on March 18, 2022
- USA Today on March 18, 2022
- The DJC Oregon on March 18, 2022

The bid opening was held on April 25, 2022 at 11:00 a.m. virtually via Vast Conference. Six (6) responses were received.

Firms that were considered responsible and responsive were evaluated solely on cost factors as set forth in the IFB. Evaluation was based on the following cost factors: 1) line item pricing, 2) installation and service rates and 3) regional costs for members outside of Maricopa County.

It was determined that a single award is not advantageous for all cooperative members of 1GPA. The solicitation authorized multiple awards to meet the needs of 1GPA's diverse membership. Awards were recommended to the least number of bidders and a complete justification for a multiple award has been determined and filed with the procurement file.

Awarded Firms
Cactus Asphalt
Copper State Pavement, Inc.
Roadrunner Paving & Asphalt Maintenance
Sunland Asphalt & Construction LLC

Weems Asphalt, LLC

Non-Awarded Firms
DCS Contracting, Inc.

This is a multi-year contract beginning from date of award for one year. The contract may be extended up to a maximum of four (4) additional years on a year-to-year basis. Annual renewals would be based solely on the determination of the Lead Agency and 1GPA as to the performance, costs and general quality of the services provided by the successful vendors selected. Determination for usage of a Multiple Term Contract in accordance with A.A.C. R7-2-1093 has been provided in the solicitation files.

Contract Amendment

Date: 09/09/2024

Company Name: Cactus Asphalt
Contact Name: Jeff Abram
Street Address: 8211 W Sherman St
City, State, Zip Code: Tolleson, Arizona 85353

Contract Title & Number: Asphalt Products and Services, 22-15P-01-A1

Description of Amendment Request: Add the following items to the Additional Bid Items Cost Form:
QC/Testing (Subgrade/ABC/Concrete): $2500/day
QC/Testing (Asphalt): $3500/day

If applicable, please indicate the attachments included with the amendment request:

- [X] Updated Master Cost/Pricing Sheet (if applicable)
- [ ] Letter from Manufacturer(s)
- [X] Detailed Justification Letter or Supporting Documentation

Submittal: Email this completed form and all applicable attachments to Jen Stam at jstam@1gpa.org

Except as otherwise expressly provided in this amendment, all of the terms and conditions of the Contract remain unchanged and in full force and effect.

Vendor Acceptance/Signature: Jeff Abram	
Printed Name: Jeff Abram	
Title: Director Sales/Estimating	Date: 09/09/2024

Approvals and Authorized Signatures:
1GPA and Mary C. O'Brien Accommodation School District/Pinal County ESA have reviewed this contract amendment. Each party's signature indicates approval and confirms that the amendment complies with the contract terms and aligns with the original solicitation's scope of work. The absence of a signature indicates non-approval.

Christy Knorr 09/09/2024
Christy Knorr, President
1GPA

Jill Broussard 09/09/2024
Jill Broussard, Pinal County Superintendent
Mary C. O'Brien Accommodation School District/Pinal County ESA

Amendment Reference No: 1

NATIONAL PURCHASING COOPERATIVE

Pinal County School Office
EDUCATION SERVICES

Contract Extension/Amendment

5/15/2025

Cactus Asphalt
8211 W Sherman St
Tolleson, Arizona, 85353
Attn: Jeff Abram

Re: Extension Agreement for Asphalt Products and Services, Contract # 22-15P-01-E3

The above-referenced contract is hereby mutually extended for an additional one (1) year period until 06/28/2026. This is the fourth year of a potential five-year agreement. **Please indicate your desire to extend your contract by completing and returning this signed Contract Extension with the following documentation:**

- [x] Updated Certificate of Insurance (see terms and conditions of contract to ensure compliance)
- [ ] Updated Contact Information Sheet

Please check the box next to the appropriate contract price update:

- [x] No contract pricing updates. Current price on file is accurate.
- [ ] Our contract pricing is based on a firm-fixed price list. We are providing an updated firm-fixed price list for 1GPA's approval with this extension.
- [ ] Our contract pricing is based on a percentage discount. We are providing new price lists for 1GPA's approval with this extension. *Note: Percentage Discounts remain the same as per contract terms and conditions.*
- [ ] We are aware of new price lists that will be available during the upcoming contract year. We will present those when received. Current price lists will remain on file until updated price lists are received and approved by 1GPA.

Please include a brief description of all the price updates below:

It is the contractor's responsibility to keep all pricing up to date and on file with 1GPA. All price changes must be provided to 1GPA for approval.

By signing this document, vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

In addition, please verify that your company is providing usage reports as per the terms of your contract. If you have any questions or concerns regarding these reports, please feel free to contact Michelle Aiken by email: maiken@1GPA.org.

Except as otherwise expressly provided in this amendment, all of the terms and conditions of the Contract remain unchanged and in full force and effect.

Vendor Acceptance/Signature:	
Printed Name: Jim Pulice	
Title: President	Date: 5/15/2025

Approvals/Authorized Signatures:
1GPA and Mary C. O'Brien Accommodation School District/Pinal County ESA have reviewed this contract extension. Each party's signature indicates approval. The absence of a signature indicates non-approval.

Christy Knorr, President
1GPA

Jill Broussard, Pinal County Superintendent
Mary C. O'Brien Accommodation School District/Pinal County ESA

Cactus Asphalt

Visit Website

Since 1979, Cactus has been an active member of the Arizona Community and takes great pride in supporting local industry. With a labor force of over 150 well trained and dedicated employees, Cactus offers unparalleled expertise in all facets of pavement maintenance and restoration services, including grading, milling, patching, paving, crack seal, seal coat, fog seal, chip seal, concrete and striping.

Contract: 22-15P-01
Asphalt Products & Services

Click here to access the Contract Due Diligence File, Original Vendor Response, Current Pricing, Contract Extensions, and Vendor Point of Contact Details.

Contract Expiration: 06/28/2027 *(* See contract for details.)*

Need help?

Please know that our team will always be available and ready to assist you. If you're having trouble accessing our Member Portal or have questions, contact Michelle Aiken at maiken@1gpa.org for further assistance.

NATIONAL PURCHASING COOPERATIVE

Pinal County School Office
EDUCATION SERVICES

Contract Extension/Amendment

March 11, 2024

Cactus Asphalt
8211 W. Sherman Street
Tolleson, AZ 85353
Attn: Jeff Abram (jabram@cactusasphalt.com)

Re: Extension Agreement for Contract #22-15P-01, Asphalt Products and Services

The above referenced contract is hereby mutually extended for an additional one (1) year period until June 28, 2025. This is the third year of a potential five-year agreement. **Please indicate your desire to extend your contract by completing and emailing back the signed Contract Extension along with the following documentation:**

- ☒ Updated Certificate of Insurance (see terms and conditions of contract to ensure compliance).
- ☒ Proof/Verification of ROC Licensing in good standing (if applicable).
- ☐ Proof of any other applicable licensing related to your contract.
- ☒ Proof/Verification of good standing with Arizona Corporation Commission or other State's comparable Corporations/Business Division or Secretary of State (as applicable).
- ☒ Updated Contact Information Sheet completed.

Please check ONE of the following appropriate boxes regarding pricing:

☐ No contract pricing updates. Current price on file is accurate.

☐ Our contract pricing is based on a firm-fixed price list. We are providing an updated firm-fixed price list for 1GPA's approval with this extension.

☐ Our contract pricing is based on a percentage discount. We are providing new price lists for 1GPA's approval with this extension. *Note: Percentage Discounts remain the same as per contract terms and conditions.*

☒ We are aware of new price lists that will be available during the upcoming contract year. We will present those when received. Current price lists will remain on file until updated price lists are received and approved by 1GPA.

Please include a brief description of all the price updates below:

Minor Updates on items that involve trucking, polymers and aggregate. (7-15% average increase) those items have seen a jump in cost the past year.

request to ADD items #32 to #35 (Ultra Thin Bonded Waring Course), Cactus now has the equipment to perform this work

It is the contractor's responsibility to keep all pricing up to date and on file with 1GPA. All price changes must be provided to 1GPA for review and utilizing the same format provided in the contractor's original proposal.

By signing this document, vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

In addition, please verify that your company is providing usage reports as per the terms of your contract. If you have any questions or concerns regarding these reports, please feel free to contact Michelle Aiken by email: maiken@1GPA.org.

Except as otherwise expressly provided in this amendment, all of the terms and conditions of the Contract remain unchanged and in full force and effect.

Vendor Acceptance/Signature: Jeff Abram	
Printed Name: Jeff Abram	
Title: - Director of Sales/Estimating	Date: 3/22/2024
1GPA Authorized Signature: Christy Knorr	
Printed Name: Christy Knorr	
Title: President	Date: 04/04/2024
Pinal County ESA Authorized Signature: Jill M. Broussard	
Printed Name: Jill Broussard	
Title: Superintendent	Date: 4/4/24

The following is a Cooperative Solicitation, released via Mary C. O'Brien Accommodation School/Pinal County ESA as the lead agency of 1Government Procurement Alliance:

Invitation for Bid # 22-15P
Asphalt Products and Services

Bid Due Date and Time: April 21, 2022 at 11:00 A.M. Arizona Time

IFB Opening Location: Opening will be held publicly online through Vast Conference. Use the link below to join the conference.
Join from PC or Mac: https://meet.vastconference.com/43837524
Call by Phone: Toll-Free US/CAN 1-800-719-7514
Enter Conference Code: 438375

Pre-Bid Conference: None

Electronic Submittals: OpenGov Procurement – https://secure.procurenow.com/portal/1GPA
See enclosed information for submittal instructions.

Last Day for Questions: April 8, 2022 at 5:00 p.m.

In accordance with the Arizona procurement code and rules, Competitive Sealed Bids for the materials or services specified will be received electronically by 1GPA, via OpenGov Procurement, until the time and date cited. Bids received by the correct time and date shall be opened, via OpenGov Procurement, and the vendor's name and pricing shall be publicly read at the location indicated above. All other information contained in the Bid shall remain confidential until award is made. Late solicitations shall not be considered.

To be considered, solicitations shall be submitted electronically via OpenGov Procurement, https://secure.procurenow.com/portal/1GPA. Submittal instructions for OpenGov Procurement can be found on the last page of this document under Exhibit A. Additional instructions for preparing a solicitation are provided herein. Bidders are strongly encouraged to carefully read the entire solicitation document.

Questions regarding this Invitation for Bid should be directed to:

Rebecca Seifert, Procurement Specialist
Email: rseifert@1gpa.org
Phone: 866-306-3893

Jill Broussard

Jill Broussard, Superintendent
Pinal County ESA

Christy Knorr

Christy Knorr, Vice President
1Government Procurement Alliance (1GPA)

Date Issued: March 16, 2022

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DOCUMENTS REFERENCED

You may access a complete copy of the documents referenced within this solicitation at the following web addresses:

Arizona:

Arizona Revised Statutes (A.R.S.) is available at
http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp

The Arizona School District Procurement Rules in the Arizona Administrative Code (A.A.C.) is available at
http://apps.azsos.gov/public_services/Title_07/7-02.pdf

All Other States:

For a full listing of Intergovernmental Purchasing Statutes by state, visit the 1GPA website at: http://1gpa.org/state-statutes/

Local Governments website (USA.gov): http://www.usa.gov/Agencies/Local_Government/Cities.shtml

Federal:

I.R.S. W-9 form (Request for Taxpayer I.D. Number) is available at
http://www.irs.gov/pub/irs-pdf/fw9.pdf

Education Department General Administrative Regulations (EDGAR), 2 C.F.R. §§ 200.318-326
https://www.gpo.gov/fdsys/pkg/CFR-2014-title2-vol1/xml/CFR-2014-title2-vol1-part200-subpartD.xml

INTRODUCTION

Who are we?

1Government Procurement Alliance (1GPA), is a non-profit national governmental purchasing cooperative which allows public agencies to take advantage of existing contracts to purchase the goods and services they need from local and national vendors.

Eligible using members include school districts, charter schools, universities, colleges, cities, towns, municipalities, counties, states, local governments, federal government, Native American communities, fire districts, and any other political subdivision.

What do we do?

We provide contracts for a broad range of commodities and services that are available to the Cooperative eligible members through a government purchasing cooperative or Interlocal agreement. All of our contracts are competitively procured and awarded in compliance with state statutes, procurement laws and regulations.

Contracts are approved and awarded by 1GPA's lead governmental entities and are only available for use and benefit of all entities complying with state procurement laws and regulations.

Why are we preferred?

The Cooperative's pooled purchasing power means public and private schools, cities, counties and state agencies, non-profits, as well as colleges, universities and Native American communities **can save actual budget dollars** on our contracts utilizing best business practices.

Our agency is dedicated to negotiating the best contracts with the best firms locally or nationally to ensure our members receive quality products and services at the best price.

We service our members by providing in-house knowledge of public procurement practices in conjunction with quality business practices to mainstream the purchasing process for large and complex solicitations that can take up to 6 to 12 months for our members on their own.

We pride our firm on our commitment to compliance, innovation, and collaboration.

As a government purchasing cooperative, 1GPA offers its Members access to a broad range of vendors whose goods and services have been competitively procured by 1GPA, in coordination with its governmental lead agencies. When conducting competitive solicitations, 1GPA takes all steps necessary to comply with federal, state and local procurement laws applicable to both the Lead Agency identified in the solicitation, as well as to 1GPA. Each Member must make its own independent determination as to (1) whether the Member may, under laws applicable to the Member, lawfully purchase particular goods or services through purchasing cooperatives, and (2) whether the Member must comply with any additional procedures required under laws applicable to the Member prior to completing a cooperative purchase. 1GPA makes no representations or warranties to its Members, or to any vendors, regarding such matters.

DEFINITION OF TERMS

A complete list of definitions can be found in the Arizona Administrative Code R7-2-1001. The terms listed below are defined as follows:

"Attachment" means any item the Solicitation requires the Bidder to submit as part of the Bid.

"Bidder" means a person submitting a Bid in response to an Invitation for Bids

"Contract" means the combination of the Solicitation, including the Special Instructions to Bidders, Special Terms and Conditions, and the Specifications and Statement or Scope of Work/Services; the Bid; and any Solicitation Amendments or Contract Amendments, and Member purchase orders.

"*Contract Amendment"* means a written document signed by the 1GPA that is issued for the purpose of making changes in the Contract.

"Contractor" means any person who has a Contract with the 1GPA.

"Cost" means the aggregate cost of all materials and services, including labor performed by force account.

"Days" means calendar days and shall be computed pursuant to A.R.S. 1-243.

"Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the solicitation.

"Governing Body" means any group comprised of elected or appointed officials, such as School District Governing Boards, City Councils, County Supervisors, Board of Regents, etc., which has the authority to make fiduciary decisions for a Member organization.

"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.

"*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.

"Member" means the non-profit entities, public and private schools (including independent school districts and charter schools), education service centers, colleges, universities, municipalities, counties, political subdivisions, and other governmental entities and agencies throughout the United States that have followed local governing authority allowing them to utilize contracting vehicles procured and administered by 1GPA.

"Offer" means a response to a Solicitation.

"Offeror" means a person submitting an offer in response to a Solicitation.

"Person" means any corporation, business, individual, union, committee, club, other organization or group of individuals.

"Procurement Officer" means the person duly authorized to enter into and administer Contracts and make written determinations with respect to this Solicitation or his or her designee.

"Purchase Order or PO" means the agreed-upon purchase order or other form of binding contract document between the 1GPA member and the Vendor which is used in making a purchase under a 1GPA contract.

"Responsible Bidder or Offeror" means a person who at the time of contract award has the capability to perform the Contract requirements with the integrity and reliability which will assure good faith performance.

"Responsive Bidder or Offeror" means a person who submits a bid or proposal which conforms in all material respects to the Invitation for Bids or Request for Proposals.

"Services" means the furnishing of labor, time or effort by a contractor or subcontractor 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.

"Solicitation" means an Invitation for Bids ("IFB"), a Request for Proposal ("RFP"), or a Request for Quotations ("RFQ").

"Solicitation Amendment" means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.

"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.

UNIFORM INSTRUCTIONS TO BIDDERS

1. **Inquiries**

A. **Duty to Examine** - It is the responsibility of each Bidder to examine the entire Solicitation, seek clarification in writing, and check its Bid for accuracy before submitting the Bid. Lack of care in preparing a Bid shall not be grounds for withdrawing the Bid after the Bid due date and time nor shall it give rise to any Contract claim.

B. **Solicitation Contact Person** - Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation, shall be directed solely to the Solicitation contact person.

C. **Submission of Inquiries** - Questions and/or clarifications concerning this IFB will be accepted in writing through April 8, 2022 by 5:00 p.m. Request may be transmitted via email. Responses and addenda to this IFB, if necessary, are anticipated to be issued April 13, 2022 at 5:00 p.m. No Bidder may rely upon oral responses made by any 1GPA employee or any representative. Questions and/or clarifications concerning this IFB shall be directed to Rebecca Seifert, Procurement Specialist at rseifert@1GPA.org or submitted via the OpenGov Procurement portal located at https://secure.procurenow.com/portal/1GPA.

D. **Solicitation Amendments/Addenda** - The Solicitation shall only be modified by a Solicitation Amendment or Addendum. 1GPA will not be responsible for Bidders adjusting their Bid based on oral instructions by any member of 1GPA or lead District Personnel.

E. **Pre-Bid Conference** - If a Pre-Bid Conference has been scheduled under this Solicitation, the date, time, and location shall appear on the Solicitation cover sheet or elsewhere in the Solicitation. A Bidder should raise any questions it may have about the Solicitation or the procurement at that time. A Bidder may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment or Addendum.

F. **Bid Opening:** Bids shall be electronically submitted via OpenGov Procurement prior to the specified due date and time. Bids shall be opened immediately following the bid due date and time, and at the place designated on the cover page of this document, unless amended in writing by 1GPA. The name of each Bidder and the pricing submitted will be read at this time. All Bids and any modifications and other information received in response to the Invitation for Bid shall be shown only to authorized 1GPA personnel having a legitimate interest in the evaluation. After contract award, the Bids and evaluation document shall be open for public inspection.

G. **Time Stamp**: Bids will be time stamped when received by OpenGov Procurement. Bids will be accepted up to but no later than the time indicated in the Invitation for Bid (IFB). Bids received after the time stated in the IFB will not be considered and will remain unopened. Bidders assumes the risk of any delay in their submission. 1GPA strongly recommends that you give yourself sufficient time and at least **ONE (1) day** before Bid Due Date and Time to begin the uploading process and to finalize your submission.

H. **Persons with Disabilities** - Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the appropriate Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

2. **Bid Preparation**

A. **Forms:** - A Bid shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation will be legible and contain the same information requested on the form.

B. **Typed or Ink Corrections**. - The Bid should be typed or in ink. Erasures, interlineations or other modifications in the Bid should be initialed in ink by the person signing the Bid. Modifications shall not be permitted after Bids have been opened except as otherwise provided under R7-2-1030.

C. **Signature(s) on Bids** - The Bid and Contract Acceptance document should be submitted with an original ink signature or electronic signature by the person authorized to sign the Bid. Failure to sign the Bid and Contract Acceptance document may result in rejection of the Bid.

D. **Exceptions to Terms and Conditions** - All exceptions included with the Bid shall be submitted in a clearly identified separate section of the Bid in which the Bidder clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically referenced by the Procurement Officer in a written statement. The Bidder's preprinted or standard terms will not be considered as a part of any resulting Contract. A Bid that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.

E. **Subcontracts** - Bidder shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Bid.

F. **Cost of Bid Preparation** - 1GPA will not reimburse any Bidder the cost of responding to a Solicitation.

G. **Solicitation Amendments/Addenda** - Unless otherwise stated in the Solicitation, each Solicitation Amendment or Addendum should be acknowledged by the person signing the Bid. Failure to acknowledge a material Solicitation Amendment or Addendum or to follow the instructions for acknowledgement of the Solicitation Amendment/Addendum may result in rejection of the Bid.

H. **Provision of Tax Identification Numbers** - Bidders are required to provide their Arizona Transaction Privilege Tax number and/or Federal Tax Identification number, if applicable, in the space provided on the Bid and Acceptance form and provide the tax rate and amount, if applicable, on the Price Sheet.

I. **Taxes**:

1. **Federal Excise Tax** - Arizona School Districts/public entities are exempt from certain Federal Excise Tax on manufactured goods.

2. **Transaction Privilege Taxes** - Arizona School Districts/public entities are subject to all applicable state and local transaction privilege taxes. Transaction Privilege Taxes in Arizona include State, County and City taxes.

3. **Property Taxes** - Arizona School Districts/public entities do not pay state property taxes.

4. **Taxes on Shipping** - Transaction privilege tax may not be collected on delivery charges to the Member's location if separately stated on the invoice.

5. **Payment of Taxes** – Member is responsible for payment for all taxes listed on the invoice. Contractor is responsible for collection such taxes and shall forward all taxes to the proper revenue office.

All Other States - Other states may have different tax requirements and laws. The tax laws in each state shall be followed by the awarded vendor. It is the responsibility of the vendor to be familiar with the laws and statutes in the state in which they are conducting business.

J. **Disclosure** - If the firm, business, or person submitting this Bid has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state, or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Bidder shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Bid. The Bidder shall include a letter with its Bid setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above must be provided.

K. **Solicitation Order of Precedence** - In the event of a conflict in the provisions of this Solicitation and any subsequent contracts, the following shall prevail in the order set forth below:

1. Addenda/Amendments;
2. Special Terms and Conditions;

3. Uniform General Terms and Conditions;
4. Scope of Work/Specifications;
5. Attachments;
6. Exhibits;
7. Special Instructions;
8. Uniform Instructions to Bidders.

L. **Delivery** - Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destination(s). Contractor shall provide delivery of goods, and/or performance of services in accordance with the needs of the 1GPA Member. Products delivered must conform to the products listed under this contract and may not be substituted with nonconforming products. Contractor agrees to pay for and arrange for return of goods that are defective.

3. **Submission of Bid**

A. **Bid Submission** - Each Bid shall be submitted electronically to OpenGov Procurement by the due date and time at https://secure.procurenow.com/portal/1GPA. Submittal instructions for OpenGov Procurement can be found on the last page of this document under Exhibit A. 1GPA will not consider a bid submitted by any other method other than OpenGov Procurement.

B. **Bid Amendment or Withdrawal** – A Bidder may modify or withdraw a Bid in writing at any time before Bid opening if the modification or withdrawal is received before the Bid due date and time designated in the Solicitation (or as amended in writing by 1GPA). A Bid may not be amended or withdrawn after the Bid due date and time except as otherwise provided under R7-2-1028.

C. **Public Record/Confidentiality** - Under applicable law, all Bids submitted and opened are public records and must be retained by 1GPA. Bids shall be open to public inspection after Contract award, except for such Bids deemed to be confidential by 1GPA pursuant to R7-2-1006.

If Bidder believes that its Bid contains trade secrets or other proprietary data not be disclosed as otherwise required by A.R.S. §39-121, a statement advising 1GPA of this fact shall accompany the Bid, and the information shall be so identified wherever it appears. Requests to deem the entire Bid as confidential, contract terms and conditions, pricing, and information generally available to the public are not considered confidential information under this Section.

D. **Certification** - By signing the Bid and Acceptance form or other official contract form, the Bidder certifies that:

1. The prices have been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Bidder or with any competitor; the prices which have been quoted have not been nor will not be disclosed directly or indirectly to any other Bidder or to any competitor; nor attempt has been made or will be made to induce any person or firm to submit or not to submit, a Bid for the purpose of restricting competition. It did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Bid and that the Bidder has taken steps and exercised due diligence to ensure that no violation of A.R.S. § 15-213(O) has occurred; and

2. It does not discriminate against any employee, applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable federal, state, and local laws and executive orders regarding employment, including, Federal Executive Order 11246, Arizona State Executive Order 99-4, 2000-4, A.R.S. §41-1461 through 1465; and

3. The Bidder warrants that it and all proposed subcontracts will maintain compliance with Federal Immigration and Nationality Act (FINA), ARS § 41-4401 and § 23-214, and all other Federal immigration laws and regulations related to the immigration status of its employees which requires compliance with Federal immigration laws by employers, contractors and subcontractors in accordance with the E-Verify Employee Eligibility Verification Program; and

4. The Bidder 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 Bid. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the Bid. Signing the Bid with a false statement shall void the Bid, any resulting contract and may be subject to legal remedies provided by law; and

5. By submission of this Bid, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency 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; and

6. By submission of this Bid, that no Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a Cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal Contract, grant, loan or cooperative agreement; and

7. In accordance with ARS § 35-392, the Bidder is in compliance and shall remain in compliance with the Export Administration Act.

8. The Bidder warrants that it and all proposed subcontracts are not currently engaged in, and agrees for the duration of this Contract/Agreement that it will not engage in, a boycott of Israel, as that term is defined in A.R.S. § 35-393 and Texas Gov't Code 2270.002.

9. The Offeror warrants that it shall comply with the fingerprinting requirements, unless otherwise exempted, in accordance with A.R.S. § 15-512.

4. **Additional Information**

A. **Unit Price Prevails** - Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.

B. **Taxes** - The amount of any applicable transaction privilege or use tax of a political subdivision of the state of Arizona is not a factor in determining the lowest Bidder.

C. **Late Bids, Modifications or Withdrawals** - A Bid, Modification or Withdrawal submitted after the exact Bid due date and time shall not be considered except under the circumstances set forth in R7-2-1028(B).

D. **Disqualification** - The Bid of a Bidder who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity may be rejected.

E. **Bid Acceptance Period** - A Bidder submitting a Bid under this Solicitation shall hold its Bid open for the number of days from the due date that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for the Bid acceptance, the number of days shall be ninety (90).

F. **Payment** - 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 within thirty (30) days.

G. **Waiver and Rejection Rights** - Notwithstanding any other provision of the solicitation, 1GPA reserves the right to:

1. Waive any minor informality;
2. Reject any and all Bids or portions thereof; or
3. Cancel the Solicitation.

5. **Award**

A. **Number or Types of Awards** - Where applicable, the 1GPA reserves the right to make multiple awards or to award a Contract by individual line item, by a group of line items, or categories, by an incremental award, by region, or by location, as indicated within the Special Instructions, Terms and Conditions. The award will be limited to the least number of Bidders that 1GPA determines is necessary to meet the needs of its Members.

B. **Contract Inception** - A Bid does not constitute a Contract nor does it confer any rights on the Bidder to the award of a Contract. A Contract is not created until the Bid is accepted in writing by 1GPA and the Lead Agency with an authorized signatures on the Bid and Acceptance form. A letter or other notice of award or of the intent to award shall not constitute acceptance of the Bid.

C. **Effective Date** - The effective date of this Contract shall be the date that 1GPA and the Lead Agency signs the Bid and Acceptance form or other official contract form, unless another date is specifically stated in the Contract.

6. **Protests**

A protest shall comply with and be resolved according to Arizona Department of Education School District Procurement Code Rule A.A.C. R7-2-1141 through R7-2-1153. Protests shall be in writing and be filed with 1GPA/lead agency representative, Christy Knorr, Vice President.

A. Protest shall include:

1. The name, addresses, and telephone number of the interested party;
2. The signature of the interested party or the interested party's representative;
3. Identification of the purchasing agency and the Solicitation or Contract number;
4. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
5. The form of relief requested.

B. The interested party shall supply any other information requested by 1GPA or lead agency within 10 days of the request.

C. The interested party may file a written request with the district representative for an extension of the time limit for providing additional information set forth in subsection (B). The written request shall be filed before the expiration of the time limit set forth in subsection (B) and shall set forth good cause as to the specific reason that the interested party is unable to provide the additional information with the 10 days. The district representative shall approve or deny the request in writing, state the reasons for the determination, and if an extension is granted, set forth a new date for submission of the filing.

D. Protests based upon alleged improprieties in a solicitation that are apparent before the due date and time for responses to the Solicitation, shall be filed before the due date and time for responses to the Solicitation.

E. In cases other than those covered in section D of the section, the interested party shall file the protest within 10 days after 1GPA makes the procurement file available for public inspection.

F. The interested party may file a written request for an extension of the time limit for protest filing. The written request for an extension shall be filed with the 1GPA Representative before the expiration of the time limit and shall set forth good cause as to the specific action or inaction of 1GPA that resulted in the interested party being unable to file the protest within the 10 days. The 1GPA representative shall approve or deny the request in writing, state the reasons for the determination, and, if an extension is granted, set forth a new date for submission of the filing.

UNIFORM TERMS AND CONDITIONS

1. **Cooperative Purchasing** –

A. **Cooperative Purchasing** - This contract is based on the need for 1GPA to provide the economic benefits of volume purchasing and reduction in administrative costs through cooperative purchasing to schools and other Members. Although contractors may restrict sales to certain public units (e.g. state agencies, local government units), any contract that prohibits sales from being made to public school districts may not be considered. Sales without restriction to any members are preferred.

B. **Cooperative Purchasing Agreements** - Cooperative Purchasing Agreements between 1GPA and its Members have been established under all procurement laws.

C. **Cooperative Purchasing Contracts** - Bidder agrees all prices, terms, warranties, and benefits granted by Bidder to Members through this contract are comparable to or better than the equivalent terms offered by Bidder to any present customer meeting the same qualifications or requirements.

Nothing in this solicitation is intended to establish a most favored customer relationship between 1GPA and contractor. Contractor may respond to any solicitation without regard to this contract. If contractor offers lower prices to any of its other customers, it may lower its prices to 1GPA at the same time by written notice.

D. **Non-Exclusive Contract** - Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of 1GPA members. 1GPA and its membership reserve the right to obtain like goods and services from other sources.

E. **Lead Agency** - A Lead Agency is a well-established and well respected government agency who facilitates the competitive bidding process by being a part of the process from start to finish. The Lead Agency also provides Board Approval for the award of contracts resulting from each Solicitation. The Lead Agency for this IFB is Mary C. O'Brien Accommodation School/Pinal County ESA.

2. **Contract Interpretation**

A. **Application of Law** - The Arizona Procurement Code, Title 41, Chapter 23, applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona School District Procurement Code, Arizona Revised Statutes (A.R.S.) 15-213, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 7, Chapter 2, Articles 10 and 11.

For all other states this procurement shall be governed by, construed, and enforced in accordance with the laws of each state in which 1GPA is conducting business under this contract. It is the responsibility of the awarded vendor and member to ensure this solicitation and ensuing contract complies with the State laws in which they are conducting business regarding use of a cooperative contract.

B. **Implied Contract 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.

C. **Relationship of Parties** – Vendors receiving contracts under this solicitation are independent contractors. Neither party to this contract, nor any Member, shall be deemed to be the employee or agent of the other party to the contract.

D. **Severability** - The provisions of this Contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Contract.

E. **No Parol 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.

F. **No Waiver** - Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed 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. **Contract Administration and Operation**

A. **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 ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.

B. **Audit** - At reasonable times 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 1GPA or Member and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

C. **Inspection and Testing**. The Contractor agrees to permit access to its facilities, Subcontractor facilities and the Contractor's processes for producing the materials, at reasonable time for inspection of the materials and services covered under this Contract. 1GPA or its Members shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If 1GPA or Member determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by 1GPA or Member for testing and inspection.

D. **Notices** - Notices to the Contractor required by this Contract shall be made by 1GPA to the person indicated on the Bid and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to 1GPA 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 notices shall be given by written notice and an Amendment to the Contract shall not be necessary.

E. **Advertising and Promotion of Contract** - Bidder shall not advertise or publish information concerning this solicitation prior to an award being announced by 1GPA. After award, contractor(s) may advertise the availability of products and services to Member. Any promotional marketing materials using the 1GPA logo must be approved by 1GPA in advance.

F. **Administration Fee** - 1GPA has an Administrative Fee of .01 (1%). The Administrative Fee shall be included in the offeror's net pricing and is the responsibility of the contractor. Vendor shall not add the administration fee to approved contract prices post award. The Administrative Fee shall be a part of the Vendor's unit prices and is not to be charged directly to the customer in the form of a separate line item.

G. **Usage Reports –** The Usage Report will be the established communication between the awarded contractor and 1GPA of all contract activity. The contractor shall provide contract Usage Reports to 1GPA on a regular schedule as established by the contractor. 1GPA will accept Monthly or Quarterly reporting arrangements which shall be made at the time of contract award.

H. **Submission of Usage Reports** – Within ten (10) days following the end of the arranged reporting schedule, the contractor shall submit their Usage Report electronically via email to: maiken@1gpa.org.

I. **Purchase Orders/Contracts -** All purchase orders and/or contracts issued to the contractor in reference to 1GPA shall be submitted at the same time as the Usage Report. All purchase orders and/or contracts should be zipped in a single file and submitted as an attachment in the same email as the usage report in which they are referenced. 1GPA is audited on an annual basis & documentation is necessary for compliance. Failure to submit purchase orders and/or contracts may result in contract cancellation.

J. **Invoicing of Administration Fee –** Upon receipt of contractor's Usage Report, 1GPA will generate an invoice which is calculated as: Administrative Fee (1%) multiplied by the Total Sales Transactions as stated in the Usage Report. Contractor's failure to remit administrative fees in a timely manner consistent with the contract's requirements may result in 1GPA exercising any recourse available under the contract or as provided for by law. All administrative fees not paid when due shall bear interest at a rate of 1 1/2% per month until paid in full.

Administrative Fees shall be paid to "1GPA" and mailed to:

1910 W. Washington Street
Phoenix, AZ 85009

4. **Costs and Payments**

A. **Ordering Procedures** - Purchase Orders are issued by 1GPA members to the Vendor according to this Contract. Members and Vendors must send Purchase Orders to 1GPA at maiken@1gpa.org.

B. **Billings** – Contractor shall invoice Member after delivery of goods and/or services. All invoices shall list the applicable Member purchase order and 1GPA contract number. Contractor will invoice Member directly.

C. **Payment** – Payment terms are Net thirty (30) from receipt of Contractor's invoice

D. **Progress Payments** - 1GPA will permit Members to make progress payments under the following conditions:
1. Member and Contractor agree to the terms of the progress payments prior to issuing a purchase order
2. Purchase order describes the amounts or percentages and the dates or frequency of payments
3. Payments are made in full compliance with Member's local governing entity rules

E. **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 Member 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.

F. **IRS W-9** - In order to receive payment under any resulting Contract, Contractor shall have a current I.R.S. W-9 Form on file with each Member.

G. **Availability of Funds for the Next Fiscal Year** - Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the Member for any payment that may arise under this Contract beyond the current fiscal year until funds are made available for performance of the Contract. It is the responsibility of the Member to make reasonable efforts to secure such funds.

5. **Contract Changes**

A. **Amendments** - The Contract may be modified only through a Contract Amendment within the scope of the Contract signed by the Procurement Officer. 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 an unauthorized employee or made unilaterally by the Contractor are violations of the Contract and or applicable law. Such changes, including unauthorized written Contract Amendments, shall be void and without effect, and the Contractor shall not be entitled to any claim and this Contract based on those changes.

B. **Subcontracts** - The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of the Procurement Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

C. **Assignment and Delegation** - Contractor shall not assign any right or interest nor delegate any duty under this Contract without the prior written approval of 1GPA. 1GPA shall not unreasonably withhold approval.

D. **Novation** - If contractor sells or transfers all assets or the entire portion of the assets used to perform this contract, a successor in interest must guarantee to perform all obligations under this contract. 1GPA reserves the right to accept or reject any new party. A simple change of name agreement will not change the contractual obligations of contractor.

E. **Contract Placed on Hold** - 1GPA shall have the ability to place a contract on hold, if it is deemed necessary to address ongoing problems with an awarded contract. Details of the decision to place the contract on hold shall be provided in a written deficiency notice. A reasonable amount of time shall be provided to contractor to address issues in the written deficiency notice.

6. **Risk and Liability**

A. **Risk of Loss** - 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.

B. **General Indemnification** - To the extent permitted by law, 1GPA and its Members shall be indemnified and held harmless by the Contractor for its vicarious liability as result of entering into this Contract. Each party to this Contract is responsible for its own negligence.

C. **Indemnification - Patent and Copyright** - To the extent permitted by law, Contractor shall indemnify and hold harmless 1GPA and its Members against any liability, including costs and expenses, for infringement of any patent, trademark, or copyright arising out of Contract performance or use by the 1GPA or Member of materials furnished or work performed under this Contract. 1GPA or Member shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.

D. **Force Majeure**

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; injections-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.

2. Force Majeure shall <u>not</u> include the following occurrences:

   a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market; or
   b. 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
   c. Inability of either the Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.

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.

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.

7. **Warranties**

A. **Liens** - The Contractor warrants that the materials supplied under this Contract are free of liens.

B. **Quality** - Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the School District/Public Entity of the materials or services, they shall be:

1. A quality to pass without objection in the trade under the Contract description;

2. Fit for the intended purposes for which the materials or services are used;

3. Within the variations permitted by the Contract and are of even kind, quality, and quality within each unit and among all units;

4. Adequately contained, packaged and marked as the Contract may require; and

5. Conform to the written promises or affirmations of fact made by the Contractor.

C. **Fitness** - Contractor warrants that any material or service supplied to 1GPA or its Members 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.

D. **Inspection/Testing** - The warranties set forth in in this section shall not affected by inspection or testing of, or payment for the materials or services by 1GPA Members.

E. **Compliance with Applicable 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 licenses and permits.

F. **Survival of Rights and Obligations after Contract Expiration or Termination**

1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration of 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, 1GPA and its Members are not subject to or barred by any limitations of actions prescribed in A.R.S. Title 12, Chapter 5.

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. **Contractual Remedies**

A. **Right to Assurance** - If 1GPA 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, 1GPA may demand in writing that the Contractor give a written assurance of intent or ability to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at 1GPA's option, be the basis for terminating the Contract under the Uniform General Terms and Conditions.

B. **Nonconforming Tender** - Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of Contract. On delivery of nonconforming materials, 1GPA may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

C. **Right of Offset** - 1GPA and its Members shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred or damages assessed by 1GPA or its Members concerning the Contractor's nonconforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform General Terms and Conditions.

9. **Contract Termination**

A. **Cancellation for Conflict of Interest** - Pursuant to A.R.S. 38-511 and R7-2-1087(F) 1GPA 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 1GPA is, or becomes at any time while the Contract or an extension 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.

B. **Personal Gifts or Benefits** - 1GPA may, by written notice, terminate the Contract, in whole or in part, if 1GPA determines that any person or vendor has offered, conferred or agreed to confer any personal gift or benefit on any employee who supervised or participated in the planning, recommending, selecting or contracting of the Contract, in accordance with A.R.S. § 15-213(O) and R7-2-1087(G).

C. **Gratuities** - 1GPA may, by written notice, terminate the Contract in whole or in part, if 1GPA 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 1GPA 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 making of any determination or decision about contract performance in accordance with R7-2-1087(H).

D. **Suspension or Debarment** - 1GPA may, by written notice to the Contractor, immediately terminate this Contract if 1GPA determines that the Contractor has been disbarred, 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.

E. **Termination for Convenience** - 1GPA reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of its Members without penalty recourse. 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.

F. **Cancellation for Non-Performance or Contractor Deficiency** – 1GPA may terminate any contract if Members have not used the contract, or if purchase volume is determined to be “low volume” in any 12-month period. 1GPA reserves the right to cancel the whole or any part of this contract due to failure by contractor to carry out any obligation, term or condition of the contract. 1GPA may issue a written deficiency notice to contractor for acting or failing to act in any of the following:

1. Providing material that does not meet the specifications of the contract;
2. Providing work and/or material that was not awarded under the contract;
3. Failing to adequately perform the services set forth in the scope of work and specifications;
4. Failing to complete required work or furnish required materials/product within a reasonable amount of time;
5. Failing to make progress in performance of the contract and/or giving 1GPA reason to believe that the contractor will not or cannot perform the requirements of the contract; and or
6. Performing work or providing services under the contract prior to receiving a Member’s purchase order for such work.

Upon receipt of a written deficiency notice, contractor shall have ten (10) days to provide a satisfactory response to 1GPA. Failure to adequately address all issues of concern may result in contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by contractor under the contract shall become the property of the Member on demand.

G. **Contractor Cancellation**: Contractor may cancel this contract at any time upon thirty (30) days prior written notice to 1GPA or on the yearly anniversary of the contract. Termination shall have no effect on projects in progress at the time the notice of cancellation is received by 1GPA.

H. **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. **Contract Claims**

Contract claims and controversies under this Contract shall be resolved according to Arizona Department of Education School District Procurement Code Rule A.A.C. R7-2-1155 through R7-2-1159.

Any dispute involving a 1GPA member and Vendor outside of Arizona shall be governed by the laws of the state of the 1GPA member, without regard to its provisions on conflicts of laws, and exclusive jurisdiction and venue shall lie in the city, county, and state of the 1GPA member.

11. **Federal and State Requirement**

A. **Compliance with Federal and State Requirements** - Vendor shall comply with all applicable federal, state, and local laws, statutes, ordinances, standards, orders, rules, and regulations, including, as applicable, workers’ compensation laws, minimum and maximum salary and wage statutes and regulations, prompt payment and licensing laws and regulations.

Vendor shall comply, when working on any federally assisted projects with the following:

1. The Contract Work hours and Safety Standards Act, (40 U.S.C. §3701 – 3708; 29 CFR Part 5)
2. Davis-Bacon Act, (40 U.S.C. §276a / 29 CFR Part 5)
3. Copland Anti-Kickback Act, (18 U.S.C. §874 / 29 CFR Part 5)
4. Equal Opportunity Employment requirements (Executive Order 11246 and 11375 / 41CFR Chapter 60)
5. McNamara-O'Hara Service Contract Act (41 U.S.C. 351),
6. Section 306 of the Clean Air Act (42 U.S.C. § 1857h,
7. Section 508 of the Clean Water Act (33 U.S.C. § 1368),
8. Executive Order 11738, Environmental Protection Agency regulations (40 CFR Part 15).
9. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200)
10. Education Department General Administrative Regulations, 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81 ("EDGAR"),
11. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871)
12. All applicable requirements and regulations, including those related to reporting, patent rights, copyrights, data rights and those mandated by federal agencies making awards of federal funds to 1GPA members.

B. **Offshore Performance** - Due to security and identity protection concerns, direct services under any subsequent contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the school district(s) or charter school(s) or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition 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.

C. **Contractor's Employment Eligibility** - By entering the contract, Contractor warrants compliance with ARS § 41-4401, ARS § 23-214, the Federal Immigration and Nationality Act (FINA), and all other federal immigration laws and regulations. 1GPA or Member may request verification of compliance from any Contractor or subcontractor performing work under this Contract. 1GPA or Member reserves the right to confirm compliance in accordance with the applicable laws. Should 1GPA or Member suspect or find that the Contractor or any of its subcontractors are not in compliance, 1GPA or Member may pursue any and 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. All costs necessary to verify compliance are the responsibility of the Contractor.

D. **Davis-Bacon** – For Federally funded projects subject to the Davis-Bacon Act, the Member shall specify the applicable Davis-Bacon wage decision, prior to the contractor providing a firm price quotation for the proposed project. The wage decision shall be identified by the WD Number, modification number, and date of the wage decision.

E. **Fingerprint and Background Checks** - In accordance with ARS § 15-512(H), a contractor, subcontractor or vendor, any employee of a contractor, subcontractor or vendor who is contracted to provide services on a regular basis at an individual school may be required to obtain a valid fingerprint clearance card pursuant to Title 41, Chapter 12, Article 3.1. An exception to this requirement may be made as authorized in governing board policy of the Member District.

F. **Terrorism Country Divestments** - Per ARS § 35-392, 1GPA and its Members are prohibited from purchasing from a company that is in violation of the Export Administration Act.

G. **Registered Sex Offender Restrictions** - For work to be performed at schools, contractor agrees that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Contractor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Member's discretion. Contractor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.

H. **Affordable Care Act** - Vendor understands and agrees that it shall be solely responsible for compliance with the Patient Protection and Affordable Care Act, Public Law 111-148 and the Health Care Education Reconciliation Act, Public Law 111-152 (collectively the Affordable Care Act "ACA"). Contractor shall bear sole responsibility for providing health care benefits for its employees who provide services to the District as required by state or federal law.

I. **Boycott of Israel** – Arizona public entities and other states as applicable, the member may not enter into a contract with a company that is currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Israel.

J. **2CFR Section 200 (EDGAR)** – When a 1GPA Member seeks to procure goods and services using funds under a federal grant or contract, specific federal laws, regulations, and requirements may apply in addition to those under state law. This includes, the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. 200. All Vendors submitting bids must complete the 2CFR 200 Certification Form contained within this document.

K. **Minority Businesses** – 1GPA and its Lead Agency have taken all necessary affirmative steps to assure minority businesses, women's business enterprises, and labor surplus area firms are notified of any bidding opportunities when possible according to 2 CFR Part 200.321.

L. **Civil Rights Compliance** - In accordance with 7 CFR Part 210.23, Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

M. **Texas House Bill 1295 Certificate of Interested Parties** – For contract entered into or after January 1, 2016, Texas Government Code Chapter 2252.908 (H.B. 1295) states that a Texas governmental entity or state agency may not enter into a contract unless the business entity submits a disclosure of interested parties to the governmental entity or state. The law applies only to a contract that either (1) requires an action or vote by the governing body or (2) has a value of at least $1 million. Information from the Commission regarding the requirements, including rules and filing information, are available at the following links:

https://www.ethics.state.tx.us/tec/1295-info.htm
https://www.ethics.state.tx.us/whatsnew/faq_form1295.html
https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

It is the responsibility of vendors to determine the applicability of, and comply with, all disclosure laws of House Bill 1295.

SPECIAL TERMS AND CONDITIONS

1. **TERM OF CONTRACT:** It is 1GPA's intent to award a multi-term contract. The initial term of the resultant contract shall start on June 28, 2022 and shall continue for a period of one (1) year thereafter, unless terminated, cancelled or extended as otherwise provided herein.

2. **CONTRACT EXTENSION:** 1GPA reserves the right to unilaterally extend the period of any resultant contract month to month beyond the stated expiration date if that is determined to be in the best interests of Members. In addition, by mutual written agreement, any resultant contract may be extended for a supplemental period up to a maximum of forty-eight (48) months in twelve (12) month increments.

3. **RENEWAL OF CONTRACT:** Conditions for renewal of the contract shall include, but are not limited to: contract usage, satisfactory performance of services during the preceding contract term, ability to continue to provide satisfactory services, continued adherence to the contract requirements, and continued competitive prices for the materials and services provided under the contract.

4. **CONTRACT TYPE**: The term contract shall be a percent of discount off manufacturer's price list or catalog, or fixed price, or a combination of both with indefinite quantities.

5. **FORM OF CONTRACT:** The form of contract for this solicitation shall be the Invitation for Bid, and the awarded Bid(s), and properly issued purchase orders incorporating each member's specific policies and P.O. terms and conditions referencing the requirements of the Invitation for Bid. If a firm submitting a Bid requires 1GPA and/or Member to sign an additional agreement, a copy of the proposed agreement must be included with the Bid. Partial bids will be accepted.

6. **SUPPLEMENTAL AGREEMENTS:** The 1GPA Member and Contractor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this Solicitation such as invoice requirements, on campus service specifics, etc. Any supplemental agreement developed as a result of this Solicitation is exclusively between the Member and Contractor and may not materially change any of the terms and conditions contained herein. 1GPA, its agents, members and employees shall not be made party to any claim for breach of such agreement. Any supplemental agreement between the Member and Contractor is exclusively between the Member and the Contractor and will be subject to immediate cancellation by the Member (without penalty) if, in the opinion of the Member, the quality, service and specification requirements and/or the terms and conditions are not maintained as stated in the supplemental agreement.

7. **BID ACCEPTANCE PERIOD**: In order to allow for an adequate evaluation, 1GPA requires a Bid in response to this solicitation to be valid and irrevocable for ninety (90) days after the opening time and date.

8. **ELECTRONIC SUBMITTAL - REQUIRED:** **An electronic submission is required**. The electronic submission is to be uploaded online through OpenGov Procurement. Submittal instructions for OpenGov Procurement are found on the last page of this document under Exhibit A.

9. **BID OPENING:** Bids shall be opened on the date and time, and at the place designated on the cover page of this document, unless amended in writing by 1GPA. The name of each Bidder and pricing submitted shall be read at this time. All Bids and any modifications and other information received in response to the Invitation for Bid shall be shown only to authorized Lead Agency/1GPA personnel having a legitimate interest in the evaluation. After contract award, the Bids and evaluation document shall be open for public inspection.

10. **TIME STAMP** Bids will be time stamped when received by OpenGov Procurement. Bids will be accepted up to but no later than the time indicated in the Invitation for Bid (IFB). Bids received after the time stated in the IFB will not be considered and will remain unopened. Bidder assumes the risk of any delay in their submission. 1GPA strongly

recommends that you give yourself sufficient time and at least **ONE (1) day** before Bid Due Date and Time to begin the uploading process and to finalize your submission.

11. **AWARD**: Contract(s) shall be awarded to the lowest responsible and responsive Bidder(s) whose Bid(s) conforms in all material respects to the requirements and evaluation criteria set forth in the Invitation for Bids. No criteria may be used in bid evaluation that is not set forth in the Invitation for Bids. The amount of any applicable transaction privilege or use tax of a political subdivision of the state of Arizona is not a factor in determining the lowest Bidder.

12. **MULTIPLE AWARDS:** 1GPA has a large number and variety of potential using districts and agencies at locations throughout the United States and abroad. In order to assure that any ensuing contracts will allow 1GPA to fulfill current and future requirements; 1GPA reserves the right to award contracts to multiple vendors. Such decision will be based upon consideration for Members' experience with existing products and systems, brand continuity for parts replacement and future expansion, contractor's ability to provide for a large diverse Membership, and/or geographic areas served. The actual use of any contract will be at the sole discretion of 1GPA members. Contracts may be awarded, as applicable, by individual line item, groups of line items, or categories, incrementally, by region, or by location. The awards will be limited to the least number of Bidders that 1GPA determines is necessary to meet the needs of it's Members. Bidder should consider the fact that 1GPA may award multiple contracts in preparing their response. The fact that 1GPA may make multiple contracts, award only one contract, or make no awards rests solely with 1GPA. Bidders are not required to Bid on all items specified in this Bid.

13. **ADMINISTRATION FEE:** 1GPA's .01 (1%) administration fee shall be included in Bidder's net price. Contractor shall not add the administration fee to approved contract prices. 1GPA will invoice the Vendor on a monthly basis for the administrative participation fee. The invoice will be based on total sales made through the 1GPA contract with the Vendor. Invoices will be issued at the time a Purchase Order is received by 1GPA. Invoices are due and payable upon receipt.

14. **PRICING:** Contract pricing must be based upon:
1) Fixed discount(s) off published price list(s) or catalog(s)
2) Firm fixed price
3) A combination of the above

15. **COMBINATION PRICING:** Bids for combination contracts shall clearly identify items covered by discount(s) and those with fixed prices. Prices for such contracts shall be adjusted as identified for the appropriate contract type above.

16. **PRICE STRUCTURES:** Contractors are responsible for providing copies of, or access to, current product prices.

Discounts: Discount bids must clearly identify the minimum percentage of discount to apply to an MSRP, a manufacturer's list price, a vendor's catalog, or price list, etc. Contractors shall continuously monitor and provide price updates when available. At the time of purchase, Contractor may offer deeper discounts based on volume or other factors as applicable. The price reduction shall be available to all Members making similar purchases under the Contract. If multiple discounts apply, bidder shall clearly indicate the discounts and applicable materials or services. There will be no reduction of minimum discount(s) during the term of the contract.

Verifiable Price Index: A 24/7 publicly available and verifiable price schedule can be provided. This dynamic pricing structure is updated automatically as the advertised price updates to market conditions and competitive benchmarking. This ensures that Members receive savings as the Contractor recognizes them.

17. **PRICE ADJUSTMENT FOR FIXED PRICING:** Fixed price offers shall include prices for any and all items proposed under the contract. Fixed prices shall be firm until each anniversary date of contract unless there is an occurrence of one or more allowable economic price adjustment contingencies. If allowable price adjustment contingencies occur, contract

vendor may submit **a fully documented** request for price adjustment to 1GPA. The supporting documentation shall clearly justify the basis for the proposed price increase and may include, but is not limited to, letters from manufacturers, applicable industry price index data, letters from freight/shipping companies, etc. The documentation must substantiate that any requested price increase was clearly unpredictable at the time of bid submittal and results from an increased cost to contract vendor that was out of contract vendor's control.

18. **PRICE REDUCTION:** A price reduction adjustment may be offered at any time during the term of a contract and shall become effective upon notice.

19. **NEW PRODUCT:** New products/services may be added during the term of the contract upon written request providing it is within the original scope of this IFB. All requests are subject to review and approval by 1GPA. Successful vendor shall be responsible for notifying 1GPA of all discontinued products in writing.

20. **TRAVEL EXPENSE REIMBURSEMENT:** Vendor shall be responsible for travel arrangements and expenses. Travel expenses may be billed for certain in-state and out-of-state travel expenses on a case-by-case basis. Vendor shall seek Member approval before billing for any in-state or out-of-state travel expenses. If approved by the Member, in-state and out-of-state travel expenses shall be reimbursed in accordance with the Member's state travel policy. The travel policy may be accessed via the internet at the US General Services Administration's website: https://www.gsa.gov/travel/plan-book/per-diem-rates.

21. **QUANTITIES:** 1GPA estimates considerable activity resulting from this award. Based on historical data from previous contracts as well as member surveys, 1GPA estimates usage of this contract to be $10 Million annually. A current list of 1GPA Members may be found at:

    https://www.dropbox.com/s/9i5d6xhsmob7hcp/1%20-%20PUBLISHED%20Membership%20List.xlsx?dl=0

    1GPA makes no guarantee or commitment of any kind concerning quantities that will actually be purchased. 1GPA makes no guarantee or commitment of any kind regarding usage of any contracts resulting from this Solicitation.

22. **SHIPPING TERMS:** Prices shall be F.O.B. Destination or F.O.B. Destination Freight Allowed as indicated under the pricing submittal. Vendor shall retain title and control of all goods until they are delivered, and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the Vendor. All claims for visible or concealed damage shall be filed by the Vendor. 1GPA Members will notify the vendor promptly of any damaged goods and shall assist the vendor in arranging for inspection.

23. **DELIVERY: Unless otherwise agreed upon between the Member and the Contractor,** delivery is desired within thirty (30) days of receipt of purchase order. Any outstanding items delivered after this date may be canceled and deleted from the purchase order. Bidder shall be responsible for delivery of items in good condition at point of destination, and return of all items that do not meet specifications. Bidder shall file with carrier all claims for breakage, imperfections and losses, which will be deducted from invoices. The receiving Member will report to the successful Bidder when packages are not received in good condition.

24. **INSTALLATION AND TRAINING:** Proposed price for initial installation must include complete installation and training of designated Member personnel on the proper use and care of products supplied.

25. **PROTECTION OF MEMBERS:** The Bidder shall protect the Member's property from damage or loss arising in connection with this contract. He shall make good any such damage, injury or loss caused by his operations, or those of his employees, to the satisfaction of the Member. The Bidder shall confine his equipment, storage of materials and the operation of his workmen to the limits as indicated by the Unit Foreman in the area in which the work is being performed.

Any damage caused to Member's facilities, lawns, etc., shall be repaired immediately or replaced at no expense to the Member.

The successful Bidder shall take all necessary precautions for the safety of students, employees and the public, and shall comply with all applicable provisions of Federal, State and Municipal Safety Laws. He agrees that he is fully responsible to the Member for the acts and omissions of any and all persons whether directly or indirectly employed by him. He shall maintain such insurance as will protect him and the Member from claims or damage for personal injury, including death, which may arise from operations under this contract.

26. BRAND NAMES: Any manufacturer's names, trade names, brand names or catalog numbers used in the specifications are for the purpose of describing and/or establishing the quality, design and performance required. Any such reference is not intended to limit or restrict a Bid by any vendor but is only enumerated in order to advise potential Bidder of the requirements of 1GPA. Any Bid which proposes like quality, design or performance will be considered.

27. NEW PRODUCT: All products supplied pursuant to this specification shall be new, unused, and the most current available at time of order.

28. PRODUCT RECALL NOTICES: In the event of any recall notice, technical service bulletin, or other important notification affecting product purchased from this contract, a notice shall be sent to the Contract Administrator with 1GPA and the Member. It shall be the responsibility of the Contractor to assure that all recall notices are sent directly to the agency Member Representative.

29. SAFETY STANDARDS: All items supplied on this contract must comply with the current applicable occupational safety and health standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.

30. RESPONSIBILITY OF BIDDERS: Factors to be considered in determining if a Bidder is responsible may include:

A. The Bidder's financial, material, personal and other resources, including subcontractors;
B. The Bidder's record of performance and integrity;
C. Whether Bidder is qualified legally to contract with the public entity;
D. Whether Bidder supplied all necessary information concerning its responsibility;
E. Complaints on file with the Registrar of Contractors;
F. Prior litigation history.

31. LICENSES: Contractor shall maintain in current status all federal, state and local licenses and permits required by the operation of the business conducted by the contractor.

32. CONTRACTOR LICENSE LAW: Contractor shall comply with State and City Contractors License Law, be duly registered and licensed thereunder. Attach photocopy of license as requested in the "Vendor Submissions" section of the OpenGov Procurement online portal.

33. FEES AND PERMITS: Upon request of the Member, Contractor will be responsible for obtaining any and all permits required to perform installation. The installation shall be in complete compliance with all governing agencies including but not limited to City Building and Fire Codes. All required fees and permits must be included in the total Bid price as a pass-through cost (no markup) when pricing is submitted to 1GPA Member for each project.

34. INSPECTION: Each job will have a final inspection and acceptance by 1GPA Member staff. Any discrepancies noted during the inspection will be corrected prior to final payment. Field inspections will be performed by Member upon completion of the Project and appropriate governing agencies (if applicable).

SPECIAL TERMS AND CONDITIONS

35. DAMAGES: The successful contractor shall be liable for any and all damage caused by him or his employees to the 1GPA Member premises. The Bidder shall hold and save 1GPA and Member free and harmless from liability of any nature or kind arising from any use, trespass, or damage occasioned by his operations on premises or third persons.

36. CLEAN UP: The Contractor, at all times, shall keep the premises free from accumulation of waste materials or rubbish caused by construction operations. Upon completion of the work, remove all waste materials and rubbish from and about the Project, as well as tools, construction equipment, machinery and surplus materials.

If the Contractor fails to clean up the work, the 1GPA Member may do so and the cost thereof shall be charged to the Contractor.

Remove all surplus materials and debris of every nature resulting from operations, and put site in a neat, orderly condition.

37. WARRANTY: All workmanship shall be warranted for a minimum of two (2) years from date of acceptance of project. This will be submitted in written form to the 1GPA Member at completion of Project. All products shall be covered by the manufacturer's standard warranty.

38. BILLINGS: All billing notices shall identify the specific item(s) being billed. Item(s) are to be identified by name, model/serial number as most applicable. Any purchase/delivery order issued will refer to the contract number resulting from this solicitation.

39. INSURANCE: Bidder agrees to maintain such insurance as will fully protect Bidder, 1GPA and its Member from any and all claims under any workers' compensation statute or unemployment compensation laws, and from any and all other claims of any kind or nature for damage to property or personal injury, including death, made by anyone, that may arise from work or other activities carried on, under, or facilitated by this Agreement, either by Bidder, its employees, or by anyone directly or indirectly engaged or employed by Bidder. Bidder agrees to maintain such automobile liability insurance as will fully protect Bidder, 1GPA and its Member for bodily injury and property damage claims arising out of the ownership, maintenance or use of owned, hired or non-owned vehicles used by Bidder or its employees, while providing services to 1GPA Members.

Successful Offeror will be required to provide proof of and maintain comprehensive general liability insurance with a limit of not less than $1,000,000 per occurrence and $2,000,000 aggregate coverage. Awarded vendor shall provide a certificate that names the 1GPA Member as the certificate holder as required. In addition, awarded vendor shall be willing to provide, upon request, a certificate of insurance to any Member using this contract.

Successful Bidder will be required to submit proof of and maintain Worker's Compensation and Employer's Liability Insurance as required by law.

40. KEY PERSONNEL: It is essential that the contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The contractor must agree to assign specific individuals to the key positions.

A. The contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to 1GPA or Member.

B. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days or are expected to devote substantially less effort to the work than initially anticipated, the contractor shall immediately notify the 1GPA Member and shall, subject to the concurrence of the Member, replace such personnel with personnel of substantially equal ability and qualifications.

SPECIAL TERMS AND CONDITIONS

41. EMPLOYEE IDENTIFICATION: All employees **must** check in at the front office of each Member site. The employee must have an identification badge at all times in clear view, with picture ID and name of firm. In addition, the employee shirt must have the company name on it. Failure to have any of these items may result with the employee being escorted off property.

42. BID SECURITY: School procurement rules require that all competitive sealed procurement for construction have bid security, if the amount of construction contract will exceed the amount established by R7-2-1002(A). Bid security as a percentage of the bid amount is unacceptable, as this is a term contract with no specific bid amount.

Bidders shall include acceptable bid security in the amount of $100,000 with submission of their Bid.

Acceptable bid security for this solicitation will be a certified check, or an annual or one time bid bond underwritten by a surety company licensed to issue bid bonds in the appropriate state construction with take place, with the principal being the prime contractor and 1GPA being the Agency of Record.

Scan and upload a copy of the bid security under item 7.2 “Bid Security” in the Vendor Submissions section of the project on the OpenGov Procurement online portal. Vendors should also mail the original bid security no later than the bid due date and time addressed to:

1GPA
Attn: Rebecca Seifert
1910 West Washington Street
Phoenix, AZ 85009

43. PERFORMANCE AND PAYMENT BONDS: Performance and Payment Bonds between the 1GPA member and the prime contractor shall be executed on forms substantially equivalent to the forms provided at the end of this solicitation document.

Upon execution of a contract between 1GPA member and prime contractor, performance and payment bonds shall be provided to the member as required in R7-2-1103 as applicable. The prime contractor agrees to notify the 1GPA member in writing of this requirement before accepting any work orders. If the prime contractor fails to deliver any required performance or payment bonds, the contract with 1GPA may be terminated. The contractor may be asked to supply copies of performance and payment bonds to 1GPA for administrative purposes.

Performance Bond - The Contractor shall be required to furnish an irrevocable security in the amount of 100% of the total contract price payable to the 1GPA Member, binding the Contractor to provide faithful performance of the contract.

Payment Bond - The Contractor shall be required to furnish non-revocable security for the protection of all persons supplying labor and material to the Contractor or any subcontractor for the performance of any work related to the contract. Payment security shall be in the amount of 100% of the total contract price and be payable to the 1GPA Member.

44. MEMBER DELAYS: As required by R7-2-1087(D), the Contractor will negotiate with 1GPA Member for the recovery of damages related to expenses incurred by the Contractor for a delay for which the 1GPA Member is responsible, that is unreasonable under the circumstances and that was not within the contemplation of the parties to the contract. This negotiation does not void any provision in the contract that requires notice of delays, provides for arbitration or any other procedure for settlement or provides for liquidated damages.

45. PROGRESS PAYMENTS: R7-2-1105 allows for progress payments to the contractor of construction if the contractor agrees to adhere to ARS 41-2577 (B) (D) (F). All progress payments must be invoiced to the 1GPA member. It is the responsibility of the 1GPA member to review and approve any estimates of work completed. Payment shall be made within 14 days after the estimate of the work is certified and approve, except that a percentage of all estimates shall be retained as provided in R7-2-1104. If the 1GPA member issues a written statement to the Contractor that the estimate

of work is not approved and certified, the 1GPA member may withhold an amount from the progress payment that the 1GPA member reasonably expects to incur in correcting the deficiency set forth in the written finding, as permitted in R7-2-1105 (A). In such cases, the Bidder agrees to hold 1GPA harmless for any deficiency payment.

Progress payments may be made to the prime contractor on the basis of a duly certified and approved estimate of work performed during the preceding month. The prime contractor must agree to pay any subcontractors or material suppliers within seven (7) days of their receipt of the progress payment, unless otherwise agreed upon in writing between the parties involved.

Once all bonds are in place, the prime contractor and the 1GPA member will agree upon a schedule of payments based on identifiable milestones.

If any payment to the Contractor is delayed after the date due, interest shall be paid at the rate of one percent per month, or a fraction of a month, on such unpaid balance as may be due. Any late charges will be the responsibility of the 1GPA Member.

Acceptance of final payment is a waiver of all claims except unsettled claims previously made in writing.

46. RETENTION: Ten (10) percent of all contract payments shall be retained by the 1GPA member as insurance of proper performance of the Contractor. Contractor agrees to identify the amount to be retained on invoices to 1GPA member for each progress payment.

When the contract is fifty (50) percent completed, one half of the amount retained shall be paid to the Contractor upon the Contractor's requests provided the Contractor is making satisfactory progress on the contract and there is no specific cause or claim requiring a greater amount to be retained.

After the contract is fifty (50) percent completed, no more than five percent of the amount of any subsequent progress payments shall be retained providing the Contractor is making satisfactory progress on the project, except if at any time the governing board of the Member determines satisfactory progress is not being made, at which point ten percent retention shall be reinstated.

Retention applies only to amounts payable for construction and does not apply to amounts payable for design services, preconstruction services, finance services, maintenance services, or any other related services included in the contract.

If the 1GPA member and the contractor agree to a substitute security, the agreement must be in full compliance with R7-2-1104 (D)(E)(F)(G). If a substitute security is agreed to, the prime contractor must provide 1GPA member with a signed and acknowledged waiver of any right or power of the obligor to set off any claim against 1GPA member.

Notwithstanding R7-2-1104(A), there shall be no retention for job-order-contracting construction services contracts

47. REFERENCES: For complete information on references and definitions used for specifications in the solicitation please visit websites below:

ASTM International (ASTM): www.atsm.org
Arizona Registrar of Contractors (ROC): www.azroc.gov/l_class.html
Code of Federal Regulations (CFR): www.gpoaccess.gov/cfr/index.html
International Organization for Standardization (ISO): www.iso.org
Maricopa Associations of Governments Uniform Standard Specifications for Public Works Construction: https://azmag.gov/Portals/0/Documents/MagContent/2022_MAG_Uniform_Standard_Specifications_for_Public_Works_Construction_SPECS_FINAL.pdf
Occupational Safety and Health Administration (OSHA): www.osha.gov

SCOPE OF WORK

1. PURPOSE

The purpose of this Invitation for Bid (IFB) is to establish contracts with responsive/responsible contractors that provide asphalt products and services to be utilized by 1GPA Members nationally on an as-needed basis.

1GPA reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the best interest of the Members of 1GPA.

2. BACKGROUND

1Government Procurement Alliance (1GPA), is a non-profit national governmental purchasing cooperative which allows public agencies to take advantage of existing contracts to purchase the goods and services they need from local and national vendors. Eligible using members include school districts, charter schools, universities, colleges, cities, towns, municipalities, counties, states, local governments, federal government, Native American communities, fire districts, and any other political subdivision.

The Pinal County Education Service Agency's (PCESA) Mary C. O' Brien Accommodation District (MCOB) acts as a Lead Agency for 1GPA. PCESA provides programs and services for approximately 45,000 students within 21 public school districts, in addition to the growing number of private and charter schools within Pinal County. Also served by PCESA is a large Indian community including parts of the Tohono O' odham Nation (Papago & Pima Indians), the San Carlos Apache Indian Reservation, and Gila River Indian Community, along with the entirety of the Ak-Chin Indian Community Pinal County was founded in 1875 and is located in the central part of Arizona between Maricopa County (Phoenix) on the north and west sides, Gila County also on the north, Pima County (Tucson) on the south and Graham County on the East. It covers an area of 5,374 square miles. The estimated population in 2017 was 430,200 and growing. The county seat is located in Florence, AZ as is the Pinal County School Superintendent's office.

1GPA currently holds contract 17-16P Asphalt Products and Services with three (3) vendors. The contract is in the fifth and final year, expiring June 28, 2022 at which time this contract will become effective.

3. REFERENCE SPECIFICATIONS:

Products and services provided under this contract shall comply with all applicable state, local and federal laws, statutes, ordinances and codes including the Uniform Standard Specifications and Details for Public Works Construction sponsored and distributed by the Maricopa Association of Governments (https://azmag.gov/Portals/0/Documents/MagContent/2022_MAG_Uniform_Standard_Specifications_for_Public_Works_Construction_SPECS_FINAL.pdf) and be in accordance with the standards and specifications set forth by the American National Standards Institutes (ANSI – https://www.ansi.org) and the American Society for Testing Materials (ASTM – https://www.astm.org).

4. SCOPE OF WORK

The scope of work for this solicitation includes an extensive and comprehensive array of asphalt products and services as outlined herein. This is NOT an "All or Nothing" bid. Bidders are encouraged to submit bids on single or multiple categories and/or for single or multiple regions. The categories listed represent the products and services needed, however this is not intended to be a comprehensive list. The contract will include any related products and services:

4.1. ***Existing Asphalt Repair and Maintenance*** may include, but is not limited to:

- surface patches
- crack sealants
- hot rubber crack fills
- pavement

- full depth surface patching
- slurry
- Cationic Type II slurry seals
- emulsion seal coats
- polymer modified master sealant
- fog sealant
- tire rubber modified sealant

4.2. ***New Asphalt*** may include but is not limited to:

- new parking areas
- driveways
- sidewalks
- playground walkways
- golf cart and bicycle paths

4.3. ***Related Products and Services*** may include but are not limited to:

- speed bumps
- speed humps
- fabric underlays
- saw cutting
- striping
- milling
- pulverizing
- lime soil stabilization
- site grading
- manhole adjustment
- water/sewage cover adjustments
- survey monuments
- safety bollards
- concrete extruded curbs (with or without rebar)
- wheel stops
- gutters
- ramps (handicap)
- flatwork
- construction surveys
- traffic controls and barricades
- preventative maintenance
- other similar asphaltic related services

4.4. ***Installation, Repairs, Maintenance and Removal Services***

4.4.1. Contractor shall have the licenses, tools, equipment, materials, and technical ability to provide services.

4.4.2. The Contractor shall provide all labor, supervision, transportation, equipment (including personal protection equipment), tools, and all effort necessary to install, repair, maintain and remove various forms of asphalt and related materials. Planning, administration and management services necessary to complete the work performed under this contract are also included.

4.4.3. The Contractor shall protect existing structures to prevent damage and shall restore damaged structures to their original state. Trees and existing vegetation shall be protected against unnecessary cutting, breaking or skinning of roots, skinning or bruising of bark, smothering of trees by stockpiling construction materials or excavated materials within drip line, excess foot or vehicular traffic or parking of vehicles within a drip line.

4.4.4. Any worked performed under this contract shall be compliant with manufacturer recommendations as to not void any applicable warranties.

4.4.5. Where there is work that will interfere with the normal flow of traffic, the Contractor shall submit to the Member and any applicable jurisdictions for approval a plan for the maintenance of traffic through the construction area. This plan should show the type of warning signs, barricades, traffic cones, etc., and their placement and where flagmen, if necessary, will be stationed. The Contractor shall not begin any work which will interfere with any traffic until the plans are approved by the appropriate parties.

4.4.6. Contractor shall remove small trees, shrubs, grass and other vegetation, improvements or obstructions as indicated in the Scope of Work for the specific project if applicable. Removal includes digging out and off-site disposing of stumps and roots.

4.4.7. Contractor shall remove from Member's property and legally dispose of all waste materials removed during the construction of the project. Contractor shall not dump or put any waste into dry wells, dumpsters or landscape areas at any time.

4.4.8. Prior to starting any work, Contractor shall notify the Member of any specification that conflicts with applicable rules, regulations, statutes, ordinances, codes, and standards, and offer an alternate solution. Contractor shall obtain approval from the Member prior to using any alternate specifications for any work to be performed under the contract.

4.4.9. All work shall be accomplished in a manner to match adjacent existing work in the same area where practicable. Contractor will not alter Member's existing facilities without prior approval from Member.

4.4.10. Upon request from Member, Contractor shall obtain permits required for a job. Member shall reimburse Contractor for actual cost of such permits. No amount for overhead and profit will be allowed for permits.

4.5. ***Change Orders:*** All change orders shall be approved by the Member in writing prior to the start of work. Contractor shall keep a record at jobsite of all changes and corrections to the layouts shown in the drawings and record all changes and corrections on record drawings. Each sheet of the corrected set shall be stamped with "Record Drawings As-Built," or similar notation. Record Drawings shall include the actual location of all sub surface utility lines, and any overhead obstructions, as applicable.

4.6. ***Quality:*** all work performed by the Contractor shall be subject to inspection and approval by the requesting Member. Standard of quality and performance indicated in the specifications and scope of work shall be understood as the minimum requirements. Unless otherwise indicated in the specifications or drawings, all work shall be done in accordance with specifications and/or recommendations of the manufacturer of the product to be applied.

4.7. ***Safety:*** Contractor shall take all necessary precautions for the safety of, and shall provide all necessary protection to prevent damage, injury, or loss to the following:

- All employees on the worksite and all other persons who may be affected thereby.

- All the work, materials, and equipment to be incorporated therein.

- Other properties at the site of, adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

The Contractor shall provide and place barricades, tarps, plastic, flag tape and other safety/traffic equipment required to protect its employees, the public, surrounding areas, equipment and vehicles.

Safety Data Sheet (SDS) forms required for compliance with OSHA safety and health standards shall be supplied by the Contractor. This includes products containing asphalt, artificial asphalt, asphalt rock or bituminous rock, amesite, catalyzed asphalt, petroleum asphalt, petroleum pitch, coal tar pitch and all paints used for striping and making, whether oil or acrylic base and cement. This information shall be supplied by the manufacturer and made available to Member if requested.

5. SCHEDULING REQUIREMENTS

5.1. Contractor shall coordinate all service schedules with the Member.

5.2. Contractor shall be prepared with well-maintained equipment inventory/materials and satisfactory transportation for delivery at the work site to meet the customer demand and delivery requirements.

5.3. Labor rates bid shall include all direct labor, supervision, overhead, tools, and common expendables. Labor rates shall be divided into the following categories:

5.3.1. **Regular Service**: work performed between 6:00 AM to 6:00 PM, Monday through Friday, excluding holidays.

5.3.2. **After Hours**: work performed after 6:00 PM and before 6:00 AM the next morning.

5.3.3. **Weekends & Holidays**: work performed Saturday, Sunday, or during a holiday.

6. ORDERING AND JOB COMPLETION PROCESS

6.1. **Request for Service:** The 1GPA Member will notify the Contractor of the need for asphalt related services. The Contractor shall have the ability to create and manage numerous individual accounts for order placement, billing, and reporting purposes.

6.2. **Site Visit:** Dependent upon the complexity/nature of the project, a site visit may be held by the Member to allow the contractor(s) to inspect and observe important issues regarding the project to ensure accurate cost estimates.

6.3. **Project Quotations:** After a site review of the project, Contractor shall submit the project quote to the Member within the specified time frame. Quotes should be easily verifiable against the contract pricing and include the 1GPA contract number.

1GPA Members may use this contract and select awarded contractors based on their own best practices. The Member's selection process may include scope of work, overall price of the project, project time restrictions, and other practices determined by the Member.

6.4. **Purchase Order:** The Member shall issue a purchase order upon approval of the quotation and prior to the commencement of any work. The purchase order should reference the 1GPA contract number. **No work shall commence until a purchase order is issued by the requesting Member.**

6.5. **Delivery and Installation:** Contractor will notify the Member when material has been received and provide a proposed project completion date. Installation shall start within seven (7) working days after material is received unless otherwise agreed upon by the Member and the Contractor. Materials shall be delivered to the worksite in new, dry, unopened and well-marked containers showing the product and Contractor's name. Damaged or unlabeled materials may be rejected by the Member. Materials will be delivered in sufficient quantity to allow for continuity of work. Delivery will be coordinated with the designated Member's representative. Damaged or rejected materials shall be immediately removed from the work area unless otherwise approved by the Member.

6.6. **Preconstruction Meeting:** When requested by the Member, the Contractor will arrange a meeting at the site with the supervisor and the Member to review site conditions, security procedures, work responsibilities, loading and unloading restrictions, etc.

6.7. **Final Cleanup:** Final cleanup shall include replacing any materials disturbed as a result of erecting or removing barricades, removal and proper disposal of all debris generated, and repair of defaced or disfigured finishes caused by work performed including any concrete structures where asphalt products have been splashed.

6.8. **Final Inspection:** Each job will have a final inspection by the Member and/or governing authorities prior to final payment. Deficiencies shall be corrected within three (3) business days unless otherwise agreed upon between the Member and the Contractor.

6.9. **Invoicing:** After completion of services, the Contractor shall submit a detailed invoice to the Member. The invoice should be easily verifiable against the contract pricing schedule and shall include the Member's purchase order number, the 1GPA contract number and the job location.

6.10. **Payment After Job Completion:** Payment shall not be provided until inspection is completed and an approval signature is provided by the authorized Member representative. In case of non-satisfactory completion of any individual project, the Member reserves the right to withhold payment as permissible by law.

6.11. **Progress Payments:** Members may make progress payments under the following conditions:

6.11.1. Member and Contractor agree to the terms of the progress payments prior to issuing a purchase order

6.11.2. Purchase order describes the amounts or percentages and the dates or frequency of payments

6.11.3. Payments are made in full compliance with Member's local governing entity rules

7. OTHER

Other supplementary products and services associated with asphalt products and services offered but not specifically listed herein.

SUBMITTAL REQUIREMENTS

1. ELECTRONIC SUBMITTAL - REQUIRED:

An electronic submission is required. The electronic submission is to be uploaded online through OpenGov Procurement. Submittal instructions for OpenGov Procurement are found on the last page of this document under Exhibit A.

Bids will be time stamped when received by OpenGov Procurement. Bids will be accepted up to but no later than the time indicated in this Solicitation or as amended in writing by 1GPA. Bids will not be received or considered after the time stated in this Solicitation (or as amended). Offeror assumes the risk of any delay in their submission. 1GPA strongly recommends that you give yourself sufficient time and at least ONE (1) day before Bid Due Date and Time to begin the uploading process and to finalize your submission.

2. BID FORMAT AND SUBMISSION REQUIREMENTS THROUGH OPENGOV PROCUREMENT:

Each bid should be submitted on the forms and in the format specified. 1GPA will not provide any reimbursement for the cost of developing or presenting bids in response to this Solicitation. Complete each section on the OpenGov Procurement platform for this project. Items marked with an asterisk require a response to submit your bid. Failure to include the requested information may have a negative impact on the evaluation of the bid.

3. PRICING TABLE:

Complete the pricing tables in OpenGov Procurement for this project. **You must enter a minimum discount, maximum cost, or No Bid for each line item as indicated on every table.** Additional pricing information may be uploaded under item 6. “Cost” of the Vendor Submission section of this project on the OpenGov Procurement online portal.

Any reference to a manufacturer is not intended to limit or restrict a bid by any vendor but is only enumerated in order to advise potential bidders of the requirements of 1GPA. Any like manufacturers/items will be considered.

4. AMENDMENT ACKNOWLEDGEMENT:

Solicitation amendments shall be acknowledged through the OpenGov Procurement portal during bid submission. If an amendment is issued after your bid has been submitted to the portal, you must log back in, unsubmit your bid, acknowledge the new amendment and resubmit the bid. Click the “?” in the top right corner of the home screen to access the OpenGov Procurement Help Center or use the chat feature in the lower right-hand corner to ask for assistance from OpenGov Procurement.

BID BOND

KNOW ALL MEN BY THESE PRESENTS:

THAT, _____

(hereinafter called Principal), as Principal, and _____

_____, a corporation organized and existing under the laws of the State

Of_____ , with its principal office in the City of

_____, (hereinafter called the

Surety), as Surety, are held and firmly bound unto 1Government Procurement Alliance (hereinafter called the Obligee) in

the amount of _____ (Dollars) ($_____) , for the payment

whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns,

jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a Bid for:

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as a part of his judgment such reasonable attorneys' fees as may be fixed by a judge of the Court.

Witness our hands this _____ day of _____ 20 _____

_____
Principal Seal

BY _____

_____
Surety Seal

BY _____

_____
Agency of Record

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

THAT, _____

(hereinafter called Principal), as Principal, and _____

_____ , a corporation organized and existing under the laws of the State

Of _____ , with its principal office in the City of

_____ , (hereinafter called the

Surety), as Surety, are held and firmly bound unto the Name of the 1GPA Member goes here (hereinafter called the Obligee) in

the amount of _____ (Dollars) ($_____) , for the payment

whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns,

jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the _____

day of _____ 20_____, for the material, service or construction

described as _____

_____

which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform and fulfill all the undertakings, convenants, terms, conditions and agreements of said contract during the original term of said contract and any extension thereof, with or without notice to the Surety and during the life of any guaranty required under the contract, and shall also perform and fulfill all the undertakings, convenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligations shall be void, otherwise to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as a part of his judgment such reasonable attorneys' fees as may be fixed by a judge of the Court.

Witness our hands this _____ day of _____ 20 _____

_____

Principal Seal

BY _____

_____

Surety Seal

BY _____

_____

Agency of Record

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

THAT, _____

(hereinafter called Principal), as Principal, and _____

_____, a corporation organized and existing under the laws of the State

Of _____ , with its principal office in the City of

_____, (hereinafter called the

Surety), as Surety, are held and firmly bound unto the Name of the 1GPA Member goes here. (hereinafter called the Obligee) in

the amount of _____ (Dollars) ($_____) , for the payment

whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns,

jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the _____

day of _____ 20_____,to construct and complete a certain

work described as_____

_____

which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall promptly pay all monies due to all persons supplying labor or materials to him or his subcontractors in the prosecution of the work provided for in said contract, then this obligation shall be void, otherwise to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as a part of his judgment such reasonable attorneys' fees as may be fixed by a judge of the Court.

Witness our hands this _____day of _____, 20_____

_____
Principal Seal

BY _____

_____
Surety Seal

BY _____

_____
Agency of Record

EXHIBIT A

OPENGOV PROCUREMENT SUBMISSION INSTRUCTIONS

Please contact OpenGov Procurement at http://help.procurenow.com/en/collections/1392366-vendor-guides for technical questions related to your submission.

Please follow these instructions to submit via the OpenGov Procurement public portal.

1. **Create a OpenGov Procurement Account:**

   - Register to access solicitation documents and upload responses at **https://secure.procurenow.com/portal/1GPA** by selecting Subscribe to create an account. Detailed instructions may be found at http://help.procurenow.com/en/articles/2482165-vendor-registration

   - Follow updates to existing solicitations and receive email notices of amendments/addenda posted by finding the solicitation and clicking the "Follow" button. Ultimately, it is the sole responsibility of each offeror to periodically check the site for any amendments/addenda issued at **https://secure.procurenow.com/portal/1GPA.**

2. **Prepare your submission materials:**

   - **Do not embed** any documents within your uploaded files, as they will not be accessible or evaluated.

3. **Upload your submission at: https://secure.procurenow.com/portal/1GPA**

   - Your submission must be uploaded, submitted, and finalized prior to the Closing Time of

   APRIL 21, 2022 11:00 AM ARIZONA TIME OR AS AMENDED

   - We strongly recommend that you give yourself sufficient time and at least **ONE (1) day** before Closing Time to begin the uploading process and to finalize your submission.

4. **Important Notes:**

   - Each item of Requested Information/Document will only be visible after the Closing Time.

   - Uploading large documents may take significant time, depending on the size of the file(s) and your Internet connection speed.

   - You will receive an email confirmation with a date/time stamp once you finalize your submission.

   - Minimum system requirements: OpenGov Procurement is compatible with major browsers such as Chrome, Firefox, Microsoft Internet Explorer, Edge and Safari. It can be accessed on all Android and IOS devices.

SOLICITATION AMENDMENT #1
ASPHALT PRODUCTS AND SERVICES
IFB 22-15P

Bid Due Date and Time: April 21, 2022 at 11:00 AM Arizona Time

The above reference solicitation is hereby amended as follows:

1. ***Pricing Table, Lines 10-14, Description, replace with:***
    a. Line 10 - 4 Inch Depth – 2 Lifts, Over 10,000 SQFT
    b. Line 11 – 5 Inch Depth – 2 Lifts, Under 10,000 SQFT
    c. Line 12 – 5 Inch Depth – 2 Lifts, Over 10,000 SQFT
    d. Line 13 – 6 Inch Depth – 2 Lifts, Under 10,000 SQFT
    e. Line 14 – 6 Inch Depth – 2 Lifts, Over 10,000 SQFT

2. ***Pricing Table, Header Before Line 44, replace with:*** Wide Crack Seal

3. ***Pricing Table, Line 45:*** Replace description with "Wide Crack Seal" and Unit of Measure to "LB"

4. ***Pricing Table, Line 46:*** Omit

All other provisions of the solicitation shall remain in their entirety. Firms should acknowledge receipt of this amendment electronically through the OpenGov Procurement portal for this project prior to the due date and time referenced above.

Questions regarding this solicitation may be submitted through the OpenGov Procurement portal or by email at rseifert@1gpa.org by April 8, 2022 at 5:00 PM.

SOLICITATION AMENDMENT #2
ASPHALT PRODUCTS AND SERVICES
IFB 22-15P

*Bid Due Date and Time: April 25, 2022 at 11:00 AM Arizona Time

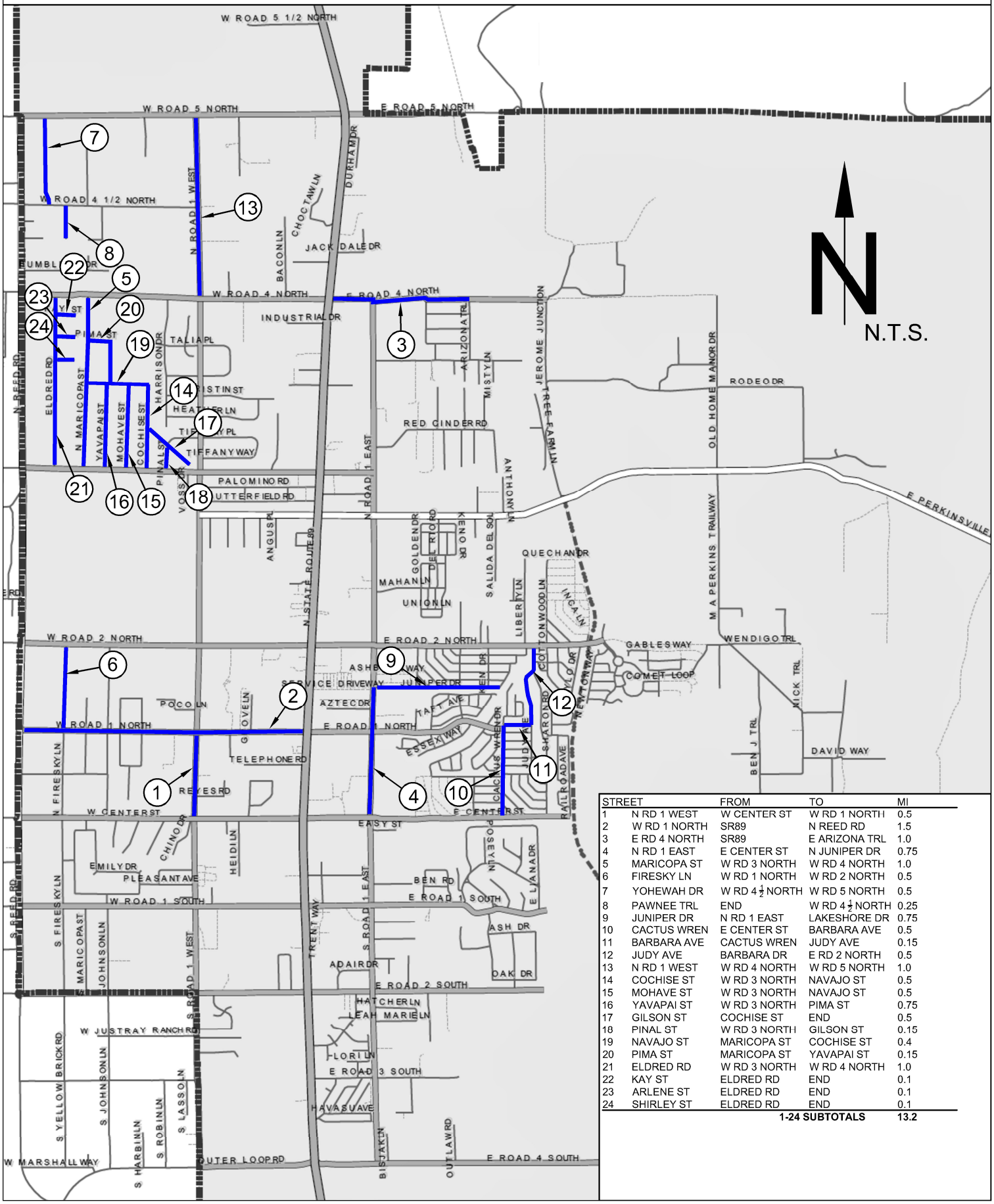
The above reference solicitation is hereby amended as follows:

1. ***Cover Page, Bid Due Date and Time, change to:*** April 25, 2022 at 11:00 AM Arizona Time

All other provisions of the solicitation shall remain in their entirety. Firms should acknowledge receipt of this amendment electronically through the OpenGov Procurement portal for this project prior to the due date and time referenced above.

REVISED 4/2/26

FY26 PULVERIZE & CHIP SEAL PROJECT



STREET		FROM	TO	MI
1	N RD 1 WEST	W CENTER ST	W RD 1 NORTH	0.5
2	W RD 1 NORTH	SR89	N REED RD	1.5
3	E RD 4 NORTH	SR89	E ARIZONA TRL	1.0
4	N RD 1 EAST	E CENTER ST	N JUNIPER DR	0.75
5	MARICOPA ST	W RD 3 NORTH	W RD 4 NORTH	1.0
6	FIRESKY LN	W RD 1 NORTH	W RD 2 NORTH	0.5
7	YOHEWAH DR	W RD 4 ½ NORTH	W RD 5 NORTH	0.5
8	PAWNEE TRL	END	W RD 4 ½ NORTH	0.25
9	JUNIPER DR	N RD 1 EAST	LAKESHORE DR	0.75
10	CACTUS WREN	E CENTER ST	BARBARA AVE	0.5
11	BARBARA AVE	CACTUS WREN	JUDY AVE	0.15
12	JUDY AVE	BARBARA DR	E RD 2 NORTH	0.5
13	N RD 1 WEST	W RD 4 NORTH	W RD 5 NORTH	1.0
14	COCHISE ST	W RD 3 NORTH	NAVAJO ST	0.5
15	MOHAVE ST	W RD 3 NORTH	NAVAJO ST	0.5
16	YAVAPAI ST	W RD 3 NORTH	PIMA ST	0.75
17	GILSON ST	COCHISE ST	END	0.5
18	PINAL ST	W RD 3 NORTH	GILSON ST	0.15
19	NAVAJO ST	MARICOPA ST	COCHISE ST	0.4
20	PIMA ST	MARICOPA ST	YAVAPAI ST	0.15
21	ELDRED RD	W RD 3 NORTH	W RD 4 NORTH	1.0
22	KAY ST	ELDRED RD	END	0.1
23	ARLENE ST	ELDRED RD	END	0.1
24	SHIRLEY ST	ELDRED RD	END	0.1
			1-24 SUBTOTALS	**13.2**

PROPOSAL DOCUMENT REPORT

IFB PV No. IFB #22-15P

Asphalt Products and Services

RESPONSE DEADLINE: April 25, 2022 at 11:00 am

Report Generated: Friday, May 20, 2022

Cactus Asphalt Proposal

CONTACT INFORMATION

Company:
Cactus Asphalt

Email:
jabram@cactusasphalt.com

Contact:
Jeff Abram

Address:
8211 W. Sherman St
Tolleson, AZ 85353

Phone:
(623) 907-2800

Website:
www.cactusasphalt.com

Submission Date:
Apr 25, 2022 7:37 AM

ADDENDA CONFIRMATION

Addendum #1
Confirmed Apr 22, 2022 1:49 PM by Jeff Abram

Addendum #2
Confirmed Apr 22, 2022 1:49 PM by Jeff Abram

QUESTIONNAIRE

1. Bid Requirements*

Confirm that you have read the requirements of the solicitation, your firm's full understanding of the requirements of the Scope of Work detailed in the Solicitation Document and the ability of your firm to comply with all the terms, requirements, and conditions of the resultant contract.

Confirmed

2. General Information

BID INQUIRIES*

Please provide the name, title, phone number, and email address for the person 1GPA may contact for questions regarding your firm's response to this solicitation.

Jeff Abram - Senior Estimator

623-907-2800

jabram@cactusasphalt.com

SALES CONTACT*

Provide the name, title, phone number, and email address of the per 1GPA Members will contact for inquiries and quotes related to the contract resulting from this solicitation.

Jeff Abram - Senior Estimator

623-907-2800

jabram@cactusasphalt.com

3. Cooperative Purchasing Program

CONTRACT ADMINISTRATION REQUIREMENTS*

Do you understand the Cooperative Purchasing Program and will you comply will the contract administration requirements of 1GPA?

Yes

VOLUME TRACKING

Breifly describe your process for volume tracking and reporting contract sales to 1GPA.

When projects are awarded as a tag-on or bid with 1GPA, our internal accountant tracks the information on the project separately than other jobs so we can account for sales to 1GPA in a timely manner.

ADMINISTRATION FEE*

Confirm your firm's understanding that 1GPA's 1% administration fee shall be included in the net price and shall not be added to approved contract prices if awarded.

Yes

4. Qualifications and Experience

The following items will be considered when determining the responsibility of the vendor (see Special Terms and Condition #30 of the solicitation document)

HISTORY OF THE FIRM*

Provide a brief history of the firm.

Formed in 1979 Cactus started as a oil transport company and quickly developed the skills, people, and equipment to start chip sealing for various customers. Cactus quickly expanded into providing asphalt paving, crack sealing and fog sealing. Now 43 years later Cactus is the premier leader in the Southwest for all asphalt maintenance and construction needs.

LOCATIONS*

Upload a list of your firm's offices, warehouses and/or storefront locations.

4.2_Locations_-_CACTUS.pdf

CORPORATION COMMISSION*

Upload your registration information with the Arizona Corporation Commission or other state(s) as applicable.

AZ_Corp_Commission_-_CACTUS.pdf

CONTRACTOR'S LICENSE*

Upload a copy(ies) or a list of your firm's current contractor's licenses.

194430_License.pdf

YEARS OF EXPERIENCE*

Provide the number of years your firm has been providing the products/services being offered.

43

KEY PERSONNEL*

Download the below document, complete, and upload. Resumes or any other additional information may also be uploaded here.

- Key_Personnel_22-15P.docx

Key_Personnel_22-15P_-_CACTUS.docx

REFERENCES/PERFORMANCE EVALUATION SURVEYS

Provide five (5) references, preferably government entities, for which your firm has provided similar products/services in the past. Download the below document, complete and upload. Additional project or reference information may also be uploaded here.

- Performance_Evaluation_22-1...

Eval_Form_-_ERAU.pdfEval_Form_-_LHC_School.pdfEval_Form_-_MCDOT.pdfEval_Form_-_Maricopa_School_District.pdfEval_Form_-_Cottonwood.pdf

FINANCIAL DISCLOSURE QUESTIONNAIRE - LONG FORM*

Download the below document, complete, and upload.

- Financial_Disclosure_Questi...

Financial_Disclosure_-_CACTUS.pdf

5. Products and Services

PRODUCTS AND SERVICES OFFERED*

Provide information regarding the products and services your firm provides related to the Scope of Work for this solicitation.

One of the reasons we're so well-regarded is our ability to provide a wide range of services to our customers. At Cactus Asphalt, we're always expanding our horizons and staying at the forefront of our industry. You can rely on us for:

Paving

Grading

Seal Coating

Slurry and Micro Sealing

Chip Sealing

Crack Sealing

Patching

Fabric Overlay

Concrete

Striping

Blending

Site Development

Dust Control

SUPPLEMENTAL INFORMATION

Upload any supplemental information regarding products and/or services offered that you would like to include in your response here (if applicable)

CoolSeal-2020_-_PDF_for_Material.pdfSpecification_-_Cactus_Polymer_Modified_Asphalt_Rubber.doc

6. Cost

Please complete the pricing tables included in the "Pricing" section of this project and provide other information as requested in this section.

BASE LOCATION

Not-to-exceed prices listed on the Asphalt Products and Services Pricing Tables should be for the Phoenix Metro area if available. If your firm does not provide services in this area, provide the state/region for which the not-to-exceed prices apply. This pricing table will also be used as the basis for the Regional Price Adjustment Section of this project.

Base is Phoenix Metro

REGIONAL PRICE ADJUSTMENTS*

Download the below document, complete, and upload per instructions on the form. If your firm offers an alternate regional pricing structure, please complete Tab 2 of the attached form. Additional information may also be uploaded here.

- 22-15P_Regions.xlsx

22-15P_Regions_-_CACTUS.xlsx

ADDITIONAL PRODUCTS AND SERVICES

Upload not-to-exceed rates for any additional products and services related to the scope of work for this project that your firm wishes to make available to 1GPA Members if awarded under this contract.

ADDITIONAL_BID_ITEMS_REQUESTED_BY_CACTUS.xlsx

EXTENDED WARRANTY

If your firm offers extended warranties, please upload program information and pricing here.

No response submitted

7. Forms

BID SECURITY*

School procurement rules require that all competitive sealed procurement for construction have bid security, if the amount of the construction contract will exceed the amount established by Arizona Administrative Code (A.A.C.) R7-2-1002(A). Bid security as a percentage of the bid amount is unacceptable, as this is a term contract with no specific bid amount.

Bidders shall include acceptable bid security in the amount of $100,000 with submission of their Bid.

Acceptable bid security for this solicitation will be a certified check, or an annual or one-time bid bond underwritten by a surety company licensed to issue bonds in the appropriate state construction will take place, with the principal being the prime contractor and 1GPA being the Agency of Record.

Please scan and upload a copy of your bid security under item 7.2 "Bid Security Form". Bidder should also MAIL bid security no later than the bid due date and time addressed to

1GPA

Attention: Rebecca Seifert

1910 West Washington Street

Phoenix, AZ 85009

Please have the Bidder Name, Contract Title ("Asphalt Products and Services"), and Contract Number ("IFB #22-15P") listed clearly on the outside of the envelope.

Confirmed

BID SECURITY FORM*

Download the sample bid bond form below. Upload a copy of your bid bond here. Mail the original copy as instructed under 7.1 Bid Security.

- Bid_Bond_Form.docx

BID_BOND_-_CACTUS.pdf

OFFEROR'S PROPOSAL AND CONTRACT ACCEPTANCE (UPLOAD PROJECT SPECIFIC DOCUMENT)*

Download the below document, complete, and upload.

- O&A_22-15P.docx

Bid_and_Contract_Acceptance_-_CACTUS.pdf

2CFR SECTION 200 CERTIFICATION*

Download the below document, complete, and upload.

- 2CFR_Section_200_Certificat...

2CFR_Section_200_Cert_-_CACTUS.pdf

COI FORM*

Download the below document, complete, and upload.

- COI_Form.docx

1GPA_Cactus-Transpor_21-22-GL,-AL,-U_3-24-2022_992960923.pdf

CONFIDENTIAL PROPRIETARY SUBMITTAL FORM*

Download the below document, complete, and upload.

- Confidential_Proprietary_Su...

Confidential-Proprietary_-_CACTUS.pdf

DEBARMENT CERTIFICATION*

Download the below document, complete, and upload.

- Debarment_Certification.docx

Debarment_Certification_-_CACTUS.pdf

MWBE AND HUB*

Download the below document, complete, and upload.

- MWBE_and_HUB.docx

MWBE-HUB_Certification_-_CACTUS.pdf

NON COLLUSION AFFIDAVIT*

THIS FORM MUST BE NOTARIZED. Download the below documents, complete, and upload.

- Non_Collusion_Affidavit.docx

Non-Collusion_Aff._-_CACTUS.pdf

W-9*

Download the below documents, complete, and upload.

- W-9.docx

W9_-_CACTUS.pdf

ANTITRUST CERTIFICATION STATEMENT*

Download the below documents, complete, and upload.

- Antitrust_Certification.docx

Anti_Trust_-_CACTUS.pdf

PRICE TABLES

ASPHALT PRODUCTS AND SERVICES

Bidder should provide not-to-exceed pricing for the various products/services listed below as applicable for the Phoenix Metro area (or your Base Location identified in Item 6.1 of the Vendor Submission section of this project). Prices shall include all labor, materials, equipment, necessary to provide the item requested. Include any pricing not specifically listed under item 6.3 "Additional Products and Services" of the Vendor Submission section of this project. You must enter a not-to-exceed rate or "No Bid" for every line item. Any manufacturer's name, trade name, brand name, or product number used below is for the purpose of describing and/or establishing quality, design and performance. Any such references are not intended to limit or restrict vendor's bids.

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
Asphalt Surface Patch						

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
1	Mobilization	Flat Fee		$2,000.00		
2	Per Square Foot Per Inch, Less than 10,000 SQFT	Per SQFT Per Inch		$2.25		
3	Per Square Foot Per Inch, Greater than 10,000 SQFT	Per SQFT Per Inch		$1.50		
Asphalt Removal/Replacement						
4	Mobilization Charge	Flat Fee		$2,500.00		
5	2 Inch Depth, Under 10,000 SQFT	SQFT		$3.55		
6	2 Inch Depth, Over 10,000 SQFT	SQFT		$2.80		
7	3 Inch Depth, Under 10,000 SQFT	SQFT		$4.14		
8	3 Inch Depth, Over 10,000 SQFT	SQFT		$3.41		
9	4 Inch Depth - 2 Lifts, Under 10,000 SQFT	SQFT		$5.09		
10	4 Inch Depth - 2 Lifts, Over 10,000 SQFT	SQFT		$4.35		
11	5 Inch Depth - 2 Lifts, Under 10,000 SQFT	SQFT		$6.30		
12	5 Inch Depth - 2 Lifts, Over 10,000 SQFT	SQFT		$6.53		
13	6 Inch Depth - 2 Lifts, Under 10,000 SQFT	SQFT		$7.56		
14	6 Inch Depth - 2 Lifts, Over 10,000 SQFT	SQFT		$7.11		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
Asphalt Speed Bumps						
15	Mobilization Charge	Flat Fee		$2,000.00		
16	Speed Bumps (18" Wide x 24 Linear Feet) at 3" Height	Each		$1,500.00		
Asphalt Speed Humps/Tables						
17	Mobilization Charge	Flat Fee		$2,000.00		
18	Speed Humps (3' Wide x Street Width) at 3" Height	SQFT		$28.00		
19	Speed Humps (12' Wide x Street Width) at 3" Height	SQFT		$8.50		
20	Speed Humps (14' Wide x Street Width) at 3" Height	SQFT		$10.00		
21	Speed Tables (22' Wide x Street width) at 3" Height	SQFT		$14.00		
Asphaltic Concrete Paving and Overlay						
22	Mobilization Charge	Flat Fee		$4,500.00		
23	1" Depth	SQFT		$1.25		
24	1-1/2" Depth	SQFT		$1.41		
25	2" Depth	SQFT		$1.74		
26	3" Depth	SQFT		$2.60		
27	4" Depth - 2 Lifts	SQFT		$3.53		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
Asphalt Concrete Fabric Overlay						
28	Mobilization	Flat Fee		$1,000.00		
29	Fabric Overlay	SQFT		$3.00		this is cost to add fabric to project
Asphalt Milling						
30	Mobilization	Flat Fee		$4,000.00		
31	Asphalt Milling Per Inch Deep	SQYD		$1.75		
Ultra Thin Bonded Wearing Course						
32	Mobilization	Flat Fee		No Bid	X	
33	Residential Streets: 1.25" to 1.5" in Thickness	SQYD		No Bid	X	
34	Arterial/Collector Streets: 1.0" to 1.25" in Thickness	SQYD		No Bid	X	
35	Edge Milling at Depth of Wearing Course	SQYD		No Bid	X	
Asphalt Sawcutting						
36	Mobilization	Flat Fee		$350.00		
37	Per Inch of Thickness	LF		$0.70		
Concrete Sawcutting						

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
38	Mobilization	Flat Fee		$350.00		
39	Per Inch of Thickness	LF		$1.40		
Parking Lot Sweeping						
40	Mobilization	Flat Fee		$200.00		
41	Parking Lot Sweeping	SQFT		$0.03		
Hot Rubber Crack Seal						
42	Mobilization	Flat Fee		$300.00		
43	Hot Rubber Crack Seal	LB		$2.16		
Wide Crack Seal						
44	Mobilization	Flat Fee		$300.00		
45	Wide Crack Seal	LB		$3.16		
Asphalt Emulsion Sealer, Spray Applied, SealMaster MasterSeal or Equivalent (enter alternate product in the "Comments" section)						
47	Mobilization	Flat Fee		$500.00		SealMaster Master Seal
48	First Coat	SQFT		$0.07		OR
49	Second Coat	SQFT		$0.06		GuardTop LSTR

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
Asphalt Emulsion Sealer, Spray Applied, SealMaster PMM or Equivalent (enter alternate product in the "Comments" section)						
50	Mobilization	Flat Fee		$500.00		SealMaster PMM RTU
51	First Coat	SQFT		$0.10		OR
52	Second Coat	SQFT		$0.09		GuardTop Ultra
Asphalt Emulsion Sealer, Squeegee Applied, (enter product name in the "Comments" section)						
53	Mobilization	Flat Fee		$500.00		GuardTop CoolSeal
54	First Coat	SQFT		$0.84		(Gray/White Seal Coat)
55	Second Coat	SQFT		$0.84		
Asphalt Emulsion Sealer, Squeegee/Spray Applied, SealMaster PMM or Equivalent (enter alternate product in the "Comments" section)						
56	Mobilization	Flat Fee		$500.00		SealMaster PMM
57	First Coat - Squeegee	SQFT		$0.11		OR
58	Second Coat - Spray	SQFT		$0.09		GuardTop Ultra
Asphalt Emulsion Sealer, Squeegee/Spray Applied, SealMaster Liquid Road or Equivalent (enter alternate product in the "Comments" section)						

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
59	Mobilization	Flat Fee		$500.00		SealMaster Liquid Road
60	First Coat - Squeegee	SQFT		$0.24		OR
61	Second Coat - Spray	SQFT		$0.22		GuardTop RoadShield
Scrub Seal						
62	Mobilization	Flat Fee		$3,500.00		
63	Scrub Seal	SQFT		$0.60		
Tire Rubber Modified Surface Sealer (TRMSS)						
64	Mobilization	Flat Fee		$1,200.00		
65	TRMSS	SQFT		$0.35		
Conventional Type II Slurry Seal						
66	Mobilization	Flat Fee		$5,000.00		
67	Conventional Type II Slurry Seal	SQYD		$3.75		
Latex/Polymer Modified II Slurry Seal						
68	Mobilization	Flat Fee		$5,000.00		
69	Latex/Polymer Modified II Slurry Seal	SQYD		$4.30		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
Microseal Type II Slurry Seal						
70	Mobilization	Flat Fee		$5,000.00		
71	Microseal Type II Slurry Seal	SQYD		$5.00		
Single Chip Seal						
72	Mobilization	Flat Fee		$4,000.00		
73	Single Chip Seal	SQYD		$3.25		
Double Chip Seal						
74	Mobilization	Flat Fee		$4,500.00		
75	Double Chip Seal	SQYD		$6.87		
Polymer Modified Asphalt Chip Seal						
76	Mobilization	Flat Fee		$4,000.00		
77	Polymer Modified Asphalt Chip Seal	SQYD		$3.50		
Terminal Blend Rubber Chip Seal						
78	Mobilization	Flat Fee		$4,000.00		
79	Terminal Blend Rubber Chip Seal	SQYD		$5.55		
Acrylic Modified Asphalt Emulsion Seal						

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
80	Mobilization	Flat Fee		$3,200.00		
81	Acrylic Modified Asphalt Emulsion Seal	SQFT		$0.70		
Fog Seal or Tack Seal						
82	Mobilization	Flat Fee		$1,000.00		
83	Fog Seal or Tack Seal	SQFT		$0.40		
Excavation, Demo/Haul Asphalt, Dirt, Etc.						
84	Mobilization	Flat Fee		$3,800.00		
85	Non-Concrete	Cubic Yard		$35.00		
86	Concrete	Cubic Yard		$155.00		
87	Concrete with Rebar	Cubic Yard		$175.00		
Dump Fees						
88	Non-Concrete	Cubic Yard		$55.00		
89	Concrete	Cubic Yard		$75.00		
90	Organic	Cubic Yard		$100.00		
Place and Compact Fill or ABC/GSA Materials						
91	Mobilization	Flat Fee		$4,000.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
92	Per Inch of Thickness	SQFT		$0.38		
Grade Area						
93	Mobilization	Flat Fee		$4,000.00		
94	Grade Area	SQYD		$3.20		
Soil Stabilization - Cement						
95	Mobilization	Flat Fee		$18,000.00		
96	Blend/Compact at 4% Volume at 6"	SQYD		$4.00		
97	Blend/Compact at 4% Volume at 8"	SQYD		$5.22		
98	Blend/Compact at 4% Volume by 12"	SQYD		$7.97		
99	Blend/Compact at 6% Volume at 6"	SQYD		$6.36		
100	Blend/Compact at 6% Volume at 8"	SQYD		$8.00		
101	Blend/Compact at 6% Volume at 12"	SQYD		$12.04		
102	Blend/Compact at 9% Volume at 6"	SQYD		$9.68		
103	Blend/Compact at 9% Volume at 8"	SQYD		$14.07		
104	Blend/Compact at 9% Volume at 12"	SQYD		$17.53		
Soil Stabilization - Hydrated Lime						

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
105	Mobilization	Flat Fee		$18,000.00		
106	Blend/Compact at 2% Volume at 6"	SQYD		$3.43		
107	Blend/Compact at 2% Volume at 8"	SQYD		$3.98		
108	Blend/Compact at 2% Volume by 12"	SQYD		$5.00		
109	Blend/Compact at 4% Volume at 6"	SQYD		$4.00		
110	Blend/Compact at 4% Volume at 8"	SQYD		$5.22		
111	Blend/Compact at 4% Volume at 12"	SQYD		$7.97		
112	Blend/Compact at 6% Volume at 6"	SQYD		$6.37		
113	Blend/Compact at 6% Volume at 8"	SQYD		$8.01		
114	Blend/Compact at 6% Volume at 12"	SQYD		$12.03		
Dust Palative						
115	Mobilization	Flat Fee		$4,000.00		
116	Topical Application 1 to 5,000 SQYD	Per SQYD		$1.42		
117	Topical Application 5,001 to 10,000 SQYD	Per SQYD		$1.35		
118	Topical Application 10.,001 to 20,000 SQYD	Per SQYD		$1.25		
119	Topical Application 20,001+ SQYD	Per SQYD		$1.25		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
120	Blended Application to 6", 1 to 5,000 SQYD	Per SQYD		$15.60		
121	Blended Application to 6", 5,001 to 10,000 SQYD	Per SQYD		$14.50		
122	Blended Application to 6", 10,001 to 20,000 SQYD	Per SQYD		$14.15		
123	Blended Application to 6", 20,001+ SQYD	Per SQYD		$13.75		
Soil Sterilization						
124	Mobilization	Flat Fee		$1,800.00		
125	1 to 50,000 SQFT	Per SQFT		$0.19		
126	50,001 to 100,000 SQFT	Per SQFT		$0.15		
127	100,001 to 200,000 SQFT	Per SQFT		$0.11		
128	200,001+ SQFT	Per SQFT		$0.08		
Single Pass Asphalt Recycling						
129	Mobilization	Flat Fee		$250,000.00		
130	2" Asphaltic Concrete	SQFT		$238.00		
131	3" Asphaltic Concrete	SQFT		$285.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
132	4" Asphaltic Concrete	SQFT		No Bid	X	can not perform single pass this thick
133	5" Asphaltic Concrete	SQFT		No Bid	X	can not perform single pass this thick
Striping and Safety						
134	Mobilization - Acrylic Striping	Flat Fee		$450.00		
135	Mobilization - Thermoplastic	Flat Fee		$4,500.00		
136	Restripe: Acrylic 4" Wide	LF		$0.53		
137	Restripe: Acrylic 6" Wide	LF		$0.80		
138	Restripe: Acrylic 8" Wide	LF		$1.00		
139	Restripe: Acrylic 12" Wide	LF		$1.50		
140	New Layout: Acrylic 4" Wide	LF		$0.85		
141	New Layout: Acrylic 6" Wide	LF		$1.25		
142	New Layout: Acrylic 8" Wide	LF		$1.70		
143	New Layout: Acrylic 12" Wide	LF		$2.50		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
144	Thermoplastic, 4" Wide	LF		$0.75		
145	Thermoplastic, 6" Wide	LF		$1.18		
146	Thermoplastic, 8" Wide	LF		$2.36		
147	Thermoplastic, 12" Wide	LF		$3.50		
148	Glass Beads, 4" Line	LF		$0.90		
149	Glass Beads, 6" Line	LF		$1.35		
150	Glass Beads, 8" Line	LF		$1.75		
151	Glass Beads, 12" Line	LF		$2.25		
152	Curb (Top and Face), Red	LF		$2.12		
153	Curb (Top and Face), Other Colors	LF		$2.12		
154	Handicap Stencils	Each		$80.00		
155	3' Arrows	Each		$53.00		
156	6' Arrows	Each		$150.00		
157	4-6" Numbers/Letters	Each		$7.00		
158	10-12" Numbers/Letters	Each		$8.00		
159	20-24" Numbers/Letters	Each		$18.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
160	30-36" Numbers/Letters	Each		$25.00		
161	6' Department of Transporation Letters or Numbers	Each		$40.00		
162	Speed Bump Stripe	Each		$125.00		
163	Speed Hump 3' Stripe	Each		$350.00		
164	Speed Hump 12' Stripe	Each		$450.00		
165	Speed Hump 14' Stripe	Each		$750.00		
166	Speed Table 22' Stripe	Each		$1,500.00		
167	Paint 4" Bollard	Each		$45.00		
168	Paint 6" Bollard	Each		$60.00		
169	Paint 8" Bollard	Each		$85.00		
170	Signage with 2" Round Post or U-Channel	Each		$250.00		
171	Signage with 2" Round Post or U-Channel in Concrete	Each		$360.00		
172	Installation - Stop and Sign Post	Each		$450.00		
173	Fire Lane Sign and Post, Single Sided	Each		$250.00		
174	Handicapped Sign and Post, Single Sided	Each		$450.00		
175	Double-Sided Sign and Post	Each		$600.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
176	Ceramic Reflector - Installed	Each		$95.00		
177	Square Reflector, Installed	Each		$5.00		
178	Blue Reflector, Installed	Each		$8.00		
Manhole Adjustments						
179	Mobilization	Flat Fee		$1,200.00		
180	Charge to Lower	Each		$350.00		
181	Charge to Raise	Each		$750.00		
Water/Sewer/Gas Cover Adjustments						
182	Mobilization	Flat Fee		$1,200.00		
183	Charge to Lower	Each		$350.00		
184	Charge to Raise	Each		$550.00		
Survey Monuments						
185	Mobilization	Flat Fee		$1,200.00		
186	Type A: Charge to Lower	Each		$350.00		
187	Type A: Charge to Raise	Each		$550.00		
188	Type B: Charge to Lower	Each		$350.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
189	Type B: Charge to Raise	Each		$550.00		
Riser Ring Adjustments						
190	Mobilization	Flat Fee		$2,500.00		
191	Manhole	Each		$255.00		
192	Water/Sewer	Each		$255.00		
Concrete Single Curb - 6"x18"						
193	Mobilization	Flat Fee		$1,800.00		
194	1-200	LF		$45.00		
195	201-500	LF		$35.00		
196	501-1000	LF		$30.00		
197	1001+	LF		$28.00		
Concrete Curb and Gutter - 6" High Curb & 6" Thick Gutter						
198	Mobilization	Flat Fee		$1,800.00		
199	1-200	LF		$45.00		
200	201-500	LF		$40.00		
201	501-1000	LF		$35.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
202	1000+	LF		$30.00		
Concrete Flatwork						
203	Mobilization	Flat Fee		$1,800.00		
204	4" Thick per SQFT - 1 to 500 SQFT	SQFT		$24.00		
205	4" Thick per SQFT - 501 to 1000 SQFT	SQFT		$16.00		
206	4" Thick per SQFT - 1001+ SQFT	SQFT		$12.50		
207	6" Thick per SQFT - 1 to 500 SQFT	SQFT		$28.00		
208	6" Thick per SQFT - 501 to 1000 SQFT	SQFT		$18.00		
209	6" Thick per SQFT - 1001+ SQFT	SQFT		$14.50		
210	8" Thick per SQFT - 1 to 500 SQFT	SQFT		$30.00		
211	8" Thick per SQFT - 501 to 1000 SQFT	SQFT		$20.00		
212	8" Thick per SQFT - 1001+ SQFT	SQFT		$16.50		
213	12" Thick per SQFT - 1 to 500 SQFT	SQFT		$35.00		
214	12" Thick per SQFT - 501 to 1000 SQFT	SQFT		$26.00		
215	12" Thick per SQFT - 1001+ SQFT	SQFT		$24.00		
216	Additional Charge for Wire Mesh	SQFT		$1.50		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
217	Additional Charge for Fiber Mesh	SQFT		$5.00		
218	Additional Charge for #3 Rebar	SQFT		$3.50		
219	Additional Charge for Post Tension	SQFT		$100.00		
Concrete Doweling						
220	3/8"x12" Steel Dowels, Installed	Each		$35.00		
221	1/2"x12" Steel Dowels, Installed	Each		$30.00		
Concrete Extruded Curb - No Rebar						
222	Mobilization	Flat Fee		$1,800.00		
223	1 to 300 per Linear Foot	LF		$25.00		
224	301 to 500 per Linear Foot	LF		$15.00		
225	501+ per Linear Foot	LF		$12.00		
Concrete Extruded Curb - With Rebar						
226	Mobilization	Flat Fee		$1,800.00		
227	1 to 300 per Linear Foot	LF		$30.00		
228	301 to 500 per Linear Foot	LF		$20.00		
229	501+ per Linear Foot	LF		$17.00		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
Precast Safety Curbs						
230	Mobilization	Flat Fee		$750.00		
231	Remove and Stockpile Existing Curbs	Each		$25.00		
232	Repin Existing Curbs	Each		$40.00		
233	New 6' Curbs, 1 to 20 per each	Each		$175.00		
234	New 6' Curbs, 21+ per each	Each		$125.00		
Safety Bollards						
235	Mobilization	Flat Fee		$1,800.00		
236	4" Diameter, Concrete Filled	Each		$800.00		
237	6" Diameter, Concrete Filled	Each		$1,200.00		
238	8" Diameter, Concrete Filled	Each		$1,500.00		
Construction Survey						
239	Registered Surveyor, 1 Man and Equipment	Per Hour		$300.00		
240	Non-Registered Surveyor, 2 Men and Equipment	Per Hour		$350.00		
Other						
241	Asphalt Cleaning/Prep	SQFT		$0.18		

Line Item	Description	Unit of Measure	Alternate Unit of Measure	Not-To-Exceed Price	No Bid	Comments
242	Traffic Control	Per Day		$3,500.00		
243	Sweeping	Per Hour		$185.00		

Cactus

8211 West Sherman Street
Tolleson, Arizona 85353

Phone (623) 907-2800
Fax (623) 907-2900

www.CactusAsphalt.com

April 20, 2022

1GPA Asphalt Products and Services IFB# 22-15P

RE: 4.2 - Locations

Cactus Asphalt is Located at the following Address:

8211 W. Sherman St.
Tolleson AZ 85353

Cactus runs all aspects of the business from this location including the shop, accounting, sales and production.

Bryan Glazer – Managing Partner

ENTITY INFORMATION

Search Date and Time: 3/24/2022 2:37:41 PM

Entity Details

Entity Name:

CACTUS TRANSPORT, INC.

Entity ID:

01204298

Entity Type:

Domestic For-Profit (Business) Corporation

Entity Status:

Active

Formation Date:

1/16/1979

Reason for Status:

In Good Standing

Approval Date:

7/27/2018

Status Date:

Original Incorporation Date:

1/16/1979

Life Period:

Perpetual

Business Type:

Construction

Last Annual Report Filed:

2021

Domicile State:

Arizona

Annual Report Due Date:

8/16/2022

Years Due:

Original Publish Date:

2/13/1979

Statutory Agent Information

Name:

HLG CORPORATE SERVICES LLC

Appointed Status:

Active

Attention:

Address:

2398 CAMELBACK RD SUITE 1020 , PHOENIX, AZ 85016, USA

Agent Last Updated:

6/23/2021

E-mail:

Attention:

Mailing Address:

County:

Maricopa

Principal Information

Title	Name	Attention	Address	Date of Taking Office	Last Updated
Director	BRYAN GLAZER		8211 W SHERMAN STREET, TOLLESON, AZ, 85353, Maricopa County, USA	9/17/2014	5/22/2019
Director	JASON HOFFMAN		8211 W SHERMAN STREET, TOLLESON, AZ, 85353, Maricopa County, USA	9/17/2014	5/22/2019
Director	JAMES GALLEGOS		8211 W SHERMAN STREET, TOLLESON, AZ, 85353, Maricopa County, USA	9/17/2014	5/22/2019
President/CEO	JASON HOFFMAN		8211 W SHERMAN STREET, TOLLESON, AZ, 85353, Maricopa County, USA	1/9/2015	5/22/2019
Secretary	BRYAN GLAZER		8211 W SHERMAN STREET, TOLLESON, AZ, 85353, Maricopa County, USA	1/9/2015	5/22/2019

< Previous ... 1 2 ... Next > Page 1 of 2, records 1 to 5 of 7 Go to Page

Address

Attention: JOSH SWARTZENDRUBER

Address: 8211 W SHERMAN ST, TOLLESON, AZ, 85353, USA

County: Maricopa

Last Updated: 6/23/2021

Entity Principal Office Address

Attention:

Address:

County:

Last Updated:

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IMPORTANT NOTICE
YOU MUST:

1.) REPORT DISASSOCIATION OF QUALIFYING PARTY **IN WRITING** WITHIN 15 DAYS. [SEE A.R.S. § 32-1154(A)(18)]
2.) REPORT A CHANGE OF ADDRESS **IN WRITING** WITHIN 30 DAYS. [SEE A.R.S. § 32-1122(B)(1)]
3.) REPORT ANY TRANSFER OF OWNERSHIP OF 50% OR MORE IMMEDIATELY [SEE A.R.S. § 32-1151.01]
4.) REPORT ANY CHANGE IN LEGAL ENTITY, SUCH AS ANY CHANGE OF THE OWNERSHIP IN A SOLE PROPRIETORSHIP OR CHANGE OF A PARTNER IN A PARTNERSHIP OR THE CREATION OF A NEW CORPORATE ENTITY. [SEE A.R.S. § 32-1124(B)(F) § RULE R-4-9-110]

Cactus Transport Inc
Cactus Asphalt A Division of Cactus Transport Inc
8211 W Sherman St
Tolleson, AZ 85353-3303

THIS IS YOUR IDENTIFICATION CARD
DO NOT DESTROY

LICENSE EFFECTIVE THROUGH: 3/31/2022
STATE OF ARIZONA
Registrar of Contractors CERTIFIES THAT
Cactus Transport Inc
Cactus Asphalt A Division of Cactus Transport Inc

CONTRACTORS LICENSE NO. ROC 194430 CLASS A
General Commercial
General Engineering

THIS CARD MUST BE PRESENTED UPON DEMAND
JEFF FLEETHAM, DIRECTOR

IMPORTANT NOTICE
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JEFF FLEETHAM, DIRECTOR

IFB 22-15P ASPHALT PRODUCTS AND SERVICES
KEY PERSONNEL

Provide information regarding key personnel that includes education and experience, years of industry experience and years with your firm. You may also attach any supporting information that demonstrates the employee's experience, expertise and/or performance. Add more tables as needed.

KEY PERSONNEL #1

NAME:	**Jeff Abram**
TITLE:	**Senior Estimator**
YEARS OF INDUSTRY EXPERIENCE:	**15**
YEARS WITH THE FIRM:	**7**
EDUCATION:	**BS – Construction Management ASU** **Graduated 2008**
WORK EXPERIENCE:	**Cactus Asphalt – 7 Years, Senior Estimator** **Responsible for all public work, JOC and JOA tag-on, and large-scale private project estimating and pre-construction management. Key owners include Arizona Department of Transportation, City of Glendale, City of Avondale, City of Tempe, Maricopa County Department of Transportation, Colorado River Indian Tribes, Gila River Indian Community, Salt River Pima-Maricopa Indian Community, City of Sedona.** **Project Sizes ranged from $5,000 to $7.5M** **Combs Construction – 2 Years, Estimator** **Estimator for large civil projects, key owners included Arizona Department of Transportation, Maricopa County Department of Transportation, City of Phoenix, City of Avondale, City of Chandler.** **Project Sizes ranged from $500,000 to $6M** **FNF Construction – 6 Years, Project Engineer to Asst. Project Manager** **Project engineer for large scale civil construction. Key projects included US 93 MP 17-2 ($72M ADOT Contract), I-15 Virgin River ($25M ADOT Contract), I-10 Bullard TI ($15M ADOT Contract, US 93 Deluge Wash ($36M ADOT Contract.**

OTHER INFORMATION:	

KEY PERSONNEL #2

NAME:	**Pauline Schopp**
TITLE:	**Crack Seal, Seal Coat, and Striping Division Manager**
YEARS OF INDUSTRY EXPERIENCE:	**8**
YEARS WITH THE FIRM:	**8**
EDUCATION:	**BS – Surgical Technologies** **Mercy College of Health Sciences** **Graduated 2010**
WORK EXPERIENCE:	**Pauline has over 8 years of experience in the construction industry working from receptionist to dispatch and now Division Manager. Pauline currently oversees project planning, scheduling, quality control, safety compliance, vendor subcontractor management, crew member management and job costing for any projects related to Crack Seal, Seal Coat, and Striping.** **(All work experience at Cactus)**

OTHER INFORMATION:	

KEY PERSONNEL #3

NAME:	**Rick Carrico**
TITLE:	**Paving, Grading, Milling, and Concrete Division Manager**
YEARS OF INDUSTRY EXPERIENCE:	**20**
YEARS WITH THE FIRM:	**15**
EDUCATION:	**HS Diploma – Ironwood Highschool**

IFB 22-15P ASPHALT PRODUCTS AND SERVICES
KEY PERSONNEL

WORK EXPERIENCE:	**Rick started his construction career as a laborer on a grading crew, quickly grew into an operator and when the time came tried his hand in running crews.** **Rick now works as the division manager overseeing 3 paving crews and 2 concrete crews that work throughout Arizona on a given day.** **Rick currently oversees project planning, scheduling, quality control, safety compliance, vendor subcontractor management, crew member management and job costing for any projects related to paving, grading, milling and concrete.**
OTHER INFORMATION:	

PERFORMANCE EVALUATION SURVEY

Subject: Invitation for Bid 22-15P Asphalt Products and Services

Name of Vendor Being Assessed: Cactus Asphalt

To Whom It May Concern:
1GPA is currently undergoing Performance Evaluations for the vendor listed above regarding their response to a current Solicitation. The information will be used to determine the Past Performance and Qualifications of the above firm. 1GPA would greatly appreciate you taking a few minutes out of your busy day to complete the questionnaire below.
Please evaluate the performance of the vendor (**10 means-you are Always satisfied, 5 means- you are Sometimes satisfied, and 1 means- you are very Dissatisfied because of very poor performance)**. If you do not have sufficient knowledge of in a particular area, leave it blank.

NO.	Criteria	Unit	Score
1	Ability to maintain schedule and provide results in a timely manner	(1-10)	10
2	Quality of Products and/or Service	(1-10)	10
3	Ability to understand the needs of your agency	(1-10)	10
4	Vendor's participation and assistance when "issues" arise	(1-10)	10
5	Close out process (invoicing, no unexpected/hidden fees)	(1-10)	10
6	Billing statements provided are easy to understand	(1-10)	10
7	Ability to follow your agency's rules, regulations, and requirements	(1-10)	10
8	Communication with your agency regarding schedules and timelines	(1-10)	9
9	Vendor provides value added services with satisfaction of your agency	(1-10)	10
10	Overall customer satisfaction based on performance (comfort level in using vendor again)	(1-10)	10

Any additional comments regarding vendor/services provided:

Cactus asphalt is an outstanding contractor. I have over 25 years of experience in Facilities Management and they are among the best vendors I have ever worked with. They do what they say they will, when they way they will for the price they said they will. Couldn't ask for more.

Signature: 	Date: 4-20-22
Printed Name: Brad Shinn	Title: Director of Facilities
Organization: Embry-Riddle Aero. Univ.	Phone Number: 928-777-3334

Thank you for your time and effort in assisting the vendor in this important endeavor. Please email this survey back to the firm requesting it as soon as possible so it can be included in their response.

PERFORMANCE EVALUATION SURVEY

Subject: Invitation for Bid 22-15P Asphalt Products and Services

Name of Vendor Being Assessed: Cactus Asphalt

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NO.	Criteria	Unit	Score
1	Ability to maintain schedule and provide results in a timely manner	(1-10)	10
2	Quality of Products and/or Service	(1-10)	10
3	Ability to understand the needs of your agency	(1-10)	10
4	Vendor's participation and assistance when "issues" arise	(1-10)	10
5	Close out process (invoicing, no unexpected/hidden fees)	(1-10)	10
6	Billing statements provided are easy to understand	(1-10)	10
7	Ability to follow your agency's rules, regulations, and requirements	(1-10)	10
8	Communication with your agency regarding schedules and timelines	(1-10)	10
9	Vendor provides value added services with satisfaction of your agency	(1-10)	10
10	Overall customer satisfaction based on performance (comfort level in using vendor again)	(1-10)	10

Any additional comments regarding vendor/services provided:

We wish all our vendors were this good.

Signature: John Simpson	Date: 4/14/22
Printed Name: John Simpson	Title: MAINTENANCE SUPERVISOR
Organization: LAKE HAVASU UNIFIED SCHOOL DIST.	Phone Number: 928-208-6457

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PERFORMANCE EVALUATION SURVEY

Subject: Invitation for Bid 22-15P Asphalt Products and Services

Name of Vendor Being Assessed: Cactus Asphalt

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NO.	Criteria	Unit	Score
1	Ability to maintain schedule and provide results in a timely manner	(1-10)	10
2	Quality of Products and/or Service	(1-10)	10
3	Ability to understand the needs of your agency	(1-10)	10
4	Vendor's participation and assistance when "issues" arise	(1-10)	10
5	Close out process (invoicing, no unexpected/hidden fees)	(1-10)	10
6	Billing statements provided are easy to understand	(1-10)	10
7	Ability to follow your agency's rules, regulations, and requirements	(1-10)	10
8	Communication with your agency regarding schedules and timelines	(1-10)	10
9	Vendor provides value added services with satisfaction of your agency	(1-10)	10
10	Overall customer satisfaction based on performance (comfort level in using vendor again)	(1-10)	10

Any additional comments regarding vendor/services provided:

Great working with Cactus the last 12 years.

Signature: Matt Maddux	Date: 4/21/22
Printed Name: Matt Maddux	Title: Inspector
Organization: Maricopa County Department of Transportation	Phone Number: 602-506-0419

Thank you for your time and effort in assisting the vendor in this important endeavor. Please email this survey back to the firm requesting it as soon as possible so it can be included in their response.

PERFORMANCE EVALUATION SURVEY

Subject: Invitation for Bid 22-15P Asphalt Products and Services

Name of Vendor Being Assessed: Cactus Asphalt

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NO.	Criteria	Unit	Score
1	Ability to maintain schedule and provide results in a timely manner	(1-10)	9
2	Quality of Products and/or Service	(1-10)	10
3	Ability to understand the needs of your agency	(1-10)	10
4	Vendor's participation and assistance when "issues" arise	(1-10)	10
5	Close out process (invoicing, no unexpected/hidden fees)	(1-10)	10
6	Billing statements provided are easy to understand	(1-10)	10
7	Ability to follow your agency's rules, regulations, and requirements	(1-10)	10
8	Communication with your agency regarding schedules and timelines	(1-10)	8
9	Vendor provides value added services with satisfaction of your agency	(1-10)	10
10	Overall customer satisfaction based on performance (comfort level in using vendor again)	(1-10)	10

Any additional comments regarding vendor/services provided:

Maricopa Unified School District has used other Asphalt vendors in the past, but none like Cactus. John Flores is always there to take my phone call and get me the information I need to inform our district what is going on.

Signature: Chad Whittle	Date: 4/23/2022
Printed Name: Chad Whittle	Title: Grounds Coordinator
Organization: Maricopa Unified School District	Phone Number: (520) 568 5100 Ext. 1185

Thank you for your time and effort in assisting the vendor in this important endeavor. Please email this survey back to the firm requesting it as soon as possible so it can be included in their response.

PERFORMANCE EVALUATION SURVEY

Subject: Invitation for Bid 22-15P Asphalt Products and Services

Name of Vendor Being Assessed: Cactus Asphalt

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NO.	Criteria	Unit	Score
1	Ability to maintain schedule and provide results in a timely manner	(1-10)	10
2	Quality of Products and/or Service	(1-10)	10
3	Ability to understand the needs of your agency	(1-10)	10
4	Vendor's participation and assistance when "issues" arise	(1-10)	10
5	Close out process (invoicing, no unexpected/hidden fees)	(1-10)	8
6	Billing statements provided are easy to understand	(1-10)	10
7	Ability to follow your agency's rules, regulations, and requirements	(1-10)	10
8	Communication with your agency regarding schedules and timelines	(1-10)	10
9	Vendor provides value added services with satisfaction of your agency	(1-10)	10
10	Overall customer satisfaction based on performance (comfort level in using vendor again)	(1-10)	10

Any additional comments regarding vendor/services provided:

This evaluation is being provided referencing the most recent project this contractor has completed for the City of Cottonwood. The project was successfully completed, on-time, and on-budget. It is my opinion that Cactus Asphalt is attentive to the needs of the customer, detail orientated, professional, and reliable. They are the preferred contractor for our asphalt preservation projects.

Signature: 	Date: 4/25/2022
Printed Name: Martin Smith	Title: Project Manager
Organization: City of Cottonwood	Phone Number: (928) 340-2773

Thank you for your time and effort in assisting the vendor in this important endeavor. Please email this survey back to the firm requesting it as soon as possible so it can be included in their response.

FINANCIAL DISCLOSURE QUESTIONNAIRE

Offeror shall complete each item using attachments if necessary. Attachments shall indicate the item number and heading being referenced as it appears below. Please respond "Not Applicable", "N/A", or "none" as needed instead of leaving items blank. Failure to complete may result in the rejection of proposal as unresponsive:

1.	Within the past five years, has the vendor, any principal, owner, officer, major stockholder, affiliate or any person involved in the bidding, contracting, or leasing process been the subject of any of the following: ***For each Yes answer** to questions listed in the section, provide on additional sheets regarding the finding, including but not limited to parties involved, cause, current status, resolution, etc.*	
	(a) A judgment or conviction for any business related conduct constituting a crime under federal, state or local government law including, but not limited to, fraud, extortion, bribery, racketeering, price-fixing, or bid collusion or any crime related to truthfulness and/or business conduct?	☐ Yes ☒ No
	(b) A criminal investigation or indictment for any business related conduct constituting a crime under federal, state or local government law including, but not limited to, fraud, extortion, bribery, racketeering, price-fixing or bid collusion or any crime related to truthfulness and/or business conduct?	☐ Yes ☒ No
	(c) An unsatisfied judgment, injunction or lien for any business-related conduct obtained by any federal, state or local government agency including, but not limited to judgments based on taxes owed and fines and penalties assessed by any federal, state or local government agency?	☐ Yes ☒ No
	(d) An investigation for a civil or criminal violation for any business-related conduct by any federal, state or local agency?	☐ Yes ☒ No
	(e) A grant of immunity for any business related conduct constituting a crime under federal, state, or local governmental law including, but not limited to, fraud, extortion, bribery, racketeering, price-fixing, bid collusion or any crime related to truthfulness and/or business conduct?	☐ Yes ☒ No
	(f) Any licenses/certifications denied, revoked or suspended or provisionally issued?	☐ Yes ☒ No
	(g) A federal, state or local government contract suspension or termination for cause prior to the completion of the term of a contract?	☐ Yes ☒ No
	(h) A federal, state or local government suspension or debarment from the contracting process?	☐ Yes ☒ No
	(i) An administrative proceeding or civil action seeking specific performance or restitution in connection with any federal, state or local contract or lease?	☐ Yes ☒ No
	(j) A federal state or local determination of willful violation of any public works or labor law or regulation?	☐ Yes ☒ No
	(k) A sanction imposed as a result of judicial or administrative proceedings relative to any business or professional license?	☐ Yes ☒ No
	(l) An Occupational Safety and Health Act citation and notification of Penalty containing a violation classified as serious or willful?	☐ Yes ☒ No
2.	During the past three years, has the vendor failed to file returns or pay any applicable federal, state or local government taxes? ***If yes,** identify the taxing jurisdiction, type of tax, liability year(s) and tax liability amount the company failed to file/pay and the current status of the liability.*	☐ Yes ☒ No

FINANCIAL DISCLOSURE QUESTIONNAIRE

3.	Has the vendor had any bankruptcy proceedings, assignments for the benefit of creditors or other measures taken for the protection against creditors been initiated by or against the vendor or its affiliates within the past seven years (whether or not closed) or is any of the aforementioned proceedings pending by or against the vendor or its affiliates, regardless of the date of filing?	☐ Yes ☒ No
4.	Does the vendor have at least five years of experience working with public sector agencies (schools, cities, municipalities, etc.)?	☒ Yes ☐ No
5.	Does the vendor have the financial resources necessary to fulfill the requirements of the proposed contract?	☒ Yes ☐ No
6.	Is the vendor a division or subsidiary of another firm? ***If yes,** provide the name and address of the parent firm. Include a description of the working relationship between the vendor and the parent firm. Specify what impact if any, the relationship will have on the vendor's ability to meet the requirements for services described in the solicitation.* *SEE AITACHED	☒ Yes ☐ No
7.	Has the vendor ever had a name change? ***If yes,** provide all names formerly known as.*	☐ Yes ☒ No
8.	Provide the vendor's annual sales for the last three years: 2021: $93m 2020: $87m 2019: $80m	

The undersigned personally and on behalf of the vendor identified herein, does hereby state and certify that the information given above is true, accurate and complete. It is further acknowledged that 1GPA will rely upon the information contained herein and in any attached pages for purposes of evaluating vendor's responsibility for contract award and 1GPA may, in its discretion, by means which it may choose, verify the truth and accuracy of any statements made herein and may request a copy of audited financial statements for the immediate past two fiscal years.

CACTUS Asphalt
Name of Business

Bryan Glazer
Signature of Officer

8211 W. Sherman St.
Address

BRYAN GLAZER
Printed Name of Officer

Tolleson AZ 85353
City, State, Zip

Managing Partner
Title

Cactus

8211 West Sherman Street
Tolleson, Arizona 85353

Phone (623) 907-2800
Fax (623) 907-2900

www.CactusAsphalt.com

April 20, 2022

1GPA Asphalt Products and Services IFB# 22-15P

RE: Financial Disclosure Questionnaire, Question 6 Explanation

Cactus Asphalt is a Division of Cactus Transport, Inc.

Cactus was started as the construction "arm" for Cactus Transport.

Cactus Transport and Cactus Asphalt are at the same location:
8211 W. Sherman St.
Tolleson AZ 85353

This relationship will not affect the vendor's ability to meet the requirement for services described in the solicitation.

Bryan Glazer – Managing Partner

CoolSeal by GuardTop







ENVIRONMENTALLY FRIENDLY, COOL PAVEMENT SEALCOATING PRODUCT

GUARDTOP SEALCOATS – THERE'S NO EQUIVALENT

Since 1983, GuardTop® sealcoat products are among the best in the industry for appearance, performance and sustainability. It's no wonder that GuardTop is the preferred choice of public, private and institutional property owners and managers. It provides superior preservation, protection and beautification of pavements.



What is the Heat Island Effect?

Heat islands, also known as urban heat islands, are areas with significantly higher temperatures than surrounding rural areas and are common in densely populated areas across the globe. One of the main contributors to the heat island effect is dark pavement. Conventional asphalt surfaces absorb excess heat and can reach temperatures in excess of 160 degrees.

According to the EPA, heat islands can affect communities by increasing summertime peak energy demand, air conditioning costs, air pollution, greenhouse gas emissions, heat-related illness, mortality and reducing water quality.[1]





Healthier for People and the Planet

CoolSeal by GuardTop® is designed to reflect the sun's energy to produce cooler surface temperatures through increased reflectivity, which may reduce surface temperatures by 10-25 degrees Fahrenheit (under certain conditions). The EPA states that reflective pavements such as CoolSeal can help mitigate heat islands.[1]

Go Greener with CoolSeal by GuardTop®

Our commitment to sustainability has guided the development of CoolSeal by Guardtop®, a high-performance asphalt-based sealcoat that is designed to achieve lower surface temperatures through its lighter color and reflectivity. CoolSeal is perfect for playgrounds, parks, parking lots, driveways, residential areas, schools, bike paths and LEED-certified building projects.



Additional Benefits of CoolSeal

CoolSeal is designed to improve comfort and safety for children and animals on playgrounds, walking paths, schools, neighborhoods, bike trails and other community areas. According to the EPA, reflective pavements such as CoolSeal can reduce the temperature of storm water runoff and improve water quality, increase nighttime visibility, improve local comfort and reduce lighting requirements which saves energy and money.[1] CoolSeal meets ASTM Standard E903 and E892.



How CoolSeal Works

CoolSeal by Guardtop® is applied to asphalt surfaces to protect and maintain the quality and longevity of asphalt. The product is LEED eligible and can earn up to three LEED points. CoolSeal meets EPA and LEED requirements of **33 percent reflectivity** and lasts longer than conventional sealcoats.

Advanced Technology, Lower Lifetime Cost



Each CoolSeal application provides longer-lasting protection and fewer treatments are required to keep assets looking new over its lifetime. CoolSeal lasts longer than conventional sealcoats, which translates to lower maintenance lifecycle costs and reduces inconvenience to residents and consumers.

CoolSeal Partners

GuardTop takes pride in working closely with experienced asphalt and sealcoat contractors, government agencies, and consultants. GuardTop has been applied to some of the country's most well-known communities, streets, sporting venues, business parks, retail locations and visitor destinations.



COOLSEAL BY GUARDTOP® VS. OTHER COOL PAVEMENTS

Not all cool pavements are created equal. CoolSeal by GuardTop is an asphalt-based sealcoat that provides a clear advantage compared to alternative cool pavement options.



GO GREENER WITH COOLSEAL BY GUARDTOP®

Our commitment to sustainability has guided the development of CoolSeal by Guardtop, a high-performance asphalt-based sealcoat designed to achieve lower surface temperatures through its lighter color and reflectivity. CoolSeal is perfect for playgrounds, parks, parking lots, driveways, residential areas, schools, bike paths and LEED-certified building projects.

- Light grey asphalt-based sealcoat
- Energy savings and emission reductions[1]
- Lasts longer than conventional sealcoats
- Meets LEED and EPA requirements of 33% reflectivity
- Environmentally friendly and contains recycled materials
- Does not cause glare for drivers or pedestrians
- Has been shown to meet skid safety requirements
- Dries to a matte finish
- Normal street cleaning is recommended to best maintain reflectance

877-948-2738
www.guardtop.com

ADVANCED SEALCOATING

Environmentally friendly...durable...long-lasting quality asphalt product. Specially formulated from unique base stocks and components, CoolSeal by GuardTop's difference can be seen immediately in its color, consistency and durability. There is no better ally in making your asphalt stay cool, look great and maintain performance.

SOUTHWEST LOCATIONS

GuardTop® Corporate Office
32834 Pacific Coast Hwy, Suite 210
Dana Point, CA 92629
(877) 948-2738

GuardTop® Fontana
14388 Santa Ana Avenue
Fontana, CA 92337
(909) 823-1811

GuardTop® Express Phoenix
1048 W. Maricopa Fwy.
Phoenix, AZ 85007
(602) 296-7110

GuardTop® Express Orange
719 W. Collins Avenue
Orange, CA 92867
(657) 224-9525

GuardTop® Express Tucson
3132 E. 45th Street
Tucson, AZ 85713
(520) 347-6144

[1] U.S. Environmental Protection Agency. 2012. Reducing urban heat islands: Compendium of strategies. Draft. https://www.epa.gov/heat-islands/using-cool-pavements-reduce-heat-islands

©2020 GuardTop®. GuardTop® is a registered trademark.

CoolSeal By GuardTop® is covered by U.S. Patent No. 10,435,561 B2 and other pending applications and foreign patents.

BID BOND

KNOW ALL MEN BY THESE PRESENTS:

THAT, Cactus Asphalt, a Division of Cactus Transport, Inc.

(hereinafter called Principal), as Principal, and Merchants National Bonding, Inc.

_____, a corporation organized and existing under the laws of the State

Of Iowa , with its principal office in the City of

Des Moines, (hereinafter called the

Surety), as Surety, are held and firmly bound unto 1Government Procurement Alliance (hereinafter called the Obligee) in

the amount of One Hundred Thousand and no/100 (Dollars) ($ 100,000.00) , for the payment

whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns,

jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a Bid for:

Invitation for Bid # 22-15P
Asphalt Products and Services

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as a part of his judgment such reasonable attorneys' fees as may be fixed by a judge of the Court.

Witness our hands this 21st day of April 20 22

Cactus Asphalt, a Division of Cactus Transport, Inc.
Principal Seal

BY _____

Bryan Glazer - Managing Partner

Merchants National Bonding, Inc.
Surety Seal

BY _____
Michael J. Mesenbrink, Attorney-in-Fact

Crest Insurance Group
Agency of Record

MERCHANTS BONDING COMPANY™

POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Filiberto J Islas; Heather J Perrin; Jeri Lynn Thompson; Katie Love; Lisa M Hankal; Margie Wager; Maria R Lucero; Michael J Mesenbrink; Thomas R Turner

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and amended August 14, 2015 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 16, 2015.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and aut hority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 1st day of March , 2021 .

MERCHANTS NATIONAL BONDING, INC. INCORPORATED -o- 2003

MERCHANTS BONDING COMPANY (MUTUAL) INCORPORATED -o- 1933

MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.

By Larry Taylor
President

STATE OF IOWA
COUNTY OF DALLAS ss.
On this 1st day of March 2021 , before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.

NOTARIAL SEAL IOWA

POLLY MASON
Commission Number 750576
My Commission Expires
January 07, 2023

Polly Mason
Notary Public

(Expiration of notary's commission does not invalidate this instrument)

I, William Warner, Jr., Secretary of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 21st day of April , 2022.

MERCHANTS NATIONAL BONDING, INC. INCORPORATED -o- 2003

MERCHANTS BONDING COMPANY (MUTUAL) INCORPORATED -o- 1933

William Warner Jr.
Secretary

POA 0018 (1/20)

BIDDER'S BID AND CONTRACT ACCEPTANCE

The Undersigned hereby certifies understanding and compliance with the requirements in the General Terms and Conditions. Bidder further agrees to furnish the material and/or service in compliance with all terms, conditions, specifications, and amendments in the solicitation and any written exceptions in the Bid.

86-0363424
Federal Employer Identification Number

8211 W. Sherman St
Address

CACTUS Asphalt
Company Name

Tolleson AZ 85353
City, State Zip

BRYAN GLAZER
Printed Name

623-907-7800
Company Telephone Number

Managing Partner
Title

Taylor Thomson
Accounting / AP Contact Name

jabram@cactusasphalt.com
Primary Email (for Contract Inquiries)

billing@cactusasphalt.com
Accounting / AP Email

Bryan Glazer
Authorized Signature

The Contractor shall not commence any billable work or provide any material or service under this contract until Contractor receives a purchase order/contract from a 1GPA member. The Contractor agrees to comply with the requirements of submitting Usage Reports and Purchase Orders and/or Contracts to 1GPA. The contractor shall provide monthly or quarterly (arrangements to be made with 1GPA) reconciliation reports based on all contract activity to 1GPA. Contractor will be invoiced from these reports. Invoices are due upon receipt.

1GPA'S BID AND CONTRACT ACCEPTANCE

The Bid is hereby accepted:

The Contractor is now bound to sell the materials and/or services offered to and accepted by 1GPA in accordance with the solicitation, including all terms, conditions, specifications, amendments, etc.

This contract shall henceforth be referred to as 22-15P-_____, Asphalt Products and Services

Awarded this _____ day of _____ 2022

This contract shall be effective this _____day of _____ 2022

1GPA

Signature: _____ Date: _____

Printed Name: _____ Title: _____

Approved By: Mary C. O'Brien Accommodation School/Pinal County ESA

Signature: _____ Date: _____

Printed Name: _____ Title: _____

2CFR SECTION 200 CERTIFICATIONS

The following certifications and provisions are required and apply when a 1GPA Member expends federal funds for any contract resulting from this procurement process. Accordingly, the parties agree that the following terms and conditions apply to the Contract between 1GPA, Member and awarded Vendor ("Vendor") in all situations where Vendor has been paid or will be paid with federal funds:

(A) Contractor Violation or Breach of Contract Terms

Contracts for more than the simplified acquisition threshold currently set at $250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when 1GPA Member expends federal funds, 1GPA reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does Vendor agree? YES _____ Initials of Authorized Representative of Vendor

(B). Termination for Cause or Convenience

Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when 1GPA Member expends federal funds, 1GPA or its Member reserves the right to immediately terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor in the event Vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. 1GPA also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if 1GPA believes, in its sole discretion that it is in the best interest of 1GPA to do so. Vendor will be compensated for work performed and accepted and goods accepted by 1GPA as of the termination date if the contract is terminated for convenience of 1GPA. Any award under this procurement process is not exclusive and 1GPA reserves the right to purchase goods and services from other vendors when it is in 1GPA's best interest.

Does Vendor agree? YES _____ Initials of Authorized Representative of Vendor

(C). Equal Employment Opportunity

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal Rule (C) above, when 1GPA Member expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does Vendor agree to abide by the above? YES _____ Initials of Authorized Representative of Vendor

(D). Davis-Bacon Act

[*Applicable ONLY to prime construction contracts in excess of $2,000 where federal funds are being used for the project*] Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole

or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when 1GPA Member expends federal funds during the term of an award for all contracts and subgrants for construction or repair, Vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does Vendor agree? YES BLe Initials of Authorized Representative of Vendor

(E). Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)

Where applicable, all contracts awarded in excess of $100,000 that involve the employment of mechanics or laborers, Contractor agrees to comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when 1GPA Members expends federal funds, Vendor certifies that Vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by 1GPA resulting from this procurement process.

Does Vendor agree? YES BLe Initials of Authorized Representative of Vendor

(F). Rights to Inventions Made Under a Contract or Agreement

If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by 1GPA Member, Vendor certifies that during the term of an award for all contracts by 1GPA resulting from this procurement process, Vendor agrees to comply with all applicable requirements as referenced in Federal Rule (6) above.

Does Vendor agree? YES BLe Initials of Authorized Representative of Vendor

(G) Clean Air Act and Federal Water Pollution Act

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $250,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

Pursuant to Federal Rule (G) above, when federal funds are expended by 1GPA Member, Vendor certifies that during the term of an award for all contracts by 1GPA resulting from this procurement process, Vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does Vendor agree? YES BLe Initials of Authorized Representative of Vendor

(H) Debarment and Suspension

Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive

2CFR SECTION 200 CERTIFICATIONS

Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by 1GPA Member, Vendor certifies that during the term of an award for all contracts by 1GPA resulting from this procurement process, Vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

(I) Byrd Anti-Lobbying Amendment

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by 1GPA Member, Vendor certifies that during the term and after the awarded term of an award for all contracts by 1GPA resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding $100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

(J) Procurement of Recovered Materials

When federal funds are expended, Member and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include: (1) procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Pursuant to Federal Rule (J) above, when federal funds are expended by the Member, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

(K) Domestic Preferences for Procurements

As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum,

steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. For purposes of 2 CFR Part 200.322, "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stag through the application of coatings, occurred in the United States. Moreover, for purposes of 2 CFR Part 200.322, "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum, plastics and polymer-based products such as polyvinyl chloride pipe, aggregates such as concrete, class, including optical fiber, and lumber.

Pursuant to Federal Rule (K) above, when federal funds are expended by the Member, vendor certifies, by signing this document, that to the greatest extent practicable vendor will provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

(L) Ban on Foreign Telecommunications

Federal grant funds may not be used to purchase equipment, services, or systems that use "covered telecommunications" equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. "Covered telecommunications" means purchases from Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

Pursuant to Federal Rule (L) above, when federal funds are expended by the Member, vendor certifies, by signing this document, vendor will not purchase equipment, services, or systems that use "covered telecommunications", as defined by 2 CFR §200.216, equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by 1GPA Member for any contract resulting from this procurement process, Vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. Vendor further certifies that it will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When 1GPA Member expends federal funds for any contract resulting from this procurement process, Vendor certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

CERTIFICATION OF EQUAL EMPLOYMENT STATEMENT

It is the policy of 1GPA not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

2CFR SECTION 200 CERTIFICATIONS

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

CERTIFICATION OF COMPLIANCE WITH BUY AMERICAN PROVISIONS

[*Only Applicable to Contracts funded under the National School Lunch Program*] The Buy American regulations promulgated by USDA and TDA require public school districts to purchase domestically grown and processed food to the maximum extent practicable. The food product must consist of agricultural commodities that were grown domestically, unless an authorized exception exists and has been approved by the District.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Vendor agrees that the District's Inspector General or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor that are directly pertinent to Vendor's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does Vendor agree? YES BL Initials of Authorized Representative of Vendor

VENDOR AGREES TO COMPLY WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS, RULES, REGULATIONS, AND ORDINANCES. IT IS FURTHER ACKNOWLEDGED THAT VENDOR CERTIFIES COMPLIANCE WITH ALL PROVISIONS, LAWS, ACTS, REGULATIONS, ETC. AS SPECIFICALLY NOTED ABOVE.

Vendor's Name: CACTUS Asphalt

Address, City, State, and Zip Code: 8211 W. Sherman St Tolleson AZ 85353

Phone Number: 623-907-2800 Fax Number: 623-907-2900

Printed Name and Title of Authorized Representative: BRYAN GLAZER - Managing Partner

Email Address: jabram@cactusasphalt.com

Signature of Authorized Representative: Bryan GL

Date: 4/20/22

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/24/2022

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

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

PRODUCER	CONTACT NAME: Diane Walsh	
Crest Insurance Group, LLC 7272 E. Indian School Rd. Suite 375 Scottsdale AZ 85251	PHONE (A/C, No, Ext): 520-881-5760	FAX (A/C, No): 520-325-3757
	E-MAIL ADDRESS: dwalsh@crestins.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Great American Insurance Company	16691
INSURED Cactus Transport, Inc. 8211 W. Sherman Street Tolleson AZ 85353	INSURER B : Acuity	14184
	INSURER C : Continental Casualty Company	20443
	INSURER D : Berkley Casualty Company	15911
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 992960923 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC OTHER:	Y	Y	Z78218	8/1/2021	8/1/2022	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 1,000,000 $ 500,000 $ 10,000 $ 1,000,000 $ 3,000,000 $ 3,000,000 $
B	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY X HIRED AUTOS ONLY SCHEDULED AUTOS X NON-OWNED AUTOS ONLY	Y	Y	Z78218	8/1/2021	8/1/2022	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ 1,000,000 $ $ $ $
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ 0			TUU052884108	8/1/2021	8/1/2022	EACH OCCURRENCE AGGREGATE $	$ 15,000,000 $ 15,000,000 $
D	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N: N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	CCWC247306	8/1/2021	8/1/2022	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
C B	Builders Risk Physical Damage			6050340529 Z78218	8/1/2021 8/1/2021	8/1/2022 8/1/2022	Limit Limit Deductible	3,000,000 50,000 1,000

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

Certificate holder and owner (if applicable) when required in a written contract are additional insured with respect to General Liability on a primary and non-contributory basis. Additional Insured status and primary and non contributory applies with respect to Auto Liability when required in a written contract. A Waiver of Subrogation applies with respect to Auto Liability, General Liability, and Worker's Compensation when required in a written contract. Umbrella Follows form over General Liability, Auto Liability and Workers' Compensation.This form is subject to all policy forms, terms, endorsements, conditions definitions & exclusions. Applicable Forms: CG7301, CG7194, CG7274, CA7261 & CA7214.

CERTIFICATE HOLDER

1GPA
1910 W Washington Street
Phoenix AZ 85009

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Cody Ritchil

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

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

Schedule

Any person or organization for which the employer has agreed by written contract, executed prior to, may execute a waiver of subrogation.

The following statement only applies to policies or exposure in Missouri: Any person or organization for which the employer has agreed by written contract, executed prior to loss, may execute a waiver of subrogation. However, for purposes of work performed by the employer in Missouri, this waiver of subrogation does not apply to any construction group of classifications as designated by the waiver of right to recover from others (subrogation) rule in our manual.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective	08/01/2021	Policy No. CCWC247306	Endorsement No.
Insured	Cactus Holdings LLC		Premium $
Insurance Company	Carolina Casualty Insurance Company		

Countersigned by _____

WC 00 03 13
(Ed. 4-84)

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ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED IN WRITTEN AGREEMENT WITH YOU - PRIMARY CA-7214(10-98)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GARAGE COVERAGE FORM

MOTOR CARRIER COVERAGE FORM

1. Who Is an Insured under Section II - Liability Coverage is amended to include any person or organization with whom you have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such persons or organizations are additional insureds only with respect to liability arising out of operations performed for the additional insured by you.

2. The coverage provided by this endorsement will be primary and noncontributory with respect to any other coverage available to the additional insured.

3. The Limits of Insurance applicable to the additional insured are those specified in the written con- tract or agreement or in the Declarations for this Coverage Form, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations.

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TRUCKERS' ENHANCEMENTS CA-7261(11-15)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

A. Temporary Substitute Vehicle Physical Damage

The following is added to item C Certain Trailers, Mobile Equipment and Temporary Substitute Autos under Section I - Covered Autos:

If Physical Damage Coverage is provided by this Coverage Form, any *auto* you do not own while used with permission of its owner as a temporary substitute for a covered *auto* you own that is out of service because of its breakdown, repair, servicing, *loss* or destruction is a covered *auto* for Physical Damage Coverage.

B. Who Is an Insured

The following are added to Who Is an Insured under Section II - Liability Coverage:

1. Newly Acquired Organizations

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. This coverage does not apply to *bodily injury* or *property damage* that occurred before you acquired or formed the organization;

c. No person or organization is an *insured* with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

2. Employees as Insureds

Any *employee* of yours is an *insured* while using a covered *auto* you do not own, hire or borrow in your business or your personal affairs.

C. Increased Supplementary Payments

1. The limit shown in paragraph A2a(2) of Section II - Liability Coverage is increased to $3,000.

2. The limit shown in paragraph A2a(4) of Section II - Liability Coverage is increased to $300.

D. Fellow Employee Coverage

The Fellow Employee Exclusion contained in Section II - Liability Coverage does not apply.

E. Towing for Covered Autos after Covered Losses

The following is added to paragraph A4 Coverage Extensions of Section III - Physical Damage Coverage in the Business Auto Coverage Form and to paragraph - A4 Coverage Extension under Section IV - Physical Damage Coverage in the Motor Carrier Coverage Form and the Towing Coverage endorsement, if it applies to the policy:

If a covered *loss* to a covered *auto* renders the vehicle undriveable, we will pay for reasonable and necessary costs to tow the vehicle to the nearest service or salvage facility. This coverage only applies to a covered *auto* insured for Comprehensive or Collision coverage. Such payments will not reduce the limits of insurance described in C Limit of Insurance.

F. Transportation Expenses

The Transportation Expenses Coverage Extension is replaced by the following:

We will also pay up to $75 per day to a maximum of $1,500 for temporary transportation expense incurred by you because of the total theft of a covered *auto* of the private passenger or *light truck* type. We will pay only for those covered *autos* for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered *auto* is returned to use or we pay for its *loss*.

G. Increased Sub-limit for Audio, Visual and Data Electronic Equipment Coverage

The sub-limit shown in paragraph C2 of the Limit of Insurance Provision of Section III - Physical Damage Coverage in the Business Auto Coverage Form is increased to $3,000.

H. The following are added to Coverage Extensions under Section III - Physical Damage Coverage of the Business Auto Coverage Form and to Section IV - Physical Damage Coverage in the Motor Carrier Coverage Form:

1. Accidental Airbag Discharge

We will pay to replace an airbag that deploys without the car being involved in an accident. This coverage applies only to a covered *auto* which you own.

2. Loan/Lease Gap Coverage

a. Private Passenger or Light Truck Types

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In the event of a total *loss* to a covered *auto* of the private passenger or *light truck* type, we will pay any unpaid amount due on the lease or loan, less:

(1) The amount paid under the Physical Damage Coverage Section of the policy; and

(2) Any:

(a) Overdue lease/loan payments at the time of the *loss;*

(b) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;

(c) Security deposits not returned by the lessor;

(d) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

(e) Carry-over balances from previous loans or leases.

b. Truckers, Other than Private Passenger and Light Truck Types

In the event of a total *loss* to a covered *auto* of the truck type, we will pay up to $5,000 for any unpaid amount due on the lease or loan, less:

(1) The amount paid under the Physical Damage Coverage Section of the policy; and

(2) Any:

(a) Overdue lease/loan payments at the time of the loss;

(b) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;

(c) Security deposits not returned by the lessor;

(d) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

(e) Carry-over balances from previous loans or leases.

3. Hired Auto Physical Damage Coverage

If hired *autos* are covered *autos* for Liability Coverage, then the Physical Damage Coverages provided under this Coverage Form for any *auto* you own are extended to *autos* of the private passenger or *light truck* type which you lease, hire, rent or borrow for a period of 30 days or less, subject to the following limit.

The most we will pay under this extension is the lesser of the actual cash value, the cost of repair or $50,000, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned *auto* of the private passenger or *light truck* type for that coverage. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered *auto* you own of the private passenger or *light truck* type.

4. Rental Reimbursement Coverage for Private Passenger Vehicles or Light Trucks

a. This coverage applies only to a covered *auto* of the private passenger or *light truck* type.

b. We will pay for rental reimbursement expenses incurred by you for the rental of an *auto* because of a covered *loss* to an *auto* to which this extension applies. Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered *auto*. No deductibles apply to this coverage.

c. We will pay only for those expenses incurred during the policy period beginning 24 hours after the *loss* and ending, regardless of the policy's expiration, with the lesser of the following number of days:

(1) The number of days reasonably required to repair or replace the covered *auto*. If *loss* is caused by theft, this number of days is added to the number of days it takes to locate the covered *auto* and return it to you.

(2) 30 days.

d. Our payment is limited to the lesser of the following amounts:

(1) Necessary and actual expenses incurred.

(2) $75 per day to a maximum of $1,500.

e. This coverage does not apply while there are spare or reserve *autos* available to you for your operations.

f. If *loss* results from the total theft of a covered *auto* to which this extension applies, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the Physical Damage Coverage Extensions.

g. The Rental Reimbursement Coverage

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described above does not apply to a covered *auto* that is described or designated as a covered *auto* on Rental Reimbursement Coverage Form CA-9923F.

5. Fire Extinguisher Recharge

We will pay the actual cost of recharging or replacing, whichever is less, fire extinguishers kept in your covered *auto* that are intentionally discharged in an attempt to extinguish a fire.

6. Broad Form Electronic Equipment Coverage

We will also pay, with respect to a covered *loss*, the actual cash value, repair cost, replacement cost or $5,000, whichever is less, for *loss* to *electronic equipment* owned by you and used in your business while inside or attached to a covered *auto*.

Deductible

A deductible applies to this coverage. Refer to paragraph O Deductible Applicable to Broad Form Electronic Equipment, Fuel in Vehicle, Miscellaneous Equipment Used With Covered Vehicle, Personal Property Coverages, and Electronic Logging Devices or Electronic On-Board Recorders for further information.

Other Insurance

The Broad Form Electronic Equipment Coverage is excess over any other insurance coverage available for the same *loss*.

Exclusions

Exclusions Applicable to Broad Form Electronic Equipment, Miscellaneous Equipment and Personal Property Coverages Extensions apply to this extension.

7. Rental Reimbursement, Business Income and Extra Expense Coverage

Limits

The most we will pay for all *loss* for each covered *auto* involved in any one *accident* for Rental Reimbursement, Business Income and Extra Expense combined is $10,000.

Coverage

a. Rental Reimbursement Coverage

(1) We will pay for expenses incurred by you during the *period of restoration* for the rental of an *auto* made necessary because of a covered *loss* to a covered *auto* used in your business. The *loss* must be caused by a cause of loss covered under item A1 of Physical Damage Coverage in this Coverage Part.

(2) This Rental Reimbursement Coverage does not apply to a covered *auto* of the private passenger or *light truck* type because coverage for these vehicles is provided in item 4 of this endorsement.

b. Business Income and Extra Expense Coverage

(1) Business Income Coverage

(a) Actual Loss Sustained Coverage - We will pay the actual loss of *business income* sustained by you as the result of the necessary suspension of your business during the *period of restoration* due to a *loss* to a covered *auto* used in your business. The *loss* must be caused by a cause of loss covered under item A1 of Physical Damage Coverage in this Coverage Part.

(b) Specified Amount per Day Coverage - At your option, we will pay up to $250 per day for a maximum of seven days during the *period of restoration* for income loss. The *loss* must be caused by a cause of loss covered under item A1 of Physical Damage Coverage in this Coverage Part.

(2) Extra Expense Coverage

We will pay the necessary and reasonable *extra expenses* that you incur during the *period of restoration* that you would not have incurred had there been no *loss* to a covered *auto* used in your business. The *loss* must be caused by a cause of loss covered under item A1 of Physical Damage Coverage in this Coverage Part.

Conditions

a. Any payment for Business Income made under Specified Amount per Day Coverage reduces the payment we make under any other coverages listed in extension 7.

b. No other deductible applies to these coverages.

c. We will not pay under these coverages if you do not repair or replace the covered *auto*.

d. You must resume all or part of your business as quickly as possible.

e. If you have other *autos* you can use to reduce the amount of loss payable under these coverages, you are required to use them.

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f. We will not pay for loss or expenses caused by suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of your business, we will cover such loss that affects your *business income*.

g. We will pay for expenses you incur to reduce the amount that would otherwise have been payable under this coverage. We will not pay more than the amount by which you actually reduce the *business income* loss or *extra expense* incurred.

8. Fuel in Vehicle Coverage

We will also pay, with respect to a covered *loss*, the actual loss sustained for the *loss* to the fuel used to operate your vehicle but only with respect to a covered *auto*. You must provide documentation supporting your claim for damages.

Deductible

A deductible applies to this coverage. Refer to paragraph O Deductible Applicable to Broad Form Electronic Equipment, Fuel in Vehicle, Miscellaneous Equipment Used With Covered Vehicle, Personal Property Coverages, and Electronic Logging Devices or Electronic On-Board Recorders for further information.

9. Miscellaneous Equipment Used With Covered Vehicle Coverage

We will also pay, with respect to a covered *loss*, the actual cash value, repair cost or replacement cost, whichever is less, for *loss* to your *miscellaneous equipment* but only with respect to a covered *auto*.

Deductible

A deductible applies to this coverage. Refer to paragraph O Deductible Applicable to Broad Form Electronic Equipment, Fuel in Vehicle, Miscellaneous Equipment Used With Covered Vehicle, Personal Property Coverages, and Electronic Logging Devices or Electronic On-Board Recorders for further information.

Exclusions

Exclusions Applicable to Broad Form Electronic Equipment, Miscellaneous Equipment and Personal Property Coverages Extensions apply to this extension.

10. Miscellaneous Equipment Used With Trailers Used by You Coverage

We will pay for *loss* to your *miscellaneous equipment* used in the handling of property being transported on trailers that are not a covered *auto* on this policy up to the actual cash value, repair cost, replacement cost or $1,000, whichever is less. The loss is subject to a $250 deductible.

We will not pay for *loss* caused by wear and tear.

In addition, Exclusions Applicable to Broad Form Electronic Equipment, Miscellaneous Equipment and Personal Property Coverages Extensions apply to this extension.

11. Personal Property Coverage

We will also pay, with respect to a covered *loss*, the actual cash value, repair cost, replacement cost or $2,500, whichever is less, for *loss* to personal property, including business personal property, owned by you or a driver while inside a covered *auto*.

We will not pay for *loss* to:

a. Accounts, bills, currency, deeds, money, notes, securities and evidences of debt;

b. Bullion, precious stones, jewelry or similar valuables, paintings, art objects, manuscripts or mechanical drawings;

c. Contraband or property in the course of illegal transportation or trade;

d. Furs, animals, birds or fish;

e. *Electronic equipment* owned by you and used in your business;

f. Firearms; and

g. An *auto*, its equipment or fluids, including fuel.

Other exclusions also apply to this coverage. Refer to paragraph N Exclusions Applicable to Broad Form Electronic Equipment, Miscellaneous Equipment and Personal Property Coverages Extensions for more information.

The Personal Property Coverage is excess over any other insurance coverage available for the same *loss*.

Deductible

A deductible applies to this coverage. Refer to paragraph O Deductible Applicable to Broad Form Electronic Equipment, Fuel in Vehicle, Miscellaneous Equipment Used With Covered Vehicle, Personal Property Coverages, and Electronic Logging Devices or Electronic On-Board Recorders for further information.

12. Electronic Logging Devices or Electronic On-Board Recorders

We will also pay, with respect to a covered *loss,* up to $3,000 for the actual loss sustained to an electronic on-board recorder or electronic logging device permanently installed in the *auto* but only with respect to a covered *auto*.

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Deductible

A deductible applies to this coverage. Refer to paragraph O Deductible Applicable to Broad Form Electronic Equipment, Fuel in Vehicle, Miscellaneous Equipment Used With Covered Vehicle, Personal Property Coverages, and Electronic Logging Devices or Electronic On-Board Recorders for further information.

I. Deductible Provision

Paragraph D, Deductible of Section III - Physical Damage Coverage in the Business Auto Coverage Form and paragraph D, Deductible of Section IV - Physical Damage Coverage in the Motor Carrier Coverage Form are replaced by the following:

1. For each covered *auto*, our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to *loss* caused by fire or lightning.
2. Combined Truck, Tractor/Trailer, Cargo Deductible
   a. If you have a loss to more than one covered *auto* when such covered *autos* are attached to one another at the time of *loss*, then our obligation to pay will be reduced by the single highest applicable deductible.
   b. If you have a covered *loss* to Covered Property under a Transportation or Motor Truck Cargo Coverage Form under this policy and a covered *loss* to a covered *auto* or more than one covered *autos* that are attached to one another at the time of *loss*, then our obligation to pay will be reduced by the single highest applicable deductible.
3. The deductibles will not apply to *loss* caused by a collision of a covered *auto* with any other auto insured by us.
4. If the insured chooses to have a damaged windshield or other glass repaired instead of replaced, no deductible will apply to the loss.

J. Knowledge of Claim or Suit

The following is added to the Duties in the Event of Accident, Claim, Suit or Loss Condition:

Knowledge of an *accident*, claim, *suit* or *loss* by an agent or *employee* of any insured shall not in itself constitute knowledge of the insured unless your partners, executive officers, directors, managers, members or a person who has been designated by them to receive reports of *accidents*, claims, *suits* or *loss* shall have received such notice from the agent or *employee*.

K. Waiver of Subrogation for Written Contracts

The following is added to the Transfer of Rights of Recovery Against Others to Us Condition:

We waive any right of recovery we may have against a person or organization because of payments we make for *bodily injury* or *property damage* arising out of your use of a covered *auto* which occurs while under a contract with that person or organization. The waiver applies only to a person or organization with whom you have a written contract or agreement requiring you to waive the right of recovery under this policy. The written contract or agreement must have been executed prior to the *accident* causing *bodily injury* or *property damage*.

L. Worldwide Coverage Territory for Hired Autos

The following is added to paragraph B7 of Section IV - Business Auto Conditions of the Business Auto Coverage Form and to Section V - Motor Carrier Conditions of the Motor Carrier Coverage Form:

With respect to *autos* hired for 30 days or less, the coverage territory is extended to include all parts of the world if the insured's responsibility to pay damages is determined in a suit in the United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to.

M. Mental Anguish Coverage

The Definition of *bodily injury* is amended to include mental anguish.

N. Exclusions Applicable to Broad Form Electronic Equipment, Miscellaneous Equipment and Personal Property Coverages Extensions

We will not pay for *loss*:

1. Caused by theft, unless there are visible signs or marks of forcible entry into the covered *auto* and the theft is reported to law enforcement authorities;
2. Caused by mysterious disappearance; or
3. Under Personal Property and Broad Form Electronics Coverage to:
   a. Radar detection devices; or
   b. Actual data and instructions converted to a form for use with electronic equipment, however maintained.

O. Deductible Applicable to Broad Form Electronic Equipment, Fuel in Vehicle, Miscellaneous Equipment Used With Covered Vehicle, Personal Property Coverages, and Electronic Logging Devices or Electronic On-Board Recorders

1. If *loss* to property covered by these extensions is the result of a *loss* to the covered

auto under this Coverage Form's Comprehensive or Collision Coverage, then for each covered *auto* our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to *loss* to property covered by an extension caused by fire or lightning.

2. If *loss* to property covered by these extensions is the result of a *loss* to the covered *auto* under this Coverage Form's Specified Causes of Loss Coverage, then for each covered *auto* our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a $100 deductible.
3. In the event that there is more than one applicable deductible, only the highest deductible will apply. In no event will more than one deductible apply.

P. Coverage Extensions Definitions

1. "*Business income*" means the:
   a. Net income (Net profit or loss before income taxes) that would have been earned or incurred if no *loss* would have occurred; and
   b. Continuing normal operating expenses incurred, including payroll.
2. "*El*ectronic equipment" includes any computer system, computer media, fax machine, satellite system, video monitoring system, cellular telephone, two-way radio or telephone, scanning monitor receiver, collision prevention system or GPS system. *Electronic equipment* includes any antennas, tapes, records, discs used with the *electronic equipment* and other accessories used to operate the equipment.

   Because the following *electronic equipment* is insured elsewhere in this Coverage Form, *electronic equipment* does not mean:
   a. Electronic equipment permanently installed in the location provided for such equipment by the original manufacturer of the *auto*; and
   b. Equipment designed to be operated solely by use of the power from the *auto*'s electrical system that, at the time of *loss*, is:
      (1) Permanently installed in or upon the covered *auto*; or
      (2) Removable from a housing unit which is permanently installed in or upon the covered *auto*.
   c. An integral part of the same unit housing any electronic equipment described in paragraphs b(1) and b(2) above; or
   d. Necessary for the normal operation of the covered *auto* or the monitoring of the covered *auto*'s operating system.
3. "*Extra expense*" means those expenses you incur to avoid or minimize the suspension of business and to continue your business operations.
4. "*Light truck*" means a truck with a gross vehicle weight of 10,000 pounds or less.
5. "*Miscellaneous equipment*" means hand trucks, dollies, pallets, pads, covers, binders, tarps, tie-downs, chains and other similar equipment used in the handling of property being transported.
6. "*Period of restoration*" means the period of time that:
   a. Begins:
      (1) Twenty-four hours after the time of *loss* for Rental Reimbursement Coverage or Business Income Coverage; or
      (2) Immediately after the time of *loss* for Extra Expense Coverage; and
   b. Ends at the earliest of:
      (1) The time required to resume your normal business operations; or
      (2) The time that is reasonably necessary to repair or replace the covered *auto*.

   Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of pollutants.

   The expiration date of this policy will not cut short the *period of restoration*.

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ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU - PRIMARY AND NONCONTRIBUTORY CG-7194(5-13)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. Section II - Who Is An Insured is amended to include as an additional insured:
   a. Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as additional insured on your policy; and
   b. Any other person or organization you are required to add as an additional insured under the contract or agreement described in paragraph a above.

   Such person or organization is an additional insured only with respect to liability for *bodily injury*, *property damage* or *personal and advertising injury* caused, in whole or in part, by:
   a. Your acts or omissions; or
   b. The acts or omissions of those acting on your behalf;

   in the performance of your ongoing operations for the additional insured.

   A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.
2. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

   This insurance does not apply to:
   a. *Bodily injury*, *property damage* or *personal and advertising injury* arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
      (1) The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
      (2) Supervisory, inspection, architectural or engineering activities.
   b. *Bodily injury* or *property damage* occurring after:
      (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
      (2) That portion of *your work* out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
3. The insurance provided by this endorsement is primary and noncontributory.

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ADDITIONAL INSURED - COMPLETED OPERATIONS - PRIMARY AND NONCONTRIBUTORY AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU (OWNERS, LESSEES OR CONTRACTORS) **CG-7274(5-13)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. Section II - Who Is An Insured is amended to include as an additional insured:
   a. Any person(s) or organization(s) for whom you have performed operations if you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as an additional insured on your policy for completed operations; and
   b. Any other person(s) or organization(s) you are required to add as an additional insured under the contract or agreement described in paragraph a above.

   Such person or organization is an additional insured only with respect to liability included in the *products-completed operations hazard* for *bodily injury* or *property damage* caused, in whole or in part, by *your work* performed for that additional insured at the location designated and described in the contract or agreement.
2. This insurance does not apply to:
   a. *Bodily injury* or *property damage* which occurs prior to the execution of the contract or agreement described in item 1; or
   b. *Bodily injury* or *property damage* that occurs after the time period during which the contract or agreement described in item 1 requires you to add such person or organization onto your policy as an additional insured for completed operations; or
   c. *Bodily injury* or *property damage* arising out of the rendering of, or the failure to render, any professional, architectural, engineering or surveying services, including:
      (1) The preparing, approving or failing to prepare or approve maps, shops drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
      (2) Supervisory, inspection, architectural or engineering activities.
3. The insurance provided by this endorsement is primary and noncontributory.

ADDITIONAL INSURED - COMPLETED OPERATIONS AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU (OWNERS, LESSEES OR CONTRACTORS) CG-7277(6-13)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRODUCTS-COMPLETED OPERATIONS LIABILITY COVERAGE FORM

1. Section II - Who Is An Insured is amended to include as an additional insured:
   a. Any person(s) or organization(s) for whom you have performed operations if you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as additional insured on your policy for completed operations; and
   b. Any other person(s) or organization(s) you are required to add as an additional insured under the contract or agreement described in paragraph a above.

   Such person or organization is an additional insured only with respect to liability included in the *products-completed operations hazard* for *bodily injury* or *property damage* caused, in whole or in part, by *your work* performed for that additional insured at the location designated and described in the contract or agreement.

   However:
   a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
   b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
2. This insurance does not apply to:
   a. *Bodily injury* or *property damage* which occurs prior to the execution of the contract or agreement described in item 1; or
   b. *Bodily injury* or *property damage* that occurs after the time period during which the contract or agreement described in item 1 requires you to add such person or organization onto your policy as an additional insured for completed operations; or
   c. *Bodily injury* or *property damage* arising out of the rendering of, or the failure to render, any professional, architectural, engineering or surveying services, including:
      (1) The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
      (2) Supervisory, inspection, architectural or engineering activities.

   This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the *occurrence* which caused the *bodily injury* or *property damage* involved the rendering of or the failure to render any professional services by or for you.
3. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:

   If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
   a. Required by the contract or agreement; or
   b. Available under the applicable Limits of Insurance shown in the Declarations;

   whichever is less.

   This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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ACUITY ENHANCEMENTS - GENERAL LIABILITY CG-7301(11-14)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Extended Non-Owned Watercraft

Exclusion g Exception (2)(a) of Coverage A - Bodily Injury and Property Damage Liability is replaced by the following:

(a) Less than 51 feet long; and

B. Increased Bail Bond Amount

The limit shown in paragraph 1b of Supplementary Payments - Coverages A and B is increased to $1,000.

C. Increased Reasonable Expenses Incurred by the Insured

The limit shown in paragraph 1d of Supplementary Payments - Coverages A and B is increased to $350.

D. Newly Acquired Organizations

Item 3a of Section II - Who Is An Insured is replaced by the following:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

E. Tenants Legal Liability

Paragraphs (1), (3) and (4) of the Damage to Property Exclusion under Section I - Coverages do not apply to *property damage* (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 8 or more consecutive days.

The most we will pay under this coverage for damages because of *property damage* to any one premises is $10,000. A $250 deductible applies.

F. Knowledge of Claim or Suit

The following is added to paragraph 2, Duties in the Event of Occurrence, Offense, Claim or Suit of Section IV - Commercial General Liability Conditions:

Knowledge of an *occurrence,* claim or *suit* by your agent, servant or *employee* shall not in itself constitute knowledge of the Named Insured unless an officer of the Named Insured has received such notice from the agent, servant or *employee*.

G. Unintentional Failure to Disclose Hazard

The following is added to the Representations Condition under Section IV - Commercial General Liability Conditions:

Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this policy based solely on such failure.

H. Waiver of Subrogation for Written Contracts

The following is added to the Transfer of Rights of Recovery Against Others to Us Condition under Section IV - Commercial General Liability Conditions:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or *your work* done under a contract with that person or organization and included in the *products-completed operations hazard*. The waiver applies only to a person or organization with whom you have a written contract or agreement in which you are required to waive rights of recovery under this policy. Such contract or agreement must have been executed prior to the *occurrence* causing injury or damage.

I. Liberalization

The following is added to Section IV - Commercial General Liability Conditions:

If we adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

J. Broadened Bodily Injury

The Definition of *Bodily Injury* is amended to include mental anguish.

K. Electronic Data Liability

1. Exclusion 2q of Coverage A - Bodily Injury And Property Damage Liability in Section I - Coverages is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

(1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) The loss of, loss of use of, damage to, corruption of, in-

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ability to access, or inability to manipulate *electronic data* that does not result from physical injury to tangible property.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in paragraph (1) or (2) above.

However, unless paragraph (1) above applies, this exclusion does not apply to damages because of *bodily injury*.

2. The following paragraph is added to Section III - Limits of Insurance:

   Subject to paragraph 5 above, $10,000 is the most we will pay under Coverage A for *property damage* because of all loss of *electronic data* arising out of any one *occurrence*.

3. The following definition is added to Section V - Definitions:

   "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and application software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

4. For the purposes of this coverage, the definition of *"property damage"* in Section V - Definitions is replaced by the following:

   "Property damage" means:

   a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;

   b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the *occurrence* that caused it; or

   c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate electronic data, resulting from physical injury to tangible property. All such loss of electronic data shall be deemed to occur at the time of the occurrence that caused it.

   For the purposes of this coverage, *electronic data* is not tangible property.

L. Employee Benefits Liability Coverage

1. The following is added to Section I - Coverages:

   Insuring Agreement

   a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this coverage applies. We will have the right and duty to defend the insured against any *suit* seeking those damages. However, we will have no duty to defend the insured against any *suit* seeking damages to which this coverage does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any *claim* or *suit* that may result. But:

      (1) The amount we will pay for damages is limited as described in paragraph 5 of this coverage; and

      (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

      No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

   b. This coverage applies to damages only if:

      (1) The act, error or omission, is negligently committed in the *administration* of your *employee benefit program;*

      (2) The act, error or omission, did not take place before the original inception date of this coverage nor after the end of the policy period; and

      (3) A *claim* for damages, because of an act, error or omission, is first made against any insured, in accordance with paragraph c below, during the policy period or an Extended Reporting Period we provide under paragraph 6 of this coverage.

   c. A claim seeking damages will be deemed to have been made at the earlier of the following times:

      (1) When notice of such *claim* is received and recorded by any insured or by us, whichever comes first; or

      (2) When we make settlement in accordance with paragraph a above.

      A *claim* received and recorded by the

insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

d. All *claims* for damages made by an *employee* because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such *employee's* dependents and beneficiaries, will be deemed to have been made at the time the first of those *claims* is made against any insured.

Exclusions

This coverage does not apply to:

a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

Bodily injury, property damage or *personal and advertising injury*.

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the *employee benefit program*.

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any *claim* based upon:

(1) Failure of any investment to perform;

(2) Errors in providing information on past performance of investment vehicles; or

(3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the *employee benefit program*.

f. Workers' Compensation And Similar Laws

Any *claim* arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any *claim* for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

2. For the purposes of the coverage provided:

a. All references to Supplementary Payments - Coverages A and B are replaced by Supplementary Payments - Coverages A, B and Employee Benefits Liability.

b. Paragraphs 1b and 2 of the Supplementary Payments provision do not apply.

3. For the purposes of the coverage provided, paragraphs 2 and 3 of Section II - Who Is An Insured are replaced by the following:

2. Each of the following is also an insured:

a. Each of your *employees* who is or was authorized to administer your *employee benefit program*.

b. Any persons, organizations or *employees* having proper temporary authorization to administer your *employee benefit program* if you die, but only until your legal representative is appointed.

c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this coverage.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that

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organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.

4. For the purposes of the coverage provided, Section III - Limits Of Insurance is replaced by the following:

Limits Of Insurance

a. The Limits of Insurance shown in d below and the rules below fix the most we will pay regardless of the number of:

(1) Insureds;

(2) *Claims* made or *suits* brought;

(3) Persons or organizations making *claims* or bringing *suits;*

(4) Acts, errors or omissions; or

(5) Benefits included in your *employee benefit program*.

b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the *administration* of your *employee benefit program*.

c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one *employee,* including damages sustained by such *employee's* dependents and beneficiaries, as a result of:

(1) An act, error or omission; or

(2) A series of related acts, errors or omissions

negligently committed in the *administration* of your *employee benefit program*.

However, the amount paid under this coverage shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the *employee benefit program*.

d. Limits of Insurance

Each Employee Limit: $250,000

Aggregate Limit: $250,000

The Limits of Insurance of this coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this coverage is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

Deductible

a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in e below as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.

b. The deductible amount stated in e below applies to all damages sustained by any one *employee,* including such *employee's* dependents and beneficiaries, because of all acts, errors or omissions to which this coverage applies.

c. The terms of this coverage, including those with respect to:

(1) Our right and duty to defend any *suits* seeking those damages; and

(2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or *claim*

apply irrespective of the application of the deductible amount.

d. We may pay any part or all of the deductible amount to effect settlement of any *claim* or *suit* and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

e. Deductible

Each Employee Deductible: $1,000

5. For the purposes of the coverage provided, Conditions 2 and 4 of Section IV - Conditions are replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a *claim*. To the extent possible, notice should include:

(1) What the act, error or omission was and when it occurred; and

(2) The names and addresses of anyone who may suffer damages as a result of the act,

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error or omission.

b. If a *claim* is made or *suit* is brought against any insured, you must:

(1) Immediately record the specifics of the claim or suit and the date received; and

(2) Notify us as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the *claim* or *suit;*

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the *claim* or defense against the *suit;* and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this coverage may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

e. The requirements to notify us can be satisfied by notifying our agent. Notice can be by any means of communication.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this coverage, our obligations are limited as follows:

a. Primary Insurance

This coverage is primary except when paragraph b below applies. If this coverage is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in paragraph c below.

b. Excess Insurance

(1) This coverage is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and that applies to an act, error or omission on other than a claims-made basis, if the other insurance has a policy period which continues after the original inception date of this coverage.

(2) When this coverage is excess, we will have no duty to defend the insured against any *suit* if any other insurer has a duty to defend the insured against that *suit*. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this coverage is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this coverage; and the total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in paragraph 5d of this coverage.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limits of Insurance to the total applicable Limits of Insurance of all insurers.

6. For the purposes of the coverage provided, the following Extended Reporting Period

provisions are added, or, if this coverage is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

EXTENDED REPORTING PERIOD

a. You will have the right to purchase an Extended Reporting Period, as described below, if:

(1) This coverage is canceled or not renewed; or

(2) We renew or replace this coverage with insurance that:

(a) Has an inception date later than the original inception date of this coverage; or

(b) Does not apply to an act, error or omission on a claims-made basis.

b. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to *claims* for acts, errors or omissions that were first committed before the end of the policy period but not before the original inception date of this coverage. Once in effect, the Extended Reporting Period may not be canceled.

c. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

(1) The *employee benefit programs* insured;

(2) Previous types and amounts of insurance;

(3) Limits of insurance available under this coverage for future payment of damages; and

(4) Other related factors.

The additional premium will not exceed $100.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the coverage afforded for *claims* first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

d. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in paragraph 5d of this coverage under Limits of Insurance.

Paragraph 5b of this coverage will be amended accordingly. The Each Employee Limit shown in paragraph 5d will then continue to apply as set forth in paragraph 5c.

7. For the purposes of the coverage provided, the following definitions are added to the Definitions Section:

a. *"Administration"* means:

(1) Providing information to *employees*, including their dependents and beneficiaries, with respect to eligibility for or scope of *employee benefit programs;*

(2) Handling records in connection with the *employee benefit program;* or

(3) Effecting, continuing or terminating any *employee's* participation in any benefit included in the *employee benefit program*.

However, *administration* does not include handling payroll deductions.

b. *"Cafeteria plans"* means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.

c. *"Claim"* means any demand, or *suit*, made by an *employee* or an *employee's* dependents and beneficiaries, for damages as the result of an act, error or omission.

d. *"Employee benefit program"* means a program providing some or all of the following benefits to *employees,* whether provided through a *cafeteria plan* or otherwise:

(1) Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an *employee*

may subscribe to such benefits and such benefits are made generally available to those *employees* who satisfy the plan's eligibility requirements;

(2) Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an *employee* may subscribe to such benefits and such benefits are made generally available to all employees who are eligible under the plan for such benefits;

(3) Unemployment insurance, social security benefits, workers' compensation and disability benefits;

(4) Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and

(5) Any other similar benefits added thereto by endorsement.

8. For the purposes of the coverage provided, the following Definitions in the Definitions Section are replaced by the following:

a. *"Employee"* means a person actively employed, formerly employed, on leave of absence or disabled, or retired. *Employee* includes a *leased worker*. *Employee* does not include a *temporary worker*.

b. *"Suit"* means a civil proceeding in which damages because of an act, error or omission to which this coverage applies are alleged. *Suit* includes:

(1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

(2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

M. Voluntary Property Damage

1. With respect to the insurance provided under this coverage, paragraph 2 Exclusions of Coverage A - Bodily Injury and Property Damage Liability under Section I - Coverages is modified as followed:

a. Exclusion 2j(4) is replaced by the following:

(4) Personal property of others:

(a) Held by the insured for servicing, repair, storage or sale at premises owned, occupied or rented to the insured.

(b) Caused by the ownership, maintenance, use, loading or unloading of any auto, watercraft or transportation of property by any means.

b. Exclusion 2j(5) is deleted.

2. The insurance provided by this coverage is subject to the following provisions:

a. We will pay for *property damage* at your request even if you are not legally liable, if it is otherwise subject to this coverage.

b. *Property damage* does not include loss of use if personal property of others is not physically injured.

c. Limits

The most we will pay for an *occurrence* under this coverage is $2,500.

The most we will pay for the sum of all amounts paid under this coverage is an aggregate of $2,500.

The General Aggregate Limit and Each Occurrence Limit under Section III - Limits of Insurance do not apply to the insurance provided under this coverage.

d. Settlement

If you make any repairs to damaged property, at our request, we will pay the larger of your actual cost or 75% of your usual charge for the necessary labor and materials. Any property paid for or replaced by us may become our property at our option. Any payment made under this coverage shall not be interpreted as an admission of liability by the insured or the company.

e. Deductible

Our obligation to pay for a covered loss applies only to the amount of loss in excess of $200.

f. Other Insurance

The insurance provided by this coverage is excess over any other insurance carried by the insured which applies to a loss covered by this coverage.

N. Increased Limits of Insurance

1. The General Aggregate Limit is increased to three times the Each Occurrence Limit.

2. The Products-Completed Operations Aggregate Limit is increased to three times the Each Occurrence Limit.

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

3. The Damage To Premises Rented To You Limit is increased to $250,000.
4. The Medical Expense Limit is increased to $10,000.

The Limits of Insurance shown here do not replace and are not in addition to the Limits of Insurance shown in the Declarations.

CONFIDENTIAL/PROPRIETARY SUBMITTALS

Confidential/Proprietary Submittal (mark one):

☒ **No confidential/proprietary materials included.**

☐ **Confidential/Proprietary materials included.** Offerors should identify below any portion of their Proposal deemed confidential or proprietary. Identification in this section does not guarantee that disclosure will be prevented but that the item will be subject to review by the Offeror and 1GPA prior to any public disclosure. Contract terms and conditions, pricing, and information generally available to the public are not considered confidential information. 1GPA will be the final judge if materials will be accepted as confidential or not. Request to deem the entire Proposal or price as confidential will not be a consideration.

Complete description of the material to be considered confidential, including the page number, paragraph and other identifiable information must be outlined below.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

The undersigned hereby acknowledges that any items deemed to be confidential or proprietary are clearly listed on this Form.

CACTUS Asphalt
Offeror Name

Bryan Glazer
Authorized Signature

4/20/22
Date

BRYAN Glazer - Managing Partner
Printed Name and Title

DEBARMENT CERTIFICATION

Neither my company nor an owner or principal of my company has been debarred, suspended or otherwise made ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension," as described in the Federal Register and Rules and Regulations.

By signature below, I certify that the above is true, complete and accurate and that I am authorized by my company to make this certification.

CACTUS Asphalt

Company Name

Bryan Glazer

Signature of Authorized Company Official

BRYAN GLAZER

Printed Name

4/20/22

Date

MINORITY/WOMEN BUSINESS ENTERPRISE (MWBE) AND HISTORICALLY UNDERUTILIZED BUISNESS (HUB)

Bidding companies that have been certified as Historically Underutilized Business (HUB) or Minority/Women Business Enterprise (MWBE) entities are encouraged to indicate their HUB and MWBE status when responding to this Bid Invitation.

Vendor certifies that this firm is a MWBE (Required by some participating agencies)	☐ Yes	☒ No
Vendor certifies that this firm is a HUB (Required by some participating agencies)	☐ Yes	☒ No

Please scan a copy of MWBE and/or HUB certification letter and the percentage of your business with MWBE and/or HUB suppliers, if applicable, in your bid response in the Response Attachments section.

I, the authorized representative for the company named below, certify that the information concerning residency certification, and MWBE and HUB certifications have been reviewed by me and the information furnished is true to the best of my knowledge.

Contractor's Name/Company Name: CACTUS Asphalt

Address, City, State, and Zip Code: 8211 W. Sherman St Tolleson AZ 85353

Phone Number: 623-907-2800 Fax Number: 623-907-2900

Printed Name and Title of Authorized Representative: BRYAN GLAZER - Managing Partner

Email Address: jabram@cactusasphalt.com

Signature of Authorized Representative: Bryan Glazer Date: 4/20/22

NON-COLLUSION AFFIDAVIT

State of ARIZONA County of MARICOPA

BRYAN GLAZER
Name

MANAGING PARTNER
Title

CACTUS Asphalt
Company Name

As an authorized representative of the persons, corporation, or company who makes the accompanying Proposal, and having first been duly sworn, I hereby depose and state as follows:

The accompanying Proposal is genuine, and such Offer is neither a sham nor collusive, nor is such Offer made in the interest or on behalf of any person or corporation not named herein.

The Offeror has not directly or indirectly induced or solicited any other Offeror to put in a sham or collusive bid, or induced or solicited any other Offeror to refrain from submitting an Offer.

The Offeror has not in any manner sought by collusion or anti-competitive means or practices to secure for itself advantage over any other Bidder.

The Offeror has taken steps and exercised due diligence to ensure that no violation of A.R.S § 15-213(O) has occurred.

Signed: Bryan Gl

Title: Managing Partner

Subscribed and sworn to before me

This 20th day of April, 2022

Nichole Marie H

Signature of Notary Public in and for the

State of Arizona

County of Maricopa

My Commission Expires on January 13th 2023

NICHOLE MARIE HENRY
Notary Public, State of Arizona
Maricopa County
Commission # 559564
My Commission Expires
January 13, 2023

THIS PAGE MUST BE SIGNED, NOTARIZED AND RETURNED WITH YOUR RESPONSE

Remote online notarization is permitted in Arizona under A.R.S. §41-371 through 41-380 and should contain the statement "This remote online notarization involved the use of communication technology." Resources regarding online notaries for Arizona can be found at https://azsos.gov/business/notary/enotary.

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

CACTUS TRANSPORT HOLDINGS INC

2 Business name/disregarded entity name, if different from above

CACTUS TRANSPORT INC DBA CACTUS ASPHALT

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☑ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

8211 WEST SHERMAN ST

Requester's name and address (optional)

6 City, state, and ZIP code

TOLLESON, AZ 85353

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-			-				

or

Employer identification number

8	6	-	0	3	6	3	4	2	4

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | **Signature of U.S. person ▶** [signature] **Date ▶** 4/21/2022

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

ANTITRUST CERTIFICATION STATEMENT

Texas Government Code
§2155.005

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below.
2. In connection with this bid, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15.
3. In connection with this bid, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the company has directly or indirectly communicated any of the contents of this bid to a competitor of the company or any other company, corporation, firm, partnership, or individual engaged in the same line of business as the company listed.

Vendor Name CACTUS Asphalt
(Please Type or Print)

Address 8211 W. Sherman St.
Tolleson AZ 85353

Phone 623-907-2800 Fax 623-907-2900

Email Jabram@cactusasphalt.com Website www.cactusasphalt.com

Name of Person Submitting Bid BRYAN GLAZER

Signature Bryan Glazer Date 4/20/22

Position with Company Managing Partner

To:	TOWN OF CHINO VALLEY	**Contact:**	Bruce Cooper
Address:	1020 WEST PALOMINO ROAD, P.O. BOX 406	**Phone:**	520-636-7140
	CHINO VALLEY, AZ 86323	**Fax:**	520-636-7141
Project Name:	TOCV FY 26 Pulverize & Chip Seal - REVISED BASE	**Bid Number:**	
Project Location:	Various Locations, Chino Valley, AZ	**Bid Date:**	3/30/2026

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
30	Asphalt Milling Mobilization	1.00	EACH	$4,000.00	$4,000.00
31	Asphalt Milling Per Inch Deep: *This Item Used For 6" Deep Pulverization (132,993 SY X 6" Depth)*	797,958.00	SY	$0.65	$518,672.70
72	Single Chip Seal Mobilization	0.50	EACH	$4,000.00	$2,000.00
73	Single Chip Seal	5,033.00	SY	$3.69	$18,571.77
74	Double Chip Seal Mobilization	0.50	EACH	$4,500.00	$2,250.00
75	Double Chip Seal	146,764.00	SY	$8.53	$1,251,896.92
82	Fog Seal or Tack Seal Mobilization	1.00	EACH	$1,000.00	$1,000.00
83	Fog Seal or Tack Seal	1,366,173.00	SF	$0.20	$273,234.60
93	Grade Area Mobilization	1.00	EACH	$4,000.00	$4,000.00
94	Grade Area	132,993.00	SY	$3.20	$425,577.60
134	Mobilization - Acrylic Striping	1.00	EACH	$450.00	$450.00
136	Restripe: Acrylic 4" Wide: 54,935 LF - 2 COATS	109,870.00	LF	$0.35	$38,454.50
139	Restripe: Acrylic 12" Wide: 2 COATS	1,110.00	LF	$1.50	$1,665.00
156	6' Arrows: 9 EA - 2 COATS	18.00	EACH	$150.00	$2,700.00
161	6' Department Of Transportation Letters Or Numbers: 3 EA - ONLY - 2 COATS	24.00	EACH	$40.00	$960.00
240	Construction Survey Non-Registered Surveyor, 2 Men and Equipment	220.00	HR	$350.00	$77,000.00
242	Traffic Control: *Per Crew Per Day.*	50.00	DY	$3,500.00	$175,000.00
244	Off Duty Officers (Includes Car) (CONTINGENT): *Utilized While Working Near ADOT ROW*	100.00	HR	$115.00	$11,500.00
245	Additional Flaggers (Each Per Hour): *2 Extra Per Day*	1,000.00	HR	$45.00	$45,000.00
554	QC/Testing - Subgrade/ABC/Concrete	10.00	DY	$2,500.00	$25,000.00
				Total Bid Price:	**$2,878,933.09**

Notes:

- **Pricing based off 1GPA Asphalt Products and Services 22-15P-01**
- **Quantity Discount Given on Select Unit Prices for Select Areas**
- Standard Terms and Conditions to follow.
- All work quoted above is scheduled on an "as available" basis unless otherwise stated. Cactus encourages customers to verify start dates as soon as possible and realize that schedule issues and or changes on your project may mean you will be moved back to our next available date behind other customers who have met their intended schedule. **Your project will not be formally scheduled without a binding letter of intent or a formal contract.** We apologize for any inconvenience, but we value our relationships with all customers.
- All scheduling contingent upon mutual agreement of Owner and Cactus Asphalt.

Paving · Seal Coating · Crack Sealing · Patching · Chip Sealing · Fabric Overlay · More

Contractors Licenses: AZ – 194430 · NV – 0040581 · NM – 022995 · UT – 944049-5501

t 623-907-2800 f 623-907-2900 cactusasphalt.com 8211 W. Sherman St. Tolleson, AZ 85353

To:	TOWN OF CHINO VALLEY	**Contact:**	Bruce Cooper
Address:	1020 WEST PALOMINO ROAD, P.O. BOX 406	**Phone:**	520-636-7140
	CHINO VALLEY, AZ 86323	**Fax:**	520-636-7141
Project Name:	TOCV FY 26 Pulverize & Chip Seal - REVISED BASE	**Bid Number:**	
Project Location:	Various Locations, Chino Valley, AZ	**Bid Date:**	3/30/2026

- Prices above based on completing each task in one mobilization. If an additional mobilization is required, charges may apply.
- Cactus is not responsible for notification, nor removal of vehicles and property from work areas.
- Cactus will require this proposal with exclusions be included in any contractual agreement.
- Unit prices above include all applicable State, County & City taxes for contracting.
- In the event that quantities differ from above, billing will reflect agreed upon measured quantities.
- EXCLUSIONS (Unless Otherwise Specified): Permits, Plans, Engineering, As-Builts, Testing, Inspection, Clear & Grubb, Grading, Landscape Repairs, Weed Killer, Crack Routing, Crack-Sealing, Curb Line/Joint Sealing, Asphalt Patching, ABC, Landscape Materials, Vegetation Replacement, Preservative Seals, Prime Coats, Concrete Structures, Irrigation/Pipe Work, All Underground Items, Utility Removal or Relocation, Drywells, Rip/Rap, Structural Backfill, Curb Painting, New Signage, Parking Bumpers Removal or Replacement, Import, Export, Excavation, Subgrade Stabilization, Removal of Debris Generated by Other Trades, Erosion Control, SWPPP, Thickened Pavement Edge, Project Information Sign And Any Special Insurance Requirements.
- This quote excludes any project management, billing or safety website fees (i.e. Textura or Other Similar Applications)
- Asphalt materials pricing is based on the current months ADOT index for Bituminous materials. There are strong indicators that there will be significant increases in asphalt prices going forward. Adjustments to the quoted prices for paving items will be made and finalized 14 days prior to the time of scheduled paving operations with appropriate notification, documentation and communication.
- AZ 194430 Class-A General Engineering
  NV 0093905 Class-A General Engineering
- The elimination of any existing drainage problem or reflective cracking is neither intended nor guaranteed when providing slurry and micro sealing services.
- Power steering marks are normal and should not be cause for undue concern on slurry and micro surfacing pavement treatments.

Terms and Conditions: Due to the complex nature of private utility locating, please review the agreement: Cactus Asphalt will consider our performance in any claim that may arise. We are not responsible for any nonconductive line. (Non-Metallic, PVC, Water Line, Etc.) We are not responsible for any conductive lines with no accessible connection point. We are not responsible for conductive lines that do not appear on blueprints, maps, or as-builts provided by customer. We are not responsible for locating lines where no blueprints, maps, or as-builts provided are by customer prior to locating. Cactus Asphalt is not responsible for any damages related from Blue Stake Ticket Services. Owners/Clients are reminded that per AZ One Call Law, AZ Blue Stake Center must be notified, and all affected utility owners must respond prior to commencement of excavation.

ACCEPTED:	**CONFIRMED:**
The above prices, specifications and conditions are satisfactory and hereby accepted.	**Cactus Asphalt**
Buyer: _____	
Signature: _____	Authorized Signature: _____
Date of Acceptance: _____	Estimator: Tim Osterholz

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Contractors Licenses: AZ – 194430 · NV – 0040581 · NM – 022995 · UT – 944049-5501

t 623-907-2800 f 623-907-2900 cactusasphalt.com 8211 W. Sherman St. Tolleson, AZ 85353

TERMS AND CONDITIONS

GENERAL

Owner shall timely notify Cactus Asphalt (Cactus) in writing when the premises will be ready for work to commence, and shall give unobstructed access to all areas where work is to be done. Any necessary towing and costs of delays shall be the responsibility of the owner.

Cactus is not responsible for any utility lines (water, electric, sprinkler, communications, cable, etc.) which may lie within eighteen inches (18") of the surface. Owner is responsible for supplying all known layouts of any such utility lines which are known to exist. Cactus is not responsible for damage to undisclosed, unknown or improperly placed lines.

If Cactus encounters any different site condition or concealed condition, including but not limited to underground utilities, debris, ground water, underground storage tanks, hazardous material, "hard dig" soils, or any material or substance regulated by federal, state, local law, ordinance, or regulation, any other environmental, health or safety issue, or concern, or other conditions, that were unknown to Cactus before submission of this Proposal, the contract price shall be equitably adjusted to compensate Cactus for any additional work performed or damages incurred as a result of any such conditions. At Cactus' sole discretion, Cactus may stop all work on the project, until the parties have reached an agreement, in writing, concerning any such equitable adjustment, and Cactus shall have no obligation to perform any work which, as determined by Cactus, directly or indirectly involves any environmental, health or safety risk or hazard.

The Owner is responsible for ensuring that all surfaces are kept in a condition acceptable to the application of the agreed upon product. This includes ensuring that all automatic sprinklers that may place water on the surface are turned off. Any delay caused by failure to perform the above may result in additional expense to the owner.

Cactus is not responsible for ponding water where grade is less than 2%.

Owner is to provide a water source that is acceptable to Cactus and is sufficient for performing the work.

Cactus is fully licensed and insured. All Cactus employees are covered by Worker's Compensation Insurance.

Unless otherwise agreed in writing, the prices contained within this agreement do not include the costs of permits or bonds.

WARRANTY

All work performed by Cactus is covered by a one year warranty on workmanship. Normal wear and tear, abuse, weather, and other acts of God are excluded.

PAYMENT AND TAXES

By law, taxes may only be waived upon receipt of a valid exemption certificate. Taxes are determined in accordance with the jurisdiction where the work is performed. The owner is responsible for payment of all taxes.

Unless otherwise stated within this agreement, all payment is due upon transmittal of invoice. In addition to other terms contained elsewhere in this proposal, Owner agrees to pay a service charge at the rate of 2% per month on all accounts that become 10 days past due. All costs of collection, as well as attorney's fees, will be added to the balance and interest due.

Cactus reserves the right (without further notice) to suspend or terminate this agreement if work is stopped for 30 or more days because of a failure to make progress payments or other delay not caused by Cactus. In such event Cactus reserves the right to recover payment for all work performed, including reasonable overhead, profit and damages under the contract.

This agreement shall be governed by and construed in accordance with Arizona law, and any lawsuit or arbitration arising from this agreement must be filed in Maricopa County, Arizona. If any provision of this agreement is determined invalid or unenforceable by a court of competent jurisdiction, that provision alone will be deemed stricken and the remainder of the agreement will be enforced.

Any dispute arising from this agreement, not timely resolved after good faith negotiation, will be submitted, at Cactus's sole discretion, to mediation, binding arbitration, or litigation in state court. If mediation is elected, its completion is an express condition precedent to Cactus's election of binding arbitration or state court litigation. If Cactus elects arbitration, the arbitration will be governed by and conducted in accordance with the Arizona Revised Uniform Arbitration Act at A.R.S. §12-1501, et seq.

A property owner has the right to file a written complaint with the Arizona Registrar of Contractors for an alleged violation of A.R.S. § 32-1154(A). Any such complaint must be filed within the applicable time period set forth in A.R.S. § 32-1155(A). The Registrar's phone number is (602) 542-1525, and its website address is http://www.azroc.gov/.

To:	TOWN OF CHINO VALLEY	**Contact:**	Bruce Cooper
Address:	1020 WEST PALOMINO ROAD, P.O. BOX 406	**Phone:**	520-636-7140
	CHINO VALLEY, AZ 86323	**Fax:**	520-636-7141
Project Name:	TOCV FY 26 Pulverize & Chip Seal - REVISED BASE	**Bid Number:**	
Project Location:	Various Locations, Chino Valley, AZ	**Bid Date:**	3/30/2026

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
30	Asphalt Milling Mobilization	1.00	EACH	$4,000.00	$4,000.00
31	Asphalt Milling Per Inch Deep: *This Item Used For 6" Deep Pulverization (132,993 SY X 6" Depth)*	797,958.00	SY	$0.65	$518,672.70
72	Single Chip Seal Mobilization	0.50	EACH	$4,000.00	$2,000.00
73	Single Chip Seal	5,033.00	SY	$3.69	$18,571.77
74	Double Chip Seal Mobilization	0.50	EACH	$4,500.00	$2,250.00
75	Double Chip Seal	146,764.00	SY	$8.53	$1,251,896.92
82	Fog Seal or Tack Seal Mobilization	1.00	EACH	$1,000.00	$1,000.00
83	Fog Seal or Tack Seal	1,366,173.00	SF	$0.20	$273,234.60
93	Grade Area Mobilization	1.00	EACH	$4,000.00	$4,000.00
94	Grade Area	132,993.00	SY	$3.20	$425,577.60
134	Mobilization - Acrylic Striping	1.00	EACH	$450.00	$450.00
136	Restripe: Acrylic 4" Wide: 54,935 LF - 2 COATS	109,870.00	LF	$0.35	$38,454.50
139	Restripe: Acrylic 12" Wide: 2 COATS	1,110.00	LF	$1.50	$1,665.00
156	6' Arrows: 9 EA - 2 COATS	18.00	EACH	$150.00	$2,700.00
161	6' Department Of Transportation Letters Or Numbers: 3 EA - ONLY - 2 COATS	24.00	EACH	$40.00	$960.00
240	Construction Survey Non-Registered Surveyor, 2 Men and Equipment	220.00	HR	$350.00	$77,000.00
242	Traffic Control: *Per Crew Per Day.*	50.00	DY	$3,500.00	$175,000.00
244	Off Duty Officers (Includes Car) (CONTINGENT): *Utilized While Working Near ADOT ROW*	100.00	HR	$115.00	$11,500.00
245	Additional Flaggers (Each Per Hour): *2 Extra Per Day*	1,000.00	HR	$45.00	$45,000.00
554	QC/Testing - Subgrade/ABC/Concrete	10.00	DY	$2,500.00	$25,000.00
				Total Bid Price:	**$2,878,933.09**

Notes:

- **Pricing based off 1GPA Asphalt Products and Services 22-15P-01**
- **Quantity Discount Given on Select Unit Prices for Select Areas**
- Standard Terms and Conditions to follow.
- All work quoted above is scheduled on an "as available" basis unless otherwise stated. Cactus encourages customers to verify start dates as soon as possible and realize that schedule issues and or changes on your project may mean you will be moved back to our next available date behind other customers who have met their intended schedule. **Your project will not be formally scheduled without a binding letter of intent or a formal contract.** We apologize for any inconvenience, but we value our relationships with all customers.
- All scheduling contingent upon mutual agreement of Owner and Cactus Asphalt.

Paving · Seal Coating · Crack Sealing · Patching · Chip Sealing · Fabric Overlay · More

Contractors Licenses: AZ – 194430 · NV – 0040581 · NM – 022995 · UT – 944049-5501

t 623-907-2800 f 623-907-2900 cactusasphalt.com 8211 W. Sherman St. Tolleson, AZ 85353

To:	TOWN OF CHINO VALLEY	**Contact:**	Bruce Cooper
Address:	1020 WEST PALOMINO ROAD, P.O. BOX 406	**Phone:**	520-636-7140
	CHINO VALLEY, AZ 86323	**Fax:**	520-636-7141
Project Name:	TOCV FY 26 Pulverize & Chip Seal - REVISED BASE	**Bid Number:**	
Project Location:	Various Locations, Chino Valley, AZ	**Bid Date:**	3/30/2026

- Prices above based on completing each task in one mobilization. If an additional mobilization is required, charges may apply.
- Cactus is not responsible for notification, nor removal of vehicles and property from work areas.
- Cactus will require this proposal with exclusions be included in any contractual agreement.
- Unit prices above include all applicable State, County & City taxes for contracting.
- In the event that quantities differ from above, billing will reflect agreed upon measured quantities.
- EXCLUSIONS (Unless Otherwise Specified): Permits, Plans, Engineering, As-Builts, Testing, Inspection, Clear & Grubb, Grading, Landscape Repairs, Weed Killer, Crack Routing, Crack-Sealing, Curb Line/Joint Sealing, Asphalt Patching, ABC, Landscape Materials, Vegetation Replacement, Preservative Seals, Prime Coats, Concrete Structures, Irrigation/Pipe Work, All Underground Items, Utility Removal or Relocation, Drywells, Rip/Rap, Structural Backfill, Curb Painting, New Signage, Parking Bumpers Removal or Replacement, Import, Export, Excavation, Subgrade Stabilization, Removal of Debris Generated by Other Trades, Erosion Control, SWPPP, Thickened Pavement Edge, Project Information Sign And Any Special Insurance Requirements.
- This quote excludes any project management, billing or safety website fees (i.e. Textura or Other Similar Applications)
- Asphalt materials pricing is based on the current months ADOT index for Bituminous materials. There are strong indicators that there will be significant increases in asphalt prices going forward. Adjustments to the quoted prices for paving items will be made and finalized 14 days prior to the time of scheduled paving operations with appropriate notification, documentation and communication.
- AZ 194430 Class-A General Engineering
  NV 0093905 Class-A General Engineering
- The elimination of any existing drainage problem or reflective cracking is neither intended nor guaranteed when providing slurry and micro sealing services.
- Power steering marks are normal and should not be cause for undue concern on slurry and micro surfacing pavement treatments.

Terms and Conditions: Due to the complex nature of private utility locating, please review the agreement: Cactus Asphalt will consider our performance in any claim that may arise. We are not responsible for any nonconductive line. (Non-Metallic, PVC, Water Line, Etc.) We are not responsible for any conductive lines with no accessible connection point. We are not responsible for conductive lines that do not appear on blueprints, maps, or as-builts provided by customer. We are not responsible for locating lines where no blueprints, maps, or as-builts provided are by customer prior to locating. Cactus Asphalt is not responsible for any damages related from Blue Stake Ticket Services. Owners/Clients are reminded that per AZ One Call Law, AZ Blue Stake Center must be notified, and all affected utility owners must respond prior to commencement of excavation.

ACCEPTED: The above prices, specifications and conditions are satisfactory and hereby accepted. Buyer: _____ Signature: _____ Date of Acceptance: _____	**CONFIRMED:** **Cactus Asphalt** Authorized Signature: _____ Estimator: Tim Osterholz

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t 623-907-2800 f 623-907-2900 cactusasphalt.com 8211 W. Sherman St. Tolleson, AZ 85353

TERMS AND CONDITIONS

GENERAL

Owner shall timely notify Cactus Asphalt (Cactus) in writing when the premises will be ready for work to commence, and shall give unobstructed access to all areas where work is to be done. Any necessary towing and costs of delays shall be the responsibility of the owner.

Cactus is not responsible for any utility lines (water, electric, sprinkler, communications, cable, etc.) which may lie within eighteen inches (18") of the surface. Owner is responsible for supplying all known layouts of any such utility lines which are known to exist. Cactus is not responsible for damage to undisclosed, unknown or improperly placed lines.

If Cactus encounters any different site condition or concealed condition, including but not limited to underground utilities, debris, ground water, underground storage tanks, hazardous material, "hard dig" soils, or any material or substance regulated by federal, state, local law, ordinance, or regulation, any other environmental, health or safety issue, or concern, or other conditions, that were unknown to Cactus before submission of this Proposal, the contract price shall be equitably adjusted to compensate Cactus for any additional work performed or damages incurred as a result of any such conditions. At Cactus' sole discretion, Cactus may stop all work on the project, until the parties have reached an agreement, in writing, concerning any such equitable adjustment, and Cactus shall have no obligation to perform any work which, as determined by Cactus, directly or indirectly involves any environmental, health or safety risk or hazard.

The Owner is responsible for ensuring that all surfaces are kept in a condition acceptable to the application of the agreed upon product. This includes ensuring that all automatic sprinklers that may place water on the surface are turned off. Any delay caused by failure to perform the above may result in additional expense to the owner.

Cactus is not responsible for ponding water where grade is less than 2%.

Owner is to provide a water source that is acceptable to Cactus and is sufficient for performing the work.

Cactus is fully licensed and insured. All Cactus employees are covered by Worker's Compensation Insurance.

Unless otherwise agreed in writing, the prices contained within this agreement do not include the costs of permits or bonds.

WARRANTY

All work performed by Cactus is covered by a one year warranty on workmanship. Normal wear and tear, abuse, weather, and other acts of God are excluded.

PAYMENT AND TAXES

By law, taxes may only be waived upon receipt of a valid exemption certificate. Taxes are determined in accordance with the jurisdiction where the work is performed. The owner is responsible for payment of all taxes.

Unless otherwise stated within this agreement, all payment is due upon transmittal of invoice. In addition to other terms contained elsewhere in this proposal, Owner agrees to pay a service charge at the rate of 2% per month on all accounts that become 10 days past due. All costs of collection, as well as attorney's fees, will be added to the balance and interest due.

Cactus reserves the right (without further notice) to suspend or terminate this agreement if work is stopped for 30 or more days because of a failure to make progress payments or other delay not caused by Cactus. In such event Cactus reserves the right to recover payment for all work performed, including reasonable overhead, profit and damages under the contract.

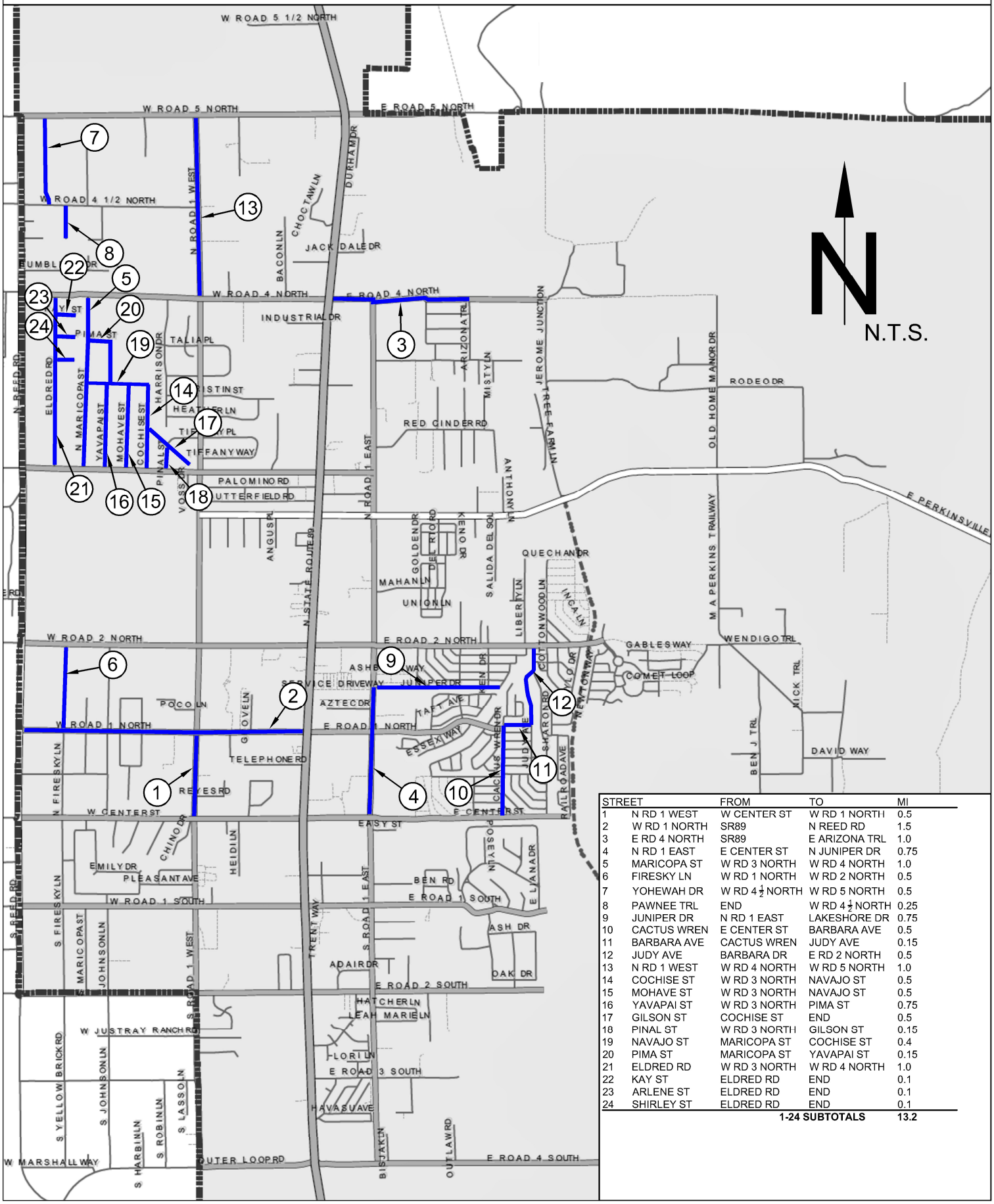
This agreement shall be governed by and construed in accordance with Arizona law, and any lawsuit or arbitration arising from this agreement must be filed in Maricopa County, Arizona. If any provision of this agreement is determined invalid or unenforceable by a court of competent jurisdiction, that provision alone will be deemed stricken and the remainder of the agreement will be enforced.

Any dispute arising from this agreement, not timely resolved after good faith negotiation, will be submitted, at Cactus's sole discretion, to mediation, binding arbitration, or litigation in state court. If mediation is elected, its completion is an express condition precedent to Cactus's election of binding arbitration or state court litigation. If Cactus elects arbitration, the arbitration will be governed by and conducted in accordance with the Arizona Revised Uniform Arbitration Act at A.R.S. §12-1501, et seq.

A property owner has the right to file a written complaint with the Arizona Registrar of Contractors for an alleged violation of A.R.S. § 32-1154(A). Any such complaint must be filed within the applicable time period set forth in A.R.S. § 32-1155(A). The Registrar's phone number is (602) 542-1525, and its website address is http://www.azroc.gov/.

REVISED 4/2/26

FY26 PULVERIZE & CHIP SEAL PROJECT



STREET		FROM	TO	MI
1	N RD 1 WEST	W CENTER ST	W RD 1 NORTH	0.5
2	W RD 1 NORTH	SR89	N REED RD	1.5
3	E RD 4 NORTH	SR89	E ARIZONA TRL	1.0
4	N RD 1 EAST	E CENTER ST	N JUNIPER DR	0.75
5	MARICOPA ST	W RD 3 NORTH	W RD 4 NORTH	1.0
6	FIRESKY LN	W RD 1 NORTH	W RD 2 NORTH	0.5
7	YOHEWAH DR	W RD 4 $\frac{1}{2}$ NORTH	W RD 5 NORTH	0.5
8	PAWNEE TRL	END	W RD 4 $\frac{1}{2}$ NORTH	0.25
9	JUNIPER DR	N RD 1 EAST	LAKESHORE DR	0.75
10	CACTUS WREN	E CENTER ST	BARBARA AVE	0.5
11	BARBARA AVE	CACTUS WREN	JUDY AVE	0.15
12	JUDY AVE	BARBARA DR	E RD 2 NORTH	0.5
13	N RD 1 WEST	W RD 4 NORTH	W RD 5 NORTH	1.0
14	COCHISE ST	W RD 3 NORTH	NAVAJO ST	0.5
15	MOHAVE ST	W RD 3 NORTH	NAVAJO ST	0.5
16	YAVAPAI ST	W RD 3 NORTH	PIMA ST	0.75
17	GILSON ST	COCHISE ST	END	0.5
18	PINAL ST	W RD 3 NORTH	GILSON ST	0.15
19	NAVAJO ST	MARICOPA ST	COCHISE ST	0.4
20	PIMA ST	MARICOPA ST	YAVAPAI ST	0.15
21	ELDRED RD	W RD 3 NORTH	W RD 4 NORTH	1.0
22	KAY ST	ELDRED RD	END	0.1
23	ARLENE ST	ELDRED RD	END	0.1
24	SHIRLEY ST	ELDRED RD	END	0.1
			1-24 SUBTOTALS	**13.2**

Line Item	Description	Unit of Measure	Alternate Unit of Me	Not-To-Exceed Price	No Bid	Comments
Asphalt Emulsion Sealer, Squeegee Applied, (enter product name in the '						
53	Mobilization	Flat Fee		$500.00		GuardTop CoolSeal
54	First Coat	SQFT		$.84		(Gray Seal Coat)
55	Second Coat	SQFT		$.84		
Polymer Modified Asphalt Rubber (PMAR) Chip Seal						
999	Mobilization	Flat Fee		$5,000.00		
999	PMAR Chip Seal	SQYD		$ 6.65		
Other						
244	Off Duty Officers (Includes Car)	Per Hour		$ 115.00		Port-to-Port billing (travel time)
245	Additional Flaggers (Each Per Hour)	Per Hour		$45.00		
Microseal Type III Slurry Seal						
550	Mobilization	Flat Fee		$5,000.00		
551	Microseal Type III	SQYD		$ 6.25		
Latex/Polymer Modified III Slurry Seal						
552	Mobilization	Flat Fee		$5,000.00		
553	Latex/Polymer Modified III Slurry Seal	SQYD		$ 5.75		
QC/Testing						
554	Subgrade/ABC/Concrete	DAY		$2,500.00		
555	Asphalt	DAY		$ 3,500.00		

**ADDITIONAL ITEMS REQUESTED BY CACTUS ASPHALT

Line Item	Description	Unit of Measure	Alternate Unit of I	Not-To-Exceed Pr	No Bid	Comments
Asphalt Surface I						
1	Mobilization	Flat Fee		$2,000.00	FALSE	
2	Per Square Foot Per Inch, Less than 10,000 SQFT	Per SQFT Per Inch		$2.25	FALSE	
3	Per Square Foot Per Inch, Greater than 10,000 SQFT	Per SQFT Per Inch		$1.50	FALSE	
Asphalt Removal						
4	Mobilization Charge	Flat Fee		$2,500.00	FALSE	
5	2 Inch Depth, Under 10,000 SQFT	SQFT		$ 3.90	FALSE	
6	2 Inch Depth, Over 10,000 SQFT	SQFT		$ 3.10	FALSE	
7	3 Inch Depth, Under 10,000 SQFT	SQFT		$ 4.55	FALSE	
8	3 Inch Depth, Over 10,000 SQFT	SQFT		$ 3.75	FALSE	
9	4 Inch Depth - 2 Lifts, Under 10,000 SQFT	SQFT		$ 5.60	FALSE	
10	4 Inch Depth - 2 Lifts, Over 10,000 SQFT	SQFT		$ 4.78	FALSE	
11	5 Inch Depth - 2 Lifts, Under 10,000 SQFT	SQFT		$ 6.90	FALSE	
12	5 Inch Depth - 2 Lifts, Over 10,000 SQFT	SQFT		$ 7.20	FALSE	
13	6 Inch Depth - 2 Lifts, Under 10,000 SQFT	SQFT		$ 8.30	FALSE	
14	6 Inch Depth - 2 Lifts, Over 10,000 SQFT	SQFT		$ 7.80	FALSE	
Asphalt Speed Bu						
15	Mobilization Charge	Flat Fee		$2,000.00	FALSE	
16	Speed Bumps (18" Wide x 24 Linear Feet) at 3" Height	Each		$ 1,650.00	FALSE	
Asphalt Speed Hu						
17	Mobilization Charge	Flat Fee		$2,000.00	FALSE	
18	Speed Humps (3' Wide x Street Width) at 3" Height	SQFT		$ 31.00	FALSE	
19	Speed Humps (12' Wide x Street Width) at 3" Height	SQFT		$ 9.45	FALSE	
20	Speed Humps (14' Wide x Street Width) at 3" Height	SQFT		$ 11.00	FALSE	
21	Speed Tables (22' Wide x Street width) at 3" Height	SQFT		$ 15.50	FALSE	
Asphaltic Concre						

22	Mobilization Charge	Flat Fee		$4,500.00	FALSE	
23	1" Depth	SQFT	$	1.40	FALSE	
24	1-1/2" Depth	SQFT	$	1.55	FALSE	
25	2" Depth	SQFT	$	1.95	FALSE	
26	3" Depth	SQFT	$	2.89	FALSE	
27	4" Depth - 2 Lifts	SQFT	$	3.88	FALSE	
Asphalt Concrete						
28	Mobilization	Flat Fee		$1,000.00	FALSE	
29	Fabric Overlay	SQFT	$	3.30	FALSE	this is cost to add fabric to project
Asphalt Milling						
30	Mobilization	Flat Fee		$4,000.00	FALSE	
31	Asphalt Milling Per Inch Deep	SQYD	$	1.93	FALSE	
Ultra Thin Bonde						
32	Mobilization	Flat Fee		$7,500.00	FALSE	REQUEST TO ADD
33	Residential Streets: 1.25" to 1.5" in Thickness	SQYD		$33.00	FALSE	REQUEST TO ADD
34	Arterial/Collector Streets: 1.0" to 1.25" in Thickness	SQYD		$22.00	FALSE	REQUEST TO ADD
35	Edge Milling at Depth of Wearing Course	SQYD		$3.10	FALSE	REQUEST TO ADD
Asphalt Sawcutti						
36	Mobilization	Flat Fee		$350.00	FALSE	
37	Per Inch of Thickness	LF		$.70	FALSE	
Concrete Sawcut						
38	Mobilization	Flat Fee		$350.00	FALSE	
39	Per Inch of Thickness	LF		$1.40	FALSE	
Parking Lot Swee						
40	Mobilization	Flat Fee		$200.00	FALSE	
41	Parking Lot Sweeping	SQFT		$.03	FALSE	
Hot Rubber Crac						
42	Mobilization	Flat Fee		$300.00	FALSE	
43	Hot Rubber Crack Seal	LB		$2.16	FALSE	
Wide Crack Seal						
44	Mobilization	Flat Fee		$300.00	FALSE	

45	Wide Crack Seal	LB		$3.16	FALSE	
Asphalt Emulsior						
47	Mobilization	Flat Fee		$500.00	FALSE	SealMaster Master Seal
48	First Coat	SQFT	$	0.09	FALSE	OR
49	Second Coat	SQFT	$	0.08	FALSE	GuardTop LSTR
Asphalt Emulsior						
50	Mobilization	Flat Fee		$500.00	FALSE	SealMaster PMM RTU
51	First Coat	SQFT	$	0.13	FALSE	OR
52	Second Coat	SQFT	$	0.11	FALSE	GuardTop Ultra
Asphalt Emulsior						
53	Mobilization	Flat Fee		$500.00	FALSE	GuardTop CoolSea
54	First Coat	SQFT		$.84	FALSE	(Gray/White Seal Coat)
55	Second Coat	SQFT		$.84	FALSE	
Asphalt Emulsior						
56	Mobilization	Flat Fee		$500.00	FALSE	SealMaster PMM
57	First Coat - Squeegee	SQFT	$	0.13	FALSE	OR
58	Second Coat - Spray	SQFT	$	0.11	FALSE	GuardTop Ultra
Asphalt Emulsior						
59	Mobilization	Flat Fee		$500.00	FALSE	SealMaster Liquid Road
60	First Coat - Squeegee	SQFT	$	0.26	FALSE	OR
61	Second Coat - Spray	SQFT	$	0.24	FALSE	GuardTop RoadShield
Scrub Seal						
62	Mobilization	Flat Fee		$3,500.00	FALSE	
63	Scrub Seal	SQFT	$	0.66	FALSE	
Tire Rubber Mod						
64	Mobilization	Flat Fee		$1,200.00	FALSE	
65	TRMSS	SQFT	$	0.38	FALSE	
Conventional Ty						
66	Mobilization	Flat Fee		$5,000.00	FALSE	

67	Conventional Type II Slurry Seal	SQYD		$ 4.37	FALSE	
Latex/Polymer M						
68	Mobilization	Flat Fee		$5,000.00	FALSE	
69	Latex/Polymer Modified II Slurry Seal	SQYD		$ 4.97	FALSE	
Microseal Type I						
70	Mobilization	Flat Fee		$5,000.00	FALSE	
71	Microseal Type II Slurry Seal	SQYD		$ 5.80	FALSE	
Single Chip Seal						
72	Mobilization	Flat Fee		$4,000.00	FALSE	
73	Single Chip Seal	SQYD		$ 3.69	FALSE	
Double Chip Seal						
74	Mobilization	Flat Fee		$4,500.00	FALSE	
75	Double Chip Seal	SQYD		$ 8.53	FALSE	
Polymer Modifie						
76	Mobilization	Flat Fee		$4,000.00	FALSE	
77	Polymer Modified Asphalt Chip Seal	SQYD		$ 3.92	FALSE	
Terminal Blend R						
78	Mobilization	Flat Fee		$4,000.00	FALSE	
79	Terminal Blend Rubber Chip Seal	SQYD		$ 6.33	FALSE	
Acrylic Modified						
80	Mobilization	Flat Fee		$3,200.00	FALSE	
81	Acrylic Modified Asphalt Emulsion Seal	SQFT		$ 0.77	FALSE	
Fog Seal or Tack						
82	Mobilization	Flat Fee		$1,000.00	FALSE	
83	Fog Seal or Tack Seal	SQFT		$.40	FALSE	
Excavation, Dem						
84	Mobilization	Flat Fee		$3,800.00	FALSE	
85	Non-Concrete	Cubic Yard		$ 45.00	FALSE	
86	Concrete	Cubic Yard		$ 165.00	FALSE	
87	Concrete with Rebar	Cubic Yard		$ 185.00	FALSE	
Dump Fees						
88	Non-Concrete	Cubic Yard		$55.00	FALSE	
89	Concrete	Cubic Yard		$75.00	FALSE	
90	Organic	Cubic Yard		$100.00	FALSE	

Place and Compa						
91	Mobilization	Flat Fee		$4,000.00	FALSE	
92	Per Inch of Thickness	SQFT		$.38	FALSE	
Grade Area						
93	Mobilization	Flat Fee		$4,000.00	FALSE	
94	Grade Area	SQYD		$3.20	FALSE	
Soil Stabilization						
95	Mobilization	Flat Fee		$18,000.00	FALSE	
96	Blend/Compact at 4% Volume at 6"	SQYD		$4.00	FALSE	
97	Blend/Compact at 4% Volume at 8"	SQYD		$5.22	FALSE	
98	Blend/Compact at 4% Volume by 12"	SQYD		$7.97	FALSE	
99	Blend/Compact at 6% Volume at 6"	SQYD		$6.36	FALSE	
100	Blend/Compact at 6% Volume at 8"	SQYD		$8.00	FALSE	
101	Blend/Compact at 6% Volume at 12"	SQYD		$12.04	FALSE	
102	Blend/Compact at 9% Volume at 6"	SQYD		$9.68	FALSE	
103	Blend/Compact at 9% Volume at 8"	SQYD		$14.07	FALSE	
104	Blend/Compact at 9% Volume at 12"	SQYD		$17.53	FALSE	
Soil Stabilization						
105	Mobilization	Flat Fee		$18,000.00	FALSE	
106	Blend/Compact at 2% Volume at 6"	SQYD		$3.43	FALSE	
107	Blend/Compact at 2% Volume at 8"	SQYD		$3.98	FALSE	
108	Blend/Compact at 2% Volume by 12"	SQYD		$5.00	FALSE	
109	Blend/Compact at 4% Volume at 6"	SQYD		$4.00	FALSE	
110	Blend/Compact at 4% Volume at 8"	SQYD		$5.22	FALSE	
111	Blend/Compact at 4% Volume at 12"	SQYD		$7.97	FALSE	
112	Blend/Compact at 6% Volume at 6"	SQYD		$6.37	FALSE	
113	Blend/Compact at 6% Volume at 8"	SQYD		$8.01	FALSE	
114	Blend/Compact at 6% Volume at 12"	SQYD		$12.03	FALSE	
Dust Palative						
115	Mobilization	Flat Fee		$4,000.00	FALSE	
116	Topical Application 1 to 5,000 SQYD	Per SQYD		$1.42	FALSE	
117	Topical Application 5,001 to 10,000 SQYD	Per SQYD		$1.35	FALSE	
118	Topical Application 10.,001 to 20,000	Per SQYD		$1.25	FALSE	
119	Topical Application 20,001+ SQYD	Per SQYD		$1.25	FALSE	

120	Blended Application to 6", 1 to 5,000 SQYD	Per SQYD		$15.60	FALSE	
121	Blended Application to 6", 5,001 to 10,000 SQYD	Per SQYD		$14.50	FALSE	
122	Blended Application to 6", 10,001 to 20,000 SQYD	Per SQYD		$14.15	FALSE	
123	Blended Application to 6", 20,001+ SQYD	Per SQYD		$13.75	FALSE	
Soil Sterilization						
124	Mobilization	Flat Fee		$1,800.00	FALSE	
125	1 to 50,000 SQFT	Per SQFT		$.19	FALSE	
126	50,001 to 100,000 SQFT	Per SQFT		$.15	FALSE	
127	100,001 to 200,000 SQFT	Per SQFT		$.11	FALSE	
128	200,001+ SQFT	Per SQFT		$.08	FALSE	
Single Pass Asph						
129	Mobilization	Flat Fee		$250,000.00	FALSE	
130	2" Asphaltic Concrete	SQFT		$238.00	FALSE	
131	3" Asphaltic Concrete	SQFT		$285.00	FALSE	
132	4" Asphaltic Concrete	SQFT			TRUE	can not perform single pass this thick
133	5" Asphaltic Concrete	SQFT			TRUE	can not perform single pass this thick
Striping and Safe						
134	Mobilization - Acrylic Striping	Flat Fee		$450.00	FALSE	
135	Mobilization - Thermoplastic	Flat Fee		$4,500.00	FALSE	
136	Restripe: Acrylic 4" Wide	LF		$.53	FALSE	
137	Restripe: Acrylic 6" Wide	LF		$.80	FALSE	
138	Restripe: Acrylic 8" Wide	LF		$1.00	FALSE	
139	Restripe: Acrylic 12" Wide	LF		$1.50	FALSE	
140	New Layout: Acrylic 4" Wide	LF		$.85	FALSE	
141	New Layout: Acrylic 6" Wide	LF		$1.25	FALSE	
142	New Layout: Acrylic 8" Wide	LF		$1.70	FALSE	
143	New Layout: Acrylic 12" Wide	LF		$2.50	FALSE	
144	Thermoplastic, 4" Wide	LF		$.75	FALSE	

145	Thermoplastic, 6" Wide	LF	$1.18	FALSE
146	Thermoplastic, 8" Wide	LF	$2.36	FALSE
147	Thermoplastic, 12" Wide	LF	$3.50	FALSE
148	Glass Beads, 4" Line	LF	$.90	FALSE
149	Glass Beads, 6" Line	LF	$1.35	FALSE
150	Glass Beads, 8" Line	LF	$1.75	FALSE
151	Glass Beads, 12" Line	LF	$2.25	FALSE
152	Curb (Top and Face), Red	LF	$2.12	FALSE
153	Curb (Top and Face), Other Colors	LF	$2.12	FALSE
154	Handicap Stencils	Each	$80.00	FALSE
155	3' Arrows	Each	$53.00	FALSE
156	6' Arrows	Each	$150.00	FALSE
157	4-6" Numbers/Letters	Each	$7.00	FALSE
158	10-12" Numbers/Letters	Each	$8.00	FALSE
159	20-24" Numbers/Letters	Each	$18.00	FALSE
160	30-36" Numbers/Letters	Each	$25.00	FALSE
161	6' Department of Transporation Letters or Numbers	Each	$40.00	FALSE
162	Speed Bump Stripe	Each	$125.00	FALSE
163	Speed Hump 3' Stripe	Each	$350.00	FALSE
164	Speed Hump 12' Stripe	Each	$450.00	FALSE
165	Speed Hump 14' Stripe	Each	$750.00	FALSE
166	Speed Table 22' Stripe	Each	$1,500.00	FALSE
167	Paint 4" Bollard	Each	$45.00	FALSE
168	Paint 6" Bollard	Each	$60.00	FALSE
169	Paint 8" Bollard	Each	$85.00	FALSE
170	Signage with 2" Round Post or U-Channel	Each	$250.00	FALSE
171	Signage with 2" Round Post or U-Channel in Concrete	Each	$360.00	FALSE
172	Installation - Stop and Sign Post	Each	$450.00	FALSE
173	Fire Lane Sign and Post, Single Sided	Each	$250.00	FALSE
174	Handicapped Sign and Post, Single Sided	Each	$450.00	FALSE
175	Double-Sided Sign and Post	Each	$600.00	FALSE
176	Ceramic Reflector - Installed	Each	$95.00	FALSE

177	Square Reflector, Installed	Each		$5.00	FALSE	
178	Blue Reflector, Installed	Each		$8.00	FALSE	
Manhole Adjustr						
179	Mobilization	Flat Fee		$1,200.00	FALSE	
180	Charge to Lower	Each		$350.00	FALSE	
181	Charge to Raise	Each		$750.00	FALSE	
Water/Sewer/Ga						
182	Mobilization	Flat Fee		$1,200.00	FALSE	
183	Charge to Lower	Each		$350.00	FALSE	
184	Charge to Raise	Each		$550.00	FALSE	
Survey Monume						
185	Mobilization	Flat Fee		$1,200.00	FALSE	
186	Type A: Charge to Lower	Each		$350.00	FALSE	
187	Type A: Charge to Raise	Each		$550.00	FALSE	
188	Type B: Charge to Lower	Each		$350.00	FALSE	
189	Type B: Charge to Raise	Each		$550.00	FALSE	
Riser Ring Adjust						
190	Mobilization	Flat Fee		$2,500.00	FALSE	
191	Manhole	Each		$255.00	FALSE	
192	Water/Sewer	Each		$255.00	FALSE	
Concrete Single C						
193	Mobilization	Flat Fee		$1,800.00	FALSE	
194	1-200	LF		$45.00	FALSE	
195	201-500	LF		$35.00	FALSE	
196	501-1000	LF		$30.00	FALSE	
197	1001+	LF		$28.00	FALSE	
Concrete Curb ar						
198	Mobilization	Flat Fee		$1,800.00	FALSE	
199	1-200	LF		$45.00	FALSE	
200	201-500	LF		$40.00	FALSE	
201	501-1000	LF		$35.00	FALSE	
202	1000+	LF		$30.00	FALSE	
Concrete Flatwo						
203	Mobilization	Flat Fee		$1,800.00	FALSE	

204	4" Thick per SQFT - 1 to 500 SQFT	SQFT	$	26.50	FALSE	
205	4" Thick per SQFT - 501 to 1000 SQFT	SQFT	$	17.50	FALSE	
206	4" Thick per SQFT - 1001+ SQFT	SQFT	$	13.75	FALSE	
207	6" Thick per SQFT - 1 to 500 SQFT	SQFT	$	31.00	FALSE	
208	6" Thick per SQFT - 501 to 1000 SQFT	SQFT	$	20.00	FALSE	
209	6" Thick per SQFT - 1001+ SQFT	SQFT	$	16.00	FALSE	
210	8" Thick per SQFT - 1 to 500 SQFT	SQFT	$	33.00	FALSE	
211	8" Thick per SQFT - 501 to 1000 SQFT	SQFT	$	22.00	FALSE	
212	8" Thick per SQFT - 1001+ SQFT	SQFT	$	18.25	FALSE	
213	12" Thick per SQFT - 1 to 500 SQFT	SQFT	$	38.50	FALSE	
214	12" Thick per SQFT - 501 to 1000 SQFT	SQFT	$	28.75	FALSE	
215	12" Thick per SQFT - 1001+ SQFT	SQFT	$	26.50	FALSE	
216	Additional Charge for Wire Mesh	SQFT		$1.50	FALSE	
217	Additional Charge for Fiber Mesh	SQFT		$5.00	FALSE	
218	Additional Charge for #3 Rebar	SQFT	$	4.00	FALSE	
219	Additional Charge for Post Tension	SQFT		$100.00	FALSE	
Concrete Doweli						
220	3/8"x12" Steel Dowels, Installed	Each		$35.00	FALSE	
221	1/2"x12" Steel Dowels, Installed	Each		$30.00	FALSE	
Concrete Extrude						
222	Mobilization	Flat Fee		$1,800.00	FALSE	
223	1 to 300 per Linear Foot	LF		$25.00	FALSE	
224	301 to 500 per Linear Foot	LF		$15.00	FALSE	
225	501+ per Linear Foot	LF		$12.00	FALSE	
Concrete Extrude						
226	Mobilization	Flat Fee		$1,800.00	FALSE	
227	1 to 300 per Linear Foot	LF		$30.00	FALSE	
228	301 to 500 per Linear Foot	LF		$20.00	FALSE	
229	501+ per Linear Foot	LF		$17.00	FALSE	
Precast Safety Cu						
230	Mobilization	Flat Fee		$750.00	FALSE	
231	Remove and Stockpile Existing Curbs	Each		$25.00	FALSE	
232	Repin Existing Curbs	Each		$40.00	FALSE	
233	New 6' Curbs, 1 to 20 per each	Each		$175.00	FALSE	

234	New 6' Curbs, 21+ per each	Each		$125.00	FALSE	
Safety Bollards						
235	Mobilization	Flat Fee		$1,800.00	FALSE	
236	4" Diameter, Concrete Filled	Each		$800.00	FALSE	
237	6" Diameter, Concrete Filled	Each		$1,200.00	FALSE	
238	8" Diameter, Concrete Filled	Each		$1,500.00	FALSE	
Construction Sur						
239	Registered Surveyor, 1 Man and	Per Hour		$300.00	FALSE	
240	Non-Registered Surveyor, 2 Men and Equipment	Per Hour		$350.00	FALSE	
Other						
241	Asphalt Cleaning/Prep	SQFT		$.18	FALSE	
242	Traffic Control	Per Day		$3,500.00	FALSE	
243	Sweeping	Per Hour		$185.00	FALSE	

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6d
MEETING DATE: 4/14/2026
CONTACT PERSON: Steven Sullivan, Assistant Town Engineer
ITEM TYPE: Action Item

AGENDA ITEM TITLE:
Consideration and possible action to approve a budget capacity transfer in the amount of $302,591 from the wastewater fund to the capital asset replacement fund, highway user revenue fund, and water fund, and to approve the purchase of a 2024 Vac Con Truck for $392,975.

SUMMARY:
The Public Works Department is requesting authorization to purchase a 2024 Vac Con 3 Yard, non-CDL truck. The truck selected will be procured through a Sourcewell Cooperative Contract, RFP #101221.

This is a replacement of the current 1997 Vactor truck, originally purchased used, which has proven to be unreliable and hazardous, even experiencing multiple fires. It fails to function adequately, particularly in lifting debris from lift stations. This new Vactor truck would meet the operational needs of Public Works while reducing their current dependency on rental services. Currently, when the lift station requires cleaning or during emergency operations, the Town hires Fann Environmental or relies on the City of Prescott, subject to their availability.

The new truck would also aid Streets in clearing culverts and Parks Maintenance in clearing lands, enhancing our service efficiency across the board. This new truck is projected by the manufacturer to last 10 years standard and up to 15 years.

Staff researched a variety of options, including rental, buying another used unit at auction, and purchasing a new unit which was originally expected to cost between $700,000 - $800,000. After analyzing what was needed for the functionality of this machine, it was determined that the best long-term and fiscally viable solution would be to purchase a new unit that is slightly smaller with simplified technologies, but still able to meet our operational needs. This particular unit is a demo with limited usage, thereby providing additional cost savings for the town. The unit was tested and approved in the field by Town staff. Additionally, since this will be utilized by multiple departments, not just Wastewater, the cost can be allocated across multiple funds as follows:

- Capital Asset Replacement Fund – 31% - $121,821
- Highway User Revenue Fund – 23% - $90,384
- Water Fund – 23% - $90,384
- Wastewater Fund – 23% - $90,384

In the FY 2025-26 budget, $600,000 was budgeted for this purchase if funding was obtained. Instead of financing this purchase and paying additional interest, it is the recommendation of staff that each of the aforementioned funds participate in the purchase. There are two parts to this item. The first part

authorizes the budget capacity transfer from Wastewater to the other three funds that will assist in providing the actual funding for this purchase. The second part authorizes the purchase of the truck from Enviro-Clean.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:
a) Approve the budget capacity transfer in the amount of $302,591 from Wastewater Fund to the following funds:

$121,823 to the Capital Asset Replacement Fund
$90,384 to the Highway User Revenue Fund
$90,384 to the Water Fund; **and**

b) Approve the purchase of a 2024 Vac Con Truck in the amount of $392,974.70 from Enviro-Clean, for use by Wastewater, Water, Streets, and Parks.

FISCAL IMPACT?
a) Budget Capacity Transfer Action:

Available budget: Wastewater Fund - Vactor Truck	$600,000
Less this approval item: Budget Capacity Transfer to Capital Asset Replacement Fund*	-121,823
Less this approval item: Budget Capacity Transfer to Highway User Revenue Fund*	-90,384
Less this approval item: Budget Capacity Transfer to Water Fund*	-90,384
Remaining budget: Wastewater Fund - Vactor Truck	$297,409

**It is important to note, that although budget capacity is being transferred, the actual expense will be funded using cash funds already available in each additional fund; therefore, the wastewater fund will only be paying for their 23% share of the cost.*

b) Purchase Action:

Fund	Available Budget	Less This Approval Item: 2024 Vac Con Truck from Enviro-Clean	Remaining Budget
Wastewater Fund	$297,409.00	-90,384.00	207,025.00
Capital Asset Replacement Fund	121,823.00	-121,822.70	0.30
Highway User Revenue Fund	90,384.00	90,384.00	0.00
Water Fund	90,384.00	-90,384.00	0.00
Totals	**600,000.00**	**-392,974.70**	**207,025.30**

ATTACHMENTS:

1.	AGR - CPA - Enviro-Clean - Vac Truck (001)(4.7.26)
2.	Exhibit A - Sourcewell Contract

3.	Exhibit B - Quote - PD2130H_500 - EnviroClean - Purchase Agreement - Version 1 (1) With Contract #

COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
ENVIRO-CLEAN EQUIPMENT, LLC

THIS COOPERATIVE PURCHASING AGREEMENT (this "Agreement") is entered into as of **April 14, 2026**, between the Town of Chino Valley, an Arizona municipal corporation (the "Town"), and Enviro-Clean Equipment, LLC, an Oregon limited liability company (the "Vendor"). The Town and Vendor are the only parties to this Agreement; each is an individual "Party," and together they are the "Parties."

RECITALS

A. On November 24, 2021, after a competitive procurement process, Sourcewell—a State of Minnesota local government unit and service cooperative—entered Contract No. 101221-VAC, as amended by contract extension on February 2, 2025 (the "Sourcewell Contract"), with Vac-Con, Inc. (the "Supplier"), to purchase sewer vacuum, hydro-excavation, and municipal pumping equipment with related accessories and supplies through Supplier's authorized dealers, including a Vac-Con truck as more particularly outlined in Section 2 below (the "Vehicle"). A copy of the Sourcewell Contract is attached hereto as Exhibit A and incorporated herein by reference.

B. Pursuant to the terms of the Sourcewell Contract, the Vendor is an authorized dealer of the Supplier, with the authority and responsibility for fulfilling orders pursuant to the terms of the Sourcewell Contract.

C. The Town is permitted to purchase the Vehicle under the Sourcewell Contract, at its discretion and with the agreement of the awarded Contractor.

D. The Parties desire to enter into this Agreement to (i) acknowledge their cooperative contractual relationship under the Sourcewell Contract and this Agreement, (ii) establish the terms and conditions by which the Vendor may provide the Town with the Vehicle, and (iii) set the maximum aggregate amount to be expended pursuant to this Agreement related to the Vehicle.

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 Parties hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until **April 13, 2027**, unless terminated as otherwise provided in this Agreement or the Sourcewell Contract.

2. Scope of Work. The Vendor shall provide the Vehicle to the Town under the terms and conditions of the Sourcewell Contract and in the configuration set forth in the proposal attached hereto as Exhibit B and incorporated herein by reference (the "Quote").

3. Inspection; Acceptance. The Vehicle is subject to final inspection and acceptance by the Town. If the Vehicle fails to conform to the requirements of this Agreement or the Sourcewell Contract, it 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 the non-conforming Vehicle, 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 Vehicle into compliance and withhold the cost of same from any payments due to the Vendor.

4. Compensation. The Town shall pay the Vendor an amount not to exceed $ 392,975 for the Vehicle at the unit rate set forth in the Sourcewell Contract and as more particularly set forth in the Quote.

5. Payments. The Town shall pay the Vendor upon delivery and acceptance of the Vehicle and upon submission and approval of the invoice. The invoice shall (i) contain a reference to this Agreement and the Sourcewell Contract and (ii) document the Vehicle delivered and accepted to date. Additionally, an invoice submitted without referencing this Agreement and the Sourcewell 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, the 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 of the Vendor's 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, the 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 the Vendor pursuant to this Agreement. The 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 the Vendor or its subcontractors reasonable advance notice of intended audits. The 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). The 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 applicable under Ariz. Rev. Stat. § 35-393 through § 35-393.03, the Parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a "boycott" of goods or services from Israel, as that term is defined in Ariz. Rev. Stat. § 35-393.

9. Conflict of Interest. The Town may cancel this Agreement 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 the 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. The 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 Sourcewell Contract, the Quote, and any invoices, the documents shall govern in the order listed herein.

13. Rights and Privileges. The Town is a Participating Entity under the Sourcewell Contract and is entitled to all the same benefits as Sourcewell. To the extent provided under the Sourcewell Contract, the Town shall be afforded all of the rights and privileges afforded to "Participating Entities," as that term is defined in the Sourcewell Contract.

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 Tucson to the extent provided under the Sourcewell 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, 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:

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 the Vendor:	Enviro-Clean Equipment, LLC 11023 N 22nd Ave Phoenix, Arizona 85029 Attn:_____

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.

16. Forced Labor of Ethnic Uyghurs. To the extent applicable under Ariz. Rev. Stat. § 35-394, the Vendor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Vendor becomes aware that it is not in compliance with this paragraph, it shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Vendor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

17. Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGES]

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

"**Town**"	"**Vendor**"
TOWN OF CHINO VALLEY, an Arizona municipal corporation	ENVIRO-CLEAN EQUIPMENT, LLC, an Oregon limited liability company
_____ Tom Armstrong, Mayor	_____ Signature
ATTEST:	_____ Name
_____ Erin N. Deskins, Town Clerk	_____ Title
APPROVED AS TO FORM:	
_____ Andrew J. McGuire, Town Attorney Gust Rosenfeld P.L.C.	

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
ENVIRO-CLEAN EQUIPMENT, LLC

[Sourcewell Contract]

See the following pages.

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
ENVIRO-CLEAN EQUIPMENT, LLC

[Quote]

See the following pages.

DocuSign Envelope ID: 1FC72ECF-4298-4C15-9C8B-F09AFE408982

Sourcewell

Solicitation Number: RFP #101221

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Vac-Con, Inc., 969 Hall Park Road, Green Cove Springs, FL 32043 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires November 29, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

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Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

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returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

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- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

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contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

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- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

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by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

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E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use thetrademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
   b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

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resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

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14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

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The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for Products-Completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

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no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

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primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

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21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

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C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

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of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

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and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

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T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell	Vac-Con, Inc.
DocuSigned by: Jeremy Schwartz C0FD2A139D06489...	DocuSigned by: M.J. DuBois C65CBA257A53411...
By: _____	By: _____
Jeremy Schwartz	M.J. DuBois, President, DuCo, LLC
Title: Chief Procurement Officer	Title: Authorized Contract Administrator
Date: 11/23/2021 | 8:51 PM CST	Date: 11/24/2021 | 5:31 AM PST

Approved:

DocuSigned by: Chad Coauette 7E42B8F817A64CC...

By: _____

Chad Coauette

Title: Executive Director/CEO

Date: 11/24/2021 | 6:46 PM CST

RFP 101221 - Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies

Vendor Details

Company Name:	DuCo, LLC
Address:	1079 Tamiami Trl N #350 Nokomis, Florida 34275
Contact:	MJ DUBOIS
Email:	mjdubois@ducollc.com
Phone:	410-924-1004
Fax:	410-924-1004
HST#:	81-1963530

Submission Details

Created On:	Thursday August 26, 2021 08:52:11
Submitted On:	Friday October 01, 2021 11:10:04
Submitted By:	MJ DUBOIS
Email:	mjdubois@ducollc.com
Transaction #:	0b410897-713e-434f-9209-2bd4698d22a6
Submitter's IP Address:	24.145.112.96

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Vac-Con, Inc. EIN: 36-3846929	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Vector Technologies LTD	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A	*
4	Proposer Physical Address:	969 Hall Park Road Green Cove Springs, FL 32043	*
5	Proposer website address (or addresses):	www.vac-con.com	*
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	M.J. DuBois, Authorized Contract Administrator - See attached Authorization Letter DuCo, LLC 1079 Tamiami Trl #350 Nokomis, FL 34275 410-924-1004 mjdubois@ducollc.com	*
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	M.J. DuBois, Authorized Contract Administrator DuCo, LLC 1079 Tamiami Trl #350 Nokomis, FL 34275 410-924-1004 mjdubois@ducollc.com	*
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Bryce Reiger, National Sales Manager Vac-Con, Inc. 969 Hall Park Road Green Cove Springs, FL 32043 904-610-6492 brycer@vac-con.com	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	

9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Since 1986, Vac•Con®, Inc. has manufactured more than 9,000 custom-built, truck-mounted machines to serve public and private environmental markets globally. Located in Green Cove Springs, Florida, it is one of the largest producers of specialized vacuum solutions including sewer cleaning , hydro-excavation, and industrial vacuum equipment in North America. Vac-Con's goal, from day one, has been to design and actualize the most powerful and reliable machines in the industry, in turn allowing them to push the envelope year after year with unrivaled innovation. Vac-Con sells multiple product lines, including combination machines, jetting units, and hydro-excavators for a vast array of diverse applications. In 2012, Vac-Con, Inc. acquired Vector Technologies, LTD. Vector Technologies Ltd, located in Milwaukee Wisconsin, is a leading world designer and manufacturer of powerful trailer mounted hydro vacuum excavators, combination vacuum & sewer jetters, and sewer jetting units. For over forty years, Vector designs have set world standards for reliability and performance in a variety of industrial and specialized markets. Vector has provided solutions to organizations of all sizes for an endless number of diverse applications. The purchase of Vector allowed Vac-Con to offer a complete line of innovative, world leading designed sewer, hydro-excavation and vacuum products both truck and trailer mounted. Vac-Con believes in empowering the customer; their mission is to support, design, and manufacture innovative vacuum and high-pressure water cleaning solutions that deliver superior performance in municipal, industrial, and utility markets worldwide. In keeping with their customer-centric philosophy, Vac•Con®, Inc. delivers more than just a product; they provide unparalleled product support with their customer service, online training modules, and extensive network of authorized dealers. Vac•Con®, Inc. employs over 300 people at their Florida location, and 45 employees at their Milwaukee WI location and is 100% employee-owned, enabling a more focused work environment, on-site feedback, and around the clock innovation and testing. Vac-Con's Florida location is situated on 17 acres, it boasts a 160,000 square-foot, newly expanded facility where they manufacture over 30,000 unique parts that they use on our machines. This state-of-the-art facility is a result of Vac•Con® eagerness for continuous improvement and an employee-owner culture centered on advancement through involvement. Mission Statement "Our mission is to support, design, and manufacture innovative vacuum and high-pressure water cleaning solutions that deliver superior performance in municipal, industrial, and utility markets worldwide." Vision Statement "Our vision is to be the premier manufacturer of combination sewer cleaning, hydro-excavation, industrial vacuum, and high-pressure water jetting equipment. We are committed to providing innovative, high-quality products with unrivaled reliability, customer service, and support to dealers and end-users. Sustainable growth and employee-ownership value will be achieved by championing career-building talent and customer-centric initiatives. We will continue to make a positive impact in our local communities and on the environment."
10	What are your company's expectations in the event of an award?	As a current Sourcewell contract holder, Vac-Con hopes to continue to build on our past success with the contract and provide exceptional sewer cleaning and hydro-excavation equipment solutions to all prospective members. Vac-Con has developed a strong following with existing Sourcewell Members and Vac-Con expects to build on that momentum adding to your membership with the increased advancement and promotion of additional electronic marketing utilizing our premier partnership with Sourcewell. A newly awarded contract will allow Vac-Con to continue to provide Members with great products at a discounted price to Vac-Con's many existing municipal customers, grow our municipal base and open new opportunities in the educational and non-profit space.
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	See the provided attachments, Bank of the West reference letter, D & B credit rating report and Letter of Good Standing.
12	What is your US market share for the solutions that you are proposing?	Vac-Con operates in product categories that are sold primarily to the municipal government market segment and to a smaller degree, the commercial market segment. Vac-Con's market share is 29% as we are considered the most innovative, most efficient and have a diverse and comprehensive line of products within our market.
13	What is your Canadian market share for the solutions that you are proposing?	Vac-Con's Canadian Market Share is 8%. Vac-Con has signed a new dealer in Canada - Westvac Industrial. Westvac is a leading heavy equipment dealer in western Canada. We are looking forward to the 20+ years experience Westvac has to help grow our market share in British Columbia, Alberta, Saskatchewan, Manitoba and Northwest Territories. Vac-Con has an established dealer located in Quebec who has been active in that market for over 30 yeas with the Vac-Con product line.
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	Neither Vac-Con nor Vector has ever petitioned for bankruptcy protection.

15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Vac-Con is a manufacturer of a diverse sewer, hydro-excavating, and industrial line of equipment. The complete line of equipment is sold, serviced and supported exclusively through Vac-Con's world-wide individually owned dealer network.	*
16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Florida Department of Highway Safety & Motor Vehicles - Manufacturers License MV/1000409/1 Florida Department of Highway Safety & Motor Vehicles - Dealer License VI/1007965/1 Wisconsin Motor Vehicle Dealer License MV2131	*
17	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	Neither Vac-Con nor Vector has ever received a suspension or disbarment.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
18	Describe any relevant industry awards or recognition that your company has received in the past five years	First Coast Manufacturer's Association - 2018 Manufacturer of the Year, 2019 Manufacturer of the Year, 2019 President's Award Best of Clay County - 2019 Best Manufacturing Facility in Clay County Florida, 2020 Best Manufacturing Facility in Clay County Florida, 2021 Best Manufacturing Facility in Clay County Florida National Association of Trailer Manufacturers - Vector manufactured units are NATM certified. National Truck Equipment Association - Most Valuable Partner Award for 5+ years.	*
19	What percentage of your sales are to the governmental sector in the past three years	Approximately 84% of Vac-Con and Vector sales for the last 5 years have been to the government sector. These customers typically consist of municipalities, townships, counties, and states.	*
20	What percentage of your sales are to the education sector in the past three years	Less than 3% of Vac-Con and Vector sales for the last five years have been to the education sector. Vac-Con has increased this number due to the previous Sourcewell Contract held. Vac-Con looks to, once again, increase this percentage with the next proposed contract award.	*
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	HGAC Contract total sales for the last three years is $4.1 million. Ohio STS Contract total sales for the last three years is $1.8 million. Texas Buyboard Contract total sales for the last year held is $400K (only held this year) Florida Sherriff's Contract total sales for the last year held is $200K (only held this year)	*
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Vac-Con does not hold any GSA contracts or Standing Offers and Supply Arrangements.	*

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Lodi 1331 South Ham Lane Lodi, California	Andrew Richle Utilities Superintendent See attached Testimonial	209-269-4927 arichle@lodi.gov	*
Delaware DOT P.O. Box 698 Dover, DE 19903	Lawrence Hardy See attached Testimonial	302-760-2505 lawrence.hardy@delaware.gov	*
Village of Tarrytown 4 Division St. Tarrytown, NY 10591	Louis Martirano Superintendent Of Public Works See attached Testimonial	914-862-1819 dpw@tearrytowngov.com	*

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Sacramento Area Sewer District	Government	California - CA	Sewer Utility Equipment	10 units	$3,400,000.00	*
City of San Francisco	Government	California - CA	Water & Sewer Utility Equipment	6 units	$2,800,000.00	*
Miami-Dade County	Government	Florida - FL	Water & Sewer Utility Equipment	7 units	$2,900,000.00	*
City of Phoenix	Government	Arizona - AZ	Sewer Utility Equipment	11 units	$2,600,000.00	*
City of Sacramento	Government	California - CA	Sewer Equipment	9 units	$3,860,000.00	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
25	Sales force.	Vac-Con customers are supported by internal teams fulfilling sales, parts and service needs, and distributes through a worldwide network of exclusive dealers. Vac-Con's internal teams function as support systems for our dealer network providing demonstrations, training, troubleshooting and order fulfillment. All Vac-Con sales, parts and service representatives are employee-owners of Vac-Con, Inc. Vac-Con's dealer network functions as the outward facing sales arm of the Vac-Con business. Their dealers are contractually exclusive Vac-Con distributors and are trained in the selling, servicing and maintenance of Vac-Con equipment. Each dealer is required to fulfill specific facility and department (service, sales, parts and marketing) requirements to ensure exceptional customer service. Vac-Con's internal sales team consists of: National Sales Manager, Sales Administrator Supervisor, Sales Administrative Support, Inside Sales Manager, Chassis Sales/Logistic Specialist, Marketing Manager, Multimedia/Graphics Marketing Specialist. Internal Sales Support: South Regional Sales Manager, Northeast Regional Sales Manager, Southwest Regional Sales Manager, West Regional Sales Manager, two product demonstrators and a Recycler Product Specialist	*
26	Dealer network or other distribution methods.	Vac-Con's dealer network functions as the outward facing sales arm of the Vac-Con business. Their dealers are contractually exclusive Vac-Con distributors and are trained in the selling, servicing and maintenance of Vac-Con equipment. Each dealer is required to fulfill specific facility and department (service, sales, parts and marketing) requirements to ensure exceptional customer service. See attached detailed Dealer Network Map and Dealer Location Chart	*
27	Service force.	Vac-Con and Vector maintain teams of trained service and parts departments at the headquarters in Green Cove Springs, Florida and Milwaukee, Wisconsin. Vac-Con and Vector combined employ 6 regional sales managers, 4 product specialists/demonstrators, and 7 service office staff to provide service support to North America. The Vac-Con and Vector direct service team is comprised of 7 service technicians, while the parts and shipping department employs 12 representatives to fulfill parts orders to all dealers. Vac-Con's dealer network provides coverage to all 50 states with 35 exclusive dealerships. Each dealership has a team of service representation and office support to facilitate and process service and parts to end-users. In addition to factory-provided support, Vac-Con dealers are required to maintain service and repair facilities. Dealer parts departments are expected to maintain an inventory of parts for timely fulfillment. Depending on the territory and dealer size, dealers employ between 2 to 15 associates for each department – sales, service, and parts. See the attached dealer listing with the amount of direct service techs at each location.	*
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	The Member or dealer will contact a DuCo team member (Contract Administrator) for initial information, contract questions and quotations. DuCo will provide the customer/dealer with a quotation meeting the Sourcewell Contract requirements, terms, and conditions. The member will issue a Purchase Order directly to Vac-Con. Vac-Con will build the customer equipment, will ship the order to the local dealer for pre-delivery inspection and test. The local dealer will then deliver the unit, train the Member personnel and Vac-Con will invoice the item/s to the Member. The dealer will receive the proceeds of the sale in their respective territory. This will encourage their contract participation. In the case where a dealer owns a stock unit that is to be sold to the member, MJ DuBois will provide the Member a letter authorizing the dealer to receive the Purchase Order directly. This will allow accuracy in the required sales reporting when a dealer receives a PO directly. MJ DuBois and her DuCo team will be the single source "quarterback" for the Sourcewell Contract sales and will also report the sales to Sourcewell as required.	*

29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Any Sourcewell Member having need for customer service is encouraged to communicate directly with their local dealer. Vac-Con dealers are required to maintain an inventory of parts to quickly service customer needs. Vac-Con also requires dealers to have factory trained service staff to handle the customer's service needs. Vac-Con expects our dealer partners to address warranty, service, and parts issues immediately, ensuring a corrective response or action within 12 to 24 hours. Vac-Con service teams are available 24/7 to assist with troubleshooting and repair needs with a case closure goal of 5 days or less for those instances that require intervention from the factory.	*
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	A critical part of the Vac-Con mission is to provide innovative vacuum and high-pressure water cleaning solutions that deliver superior performance in municipal markets. As a US manufacturer with the vast majority of Vac-Con sales are generated from municipal customers in the United States, Vac-Con is committed to providing products, service, and parts to this specific market segment. The exclusive dealer network will help them to facilitate the necessary steps and procedures to procure and fulfill orders and provide service and parts support in each of their designated territories.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Vac-Con is committed to designing, supporting, and manufacturing innovative and reliable products for their customers across the world. With two highly capable dealerships providing coverage to the customers of Canada, as well as Vac-Con's existing presence and relationships, Vac-Con is confident in producing sales and support for this market. Two dedicated regional sales managers employed by Vac-Con provide additional support for all sales, service, and parts functions in the Canadian territories, in addition to the company support provided by the inside sales office at Vac-Con.	*
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Vac-Con does not expect difficulties in providing exceptional levels of sales and service in any geographic areas of the US or Canada.	*
33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Vac-Con expects to fully service all entity sectors that Sourcewell Members represent.	*
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There will be no restrictions in sales, service and support to Hawaii, Alaska and in US Territories other than the expense and time allowance for shipping. All quotations will show the extra costs involved prior to a Member issuing a Purchase Order so there are no surprise fees after the sales.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Vac-Con will train all their internal and dealers' sales force with the assistance of the DuCo team, Contract Administrator, and make use of Sourcewell's available employees and extensive collection of vendor support materials. This will be accomplished both by group sales meetings and one-on-one virtual meetings. DuCo has been training dealerships and manufacturers in marketing and sales of Sourcewell Contracts for over 13 years with an abundance of success with many manufacturers. Vac-Con takes an aggressive approach to marketing Sourcewell. Vac-Con includes the Sourcewell Logos in their product brochures (see attached example) and on their website (see attached screen shot) that links to Vac-Con's Sourcewell Contract landing page. Vac-Con wants their customers to immediately know that they are a proud holder of this exclusive contract and that they can take advantage of this contract whether they are already a member or would like to become a member. Vac-Con will also include Sourcewell graphics banners at trade shows to further market their participation. To further ensure that Vac-Con is fully marketing the value of Sourcewell, they encourage Vac-Con salespeople and their dealer sales representatives to attend regional Sourcewell training sessions as well as utilize the assigned Vendor Support Manager to assist in answering questions for Members interested in learning more about the value of the Sourcewell procurement process.	*
36	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Vac-Con has a comprehensive digital marketing strategy that engages and interacts with dealers, current customers, and potential customers. The goal of Vac-Con's digital marketing initiatives is to drive brand awareness and generate leads, as well as increase traffic to their website. Currently, Vac-Con markets through various social media platforms including Facebook, Linkedin, and Instagram. Vac-Con's most comprehensive digital marketing strategy is their Linkedin program. In addition to distributing relevant, engaging content on a consistent basis, they utilize a digital marketing agency to help them reach hundreds of decision makers at municipalities, counties, and government agencies each week. Linkedin offers a professional setting where Vac-Con is able to directly communicate with decision-makers and promote their products in a helpful and tactful manner. Vac-Con utilizes a digital marketing agency to assist with a comprehensive SEO program. Their SEO program targets industry keywords to help drive traffic to their websites. Vac-Con's focus remains on their product categories and specific applications such as combination machines, hydro-vacs, sewer cleaning, and hydro-excavation. Vac-Con measures their success with the SEO program through annual website traffic increases and qualified leads generated through the website and web-based applications. Year-over-year, Vac-Con has exceeded their SEO goals and continue to evolve the program to increase our reach. Vac-Con actively distributes communications through an email marketing program. The Vac-Con email marketing program is managed by the internal marketing team and reaches over 2,000 dealers and customers. Communications are scheduled on a monthly basis, and consist of new product, program and company updates. Vac-Con measures the success of email marketing campaigns by open and click-through rates and qualified leads generated. Vac-Con continues to add new recipients in both dealer and end-user categories each month through various platforms including the website, social media, and in-person events.	*
37	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	The Sourcewell marketing model has been an effective and impactful strategy for the Vac-Con business, and is proven by the growth of Sourcewell Contract Sales over the years. Vac-Con representation has made it a priority to collaborate with the Sourcewell employees that facilitate their existing contract. The priority of Vac-Con to ensure longevity and success is service-related, and the Sourcewell team understands this strategy. Vac-Con expects Sourcewell to continue with a presence at trade shows, Getting to Know You events, and Sourcewell University events. Sourcewell has stepped up to the plate in planning education and information Webinars when travel has not been available. Vac-Con is firmly committed to the Sourcewell contract buying concept and agree that it is the way of the future. Vac-Con has created a session at their National Dealer Meetings dedicated solely to Sourcewell sales education and training. These sessions include how to properly sell using the Sourcewell contract, question and answer periods, and testimonials from dealers who have had great success. Vac-Con has utilized the flexibility that Sourcewell contracts offer, and it has become common knowledge for most of the manufacturer' dealers to lead the buying process with this contract. Vac-Con has sent senior management representatives annually to the H2O Conference. Vac-Con has also agreed to subsidize the contract fees to make the Sourcewell contract even more attractive to their respective dealer sales forces. Vac-Con's Contract sales have grown over the years, and this is a testament of Sourcewell and Vac-Con's commitment to the same goal "to offer the best products, service and quantity discounts in support of our customers/members."	*
38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	The products represented in this response do not lend themselves to E-Procurement. All of the products are "made to order" and have an extreme amount of variables.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Vac-Con offers several training components, free of charge, to assist operators with a better understanding of their equipment for operations and maintenance. An online training portal hosted on the Vac-Con website provides a basic overview of truck models and their functions. Student comprehension is proven by quizzes at the end of each course. Once a student has successfully completed a course, Vac-Con distributes a certificate of completion. Customer service, parts, sales and marketing departments were involved in making the portal informative and thorough. This online training is complete with online videos that guide the course curriculum and user experience. In addition to online training, Vac-Con dealers are equipped to provide hands-on-training at the in-service of the unit and beyond. All new unit deliveries are made available with hands-on training. Additional training needs can be scheduled with the dealership.	*

40	Describe any technological advances that your proposed products or services offer.	Aeroboost with Quiet Drive – The Vac-Con Aeroboost 3-stage fan (patent pending) with Quiet Drive fan system is a one-of-a-kind upgrade hydrostatic and auxiliary drive system that operates the vacuum and water functions, lowers noise emissions, and substantially reduces overall fuel consumption without sacrificing power. The Aeroboost fan itself better balances airflow, resulting in less turbulence and more power. Titan – The Vac-Con Titan Combination Machine is a premium unit that boasts several impressive features and components offered only by Vac-Con. The Aeroboost Fan and Quiet Drive system enhance power by reducing airflow turbulence, noise emissions, and fuel consumption. An enhanced cyclonic separator optimizes efficiency and filtration, while the Omnibus Precision Power CANbus system enhances usability and efficiency. Omnibus Precision Power – The OPP system by Vac-Con is a CANbus system designed to enhance operator usability and efficiency. OPP gives the operator control over all vacuum, water, and engine functions at a centralized control panel where the operator spend the most time – at the front of the unit. This coordination of systems allows you to use as much power as is needed, saving time and fuel while delivering precise movements of the hydraulic components. ReelSmart Hose Control System: The ReelSmart technology brings hose reel automation to Vac-Con sewer cleaners with a computerized command controller, up to 30 jobs can be recorded and stored for future use. The pay-out footage, job locations and special instructions can be recalled and used for later use. ReelSmart handles all hose reel pay-out and roll in functions, automatically. This means less physical work for the operator and more efficiency and productivity at the job-site. The customer can record on a USB drive or maintain a daily log with its MS-Excel data dump. This new technology is available in English, Spanish and French.	*
41	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Vac-Con manufacturing focuses on waste and environmental protection regulations in their day-to-day processes. Pursuant to the Department of Environmental Protection, Vac-Con is listed as a Low Quantity Waste Generator which is an ongoing key result area for the company. Vac-Con implements a full campus recycling program for cardboard and scrap metal. In addition, paint waste is minimized through a distillation process that allows the company to remain a Low Quantity Waste Generator. Vac-Con products themselves are designed to be a proponent of environmental protection and maintenance. Their machines ensure that proper sanitation and hygiene standards are met in communities across the world. The Titan combination machine class also boasts impressive reductions such as 44% fuel savings and 8% decrease in noise pollution as compared to other combination machines. The Vac-Con Recycler combination machine allows for a substantial savings in water usage, decreasing the use of freshwater by approximately 73% or more based on average unit operations.	*
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	John Deere performance certification 1/19/2018 see attached John Deere performance certification 11/4/2016 see attached TigerFlex hose manufacturing Certification SAE J516 Standards	*
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Most of the local dealers that will be involved in this process are SBE, MBE, WMBE or Veteran owned businesses. The actual participation of each will be dictated by the customer’s delivery area. That actual percentage of SBE, MBE, WMBE or Veteran owned business information will be provided to the customer upon request prior to the order being placed. Vac-Con is also utilizing a Small Woman Owned Business, DuCo, LLC, to administer any awarded Sourcewell Contract. Vac-Con is committed to hiring Veterans and Persons with disabilities in their hiring practices. Vac-Con has many veterans currently employed. Vac-Con partners with Veteran organizations as well as the Florida Department of Rehabilitative Services when recruiting for all positions.	*
44	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	As a company, Vac-Con is 100% employee-owned through an ESOP facilitated by their parent company, Holden Industries, Inc. This unique characteristic of ownership allows for every employee to have a significant impact on daily operations, product development, and company value. Vac-Con employee/owners are driven to provide the best solutions in the industry as their reputation and ownership relies on it, unlike competitors that are publicly traded or privately owned. Aeroboost – The Aeroboost 3-Stage Fan (patent pending) and Quiet Drive system is the most unique and impressive fan system on the market. Vac-Con has always been a champion of fan systems and is renowned in the industry for their ability to design and manufacture the most powerful and effective fans available. The Aeroboost is their most engineered fan that boasts 44% fuel savings, 43% decrease in vacuum system operating RPM, 25% increase in airflow, 16-30% more horsepower, 8% decrease in noise pollution, and 5% increase in overall vacuum pressure. Titan – the Titan combination machine is the new standard in combination units and boasts impressive, Vac-Con exclusive components such as the Aeroboost fan and quiet drive system, upgraded filtration, and the Omnibus Precision Power control system. Comprehensive Portfolio – A unique feature that sets Vac-Con apart is that they offer a comprehensive portfolio in combination, hydro-excavation, and jetting machines. Their units are available as skid, trailer, and truck-mounted configurations with various optional components to build these systems out to fit any customer application. Vac-Con is considered to be a custom-manufacturer, allowing each unit to be configured to meet the customer’s needs best. Dual Engine – Vac-Con is the only manufacturer to offer a dual engine combination machine. The dual engine machine makes cleaning sewers a simplified process, while offering reliability and safety. The 2-engine design provides independent control of the vacuum and water systems. This efficient design allows the chassis engine to drive the 3-stage fan or positive displacement blower vacuum system, saving fuel and general wear and tear in the long run.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
45	Do your warranties cover all products, parts, and labor?	Each new Vac-Con unit is backed by a factory warranty for defects and workmanship for one year. Longer factory warranty periods are in place for fans, auxiliary engine water pump drive components, debris tank, and water tanks. These warranties cover all products, parts and labor for maternal defect and workmanship. Extended multiple year warranties are available to purchase at a “pass through” price for these OEM components when the original purchase of the machine is made.	*
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	There are no usage restrictions imposed by Vac-Con. The warranties are based on time from acceptance by the customer and not hours of use of components.	*
47	Do your warranties cover the expense of technicians’ travel time and mileage to perform warranty repairs?	The warranty coverage will be reviewed on a case by case basis with the customer's local dealer. Travel time and mileage may be considered to be covered under warranty under extreme circumstances. Typically the customer would take their unit in to the local dealer to perform warranty repairs.	*
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	There are no geographic locations that can not be served. The exclusive Vac-Con dealerships and vendor facilities will assist with maintenance and service required of all Vac-Con units within their sales territories. Vac-Con is capable of providing technical support and parts to customers directly if their dealer is beyond their "reach". This type of warranty support must be factory authorized prior to work on the unit. The customer would simply call a Vac-Con Warranty Specialist, communicate the issue of concern and receive a written Statement of Warranty Work, return any defective parts required to be returned and can be issued a labor credit at the current dealer warranty labor rate that they may use to purchase replacement parts in the future.	*
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Purchased components will be covered by the warranty applicable by the Original Equipment Manufacturer of that component. Vac-Con will assist with coordinating with these entities to service a unit, but the following items would be eligible for their own OEM warranty: Auxiliary engines, water pumps, positive displacement blowers, chassis components and engines. Vac-Con's OEM partners have dealer representatives throughout the United States and Canada. Examples of these OEM's are: John Deere, Kubota, Freightliner etc.	*
50	What are your proposed exchange and return programs and policies?	Because each unit is built to order, there is no set exchange or return policy.	*
51	Describe any service contract options for the items included in your proposal.	Customers that outsource their warranty, service or repair work on their equipment may contact the local servicing dealer. Each dealer is independently owned and employs dedicated parts and service personnel. Vac-Con's dealers have been specifically chosen to represent their products based on their sustained financial stability, ability to provide superior product support both before and after the sale. It is important to Vac-Con that all of their dealers have developed a strong trust and commitment with their local customers. All Vac-Con dealers have their own in-house maintenance facilities along with road-side mobile service repair. Each local dealer will have the capability to provide service contracts and do so regularly. These service contracts are dictated by case by case customer relationships. Vac-Con does not offer service contract options directly to their end users. Vac-Con offers extended warranties and offers pass-through extended warranties on chassis.	*

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
52	Describe any performance standards or guarantees that apply to your services	Vac-Con guarantees all product warranties ensuring component workmanship and durability. These warranties can be found in the warranties section of the units manual. All Vac-Con units undergo a thorough factory inspection, and unit burn-in prior to delivery to the dealer and end-user. This process ensures accurate operations of each component and system as specified by the order build sheet. All Vac-Con units are built with the best products available including outsourced components that are sourced through a selective purchasing process by expert purchasing, engineering, and production teams. Each Vac-Con unit is guaranteed to meet customer specified requirements regarding vacuum capabilities, water systems, capacity, weight, and dimensions. Vac-Con provides 24-hour technical service support through their factory service team. All Vac-Con units are guaranteed support by both local Vac-Con representation and the factory service team. Service inquiries will receive a response within 12 to 24 hours of first contact either by local representation (dealer) or a Vac-Con representative. In-stock parts are guaranteed to ship within 48 hours of order submittal.	*
53	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	One-Touch Customer Support backs Every Vac-Con® Vac-Con®'s part tracking software ensures that they have in inventory all the parts customers and dealers need when they need them. Vac-Con has a dedicated service facility for all warranty work, local repairs, and refurbishing work. One-Touch Customer Support gives you: 26,000 square foot service department, Training center with expert instructors, 24/7 real person support help line, Over $5 million in parts inventory, and 24-hour parts shipment turnaround. Vac-Con's customers can expect to receive either dealer or in house service contact within 24 hours of notice. Vac-Con has a commitment to service with quality after the initial sale and including any followup sales. Vac-Con's repeat customers speak to their service/performance standards as 85% of their sales are repeat customers.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
54	Describe your payment terms and accepted payment methods?	Payment terms are net 30 days unless otherwise arranged prior to purchase on a case-by case basis.	*
55	Describe any leasing or financing options available for use by educational or governmental entities.	Vac-Con does utilize municipal and non-profit leasing through third party vendors if there is Member interest. Vac-Con does not quote rates or terms for leasing, however it should be known to Members that we have this service available to them. Vac-Con will work with other Sourcewell Awarded Vendors, such as NCL, or any leasing agency of the Member's choice.	*
56	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Vac-Con will use a standard quote document to price each item for Sourcewell Members. Example attached.	*
57	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Vac-Con will not accept the P-card for payment. The typical transaction size does not lend itself to this process. Some Vac-Con dealers will allow parts, service, and dealer inventory to be paid for by P-Cards. Each individual dealer will be receiving payments directly for these items, accepting P-card procurement will be at their discretion. Many dealers do accept this method without additional fees. Some dealers have limitations on the amount that can be processed.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
58	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Vac-Con's offer is a percentage discount from the manufacturer list price to Sourcewell Members on all of the items being proposed in this offer. Vac-Con's discount will be based on a percentage off of the base model unit. Vac-Con mounts most of their units on commercial truck chassis (except for the trailer mounted units). In order to provide the customer with convenience and the best pricing available, Vac-Con will provide the truck chassis with no profit associated or at a pass-through price to the Member. This gives the Member the ability to utilize quantity discounts that are offered by the chassis manufacturers to Vac-Con. Vac-Con purchases "pool truck chassis" at substantial quantity discounts. Vac-Con will also allow the customer to supply their own chassis in which to mount the body.	*

59	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Vac-Con is offering a 10% discount off base units within the following categories: Dual Engine Combination Sewer Cleaners, Single Engine Combination Sewer Cleaners, Dual Titan Sewer Cleaners, Single Titan Sewer Cleaners, XCavator hydro-excavating models, MXT hydro-excavating models, Hydrovac hydro-excavating models, and all refurbishment prices. Vac-Con is offering a 5% discount off base unit for the following models: HotShot sewer jetters, 3 yd sewer combo units, Vac Pumper models, VecJet jetters, Neptune sewer combo unit, Mudslinger hydro-excavation units and VecLoader industrial vacuum trailers. Vac-Con is offering an 5% accessory part discount. To qualify for this discount: 1) The Member is only buying Accessories parts and not an entire unit, 2) The Member Purchase Order must be in excess of $15,000.00. All Member Purchase Orders that qualify, must have their SW Member Number Clearly stated on the Purchase Order.	*
60	Describe any quantity or volume discounts or rebate programs that you offer.	Vac-Con's will offer additional discounts for volume purchases. There will be an additional 3% discount off of the base unit discounted price for a single purchase order for 4 or more units. Vac-Con does not offer any rebate programs at this time.	*
61	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	It is Vac-Con's intention to cover all items available on our commercial price lists. Vac-Con does realize from time to time there may be individual requirements that will not be listed. Vac-Con will provide any items "specific" to Sourcewell Members needs that we are able to. The pricing for such items will be priced at 20% above cost. Prior to accepting an order with Open Market or Sourced Goods from a Sourcewell Member, Vac-Con will discuss the availability of specific requests and price the item. Any documentation of cost that we can provide for these items will be presented on an individual basis.	*
62	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	There are several costs not included in the pricing submitted in this proposal. These costs are listed below: Freight and Delivery: Freight costs will be pre-paid and added to the Members Quote and Invoice. Small items will be, in most cases, delivered by UPS. Other freight carriers may be utilized in shipments, i.e. Federal Express, DHL and common carrier for truck freight. The actual cost of shipment will be passed through to the customer. Vac-Con will not mark up this item for profit. Minimal handling fees may be added where special packaging is required. The Member will be notified of these charges if applicable prior to order placement. Federal Excise Tax: Vac-Con is required by law to collect Federal Excise Tax on any truck mounted unit rated above 33,000 GVW. This tax will be added to the customer invoice as a separate line item. Vac-Con will pay this tax directly to the Internal Revenue Service. The rate of tax is calculated at 12%. Most municipal and non-profit entities are exempt from this tax. If an exemption certificate is provided, Vac-Con will not be required to collect this tax. Mounting Fee: Mounting fees cover the cost of the mounting of the body on the desired truck chassis or trailer. Federally Mandated Items: The cost of any federally mandated items will be passed on to the Member. The current pricing includes any federally mandated items that are mandated at the time of this proposal. Should there be a Federal Mandate after the date of this proposal, any cost incurred to meet the requirements of this mandate will be passed on to the member. Any costs applicable will be provided to the Member prior to any Purchase Order being issued. This fee would typically be charged to meet any future EPA standards that may arise. An example of such costs would be in meeting Federal Emission Standards. Local Dealer Pre-Delivery Inspection, On Site Training, and Local Delivery Fees: These costs are charged by local dealers to inspect, test, in service the unit, local extended delivery and follow up training. These costs are a pass through cost to the member from the local dealer.	*
63	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All freight charges are pre-paid and added to the Member quotation for convenience. Members always have the choice of picking up the units at the factory or retain a 3rd party of their choice to deliver the equipment. The freight charges Vac-Con charges are at a pass-through price. Vac-Con has negotiated quantity-discounted shipping rates and will pass those discounts on to the Members. Most offered items are custom built to customer specification. Anticipated delivery of items ordered on a stock chassis or customer supplied chassis is expected to be 45-90 days after receipt of order or customer chassis. Anticipated delivery of an item ordered on a “special order” chassis is expected to be 120-180 days after receipt of order; however, this time can vary greatly depending upon chassis manufacturer back log. Delivery of truck mounted units will be pre-paid and added to Member Quotation and Invoice. Both “Drive-A-Way” service and common carrier service will be used. The actual cost of the service will be passed through to the customer.	*

64	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	The shipping and delivery charges for Canada, Alaska and Hawaii and any other off shore location are the same as the previously stated delivery programs for the contiguous US. The shipping charges to the port location will be calculated in the same manner. If the customer wishes Vac-Con to deliver via ocean transport, they will pass on the negotiated shipping rates that they will pay to the ocean transport carrier to the Member. It has been Vac-Con's experience that the customers in these locations usually have their own negotiated rates with shipping carriers. If this is the case, Vac-Con will provide the customer shipping to their desired port and provide the customer with the appropriate documentation required. Vac-Con strives to provide the equipment as customer specified and to their satisfaction upon delivery.	*
65	Describe any unique distribution and/or delivery methods or options offered in your proposal.	As stated above, Vac-Con does pass on negotiated, competitively bid freight pricing to their customers. Most of Vac-Con's Dealers do have units in stock and Member's can purchase those units to enhance delivery times and in some cases better prices for any previous year's inventory.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
66	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Vac-Con fully recognizes the value of the national Soucewell Contract and a such gives the best discounts available to Sourcewell Members

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
67	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Due to the unique nature of our proposed contract representation, Vac-Con builds in an automatic audit process. DuCo, LLC, being the proposed Contract Administrator and single source for Sourcewell quotations, allows for this self-audit process. Vac-Con will not have to rely on multiple reports from individual dealerships for an accurate accounting of sales. DuCo will have the ability to account for every sale at time of order. There is no after-the-fact gathering of information. DuCo prepares the quotation for the Member under the Contract guidelines. Every Sourcewell Member quotation delineates the Sourcewell Contract Number. When a Purchase Order is received, Vac-Con will require the Purchase Order to reference the contract number. This process makes it clear for all personnel to recognize that it is a Sourcewell contract sale. The order, when received, is booked and accounted for on the Sourcewell sales spreadsheet. This makes the end of quarter reporting complete at the actual end of quarter. As a secondary check, when Vac-Con receives a payment for a unit, Vac-Con will verify the contract used in its purchase. This ensures the correct accounting for the sale on a second level.	*
68	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Vac-Con sales are maintained in a comprehensive CRM (Salesforce) program that allows for the sales and marketing teams to determine how many units are sold through the Sourcewell contract and additional metrics regarding these sales. The Vac-Con sales team will track and report on quarterly sales through the contract to both internal and external sales teams to evaluate performance of both dealers and regional sales representatives. Vac-Con actively promotes the use of the Sourcewell Contract, and awards dealers on an annual basis for their activity with the contract. Vac-Con values the ability to service the Sourcewell Members with their products. In order for them to ensure they are providing a product that Sourcewell Members want, Vac-Con evaluates these sales, quarterly and annually, to ensure growth. Vac-Con will respond accordingly to specific regional performance through dealer training as well as participation in Sourcewell training classes. Vac-Con expects to increase sales each year. Vac-Con operates with an annual marketing plan to ensure that they maximize their outreach to potential customers, including Sourcewell Members in order to achieve their goal.	*
69	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Vac-Con proposes an administrative fee of 1%. The fee will be calculated on the Member price less Chassis cost, sales tax (if applicable), and dealer prep/delivery fees.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	

70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Vac-Con Combination Jet/Vac Machines Dual and single engine combination machines with a range of offerings including 2 and 3-stage centrifugal compressors (fans) or various positive displacement blowers for vacuuming. Water jet systems ranging from 15 gallons per minute to 120 gallons per minute with pressures ranging from 1500PSI to 4000 PSI. These units are available in a range of sizes with debris tanks from 3 cu/yd to 16 cu/yd and water tanks from 200 gallons to 1500 gallons. Vac-Con has many optional features offered which are patented. Recycler combination machine – This combination machine is up-fitted with a recycler component. The recycler allows for debris tank water to be used in lieu of fresh water, greatly reducing overall water usage. This feature conserves water as a "Green Initiative" primarily and allows users to continue to work in areas where water access is limited or not available. The Vac-Con Recycler machines can function as standard combination machines in addition to utilizing the recycler features. Titan Class combination machines – the Titan combination machines feature the Aeroboost 3-stage fan (PATENTED) and offer users an incredible amount of efficiency. The dual engine Titan configuration results in a 44% fuel savings, 43% decrease in vacuum system operating RPM, 25% increase in airflow, 16-30% more horsepower, 8% decrease in noise pollution, and 5% increase in overall vacuum pressure (lift). These statistics result in a machine that offers high performance while being very environmentally friendly in regard to noise and carbon footprint. Neptune Trailer-Mounted Unit – the Neptune is a combination jet/vac machine that is either trailer or skid mounted. It is offered with either a 535 or 845 gallon debris tank and 225 or 325 gallons of water tank capacity. This unit is a portable and powerful option in a smaller footprint ideal for schools, colleges and small local governments. Vac-Con Jet ONLY Machines VJ375 – a single axle trailer-mounted unit with 375 gallons of water VJ750 – a tandem axle trailer-mounted unit with 750 gallons of water VJT1500 – a truck-mounted, enclosed jetter unit with 1,500 gallons of water Hot Shot – The Hotshot is a truck chassis mounted machine that offers up to 2,500 gallons of water capacity and is ideal for large sewer and pipeline jetting and cleaning. Vac-Con Hydro-Excavation Machines Mudslinger MS – a trailer or skid-mounted hydro-excavation unit available in 535 or 845 gallon debris tank and 225 or 325 gallon water capacity. The Mudslinger MS is built to function as a standalone unit or as a complement to additional excavation equipment. Mudslinger MST – The MST is available on an F650 (26,000lb) or larger chassis and is offered in 535 or 845 gallon debris tank and 225 or 325 gallon water capacity. The MST offers the Mudslinger trailer unit on a convenient small footprint chassis configuration. Mudslinger MXT – The MXT is a simple, chassis-mounted unit that offers the powerful Vac-Con system in an easy-to-use configuration. Mudslinger CXT – The CXT is a chassis-mounted hydro-excavation machine available from 3 to 16 yard debris tank and 800 to 1,300 gallons of water. This is the legacy Vac-Con hydro-excavation machine. Mudslinger EXT – The EXT is offered in a 12 yard debris tank and 1,500 gallons of water. This unit features an enclosed operator station, and insulated water system and components. The EXT is designed for harsh weather and below freezing environment excavation. Vector Industrial Vacuum units Industrial vacuum units – high vacuum, high volume industrial material conveyors offering a wide variety of products suited for heavy duty industrial cleaning and recovery applications. Noted for their simple rugged durability, Vector machines can be found around the world on the job in shipyards, mines, mills, manufacturing plants, oil fields, gas well sites, refineries, rail yards, general construction sites, infrastructure remediation sites, hazardous material recovery and demolition operations, commercial roofing, abrasives and coatings industries, and others. Available in trailer mounted units and skid mounted units. Vacuum Pumper units Truck mounted vacuum units available from 1500 gallon tank capacity to 5000 gallon tank capacity for pumping large quantities of liquid waste. These trucks can be used stand alone or in synchrony with any other Vac-Con vacuuming equipment. Refurbishment Packages Refurbishment packages on several different levels for already owned Vac-Con units. These refurbishment packages, Bronze, Silver, and Gold, can help the customer over-haul their Vac-Con unit when budgets don't permit replacement units. Refurbishments take place at the factory in Green Cove Springs, Florida Accessories, wear parts and supplies - A full catalog of accessories, camera solutions, pumps, nozzles, cutters and common wear items are offered in this response. Dealer stock, demonstrator, and reconditioned units are offered in this response. These items offer solutions for budget challenged members and for those who will need immediate delivery without having to wait for new build lead time.

71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	The Vac-Con "Vac Pumper" models fit within the grease trap cleaning equipment, portable toilet servicing equipment, Sewage pumping station maintenance equipment. The Vector VecLoader offering fits within Industrial Vacuum Equipment, Hazardous Materials Collection Equipment, HEPA filtration equipment categories.	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
72	Sewer vacuums or combination sewer cleaners	(•) Yes ( ) No	Models offered in this category: Dual Combo, Single Combo, Dual Titan, Single Titan, 3 yard Combo, Neptune trailer.	*
73	Hydro or air excavation equipment	(•) Yes ( ) No	Models offered in this category: XCavator, MXT (municipal hydro-excavator), Hydrovac (offers air and water excavation), Mudslinger trailer excavator.	*
74	Jetters and rodders	(•) Yes ( ) No	Models offered in this category: HotShot high pressure sewer jet, Vec Jet high pressure sewer trailer.	*
75	Dewatering, mud, trash, and centrifugal pumps	(•) Yes ( ) No	These items are offered within this response.	*
76	Pumps used in lift stations, sewage treatment, water treatment, or water collection facilities	(•) Yes ( ) No	Models offered in this category: Vac Pumper	*
77	Accessories, supplies and replacement or wear parts related to the offerings above.	(•) Yes ( ) No	All of these items are offered within this response with a 5% discount.	

Table 15: Industry Specific Questions

Line Item	Question	Response *	
78	Describe any product or equipment features that improve operator safety.	Operator safety is at the core of Vac-Con products. Vac-Con integrates a range of components and product features that ensure operators can work with and around these machines in the safest possible manner. - Power Level Wind Guide – an automated component that brings jetting hose out of the manhole, limiting the need for an operator to reach in or around the manhole - Outrigger Leg Magnet – A magnetic leg on the hose reel that assists with lifting service access point lids saving possible operator injury lifting heavy objects. - Grate Lifting Hook System – utilizes the boom to remove storm drain gates saving possible operator injury lifting heavy objects. - Wireless Remote with E-Stop – allows for wireless operation of the unit reducing the need for the operator to manually handle equipment. An E-Stop ensures a way to quickly terminate all functions in case of an emergency - Titan Quiet Drive – The Quiet Drive reduces noise pollution by 8%, allowing operators the ability to hear over the machine for directions and warnings - Water Tank Location – lowest center of gravity in the industry preventing truck top-heavy roll-over The operation of Vac-Con units is performed at the front of the unit with hardwired controls or wireless remotes. Operator safety is better secured with the entirety of the truck between the operator and oncoming traffic. The remote transfer case engagement is located at the front hose reel and allows for operators to control functions typically managed inside the cab. This feature is designed to start and stop the engine and engage and disengage the transfer case from the exterior front of the unit. Operator footsteps and movements in and out of the cab are mitigated, reducing the chance of injury. In addition, Allison Auto Neutral and Range Inhibit Functions are used for safety on this component.	*
79	Describe any product or equipment innovations that increase uptime and operator productivity.	The Vac-Con Recycler is a combination machine outfitted with a recycling component. This system allows for users to use water already in the pipeline or recycled water from the debris tank to continue operations. This function keeps an operator on the job all day without the need to refill tanks running 50 GPM @ 3,000 PSI. The time given back to a job by reducing the need to refill water capacity increase operator efficiency. The Omnibus Precision Power Control System gives the operator control authority over all vacuum, water and engine functions, and at a centralized control panel, right where the operator is working. This coordination of systems allows the operator to use as much power as is needed, saving time and fuel while allowing precise movements of the hydraulic components. This system eliminates over 250 electrical connections and over one mile of wire in a typical Vac-Con build. The Remote Transfer Case Engagement is designed to allow operators to start and stop the engine and disengage the transfer case from the front of the unit. Located on the front hose reel, this feature will limit operator footsteps to and from the cab of the unit and allow a fast job completion. ReelSmart Hose Control System: The ReelSmart technology brings hose reel automation to Vac-Con sewer cleaners With a computerized command controller, up to 30 jobs can be recorded and stored for future use. The pay-out footage, job locations and special instructions can be recalled used for lat use. ReelSmart handles all hose reel pay-out and roll in functions, automatically. This means less physical work for the operator and more efficiency and productivity at the job-site. The customer can record on a USB drive or maintain a daily log with its MS-Excel data dump. This new technology is available in English, Spanish and French.	

Table 16: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. **NOTICE**: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - VacCon Sourcewell Pricelist 9_30_2021.zip - Monday September 27, 2021 14:14:14
- Financial Strength and Stability - Financial Strength and Authorzation Letter.zip - Monday September 27, 2021 14:14:25
- Marketing Plan/Samples - dealers and marketing examples.zip - Monday September 27, 2021 14:14:59
- WMBE/MBE/SBE or Related Certificates (optional)
- Warranty Information (optional)
- Standard Transaction Document Samples - VACCON STANDARD QUOTE EXAMPLE.pdf - Monday September 27, 2021 14:15:19
- Upload Additional Document - Performance Certs and Testimonials.zip - Monday September 27, 2021 14:15:36

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:

    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - M.J. DuBois, Contract Administrator, DuCo, LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_3_Sewer_Vac_Hydro-Excavation_Pumps_RFP_101221 Thu September 30 2021 03:29 PM	☑	2
Addendum_2_Sewer_Vac_Hydro-Excavation_Pumps_RFP_101221 Fri September 10 2021 02:40 PM	☑	2
Addendum_1_Sewer_Vac_Hydro-Excavation_Pumps_RFP_101221 Thu August 26 2021 05:40 PM	☑	1

Docusign Envelope ID: 1592CB93-9453-469A-B1D8-1B08FC867F21

CONTRACT EXTENSION

Contract Number: 101221-VAC

Sourcewell
202 12th Street Northeast
P.O. Box 219
Staples, MN 56479
(Sourcewell)

and

Vac-Con, Inc.
969 Hall Park Rd

Green Cove Springs, Florida 32043-4935
(Vendor)

have entered into Contract Number: 101221-VAC
for the procurement of: Sewer Vacuum, Hydro-Excavation, and Municipal Pumping Equipment with Related Accessories and Supplies

The Contract has an expiration date of 2025-11-29 , but the parties may extend the Contract by mutual consent.

Sourcewell and Vendor acknowledge that extending the Contract benefits the Vendor, Sourcewell and Sourcewell's Members. Vendor and Sourcewell agree to extend the Contract listed above for an additional period, with a new Contract expiration date of 2026-11-29 . All other terms and conditions of the Contract remain in full force and effect.

Sourcewell

Signed by: Jeremy Schwartz
C0FD2A139D06489...
Authorized Signature

Jeremy Schwartz
Name

Chief Operating and Procurement Officer
Title

2/7/2025 | 4:16 PM CST
Date

DocuSigned by: MJ Dubois
C65CBA257A53411...
Authorized Signature

MJ Dubois
Name

SOLE MEMBER
Title

2/10/2025 | 6:28 AM PST
Date

ENVIRO-CLEAN EQUIPMENT
A VTE COMPANY

OPPORTUNITY NAME	PURCHASE AGREEMENT DATE	EXPIRATION	EST. DELIVERY UPON ORDER RECEIPT	FOB POINT	TERMS
PD2130H/500	03-11-2026	04-30-2026	05-18-2026	Town of Chino Valley	Net 30

CUSTOMER INFORMATION:

Salesperson. Steven Flores

Customer: Chino Valley Public Works Dept Contact: Matthew Green

Address: 1982 Voss Drive #201, Chino Valley, AZ 86323

Phone: ((92)8) -7140 Cell Phone: (928)499-5146 Email Address: mgreen@chinoaz.net

EQUIPMENT DESCRIPTION

INV Number	Year	Make	Model
INV-00002098	2024	Vac Con	3 Yard Non-CDL

INVENTORY SPECS

Model: PD2130H/500
Boom: Extendable, 6" Intake System - Standard
Hose Reel: Front Mounted Swivel Hose Reel - standard with 3-Yard
Jet Rodder Hose: 500' x 3/4" Jet Rodder Hose
Water System: Giant, 0-30 gpm/3000 psi water system, 3/4" hose
Water Pump: 0
Auxiliary Engine: 0
Hose Brand: Cobra Hose Brand

1: Debris Body "Power Flush" System, 8 jets
1: 6" Knife Valve with Center Post and Handle, in Lieu of the 5" Butterfly Valve (662-0125)
1: Gravity Drain System; plumbing to gate valve at mid-passenger side of unit, allowing return of liquids to the manhole
1: Rear splash guard (2 - 10 O'clock) - tank mounted
1: Winter Recirculating connection for high pressure circuit.
1: Air Purge System
1: Mirror Mounted LED Beacon/Strobe Light with Limb Guard - Whelen L31HAF LED Beacon with Whelen BGH Branch Guard
1: LED strobe with Limb Guard, Rear Debris Tank Mounted - Whelen L31HAF LED Beacon with Whelen BGH Branch Guard
1: LED 4 Strobes - (2) front bumper / (2) rear bumper - Whelen 50A03ZCR - Amber
1: Low Water Alarm with Light
1: Remote Control (Wireless): Boom, Vacuum Breaker, Throttle & Debris Body (includes Hi-Dump, if applicable). Does not include remote cable pendant controls for boom or hi dump.
1: 50' Capacity Retractable Hand Gun Hose Reel
1: Rubber flex hose end for CB Tube/Hydroexcavation
1: Hose Guide, spare 665-0004
1: Manhole Cover Lifting Hook 681-0084
1: Rear Mounted Tow Hooks
1: Remote Debris Tank Grease Assembly (Ground Level)
1: 3/4" x 15' Length Leader Hose
1: 6" Adjustable Air Gap

1: Paint Module: Single-Stage Polyeurethene Elite Coca Cola Red (PPG code: 911065)
1: Standard Striping Package - White 692-5204-01
1: LED Boom Mounted Flood Lights with Limb Guard - Whelen NP6BB Worklight
1: LED Rear Mounted Flood Lights with Limb Guard - Whelen NP6BB Worklight
1: LED Flood Light - Level Wind Guide - Whelen NP6BB Worklight
1: 711-30903T Turbo Jet with Single Foward Jet
1: Traffic Camera With Color Monitor - MUST PICK CAMERA PLACEMENT
1: Rear Camera Placement
1: Front Hose Reel Camera Placement - To View in Front of Hose Reel Area
1: Midbody LED Strobes - Frame Mounted - Whelen 50A03ZCR - Amber
1: Cone Storage Rack (Choose position below)- Hoop Style
1: Cone Storage Rack, Behind Front Bumper Curbside
1: LED Midbody Flood Lights with guards - Whelen NP6BB (Driverside and Curbside)
1: Hydroexcavation Package Includes: 50 foot handgun hose reel with 1/2" hose, 711-53686 72" 1/2" schedule 80 lance with single forward spray nozzle, Storage tubes for lances, Heavy duty unloader valve, Main control ball valve, Variable flow valve
1: Hydrant wrench
1: Winter Recirculating System for Rodder Hose
1: Hose Footage Counter, Standard

Freightliner Lightweight M2 106 4X2 300HP Auto 26K Non CDL

Trade In Information

Trade In Year	Trade In Make	Trade In Model	Trade In Amount

Add Ons Price each	Misc Charge Details
$0.00	

TERMS OF SALE:

Purchase Price Each:		$355,000.00
Purchase Quantity:		1
Total		$355,000.00
Add Ons Total		$0.00
Less Trade in value(s):		
Sales Tax: Applicable sales taxes will be applied to final invoice.		$29,579.70
Federal Excise Tax 12%		
Federal Excise Tax Total		$0.00
Title, Registration, and Dealer Fees	total	$0.00
Freight Each:		$8,395.00
Total Freight:		$8,395.00
Total Amount Due:	**If a deposit is required, a deposit invoice will follow. **	$392,974.70

Contract #: 101221-VAC

TERMS AND CONDITIONS:

1. Customer's responsibilities. Customer agrees to pay Enviro-Clean Equipment (EnviroClean) all charges required by law to be collected, including without limitation all tag, title, license, and all federal, state, and local taxes. Although EnviroClean has used its best efforts to accurately state the amounts due under this Agreement, Customer remains

liable for any additional amounts which may be assessed by law against EnviroClean. Unpaid or past due balances will be assessed a 1.5% per month interest charge, (18% per annum).

2. Deposit. Should EnviroClean fail to accept this offer or be unable to deliver the vehicle as promised, the Customer's sole remedy against EnviroClean shall be a return of the deposit as liquidated damages. Should Customer fail to take delivery of the vehicle for any reason or otherwise breach this agreement, EnviroClean may elect to retain the deposit, and sue for any actual damages incurred by EnviroClean for work done, costs incurred, and for any incidental or consequential damages caused by Customer's breach.

3. Warranties. All used vehicles are sold **"AS IS, WITHOUT WARRANTY", either express or implied. EnviroClean SPECIFICALLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER REPRESENTATIONS TO THE CUSTOMER NOT EXPRESSLY SET FORTH IN THIS AGREEMENT.** No other person is authorized to make any representations or warranties on behalf of EnviroClean, unless made or assumed in writing by EnviroClean.

4. Limitation of Liability. Customer shall have the right to fully inspect the vehicle at the time of delivery. Acceptance of the vehicle constitutes Customer's waiver of all claims against EnviroClean for all actual, incidental or consequential damages, including without limitation: a) loss, damage or delays for any reason; b) failure to supply any property ordered hereunder unless EnviroClean receives notification of such failure within one week of delivery; c) loss of use, loss of time, lost profits or income; d) changes in design, materials or specifications explicitly specified by the Customer; e) modifications to the vehicle that the Customer specifies to be performed by others; and f) defects in design, materials or workmanship unless EnviroClean receives notification of such defects within one week of delivery.

Customer shall defend, indemnify and hold harmless EnviroClean and its subsidiaries and affiliated companies, their officers, agents and employees against all loss, liability and expense, including reasonable attorney's fees, by reason of bodily injury including death, and property damage, sustained by any person or persons including but not limited to the officers, agents and employees of Customer, as a result of the Customer's maintenance, use, operation, servicing, transportation, defect in or failure of the vehicle, whether such bodily injury, death or property damage is due or claimed to be due in whole or in part, to any neglect, default, defect, fault, failure, act or omission, by or on behalf of EnviroClean, its officers, agents and employees or any other person, including but not limited to any claims of strict liability in tort, breach of warranty, and/or negligence.

5. Modifications by Others. Customer acknowledges that any requested modifications to the vehicle that the Customer specifies to be performed by others are Customer's sole responsibility, and Customer shall reimburse EnviroClean for the cost of such modifications, regardless of whether Customer takes delivery of the vehicle. EnviroClean is not liable for any defects in design, materials or workmanship, or any errors or omissions by such third parties.

6. Miscellaneous. Risk of loss shall pass to the Customer upon acceptance of delivery of the vehicle. A facsimile of this agreement shall have the same legal effect as an original hereof. Venue for any actions involving this agreement, including counterclaims, crossclaims or third-party claims shall be exclusively in , and this agreement shall be construed under the laws of the State of . This agreement may not be assigned by Customer. This agreement expresses the entire agreement of the parties. If any part hereof is contrary to, prohibited by or deemed invalid under applicable laws or regulations of any jurisdiction, such provision shall be inapplicable and deemed omitted but shall not invalidate the remaining provisions hereof. In the event that EnviroClean is required to employ an attorney to enforce any of the terms of this agreement, Customer shall be liable for all reasonable attorney's fees and costs, regardless of whether suit is instituted, through and including all trials, appeals and bankruptcy proceedings.

I HAVE READ AND UNDERSTAND THE ABOVE TERMS AND CONDITIONS.

CUSTOMER:		**EnviroClean REPRESENTATIVE:**	
_____	Signature	_____	Signature
_____	Print Name	_____	Print Name
_____	Customer PO Number	_____	Date
_____	Date	_____	Contact Email
		_____	Contact Cell

Enviro-Clean Equipment

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6e
MEETING DATE: 4/14/2026
CONTACT PERSON: Jessi Sorteberg, Executive Analyst
ITEM TYPE: Resolution

AGENDA ITEM TITLE:
Consideration and possible action to approve Resolution No. 2026-1305, authorizing the submission of an application for FY26 State Community Development Block Grant (CDBG) funds; certifying that said application meets the community's previously identified housing and community development needs and the requirements of the state CDBG program; and authorizing all actions necessary to implement and complete the activities outlined in said application.

SUMMARY:
The Community Development Block Grant (CDBG) program is a federally funded program administered through the U.S. Department of Housing and Urban Development (HUD) and distributed at the state level by the Arizona Department of Housing. The program is designed to support community development activities that benefit low- to moderate-income (LMI) populations, including public facility improvements, infrastructure, and essential services.

The Town of Chino Valley participates in the CDBG program on a three-year funding cycle and anticipates receiving approximately $312,472 in funding for the current cycle. As part of the application process, the Town is required to conduct public outreach, identify eligible projects, and obtain Council approval through a formal resolution authorizing submission of the application and designation of an authorized signatory.

Approval of this resolution will authorize the Town to submit its CDBG application and advance to the next phase of the funding process. Following Council action, the Town will submit a Letter of Intent on April 24th, with the full application developed and submitted in coordination with NACOG in June and finalized by August.

Approval tonight ensures the Town remains on schedule to compete for available funding in the current cycle.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:
Approve Resolution 2026-1305.

FISCAL IMPACT?
Sufficient budget capacity will be budgeted through miscellaneous grants for FY 2026-27 for this project.

ATTACHMENTS:

1.	RES 2026-1305 - FY26 CDBG Application

RESOLUTION NUMBER 2026-1305

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR FY26 STATE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS; CERTIFYING THAT SAID APPLICATION MEETS THE COMMUNITY'S PREVIOUSLY IDENTIFIED HOUSING AND COMMUNITY DEVELOPMENT NEEDS AND THE REQUIREMENTS OF THE STATE CDBG PROGRAM; AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITIES OUTLINED IN SAID APPLICATION.

WHEREAS, the Town of Chino Valley is desirous of undertaking community development activities; and

WHEREAS, the State of Arizona is administering the Community Development Block Grant ("CDBG") Program; and

WHEREAS, the State CDBG Program requires that CDBG funds requested address one of the three Congressionally-mandated National Objectives; and

WHEREAS, the activities within the application contemplated by this resolution address the community's identified housing and community development needs, including the needs of low- and moderate-income persons; and

WHEREAS, an applicant of State CDBG funds is required to comply with the program guidelines and federal statutes and regulations.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, that:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Town Council hereby authorizes application to be made to the State of Arizona, Department of Housing for FY26 CDBG funds, and authorize the Mayor to sign application and contract or grant documents for receipt and use of these funds for the Senior Center Capacity Expansion Project, and authorizes the Mayor and the Town Manager, or the Town Manager's designee, to take all actions necessary to implement and complete the activities submitted in said application.

SECTION 3. The Town's FY26 application for State CDBG funds meets the requirements of low- and moderate-income benefit for activities justified as benefiting low- and moderate-income persons, aids in the prevention or elimination of slum and blight, or addresses an urgent need that poses a threat to health.

SECTION 4. The Town will comply with all State CDBG Program guidelines, federal statutes, and regulations applicable to the State CDBG Program and the certifications contained in the application.

SECTION 5. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take such actions and execute such documents as are necessary to carry out the purpose and intent of this resolution.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 14th day of April 14026.

_____
Tom Armstrong, Mayor

ATTEST:

_____
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

_____
Andrew J. McGuire, Town Attorney
Gust Rosenfeld P.L.C.

I hereby certify that the above foregoing Resolution No. 2026-1305 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on April 14, 2026, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

_____
Erin N. Deskins, Town Clerk

TOWN COUNCIL
AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6f
MEETING DATE: 4/14/2026
CONTACT PERSON: Jessi Sorteberg, Executive Analyst
ITEM TYPE: Action Item

AGENDA ITEM TITLE:
Public hearing, consideration, and possible action to accept funds from the Arizona Department of Housing for the Town of Chino Valley's three-year rotational Community Development Block Grant (CDBG) and authorizing the Mayor to sign said application upon completion by NACOG and Town Staff.

SUMMARY:
The Community Development Block Grant (CDBG) program is a federally funded program administered through the U.S. Department of Housing and Urban Development (HUD) and distributed at the state level by the Arizona Department of Housing (ADOH). Northern Arizona Council of Governments (NACOG) administers the planning of annual allocations and provides technical assistance for application and project success. The program supports community development activities that benefit low- to moderate-income populations, including public facility improvements, infrastructure, and essential services. To be eligible for CDBG funding, projects must meet one of the three objectives: 1) At least 51% of the persons who benefit from the project must be low- to moderate-income, 2) the project must aid in the prevention or elimination of slums or blight, or 3) the project must solve an urgent health need.

The ADOH allocates funds to the four rural Councils of Government (COGs) based on a poverty/population formula. NACOG then allocates funds among the four counties of Apache, Coconino, Navajo, and Yavapai with the same formula. Within each county, a rotation schedule has been established which determines the year each city, town, or county will apply for funding. A CDBG allocation from ADOH has historically come to Chino Valley once every four years, however, that cycle is now changing to every three years. The Town of Chino Valley has been notified by NACOG that based on the formula, the Town should expect approximately $312,472 in Community Development Block Grant (CDBG) funding for FY 2026.

As part of the CDBG application process, the Town is required to conduct public outreach to identify and prioritize eligible projects. A first public hearing was advertised and held on March 9, 2026, in the Council Chambers. At that meeting, staff presented an overview of the CDBG program and facilitated a public brainstorming session, which identified four potential project concepts focused on improvements to the Chino Valley Senior Center. The projects identified include:

- Senior Center Parking Improvements - Reconstruction of the parking area, including drainage corrections, earthwork, and asphalt replacement to address safety, mobility, and accessibility concerns.

- Senior Center Conference Room Remodel - Interior renovation including flooring, drywall, HVAC upgrades, lighting, and related improvements to enhance functionality and comfort.
- Senior Center Capacity Expansion Project- Expansion of usable space through extension to the outdoor covered gathering area, improving flexibility and accommodating increased program participation.
- Senior Center Comprehensive Improvement Project - A combination of parking, interior, and expansion improvements to address safety, accessibility, and capacity needs.

These project concepts were subsequently published in the Chino Valley Review and the Prescott Daily Courier to solicit additional public input and are being presented for consideration at this second public hearing.

From the list of potential projects identified during the first Public Hearing, staff recommend that Council advance the Senior Center Capacity Expansion Project for CDBG funding. Congress has defined certain populations as automatically qualifying as low- to moderate-income, including elderly persons; therefore, this project meets eligibility requirements without the need for an income survey.

The proposed project will expand the Senior Center along the southern wall, extending into the existing patio area where a pergola is currently located. This expansion will allow relocation of the pool table / recreation space, allowing the main interior area to be reconfigured, expanding into that area to increase table seating / dining capacity.

These improvements directly respond to growing demand for in-person dining for congregate meals, an essential community service for the wellness of our seniors - both nutritionally and socially. Additionally, we see the need for larger space to accommodate community events, including holiday gatherings, Veterans breakfasts, other programming, and private rental events which generate income.

It is important to note that a community is allowed to fund two senior center projects within a 7-year span. Should the Town approve the Senior Center Capacity Expansion project, this funding cycle represents the Town's final opportunity to invest CDBG funds into the Senior Center for several years due to prior funding allocated to the Senior Center Kitchen Remodel in 2022. As a result, consideration of this project should reflect both current needs and long-term value to the community. This project combined with successful kitchen remodel will position the Senior Center to effectively fulfill its mission to our senior community for Meals on Wheels and Congregate dining in the years ahead.

Since the initial public hearing, staff have met with a contractor to develop preliminary cost estimates to better understand project feasibility and alignment with available funding. Due to funding and staff availability, there are no other projects being advanced by staff for Council consideration. If the application is approved for funding, contract documents are scheduled to be ready for signature in Fall of 2026, with design and construction activities to commence thereafter.

The total project budget is estimated at $310,000.

PREVIOUS ACTION:
N/A

STAFF RECOMMENDATION:

(i) Hold Public Hearing
(ii) Approve the Senior Center Capacity Expansion Project as the Town's selected project for 2026 CDBG funding.

FISCAL IMPACT?
Sufficient budget capacity will be budgeted through miscellaneous grants for FY 2026-27 for this project.

ATTACHMENTS:

None