



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

19

2. Council Meeting Date:
April 23, 2009

TO: MAYOR & COUNCIL
THROUGH: CITY MANAGER

3. Date Prepared: April 8, 2009

4. Requesting Department: Municipal Utilities

5. SUBJECT: Award Agreement MU9-220-2723 for the purchase of proprietary electrical supplies to Brown Wholesale Electric, Summit Electric Supply, Axiom Southwest, Border States Electric, and SWABS-AZ for one-year with provisions for four one-year extensions for a combined total Agreement amount not to exceed \$815,000.

6. RECOMMENDATION: Recommend award Agreement MU9-220-2723 for the purchase of proprietary electrical supplies to Brown Wholesale Electric, Summit Electric Supply, Axiom Southwest, Border States Electric, and SWABS-AZ for one-year with provisions for four one-year extensions for a combined total Agreement amount not to exceed \$815,000.

7. HISTORICAL BACKGROUND/DISCUSSION: The Water and Wastewater Divisions require an ongoing agreement to provide parts and equipment not stocked in Central Supply such as variable frequency drives and programmable logic controllers. The equipment is used at the Surface Water Treatment Plant, Water Production Wells, Airport Water Reclamation Facility, Lone Butte Wastewater Treatment Facility, Aquifer Storage and Recovery Wells, and Wastewater Collection Lift Stations.

8. EVALUATION PROCESS: Bids were advertised and mailed to all registered vendors. Nine responses were received from Axiom Southwest, Carlton-Bates, Summit Electric Supply, Grainger, Utility Products Inc, Electric Supply Inc, SWABS-AZ, Brown Wholesale Electric and Border States Electric Supply. Pricing was requested on 137 line items that were grouped by manufacturer. In order to meet all of their needs, staff is recommending award to Brown Wholesale Electric, Summit Electric Supply, Axiom Southwest, Border States Electric Supply and SWABS-AZ as the lowest, responsive bidders.

9. FINANCIAL IMPLICATIONS:

Cost	\$815,000
Savings	N/A
Long Term Costs	N/A
Funding Source:	

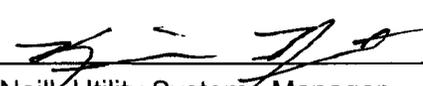
<u>Account Number:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
605.3830.0000.5329	Water Operating/Water Treatment	Electrical Supplies	Non-CIP	\$ 100,000
605.3860.0000.5329	Water Operating/Water Production	Electrical Supplies	Non-CIP	\$ 45,000
615.3940.0000.5329	WW Operating/Lone Butte	Electrical Supplies	Non-CIP	\$ 50,000
615.3960.0000.5322	WW Operating/AWRF	Other Supplies	Non-CIP	\$ 80,000
615.3960.0000.5329	WW Operating/AWRF	Electrical Supplies	Non-CIP	\$ 100,000
615.3900.0000.5316	WW Operating/Wastewater Collection	Machinery and Equipment	Non-CIP	\$ 50,000
601.3820.0000.6713.8WA034	Water Bond	Well Construction/Rehab	FY 07/08	\$ 328,000
611.3910.0000.6817.8WW189	Wastewater Bond	Effluent Reuse ASR Wells	FY 07/08	\$ 62,000

10. PROPOSED MOTION: Move to award Agreement MU9-220-2723 for the purchase of proprietary electrical supplies to Brown Wholesale Electric, Summit Electric Supply, Axiom Southwest, Border States Electric, and SWABS-AZ for one-year with provisions for four one-year extensions for a combined total Agreement amount not to exceed \$815,000.

Attachments: **Agreements**

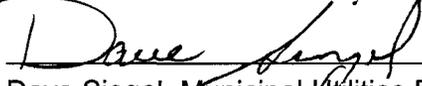
APPROVALS

11. Requesting Department



Kim Neill, Utility Systems Manager

13. Department Head



Dave Siegel, Municipal Utilities Director

12. Procurement Officer



Sharon Brause, CPPB, CPCP

14. City Manager



W. Mark Pentz

**CITY OF CHANDLER PURCHASE CONTRACT
ELECTRICAL SUPPLIES - PROPRIETARY
AGREEMENT NO.: MU9-220-2723**

THIS AGREEMENT is made and entered into this _____ day of _____, 2009, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and **BROWN WHOLESALE ELECTRIC**, hereinafter referred to as "CONTRACTOR".

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATION AND OPERATION:

- 1.1. Contract Administrator:** CONTRACTOR shall act under the authority and approval of the Procurement Officer /designee (Contract Administrator), to provide the goods and merchandise required by this Contract.
- 1.2. Ordering Instructions:** Authorization for purchases under the terms and conditions of this contract will be made only upon issuance of a CITY Purchase Order, a Contract Release Order or use of a City Procurement Card.
- 1.3. Ordering Process.** Upon award of a contract by the City, any designated department may procure the specific product, equipment or material awarded by the issuance of a Contract Purchase Order to the appropriate CONTRACTOR. Each Contract Purchase Order must cite the correct Chandler contract number.
- 1.4. Annual Usage Report.** CONTRACTOR shall furnish CITY a usage report delineating the acquisition activity governed by the contract. The format of the report shall be approved by CITY and shall disclose the quantity and the dollar value of each contract item by individual purchasing unit.

2. GOODS AND MERCHANDISE TO BE PROVIDED: CONTRACTOR shall provide to CITY the goods and merchandise listed on Exhibit A and Exhibit B attached hereto and made a part hereof by reference, at the prices listed on Exhibit B, all as more specifically set forth in the Specifications and details included therein.

- 2.1. Safety Standards:** All items supplied pursuant to 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.
- 2.2. Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
- 2.3. Product Discontinuance (Categories):** In the event that a required product or model is discontinued by the manufacturer, CITY at its sole discretion may allow CONTRACTOR to provide a substitute for the discontinued item. CONTRACTOR shall request permission to substitute a new product or model and provide the following:

A formal announcement from the manufacturer that the product or model has been discontinued.

Documentation from the manufacturer that names the replacement product or model.

Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.

Documentation confirming that the price for the replacement is the same as or less than the discontinued model.

If requested by CITY, CONTRACTOR shall provide a sample of the replacement product.

- 2.4. **Licenses:** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by CONTRACTOR as applicable to this contract.
- 2.5. **Contract Orders:** CONTRACTOR shall, in accordance with all terms and conditions of this Contract, fully perform and shall be obligated to comply with all contract orders received by CONTRACTOR prior to the expiration or termination hereof, unless otherwise directed in writing by the Contract Administrator, including, without limitation, all contract orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.
- 2.6. **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.
- 2.7. **Compliance With Applicable Laws:** CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable license and permit requirements.
- 2.8. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 2.9. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 2.10. **Payment.** A separate invoice shall be issued for each shipment of goods or materials, and no payment will be issued prior to receipt of goods or materials and receipt of a correct invoice.
- 2.11. **Estimated Quantities.** The quantities shown on Exhibit B (the Price List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. CITY reserves the right to increase or decrease the quantities actually required.
- 2.12. **Catalogs/Contract Price Listing.** As applicable, the CONTRACTOR(s) shall be required to furnish to all requesting departments catalogs at no cost, which will outline contract prices.
- 2.13. **Current Models.** It is CITY's intent to procure materials of the latest technology. All materials bid must be in current production and parts must be available for a minimum of five (5) years from bid date.
- 2.14. **New/Current Products.** All goods, equipment, materials, parts and other components supplied pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended.
- 2.15. **New Products.** New products announced by manufacturers on contract may be submitted by the CONTRACTOR for add-ons to the existing contract. Pricing shall be equivalent to the percentage discount for each brand or class of product originally offered.

2.16. Packing and Shipping. The CONTRACTOR shall be responsible for industry standard packing, which conforms to requirements of carrier's tariffs and Interstate Commerce Commission (ICC) regulations. Containers must be clearly marked as to lot number, destination, address and purchase order number.

3. Warranties:

3.1. Liens: CONTRACTOR warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

3.2. Quality: Unless otherwise modified elsewhere in these terms and conditions, CONTRACTOR warrants that, for one year after acceptance by CITY of the materials, they shall be:

3.2.1. Of a quality to pass without objection in the trade under the Contract description;

3.2.2. Fit for the intended purposes for which the materials are used;

3.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

3.2.4. Adequately contained, packaged and marked as the Contract may require; and

3.2.5. Conform to the written promises or affirmations of fact made by CONTRACTOR.

3.3. Fitness: CONTRACTOR warrants that any material supplied to CITY shall fully conform to all requirements of the Contract and all representations of CONTRACTOR, and shall be fit for all purposes and uses required by the Contract.

3.4. Inspection/Testing: The warranties set forth in Section 3 herein are not affected by inspection or testing of or payment for the materials by CITY.

3.5. One-Year Warranty. CONTRACTOR must provide a one-year warranty on all goods or equipment supplied pursuant to this Contract.

4. ACCEPTANCE AND DOCUMENTATION: All goods are subject to final inspection and acceptance by CITY. Material failing to meet the requirements of this Contract will be held at CONTRACTOR's risk and may be returned to CONTRACTOR. If so returned, the cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses are the responsibility of CONTRACTOR. CITY may elect to do any or all of the following: Waive the non-conformance; stop the work immediately; or bring the material into compliance. Defective Products. All defective products shall be replaced and exchanged by CONTRACTOR. The cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses shall be paid by the CONTRACTOR. All replacement products must be received by CITY within seven (7) days of initial notification

4.1. Records. The CONTRACTOR shall retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.

4.2. Audit. At any time during the term of this Contract and five (5) years thereafter, CONTRACTOR's books and records shall be subject to audit by CITY to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, CONTRACTOR shall produce a legible copy of any or all such records.

4.3. Delivery. Delivery shall be made within thirty (30) calendar days after receipt of a Contract Purchase Order (ARO).

5. **PRICE:** CITY shall pay to CONTRACTOR an amount not to exceed a total Agreement amount, including all companion Agreements, of **EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS (\$815,000)** for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 5.1. **Pricing:** Prices stated include all freight, insurance, warranty costs, and any other applicable costs.
- 5.2. **Payment:** A separate invoice shall be issued for each shipment of goods or merchandise, and no payment will be issued prior to receipt of material and a correct invoice. All billing invoices shall include delivery time, purchase order number, and contractual payment terms. Items are to be identified by the name, model number, contract number, line item number, and serial number if applicable. Payment. CONTRACTOR shall submit to the issuing department, after completion of the task or combination of tasks listed by the issuing departments task order, a statement of charges for the work completed under that task order, in conformance with the pricing schedule of this contract, the issuing department shall process the claim for prompt payment in accordance with the standard operating procedures of CITY.
- 5.3. **Delivery:** All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. CONTRACTOR shall retain title and control of all goods until they are delivered and accepted by CITY. All risk of transportation and all related charges shall be the responsibility of CONTRACTOR. All claims for visible or concealed damage shall be filed by CONTRACTOR. CITY will notify CONTRACTOR promptly of any damaged goods and shall assist CONTRACTOR in arranging for inspection.
- 5.4. **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 CONTRACTOR regardless of receipt.
- 5.5. **TAXES:** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR.
- 5.6. **IRS W9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless said form is not required by law.
- 5.7. **Price Adjustment (Annual).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. Prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.
- 5.8. **Acceptance by CITY.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 5.9. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its products concurrent with a published price reduction made to other customers.
6. **TERM:** The term of the Contract is **one (1) year (s)**, commencing on the **1ST day of May, 2009** and terminating on **April 30, 2010** unless sooner terminated in accordance with the provisions herein. CITY reserves the right, at its sole discretion, to extend the Contract for up to **four (4)** additional terms

of one year each. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof.

7. **USE OF THIS CONTRACT:** The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like goods and materials from another source to secure significant cost savings or when timely delivery cannot be met by CONTRACTOR.

7.1. CONTRACTOR is aware that there is more than one CONTRACTOR who has been awarded a Contract to provide this type of goods and materials. CITY reserves the right and will issue Purchase Orders for goods and materials based on ability of CONTRACTOR to meet CITY's schedule and/or price.

7.2. **Emergency Purchases:** CITY reserves the right to purchase from other sources those items that are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.

7.3. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the contracted CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

8. CITY'S CONTRACTUAL REMEDIES:

8.1. **Right to Assurance:** If CITY in good faith has reason to believe that CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that CONTRACTOR give a written assurance of intent to perform. Failure by CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at CITY'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. **Non-exclusive Remedies:** The rights and the remedies of CITY under this Contract are not exclusive.

8.3. **Nonconforming Tender:** Goods, materials or merchandise supplied under this Contract shall fully comply with this Contract and the specifications included herein. The delivery of goods, materials or merchandise or any portion thereof that do not fully comply constitutes a breach of contract. On delivery of nonconforming goods, materials or merchandise, CITY 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.

8.4. **Right of Offset:** CITY shall be entitled to offset against any sums due to CONTRACTOR, any expenses or costs incurred by CITY, or damages assessed by CITY concerning CONTRACTOR's non-conforming performance or failure to perform the Contract, including costs and damages incurred by CITY.

9. TERMINATION:

9.1 **Termination for Convenience:** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the

Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

9.2 Termination for Cause: City may terminate this Agreement for Cause:

Upon the occurrence of any one or more of the following events:

- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
- 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
- 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
- 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR 'S property;
- 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

9.3. Termination for Misrepresentation. CITY may, upon written notice, terminate this Contract for any attempt by CONTRACTOR to represent any goods or materials not specifically awarded as being under contract with the CITY of Chandler. Any such action is subject to the legal and contractual remedies available to CITY inclusive of, but not limited to, contract cancellation, suspension and/or debarment of CONTRACTOR.

9.4. Cancellation for Conflict of Interest: Pursuant to A.R.S. § 38-511, CITY may cancel this Contract 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 CITY 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.

9.5. Gratuities: CITY may, by written notice, terminate this Contract, in whole or in part, if CITY 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 CITY for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the CONTRACTOR.

9.6. Suspension or Debarment: CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY 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 Sub-CONTRACTOR 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 CITY.

9.7. 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.

9.8. 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.

- 9.9. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
10. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
11. **Alternate Dispute Resolution. REQUIREMENT FOR ALTERNATIVE DISPUTE RESOLUTION:** Notwithstanding anything to the contrary provided elsewhere in the Agreement documents, the alternate dispute resolution (ADR) process provided herein shall be the exclusive initial means for resolution of claims or disputes and other matters in question between CITY and CONSULTANT arising out of, or relating to the Agreement documents, interpretation of the Agreement, or the performance or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to Agreements containing this ADR provision.

A. INTERNAL RESOLUTION PROCESS

1. **Notice:** CONSULTANT shall submit written notice of any claim or dispute to the Purchasing Manager within thirty (30) days of the occurrence, event or disputed response from CITY for immediate resolution pursuant to these provisions. Each claim or dispute shall be submitted and resolved as they occur and not postponed until the end of the Agreement nor lumped together with other pending claims.
2. **Forfeiture:** Failure to submit a notice of any claim, dispute, or other issue within such thirty (30) days shall constitute CONSULTANT'S forfeiture of its right to dispute the issue, raise the claim or make the request and shall also constitute CONSULTANT'S agreement and acceptance of CITY'S position.
3. **CITY Response:** The Agreement Administrator will provide to CONSULTANT a written response to any claim, request for clarification or dispute on or before thirty (30) days from receipt of CONSULTANT'S written claim.
4. **Appeal:** If CONSULTANT disagrees with the response of the Purchasing Manager, within fifteen days of the date of the response by the Agreement Administrator, CONSULTANT shall file with the Assistant Management Services Director, written notice of appeal. The Purchasing Manager shall provide copies of all relevant information concerning the Agreement and claim or dispute to the Assistant Management Services Director who will determine the appeal. The Assistant Management Services Director may request additional information from either party, may hold an informal informational hearing or may make the determination based on the information provided. The Assistant Management Services Director shall make a final determination of the appeal and provide written notice to CONSULTANT within sixty (60) days from the date of CONSULTANT'S written notice of appeal.

B. ARBITRATION

1. **Arbitration:** If CONSULTANT is not satisfied with the determination of the Assistant Management Services Director, the following binding arbitration procedure shall serve as the exclusive method to

resolve all unresolved disputes in which the claims are for \$500,000 or less except for errors of law which may be appealed if an award exceeds \$100,000 and is based on an error of law . If CONSULTANT chooses not to accept the decision of the Assistant Management Services Director, CONSULTANT shall notify the Agreement Administrator in writing within ten (10) business days of receipt of the Assistant Management Services Director's decision of a request for arbitration. The CONSULTANT shall post a cash bond with the Arbitrator in the amount of \$5,000, or a greater amount as determined by the Arbitrator, that will defray the cost of the arbitration as set forth in paragraph E, Fees and Costs, and proceeds from said bond shall be allocated in accordance with said paragraph by the Arbitrator.

2. **Arbitration Panel:** The Arbitration Panel shall consist of the arbitrators selected by the parties involved in the dispute, (i.e., CITY will select one arbitrator, CONSULTANT will select one arbitrator, and any other CONSULTANT who has a Agreement with CITY which contains this ADR provision and is a party to the same dispute will also select an arbitrator), and the foregoing arbitrators shall select a neutral Arbitrator who will hear the matter and make a final determination, as set forth herein.
3. **Expedited Hearing:** The parties have structured this procedure with the goal of providing for the prompt and efficient resolution of all disputes falling within the purview of this ADR process. To that end, any party can petition the Arbitrator to set an expedited hearing if circumstances justify it. The Arbitrator shall contact the parties and schedule the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical, but in no event later than sixty (60) days after notification of request for arbitration having been submitted. This deadline can be extended only with the consent of all the parties to the dispute, or by decision of the Arbitrator upon a showing of emergency circumstances.
4. **Procedure:** The Arbitrator shall conduct the hearing that will resolve disputes in a prompt, cost efficient manner giving due regard to the rights of all parties. Each party shall supply to the Arbitrator a written pre-hearing statement, which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitrator shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with the deadlines provided herein, and the parties' objective that disputes be resolved in a prompt and efficient manner. The Arbitrator, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any party may make application to the Maricopa County Superior Court to have a protective order entered as may be appropriate to conform to such orders of the Arbitrator.
5. **Hearing Days:** To effectuate the parties' goals, the hearing once commenced, will proceed from business day to business day until concluded, absent a showing of emergency circumstances.
6. **Award:** The Arbitrator shall within ten (10) days from the conclusion of any hearing issue its award. The award shall include an allocation of fees and costs pursuant to the Binding Arbitration Procedure paragraph herein. Any award providing for deferred payment shall include interest at the rate of ten (10%) percent per annum. The award is to be rendered in accordance with the Agreement and the laws of the State of Arizona.
7. **Scope of Award:** The Arbitrator shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitrator shall also be without authority to issue an award against any individual party in excess of \$500,000, exclusive of interest, arbitration fees, costs, and attorney's fees. If an award is made against any individual party in excess of \$50,000, exclusive of interest, arbitration fees, costs and attorneys' fees, it must be supported by written findings of fact, conclusions of law and statement as to how damages were calculated.

8. **Jurisdiction:** The Arbitrator shall not be bound for jurisdictional purposes by the amount asserted in any party's claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any party at the earliest convenient time, but not later than the commencement of the arbitration hearing.
9. **Entry of Judgment:** Any party can make application to the Maricopa County Superior Court for confirmation of any award and for entry of judgment on it.
10. **Severance and Joinder:** To reduce the possibility of inconsistent adjudications, the Arbitrator, may at the request of any party, join and/or sever parties, and/or claims arising under other Agreements containing this ADR provision, and the Arbitrator may, on his own authority, join or sever parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the parties' goal of the prompt and efficient resolution of disputes. Nothing herein shall create the right by any party to assert claims against another party not recognized under the substantive law applicable to the dispute. The Arbitrator is not authorized to join to the proceeding parties not in privity with CITY.
- C. **APPEAL TO MARICOPA COURTS:** Any party may appeal errors of law by the Arbitrator if, but only if, the errors arise in an award in excess of \$100,000; the exercise by the Arbitrator of any powers contrary to or inconsistent with the Agreement; or any of the grounds provided in A.R.S. 12-1512. Appeals shall be to the Maricopa County Superior Court within fifteen (15) days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Maricopa County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this section.
- D. **UNIFORM ARBITRATION ACT:** Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as enacted in Arizona in A.R.S. 12-1501, et. seq.
- E. **FEES AND COSTS:** Each party shall bear its own fees and costs in connection with any internal dispute resolution procedure. All fees and costs associated with any arbitration before the Arbitrator, including without limitation, the Arbitrator's fees, the prevailing party's attorneys' fees, expert witness fees and costs, will be paid by the non-prevailing party, except as provided for herein. The determination of prevailing and non-prevailing parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitrator.
- F. **EQUITABLE LITIGATION:** Notwithstanding any other provision of ADR to the contrary, any party may petition the Maricopa County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a party or to ongoing work pending resolution of a dispute pursuant to ADR provided for herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order or award entered by the Arbitrator. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in pursuant to the Alternative Dispute Resolution provisional of this Agreement.
12. **INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees individually and collectively; from and against all losses, claims, suits, actions, payments and judgments, demands, expenses, damages, including consequential damages and loss of productivity, attorney's fees, defense costs, or actions of any kind and nature relating to, arising out of, or alleged to have resulted from CONTRACTOR'S work or services. CONTRACTOR'S duty to defend, hold harmless and indemnify the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees shall arise in connection with any claim or amounts arising or recovered under Worker Compensation Laws, damage, loss or expenses relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in

the performance of this Contract including any employee of CONTRACTOR, anyone directly or indirectly employed by them or anyone for whose acts CONTRACTOR may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including the City of Chandler. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

13. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of CITY		In the case of the CONTRACTOR	
Department:	<u>Purchasing Division</u>	Firm Name:	<u>Brown Wholesale Electric</u>
Contact:	<u>Sharon Brause</u>	Contact:	<u>Laura Sundberg</u>
Mailing Address:	<u>PO Box 4008 – MS 901</u>	Address:	<u>3425 E Van Buren #140</u>
Physical Address:	<u>249 E Chicago St</u>	City, State, Zip	<u>Phoenix AZ 85008</u>
City, State, Zip	<u>Chandler AZ 85225</u>	Phone:	<u>602-275-8521</u>
Phone:	<u>480-782-2407</u>	FAX:	<u>602-275-9632</u>
FAX:	<u>480-782-2410</u>	EMAIL:	<u>Lsundberg@Wesco.com</u>

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. **GENERAL TERMS:**

- 14.1. **Entire Agreement:** This Contract, including Exhibits A and B attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives or each party.
- 14.2. **Arizona Law:** This Contract shall be governed and interpreted according to the laws of the State of Arizona.
- 14.3. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 14.4. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 14.5. **Conflict of Interest:**
- 14.5.1 **No Kickback:** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of City Council or any employee of CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to CITY.

- 14.5.2 Kickback Termination:** CITY may cancel this Contract, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of CITY'S departments or agencies is, at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a CONTRACTOR to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. §38-511).
- 14.5.3 No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.
- 14.6. Independent CONTRACTOR:** 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.
- 14.7. No Parole Evidence:** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 14.8. Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.
- 14.9. Ownership.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this day of 2009.

FOR THE CITY OF CHANDLER

MAYOR

ATTEST:

City Clerk

Approved as to form:

City Attorney 

FOR THE CONTRACTOR

By: 
Signature

SEAL

ATTEST: Corporation


Secretary

**EXHIBIT A
GENERAL SPECIFICATIONS
ELECTRICAL PARTS & SUPPLIES**

1. Scope

CONTRACTOR shall provide the City of Chandler with proprietary electrical parts & supplies. It is anticipated that the City will award multiple Agreements to fulfill the necessary requirements. The City has an on-going requirement for the items listed. Supplies will be ordered on an "as needed" basis and therefore quantities listed are estimates based upon past historical usage of the City's Central Supply Division and various departments. Actual quantities may vary and the City offers no minimum guarantee.

2. Pricing

Pricing offered shall be based on a discount from a manufacturer's published price list. CONTRACTOR can offer more than one price list. However, only one discount per price category/list can be offered. Unit price shall be the published price less the discount offered.

**EXHIBIT B
PRICING**

Brown Wholesale Electric – 10% discount off like items				
Manufacturer / Description	Qty	UOM	Unit Price	Extended Price
35. Brady 44-833 Safety Lockout Tag, 5/crd	1	EA	\$ 14.72	\$ 14.72
36. Brady STD-0-9-(FILLED) Wire Marker Disp.	3	EA	\$ 25.12	\$ 75.36
37. Brady WM-0-45 0-THRU45 Wire Marker Book	10	EA	\$ 8.09	\$ 80.90
38. Bussman FNQ-1 500 V Midget TD Fuse	2	EA	\$ 7.21	\$ 14.42
39. Bussman FNQ-2 500V Midget TD Fuse	2	EA	\$ 7.21	\$ 14.42
40. Bussman FNQ-20 500V Midget TD Fuse	2	EA	\$ 7.21	\$ 14.42
41. Bussman MDL-1/2 250V Small Dim Fuse	2	EA	\$ 7.59	\$ 15.18
42. Carlon E (UHGRN 1G HORZ WP GRY COVER	2	EA	\$ 9.10	\$ 18.20
43. Christy FL36T-Street Lighting Lid	1	EA	\$ 98.00	\$ 98.00
44. Conduit 2-in-intermediate-metal conduit	100	EA	\$ 2.25	\$ 225.00
45. Conduit 1-1/2-intermediate-metal conduit	50	EA	\$ 1.72	\$ 86.00
46. Conduit 3/4-galv-steel conduit	110	EA	\$ 1.13	\$ 124.30
47. Cord SOOW-10/4-BLK-1000R	30	EA	\$ 1.08	\$ 32.40
48. Cord SOOW-6/3-BLK-1000R	30	EA	\$ 1.72	\$ 51.60
49. Klein 51425 Hand Cleaner Towel	3	EA	\$ 13.30	\$ 39.90
50. Crouse Hinds 270G Cover w/integral gasket	1	EA	\$ 5.49	\$ 5.49
51. Crouse Hinds DS185 SW Cover CRH	1	EA	\$ 39.67	\$ 39.67
53. T&B TY52315M Nylon Cable Tie; 4" white	100	EA	\$ 0.13	\$ 12.95
54. T&B TY5232MX Nylon Cable Tie; 8" Blk	200	EA	\$ 0.17	\$ 34.36
55. Dottie W14-314 2DP Wedge Anchor	100	EA	\$ 1.99	\$ 199.00
56. Dottie ZA-125 1/4-DI anchor	200	EA	\$ 0.15	\$ 30.00
58. Fluke AC220 Suregrip Pincer Alligator clips	1	EA	\$ 27.46	\$ 27.46
59. Fluke Fluke-333 Meter1	20	EA	\$ 130.00	\$ 2,600.00
60. Greenlee 702-2-EG Cond Clamp	4	EA	\$ 498.48	\$ 1,993.92
61. Greenlee 702-3/4-EG Cond Clamp	8	EA	\$ 332.40	\$ 2,659.20
62. Carol 18.02 White; 500' reel	2000	FT	\$ 0.39	\$ 780.00
63. Carol 18-03 Red; 500' reel	2000	FT	\$ 0.39	\$ 780.00
64. Carol 18-06 Green; 500' reel	2000	FT	\$ 0.39	\$ 780.00
65. Hoffman A-S050 1/2 OT KO Seal	10	EA	\$ 5.25	\$ 52.50
66. Hoffman A-S075 3/4 OT KO Seal	10	EA	\$ 6.62	\$ 66.20
67. Hoffman SF-1316-002 Fan Filter	3	EA	\$ 4.12	\$ 12.36
68. Hoffman SG-1300-002 Exhaust GRLL FLTR	3	EA	\$ 65.70	\$ 197.10
69. Ideal 45300 Cable tie gun	2	EA	\$ 50.20	\$ 100.40
70. Ideal 45-616 Reflex Stripper	4	EA	\$ 17.30	\$ 69.20

71. Klein 600-4 4" squareshank screwdriver	1	EA	\$ 7.27	\$ 7.27
73. Leviton 86001 1G IV Switch plate	16	EA	\$ 0.40	\$ 6.40
74. Leviton 86003 1G IV DPLX RECPT Plate	65	EA	\$ 0.40	\$ 26.00
75. Leviton 86009 2G IV Switch plate	12	EA	\$ 0.80	\$ 9.60
76. Leviton BR20-I IV DPLX RCPT NEMA5-20R	75	EA	\$ 4.21	\$ 315.75
77. Leviton CS115-21 SP 15A 277V IV SW	30	EA	\$ 1.91	\$ 57.30
78. Leviton CS315-2I 3WAY 15A 277V IV SW	17	EA	\$ 3.49	\$ 59.33
79. LittleFuse CCMR.500 Midget Fuse	10	EA	\$ 8.73	\$ 87.30
80. LittleFuse GMA-63MA Miniature Fuse	50	EA	\$ 0.94	\$ 47.00
81. 3M MV18BCX 22-18 ins butt splice	100	EA	\$ 0.39	\$ 38.89
82. 3M 33+Super 3/4 x 66' plastic tape 1" core	10	EA	\$ 2.83	\$ 28.30
85. Ocal 1HMS 3/4-G 3/4 Ocal 1hole Mstrap, gray	15	EA	\$ 8.32	\$ 124.80
86. Ocal COND 3/4-G 3/4 Ocal Cond, gray	70	EA	\$ 20.95	\$ 1,466.50
89. Red Dot All-1 1/2 alum Cond. Body	10	EA	\$ 13.48	\$ 134.80
90. Red Dot SCV-1 1/2 alum. Cond. Body cover	22	EA	\$ 2.50	\$ 55.00
91. Red Dot OLK1RG 1/2 gask. Gkn-1 f/Rdot lb	22	EA	\$ 0.15	\$ 3.30
94. Siemens ICGK Insulated Cu. Ground bus	1	EA	\$ 40.55	\$ 40.55
95. Sola E100D Indust. Control Transformer	1	EA	\$ 38.37	\$ 38.37
96. Steel City LN104-1/4 Steel Locknut	24	EA	\$ 1.00	\$ 24.00
97. Sylvania 100A-130V IF A19 med. Lamp, OSRA	60	EA	\$ 0.23	\$ 13.80
98. T&B A1200HS-10-PG Galv. Stlotchnl	30	EA	\$ 1.64	\$ 49.20
99. T&B PBC105-1 1 pipe strap	30	EA	\$ 5.78	\$ 173.40
100. T&B RC10-38 12-10 ins. Ring term	100	EA	\$ 0.71	\$ 71.00
101. T&B TY24M locking cable tie-bulk; 5.50 in.	1000	EA	\$ 0.05	\$ 50.00
102. Thomas & Betts TY-cooler	2	EA	\$ 74.06	\$ 148.12
105. Woodhead 073031204 Strain relief grip	4	EA	\$ 15.41	\$ 61.64
109. Hubbell Heavy Duty plus; HBL5266C, 15 amp, 125V, 2-pole; 3 wire	1	EA	\$ 9.64	\$ 9.64
110. Fuses Shawmut TRS30R class RK5 fuse, 30 amp, 600V, dual element, time delay	1	EA	\$ 7.76	\$ 7.76
111. Lenox 600L hole saw kit, electrician, 7/8-2 1/2.; w/1L, 2L plastic case & spare pilot bit	1	EA	\$ 99.00	\$ 99.00
113. Myers Hubs CR-HINDS ST3 Basic Hub, 1" zinc	1	EA	\$ 5.94	\$ 5.94
114. Minnerall 0-B Conduit hanger w/bolt; 3/8-1/2"	1	EA	\$ 0.22	\$ 0.22
115. Panduit PLT4H-TL0 locking cable tie; 14.5", 4" bundle	250	EA	\$ 0.48	\$ 120.00
116. B-line B line B22SH-GR slotted strut, 1-5/8X, 1-5/8.; 10 ft; green w/ 9/16 x 7/8"	10	EA	\$ 2.18	\$ 21.80
117. Oz Gedney OZ/EGS 7075ST EMT Connector, compress, 3/4", steel, insul throat	1	EA	\$ 0.41	\$ 0.41
118. Appleton Appl/EGS LB200M 2" 'LB' Conduit body, form 35, malleable	1	EA	\$ 35.89	\$ 35.89

119. Pass & Seymour Sier, 5266X plus, 15 amp, 125V, extra-hard use, spec. grade	1	EA	\$ 9.64	\$ 9.64
120. Raco Bell 5322-O 1G WP w/3 1/2 hubs	1	EA	\$ 1.86	\$ 1.86
123. IDEC PS5R-D24 50W 24V power supply	1	EA	\$ 90.00	\$ 90.00
124. Weidmuller 51420 TS15 solid steel rail; 2 meters; 15 x 5.5	1	EA	\$ 9.34	\$ 9.34
125. PIPE NIPPLES Conduit running thread, 2" rigid; galvanized; 3 ft piece	1	EA	\$ 56.65	\$ 56.65
126. ILSCO T3A2-250N alum. Mechanical lug for 3 conductor, 6AWG-250MCM ALCU	1	EA	\$ 13.41	\$ 13.41
127. Burndy KA28 mech. Lug; 1 cond. 4AWG stranded, 4/0 awg; 3/8" stud (copper only)	1	EA	\$ 4.80	\$ 4.80
128. Cully Hardware Cully 59020 Nailin anchor, 1/4 x 1-1/4"	100	EA	\$ 0.15	\$ 15.00
129. NSI AL-R2-R2 Connector block, 500-4AWG Dbl primary; 500-4 AWG dbl secondary connector	1	EA	\$ 28.65	\$ 28.65
130. CRC Chemicals 02130 cleaner/degreaser, QD	1	EA	\$ 9.86	\$ 9.86
131. Taymac Covers Taymac 20510 deep GFCI cover, 1 gang surface mount, vertical	1	EA	\$ 16.50	\$ 16.50
132. Advance 71A5292001D, MH ballast, 70W, multi-tap, kit	1	EA	\$ 47.55	\$ 47.55
133. Arlington 856A flex/AC/MC connector, 90 degree, 2" squeeze type	1	EA	\$ 30.45	\$ 30.45
135. PVC 68 primer, purple, Oatey #30806	1	QT	\$ 5.41	\$ 5.41

**CITY OF CHANDLER PURCHASE CONTRACT
ELECTRICAL SUPPLIES - PROPRIETARY
AGREEMENT NO.: MU9-220-2723**

THIS AGREEMENT is made and entered into this _____ day of _____, 2009, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and **SUMMIT ELECTRIC SUPPLY**, hereinafter referred to as "CONTRACTOR".

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATION AND OPERATION:

1.1. Contract Administrator: CONTRACTOR shall act under the authority and approval of the Procurement Officer /designee (Contract Administrator), to provide the goods and merchandise required by this Contract.

1.2. Ordering Instructions: Authorization for purchases under the terms and conditions of this contract will be made only upon issuance of a CITY Purchase Order, a Contract Release Order or use of a City Procurement Card.

1.3. Ordering Process. Upon award of a contract by the City, any designated department may procure the specific product, equipment or material awarded by the issuance of a Contract Purchase Order to the appropriate CONTRACTOR. Each Contract Purchase Order must cite the correct Chandler contract number.

1.4. Annual Usage Report. CONTRACTOR shall furnish CITY a usage report delineating the acquisition activity governed by the contract. The format of the report shall be approved by CITY and shall disclose the quantity and the dollar value of each contract item by individual purchasing unit.

2. GOODS AND MERCHANDISE TO BE PROVIDED: CONTRACTOR shall provide to CITY the goods and merchandise listed on Exhibit A and Exhibit B attached hereto and made a part hereof by reference, at the prices listed on Exhibit B, all as more specifically set forth in the Specifications and details included therein.

2.1. Safety Standards: All items supplied pursuant to 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.

2.2. Non-Discrimination. The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.

2.3. Product Discontinuance (Categories): In the event that a required product or model is discontinued by the manufacturer, CITY at its sole discretion may allow CONTRACTOR to provide a substitute for the discontinued item. CONTRACTOR shall request permission to substitute a new product or model and provide the following:

A formal announcement from the manufacturer that the product or model has been discontinued.

Documentation from the manufacturer that names the replacement product or model.

Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.

Documentation confirming that the price for the replacement is the same as or less than the discontinued model.

If requested by CITY, CONTRACTOR shall provide a sample of the replacement product.

- 2.4. **Licenses:** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by CONTRACTOR as applicable to this contract.
- 2.5. **Contract Orders:** CONTRACTOR shall, in accordance with all terms and conditions of this Contract, fully perform and shall be obligated to comply with all contract orders received by CONTRACTOR prior to the expiration or termination hereof, unless otherwise directed in writing by the Contract Administrator, including, without limitation, all contract orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.
- 2.6. **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.
- 2.7. **Compliance With Applicable Laws:** CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable license and permit requirements.
- 2.8. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 2.9. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 2.10. **Payment.** A separate invoice shall be issued for each shipment of goods or materials, and no payment will be issued prior to receipt of goods or materials and receipt of a correct invoice.
- 2.11. **Estimated Quantities.** The quantities shown on Exhibit C (the Price List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. CITY reserves the right to increase or decrease the quantities actually required.
- 2.12. **Catalogs/Contract Price Listing.** As applicable, the CONTRACTOR(s) may be required to furnish to all requesting departments catalogs or a link to a website at no cost, which will outline contract prices.
- 2.13. **Current Models.** It is CITY's intent to procure materials of the latest technology. All materials bid must be in current production and parts must be available for a minimum of five (5) years from bid date.
- 2.14. **New/Current Products.** All goods, equipment, materials, parts and other components supplied pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended.
- 2.15. **New Products.** New products announced by manufacturers on contract may be submitted by the CONTRACTOR for add-ons to the existing contract. Pricing shall be equivalent to the percentage discount for each brand or class of product originally offered.

- 2.16. Packing and Shipping.** The CONTRACTOR shall be responsible for industry standard packing, which conforms to requirements of carrier's tariffs and Interstate Commerce Commission (ICC) regulations. Containers must be clearly marked as to lot number, destination, address and purchase order number.
- 3. Warranties:**
- 3.1. Liens:** CONTRACTOR warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 3.2. Quality:** Unless otherwise modified elsewhere in these terms and conditions, CONTRACTOR warrants that, for one year after acceptance by CITY of the materials, they shall be:
- 3.2.1.** Of a quality to pass without objection in the trade under the Contract description;
 - 3.2.2.** Fit for the intended purposes for which the materials are used;
 - 3.2.3.** Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 3.2.4.** Adequately contained, packaged and marked as the Contract may require; and
 - 3.2.5.** Conform to the written promises or affirmations of fact made by CONTRACTOR.
- 3.3. Fitness:** CONTRACTOR warrants that any material supplied to CITY shall fully conform to all requirements of the Contract and all representations of CONTRACTOR, and shall be fit for all purposes and uses required by the Contract.
- 3.4. Inspection/Testing:** The warranties set forth in Section 3 herein are not affected by inspection or testing of or payment for the materials by CITY.
- 3.5. One-Year Warranty.** CONTRACTOR must provide a one-year warranty on all goods or equipment supplied pursuant to this Contract.
- 4. ACCEPTANCE AND DOCUMENTATION:** All goods are subject to final inspection and acceptance by CITY. Material failing to meet the requirements of this Contract will be held at CONTRACTOR's risk and may be returned to CONTRACTOR. If so returned, the cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses are the responsibility of CONTRACTOR. CITY may elect to do any or all of the following: Waive the non-conformance; stop the work immediately; or bring the material into compliance. Defective Products. All defective products shall be replaced and exchanged by CONTRACTOR. The cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses shall be paid by the CONTRACTOR. All replacement products must be received by CITY within seven (7) days of initial notification
- 4.1. Records.** The CONTRACTOR shall retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
- 4.2. Audit.** At any time during the term of this Contract and five (5) years thereafter, CONTRACTOR's books and records shall be subject to audit by CITY to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, CONTRACTOR shall produce a legible copy of any or all such records.
- 4.3. Delivery.** Delivery shall be made within fourteen (14) calendar days after receipt of a Contract Purchase Order (ARO) on items not in stock.

5. **PRICE:** CITY shall pay to CONTRACTOR an amount not to exceed a total Agreement amount, including all companion Agreements, of **EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS (\$815,000)** for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 5.1. **Pricing:** Prices stated include all freight, insurance, warranty costs, and any other applicable costs.
- 5.2. **Payment:** A separate invoice shall be issued for each shipment of goods or merchandise, and no payment will be issued prior to receipt of material and a correct invoice. All billing invoices shall include delivery time, purchase order number, and contractual payment terms. Items are to be identified by the name, model number, contract number, line item number, and serial number if applicable. Payment. CONTRACTOR shall submit to the issuing department, after completion of the task or combination of tasks listed by the issuing departments task order, a statement of charges for the work completed under that task order, in conformance with the pricing schedule of this contract, the issuing department shall process the claim for prompt payment in accordance with the standard operating procedures of CITY.
- 5.3. **Delivery:** All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. CONTRACTOR shall retain title and control of all goods until they are delivered and accepted by CITY. All risk of transportation and all related charges shall be the responsibility of CONTRACTOR. All claims for visible or concealed damage shall be filed by CONTRACTOR. CITY will notify CONTRACTOR promptly of any damaged goods and shall assist CONTRACTOR in arranging for inspection.
- 5.4. **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 CONTRACTOR regardless of receipt.
- 5.5. **TAXES:** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR.
- 5.6. **IRS W-9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless said form is not required by law.
- 5.7. **Price Adjustment (Annual).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. Prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.
- 5.8. **Acceptance by CITY.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 5.9. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its products concurrent with a published price reduction made to other customers.
6. **TERM:** The term of the Contract is **one (1) year (s)**, commencing on the **1ST day of May, 2009** and terminating on **April 30, 2010** unless sooner terminated in accordance with the provisions herein. CITY reserves the right, at its sole discretion, to extend the Contract for up to **four (4)** additional terms

of one year each. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof.

7. USE OF THIS CONTRACT: The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like goods and materials from another source to secure significant cost savings or when timely delivery cannot be met by CONTRACTOR.

7.1. CONTRACTOR is aware that there is more than one CONTRACTOR who has been awarded a Contract to provide this type of goods and materials. CITY reserves the right and will issue Purchase Orders for goods and materials based on ability of CONTRACTOR to meet CITY's schedule and/or price.

7.2. Emergency Purchases: CITY reserves the right to purchase from other sources those items that are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.

7.3. Cooperative Use of Contract. In addition to the City of Chandler and with approval of the contracted CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

8. CITY'S CONTRACTUAL REMEDIES:

8.1. Right to Assurance: If CITY in good faith has reason to believe that CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that CONTRACTOR give a written assurance of intent to perform. Failure by CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at CITY'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. Non-exclusive Remedies: The rights and the remedies of CITY under this Contract are not exclusive.

8.3. Nonconforming Tender: Goods, materials or merchandise supplied under this Contract shall fully comply with this Contract and the specifications included herein. The delivery of goods, materials or merchandise or any portion thereof that do not fully comply constitutes a breach of contract. On delivery of nonconforming goods, materials or merchandise, CITY 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.

8.4. Right of Offset: CITY shall be entitled to offset against any sums due to CONTRACTOR, any expenses or costs incurred by CITY, or damages assessed by CITY concerning CONTRACTOR's non-conforming performance or failure to perform the Contract, including costs and damages incurred by CITY.

9. TERMINATION:

9.1 Termination for Convenience: CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the

Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

9.2 Termination for Cause: City may terminate this Agreement for Cause:

Upon the occurrence of any one or more of the following events:

- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
- 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
- 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
- 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR 'S property;
- 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

9.3. Termination for Misrepresentation. CITY may, upon written notice, terminate this Contract for any attempt by CONTRACTOR to represent any goods or materials not specifically awarded as being under contract with the CITY of Chandler. Any such action is subject to the legal and contractual remedies available to CITY inclusive of, but not limited to, contract cancellation, suspension and/or debarment of CONTRACTOR.

9.4. Cancellation for Conflict of Interest: Pursuant to A.R.S. § 38-511, CITY may cancel this Contract 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 CITY 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.

9.5. Gratuities: CITY may, by written notice, terminate this Contract, in whole or in part, if CITY 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 CITY for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the CONTRACTOR.

9.6. Suspension or Debarment: CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY 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 Sub-CONTRACTOR 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 CITY.

9.7. 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.

9.8. 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.

- 9.9. Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
- 10. FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
- 11. Alternate Dispute Resolution. REQUIREMENT FOR ALTERNATIVE DISPUTE RESOLUTION:** Notwithstanding anything to the contrary provided elsewhere in the Agreement documents, the alternate dispute resolution (ADR) process provided herein shall be the exclusive initial means for resolution of claims or disputes and other matters in question between CITY and CONSULTANT arising out of, or relating to the Agreement documents, interpretation of the Agreement, or the performance or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to Agreements containing this ADR provision.

A. INTERNAL RESOLUTION PROCESS

- 1. Notice:** CONSULTANT shall submit written notice of any claim or dispute to the Purchasing Manager within thirty (30) days of the occurrence, event or disputed response from CITY for immediate resolution pursuant to these provisions. Each claim or dispute shall be submitted and resolved as they occur and not postponed until the end of the Agreement nor lumped together with other pending claims.
- 2. Forfeiture:** Failure to submit a notice of any claim, dispute, or other issue within such thirty (30) days shall constitute CONSULTANT'S forfeiture of its right to dispute the issue, raise the claim or make the request and shall also constitute CONSULTANT'S agreement and acceptance of CITY'S position.
- 3. CITY Response:** The Agreement Administrator will provide to CONSULTANT a written response to any claim, request for clarification or dispute on or before thirty (30) days from receipt of CONSULTANT'S written claim.
- 4. Appeal:** If CONSULTANT disagrees with the response of the Purchasing Manager, within fifteen days of the date of the response by the Agreement Administrator, CONSULTANT shall file with the Assistant Management Services Director, written notice of appeal. The Purchasing Manager shall provide copies of all relevant information concerning the Agreement and claim or dispute to the Assistant Management Services Director who will determine the appeal. The Assistant Management Services Director may request additional information from either party, may hold an informal informational hearing or may make the determination based on the information provided. The Assistant Management Services Director shall make a final determination of the appeal and provide written notice to CONSULTANT within sixty (60) days from the date of CONSULTANT'S written notice of appeal.

B. ARBITRATION

- 1. Arbitration:** If CONSULTANT is not satisfied with the determination of the Assistant Management Services Director, the following binding arbitration procedure shall serve as the exclusive method to

resolve all unresolved disputes in which the claims are for \$500,000 or less except for errors of law which may be appealed if an award exceeds \$100,000 and is based on an error of law . If CONSULTANT chooses not to accept the decision of the Assistant Management Services Director, CONSULTANT shall notify the Agreement Administrator in writing within ten (10) business days of receipt of the Assistant Management Services Director's decision of a request for arbitration. The CONSULTANT shall post a cash bond with the Arbitrator in the amount of \$5,000, or a greater amount as determined by the Arbitrator, that will defray the cost of the arbitration as set forth in paragraph E, Fees and Costs, and proceeds from said bond shall be allocated in accordance with said paragraph by the Arbitrator.

2. **Arbitration Panel:** The Arbitration Panel shall consist of the arbitrators selected by the parties involved in the dispute, (i.e., CITY will select one arbitrator, CONSULTANT will select one arbitrator, and any other CONSULTANT who has a Agreement with CITY which contains this ADR provision and is a party to the same dispute will also select an arbitrator), and the foregoing arbitrators shall select a neutral Arbitrator who will hear the matter and make a final determination, as set forth herein.
3. **Expedited Hearing:** The parties have structured this procedure with the goal of providing for the prompt and efficient resolution of all disputes falling within the purview of this ADR process. To that end, any party can petition the Arbitrator to set an expedited hearing if circumstances justify it. The Arbitrator shall contact the parties and schedule the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical, but in no event later than sixty (60) days after notification of request for arbitration having been submitted. This deadline can be extended only with the consent of all the parties to the dispute, or by decision of the Arbitrator upon a showing of emergency circumstances.
4. **Procedure:** The Arbitrator shall conduct the hearing that will resolve disputes in a prompt, cost efficient manner giving due regard to the rights of all parties. Each party shall supply to the Arbitrator a written pre-hearing statement, which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitrator shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with the deadlines provided herein, and the parties' objective that disputes be resolved in a prompt and efficient manner. The Arbitrator, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any party may make application to the Maricopa County Superior Court to have a protective order entered as may be appropriate to conform to such orders of the Arbitrator.
5. **Hearing Days:** To effectuate the parties' goals, the hearing once commenced, will proceed from business day to business day until concluded, absent a showing of emergency circumstances.
6. **Award:** The Arbitrator shall within ten (10) days from the conclusion of any hearing issue its award. The award shall include an allocation of fees and costs pursuant to the Binding Arbitration Procedure paragraph herein. Any award providing for deferred payment shall include interest at the rate of ten (10%) percent per annum. The award is to be rendered in accordance with the Agreement and the laws of the State of Arizona.
7. **Scope of Award:** The Arbitrator shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitrator shall also be without authority to issue an award against any individual party in excess of \$500,000, exclusive of interest, arbitration fees, costs, and attorney's fees. If an award is made against any individual party in excess of \$50,000, exclusive of interest, arbitration fees, costs and attorneys' fees, it must be supported by written findings of fact, conclusions of law and statement as to how damages were calculated.

- 8. Jurisdiction:** The Arbitrator shall not be bound for jurisdictional purposes by the amount asserted in any party's claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any party at the earliest convenient time, but not later than the commencement of the arbitration hearing.
- 9. Entry of Judgment:** Any party can make application to the Maricopa County Superior Court for confirmation of any award and for entry of judgment on it.
- 10. Severance and Joinder:** To reduce the possibility of inconsistent adjudications, the Arbitrator, may at the request of any party, join and/or sever parties, and/or claims arising under other Agreements containing this ADR provision, and the Arbitrator may, on his own authority, join or sever parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the parties' goal of the prompt and efficient resolution of disputes. Nothing herein shall create the right by any party to assert claims against another party not recognized under the substantive law applicable to the dispute. The Arbitrator is not authorized to join to the proceeding parties not in privity with CITY.
- C. APPEAL TO MARICOPA COURTS:** Any party may appeal errors of law by the Arbitrator if, but only if, the errors arise in an award in excess of \$100,000; the exercise by the Arbitrator of any powers contrary to or inconsistent with the Agreement; or any of the grounds provided in A.R.S. 12-1512. Appeals shall be to the Maricopa County Superior Court within fifteen (15) days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Maricopa County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this section.
- D. UNIFORM ARBITRATION ACT:** Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as enacted in Arizona in A.R.S. 12-1501, et. seq.
- E. FEES AND COSTS:** Each party shall bear its own fees and costs in connection with any internal dispute resolution procedure. All fees and costs associated with any arbitration before the Arbitrator, including without limitation, the Arbitrator's fees, the prevailing party's attorneys' fees, expert witness fees and costs, will be paid by the non-prevailing party, except as provided for herein. The determination of prevailing and non-prevailing parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitrator.
- F. EQUITABLE LITIGATION:** Notwithstanding any other provision of ADR to the contrary, any party may petition the Maricopa County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a party or to ongoing work pending resolution of a dispute pursuant to ADR provided for herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order or award entered by the Arbitrator. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in pursuant to the Alternative Dispute Resolution provisional of this Agreement.
- 12. INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees individually and collectively; from and against all losses, claims, suits, actions, payments and judgments, demands, expenses, damages, including consequential damages and loss of productivity, attorney's fees, defense costs, or actions of any kind and nature relating to, arising out of, or alleged to have resulted from CONTRACTOR'S work or services. CONTRACTOR'S duty to defend, hold harmless and indemnify the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees shall arise in connection with any claim or amounts arising or recovered under Worker Compensation Laws, damage, loss or expenses relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in

the performance of this Contract including any employee of CONTRACTOR, anyone directly or indirectly employed by them or anyone for whose acts CONTRACTOR may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including the City of Chandler. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

13. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of CITY		In the case of the CONTRACTOR	
Department:	<u>Purchasing Division</u>	Firm Name:	<u>Summit Electric Supply</u>
Contact:	<u>Sharon Brause</u>	Contact:	<u>Carl Bouk</u>
Mailing Address:	<u>PO Box 4008 – MS 901</u>	Address:	<u>205 S 29th St</u>
Physical Address:	<u>249 E Chicago St</u>	City, State, Zip	<u>Phoenix AZ 85034</u>
City, State, Zip	<u>Chandler AZ 85225</u>	Phone:	<u>602-267-1000</u>
Phone:	<u>480-782-2407</u>	FAX:	<u>602-275-4273</u>
FAX:	<u>480-782-2410</u>	EMAIL:	<u>CBouk@Summit.com</u>

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. **GENERAL TERMS:**

- 14.1. **Entire Agreement:** This Contract, including Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives or each party.
- 14.2. **Arizona Law:** This Contract shall be governed and interpreted according to the laws of the State of Arizona.
- 14.3. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 14.4. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 14.5. **Conflict of Interest:**
- 14.5.1 **No Kickback:** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of City Council or any employee of CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to CITY.

- 14.5.2 **Kickback Termination:** CITY may cancel this Contract, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of CITY'S departments or agencies is, at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a CONTRACTOR to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. §38-511).

- 14.5.3 **No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

- 14.6. **Independent CONTRACTOR:** 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.

- 14.7. **No Parole Evidence:** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

- 14.8. **Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.

- 14.9. **Ownership.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this _____ day of 2009.

FOR THE CITY OF CHANDLER

FOR THE CONTRACTOR

MAYOR

By: Carl Bouk
Signature

ATTEST:

SEAL

ATTEST: If Corporation

City Clerk

Secretary

Approved as to form:

City Attorney *[Signature]*

**EXHIBIT A
GENERAL SPECIFICATIONS
ELECTRICAL PARTS & SUPPLIES**

1. Scope

CONTRACTOR shall provide the City of Chandler with proprietary electrical parts & supplies. It is anticipated that the City will award multiple Agreements to fulfill the necessary requirements. The City has an on-going requirement for the items listed. Supplies will be ordered on an "as needed" basis and therefore quantities listed are estimates based upon past historical usage of the City's Central Supply Division and various departments. Actual quantities may vary and the City offers no minimum guarantee.

2. Pricing

Pricing offered shall be based on a discount from a manufacturer's published price list. CONTRACTOR can offer more than one price list. However, only one discount per price category/list can be offered. Unit price shall be the published price less the discount offered.

**EXHIBIT B
PRICING**

Discounts vary depending upon manufacturer				
Manufacturer / Description	Qty	Unit	Unit Price	Extended Price
35. Brady 44-833 Safety Lockout Tag, 5/crd	1	EA	\$ 16.43	\$ 16.43
36. Brady STD-0-9-(FILLED) Wire Marker Disp.	3	EA	\$ 26.74	\$ 80.22
37. Brady WM-0-45 0-THRU45 Wire Marker Book	10	EA	\$ 9.89	\$ 98.90
38. Bussman FNQ-1 500 V Midget TD Fuse	2	EA	\$ 6.90	\$ 13.80
39. Bussman FNQ-2 500V Midget TD Fuse	2	EA	\$ 6.90	\$ 13.80
40. Bussman FNQ-20 500V Midget TD Fuse	2	EA	\$ 6.90	\$ 13.80
41. Bussman MDL-1/2 250V Small Dim Fuse	2	EA	\$ 0.96	\$ 1.92
44. Conduit 2-in-intermediate-metal conduit	100	EA	\$ 2.20	\$ 220.08
45. Conduit 1-1/2-intermediate-metal conduit	50	EA	\$ 1.69	\$ 84.58
46. Conduit 3/4-galv-steel conduit	110	EA	\$ 1.10	\$ 120.63
47. Cord SOOW-10/4-BLK-1000R	30	EA	\$ 565.48	\$16,964.40
48. Cord SOOW-6/3-BLK-1000R	30	EA	\$1,149.00	\$34,470.00
50. Crouse Hinds 270G Cover w/integral gasket	1	EA	\$ 4.88	\$ 4.88
51. Crouse Hinds DSI85 SW Cover CRH	1	EA	\$ 35.07	\$ 35.07
58. Fluke AC220 Suregrip Pincer Alligator clips	1	EA	\$ 25.08	\$ 25.08
59. Fluke Fluke-333 Meter1	20	EA	\$ 112.75	\$ 2,255.00
60. Greenlee 702-2-EG Cond Clamp	4	EA	\$ 0.73	\$ 2.92
61. Greenlee 702-3/4-EG Cond Clamp	8	EA	\$ 0.44	\$ 3.52
62. Carol 18-02 White; 500' reel	2000	FT	\$ 0.02	\$ 45.04
63. Carol 18-03 Red; 500' reel	2000	FT	\$ 0.02	\$ 45.04
64. Carol 18-06 Green; 500' reel	2000	FT	\$ 0.02	\$ 45.04
65. Hoffman A-S050 1/2 OT KO Seal	10	EA	\$ 4.31	\$ 43.10
66. Hoffman A-S075 3/4 OT KO Seal	10	EA	\$ 5.43	\$ 54.30
67. Hoffman SF-1316-002 Fan Filter	3	EA	\$ 374.55	\$ 1,123.65
68. Hoffman SG-1300-002 Exhaust GRLL FLTR	3	EA	\$ 59.85	\$ 179.55
69. Ideal 45300 Cable tie gun	2	EA	\$ 203.00	\$ 406.00
70. Ideal 45-616 Reflex Stripper	4	EA	\$ 16.70	\$ 66.80
71. Klein 600-4 4" squareshank screwdriver	1	EA	\$ 6.81	\$ 6.81
72. Klein VB1 1/8 to 1/2 variable bit	1	EA	\$ 19.35	\$ 19.35
73. Leviton 86001 1G IV Switch plate	16	EA	\$ 0.21	\$ 3.36
74. Leviton 86003 1G IV DPLX RECPT Plate	65	EA	\$ 0.21	\$ 13.65
75. Leviton 86009 2G IV Switch plate	12	EA	\$ 0.41	\$ 4.92
76. Leviton BR20-I IV DPLX RCPT NEMA5-20R	75	EA	\$ 0.96	\$ 72.00
77. Leviton CS115-21 SP 15A 277V IV SW	30	EA	\$ 1.78	\$ 53.40
78. Leviton CS315-21 3WAY 15A 277V IV SW	17	EA	\$ 3.22	\$ 54.74

79. LittleFuse CCMR.500 Midget Fuse	10	EA	\$ 7.30	\$ 73.00
80. LittleFuse GMA-63MA Miniature Fuse	50	EA	\$ 0.75	\$ 37.50
81. 3M MV18BCX 22-18 ins butt splice	100	EA	\$ 0.31	\$ 31.38
82. 3M 33+Super 3/4 x 66' plastic tape 1" core	10	EA	\$ 3.36	\$ 33.60
87. Permacote PRH Conduit - 3/4 conduit	70	EA	\$ 3.63	\$ 253.75
88. Permacote PRUNF205 3/4 Female to Female	3	EA	\$ 33.90	\$ 101.70
89. Red Dot All-1 1/2 alum Cond. Body	10	EA	\$ 1.78	\$ 17.80
90. Red Dot SCV-1 1/2 alum. Cond. Body cover	22	EA	\$ 0.23	\$ 5.06
91. Red Dot OLK1RG 1/2 gask. Gkn-1 f/Rdot lb	22	EA	\$ 0.14	\$ 3.08
95. Sola E100D Indust. Control Transformer	1	EA	\$ 28.98	\$ 28.98
96. Steel City LN104-1/4 Steel Locknut	24	EA	\$ 0.14	\$ 3.36
97. Sylvania 100A-130V IF A19 med. Lamp, OSRA	60	EA	\$ 0.36	\$ 21.60
98. Thomas & Betts A1200HS-10-PG Galv. Slotchnl	30	EA	\$ 1.33	\$ 39.90
99. Thomas & Betts PBC105-1 1 pipe strap	30	EA	\$ 3.51	\$ 105.30
100. Thomas & Betts RC10-38 12-10 ins. Ring term	100	EA	\$ 61.92	\$ 6,192.00
101. Thomas & Betts TY24M locking cable tie-bulk; 5.50 in.	1000	EA	\$ 0.03	\$ 31.10
102. Thomas & Betts TY-cooler	2	EA	\$ 65.85	\$ 131.70
103. Wire MTW-16-BLK, STR-2/64-500SP	1000	FT	\$ 0.03	\$ 31.40
104. Wire TFFN-16-BLK-19STR-CU-4@500CN	500	FT	\$ 0.03	\$ 15.70
105. Woodhead 073031204 Strain relief grip	4	EA	\$ 13.50	\$ 54.00
109. Hubbell Heavy Duty plus; HBL5266C, 15 amp, 125V, 2-pole; 3 wire	1	EA	\$ 8.44	\$ 8.44
110. Fuses Shawmut TRS30R class RK5 fuse, 30 amp, 600V, dual element, time delay	1	EA	\$ 5.75	\$ 5.75
111. Lenox 600L hole saw kit, electrician, 7/8-2 1/2;; w/1L, 2L plastic case & spare pilot bit	1	EA	\$ 72.75	\$ 72.75
112. Channel lock 06 wrench, 6", adj.	1	EA	\$ 9.28	\$ 9.28
113. Myers Hubs CR-HINDS ST3 Basic Hub, 1" zinc	1	EA	\$ 4.47	\$ 4.47
114. Minnerall 0-B Conduit hanger w/bolt; 3/8 - 1/2"	1	EA	\$ 0.32	\$ 0.32
115. Panduit PLT4H-TL0 locking cable tie; 14.5", 4" bundle	250	EA	\$ 1.06	\$ 264.00
116. B-line B22SH-GR slotted strut, 1-5/8X, 1-5/8; 10'; green w/ 9/16 x 7/8"	10	EA	\$ 13.30	\$ 133.00
117. Oz Gedney OZ/EGS 7075ST EMT Connector, compress, 3/4", steel, insul throat	1	EA	\$ 0.38	\$ 0.38
118. Appleton App/EGS LB200M 2" 'LB' Conduit body, form 35, malleable	1	EA	\$ 37.06	\$ 37.06
119. Pass & Seymour Sier, 5266X plus, 15 amp, 125V, extra-hard use, spec. grade	1	EA	\$ 4.99	\$ 4.99
120. Raco Bell 5322-O 1G WP w/3 1/2 hubs	1	EA	\$ 4.06	\$ 4.06
121. Sq D Modicon 140-ACI04000 Analog input, 16 channel	1	EA	\$1,670.35	\$ 1,670.35
122. Sq D KAL36250 KAL Breaker, 250 amp, 3-pole; 600V	1	EA	\$1,733.00	\$ 1,733.00

123. IDEC PS5R-D24 50W 24V power supply	1	EA	\$ 79.18	\$ 79.18
124. Weidmuller 51420 TS15 solid steel rail; 2 meters; 15 x 5.5	1	EA	\$ 7.75	\$ 7.75
125. PIPE NIPPLES Conduit running thread, 2" rigid; galvanized; 3' pc	1	EA	\$ 52.00	\$ 52.00
126. ILSCO T3A2-250N alum. Mechanical lug for 3 conductor, 6AWG-250MCM ALCU	1	EA	\$ 25.74	\$ 25.74
127. Burndy KA28 mech. Lug; 1 cond. 4AWG stranded, 4/0 awg; 3/8" stud (copper only)	1	EA	\$ 7.02	\$ 7.02
128. Cully Hardware Cully 59020 Nailin anchor, 1/4 x 1-1/4"	100	EA	\$ 0.11	\$ 10.64
129. NSI AL-R2-R2 Connector block, 500-4AWG Dbl primary; 500-4 AWG dbl secondary connector	1	EA	\$ 29.76	\$ 29.76
130. CRC Chemicals 02130 cleaner/degreaser, QD	1	EA	\$ 9.13	\$ 9.13
131. Taymac Covers 20510 deep GFCI cover, 1 gang surface mount, vertical	1	EA	\$ 14.51	\$ 14.51
132. Advance 71A5292001D, MH ballast, 70W, multi-tap, kit	1	EA	\$ 56.00	\$ 56.00
133. Arlington 856A flex/AC/MC connector, 90 degree, 2" squeeze type	1	EA	\$ 27.20	\$ 27.20
134. PVC Conduit PVC 1-1/2" schedule 40	100	FT	\$ 0.26	\$ 25.70
135. PVC 68 primer, purple, Oatey #30806	1	QT	\$ 5.93	\$ 5.93
136. LEN Bega #FP1222	1	EA	\$ 92.00	\$ 92.00
138. Modicon BMXP341000-CPU for Modicon M340 Programmable Logic Controller, Standard Level 1, USB port, 1-comm port: Modbus/Serial, includes 8Mb memory card	1	EA	\$ 368.55	\$ 368.55
139. Modicon BMXXBP0600-Modicon M340 6-Slot Backplane - One slot for Power Supply + 6 slots for single width modules & CPU. DIN-mount. 307.6mm x 103.7mm (12.11 x 4.08")	1	EA	\$ 84.42	\$ 84.42
140. Modicon BMXRMS008MP-Spare Memory Card for Modicon M340 Programmable Logic Controller. When inserted in processor this memory card: - insures application backup - activates the WEB server on the Ethernet CPU-embedded port conforming to Transparent Ready class B (Rack Viewer, Data Editor)	1	EA	\$ 84.42	\$ 84.42
141. Modicon BMXCPS2000-Power Supply for Modicon M340 Programmable Logic Controller, 115 / 230 Vac, 20W	1	EA	\$ 175.14	\$ 175.14
142. Modicon BMXCPS3500-Power Supply for Modicon M340 Programmable Logic Controller, 115 / 230 Vac, 36W	1	EA	\$ 343.35	\$ 343.35
143. Modicon BMXDDI1602-Modicon M340 Discrete DC Input, (16) 24 VDC, Sink (positive logic), IEC Type 3, 20 points terminal block	1	EA	\$ 118.44	\$ 118.44
144. Modicon BMXFTB2020-Spring terminal block (20 points), push spring, Connection Accessory for Modicon M340	1	EA	\$ 17.64	\$ 17.64

145. Modicon BMXDDO1602-Modicon M340 Discrete DC Output, (16) Transistor Outputs, 24 VDC, 0.5 Amp, (Source logic), diagnostics and protection per channel, 20 points terminal block	1	EA	\$ 143.01	\$ 143.01
146. Modicon BMXAMI0410-Modicon M340 Analog Input module, (4) multi-range channels (+10v, 0-10v, 0-5v/0-20ma, 1-5v/4-20ma, +5v/+20ma), high level fast inputs, high speed, 16-bit resolution, isolated channels, 20 points terminal block	1	EA	\$ 283.50	\$ 283.50
147. Modicon BMXAMO0210-Modicon M340 Analog Output module, (2) multi-range channels (+10v, 0-20ma, 4-20ma), high speed, 15-bit + sign resolution, isolated channels, 20 points terminal block.	1	EA	\$ 236.25	\$ 236.25

**CITY OF CHANDLER PURCHASE CONTRACT
ELECTRICAL SUPPLIES - PROPRIETARY
AGREEMENT NO.: MU9-220-2723**

THIS AGREEMENT is made and entered into this _____ day of _____, 2009, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and **Axiom Southwest Inc.**, hereinafter referred to as "CONTRACTOR".

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATION AND OPERATION:

- 1.1. **Contract Administrator:** CONTRACTOR shall act under the authority and approval of the Procurement Officer /designee (Contract Administrator), to provide the goods and merchandise required by this Contract.
- 1.2. **Ordering Instructions:** Authorization for purchases under the terms and conditions of this contract will be made only upon issuance of a CITY Purchase Order, a Contract Release Order or use of a City Procurement Card.
- 1.3. **Ordering Process.** Upon award of a contract by the City, any designated department may procure the specific product, equipment or material awarded by the issuance of a Contract Purchase Order to the appropriate CONTRACTOR. Each Contract Purchase Order must cite the correct Chandler contract number.
- 1.4. **Annual Usage Report.** CONTRACTOR shall furnish CITY a usage report delineating the acquisition activity governed by the contract. The format of the report shall be approved by CITY and shall disclose the quantity and the dollar value of each contract item by individual purchasing unit.

2. GOODS AND MERCHANDISE TO BE PROVIDED: CONTRACTOR shall provide to CITY the goods and merchandise listed on Exhibit B, attached hereto and made a part hereof by reference, at the prices listed on Exhibit C, all as more specifically set forth in the Specifications and details included therein.

- 2.1. **Safety Standards:** All items supplied pursuant to 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.
- 2.2. **Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
- 2.3. **Product Discontinuance (Categories):** In the event that a required product or model is discontinued by the manufacturer, CITY at its sole discretion may allow CONTRACTOR to provide a substitute for the discontinued item. CONTRACTOR shall request permission to substitute a new product or model and provide the following:

A formal announcement from the manufacturer that the product or model has been discontinued.

Documentation from the manufacturer that names the replacement product or model.

Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.

Documentation confirming that the price for the replacement is the same as or less than the discontinued model.

If requested by CITY, CONTRACTOR shall provide a sample of the replacement product.

- 2.4. **Licenses:** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by CONTRACTOR as applicable to this contract.
- 2.5. **Contract Orders:** CONTRACTOR shall, in accordance with all terms and conditions of this Contract, fully perform and shall be obligated to comply with all contract orders received by CONTRACTOR prior to the expiration or termination hereof, unless otherwise directed in writing by the Contract Administrator, including, without limitation, all contract orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.
- 2.6. **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.
- 2.7. **Compliance With Applicable Laws:** CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable license and permit requirements.
- 2.8. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 2.9. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 2.10. **Payment.** A separate invoice shall be issued for each shipment of goods or materials, and no payment will be issued prior to receipt of goods or materials and receipt of a correct invoice.
- 2.11. **Estimated Quantities.** The quantities shown on Exhibit C (the Price List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. CITY reserves the right to increase or decrease the quantities actually required.
- 2.12. **Catalogs/Contract Price Listing.** As applicable, the CONTRACTOR(s) may be required to furnish to all requesting departments catalogs or a link to a website at no cost, which will outline contract prices.
- 2.13. **Current Models.** It is CITY's intent to procure materials of the latest technology. All materials bid must be in current production and parts must be available for a minimum of five (5) years from bid date.
- 2.14. **New/Current Products.** All goods, equipment, materials, parts and other components supplied pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended.
- 2.15. **New Products.** New products announced by manufacturers on contract may be submitted by the CONTRACTOR for add-ons to the existing contract. Pricing shall be equivalent to the percentage discount for each brand or class of product originally offered.

- 2.16. Packing and Shipping.** The CONTRACTOR shall be responsible for industry standard packing, which conforms to requirements of carrier's tariffs and Interstate Commerce Commission (ICC) regulations. Containers must be clearly marked as to lot number, destination, address and purchase order number.
- 3. Warranties:**
- 3.1. Liens:** CONTRACTOR warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 3.2. Quality:** Unless otherwise modified elsewhere in these terms and conditions, CONTRACTOR warrants that, for one year after acceptance by CITY of the materials, they shall be:
- 3.2.1.** Of a quality to pass without objection in the trade under the Contract description;
 - 3.2.2.** Fit for the intended purposes for which the materials are used;
 - 3.2.3.** Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 3.2.4.** Adequately contained, packaged and marked as the Contract may require; and
 - 3.2.5.** Conform to the written promises or affirmations of fact made by CONTRACTOR.
- 3.3. Fitness:** CONTRACTOR warrants that any material supplied to CITY shall fully conform to all requirements of the Contract and all representations of CONTRACTOR, and shall be fit for all purposes and uses required by the Contract.
- 3.4. Inspection/Testing:** The warranties set forth in Section 3 herein are not affected by inspection or testing of or payment for the materials by CITY.
- 3.5. One-Year Warranty.** CONTRACTOR must provide a one-year warranty on all goods or equipment supplied pursuant to this Contract.
- 4. ACCEPTANCE AND DOCUMENTATION:** All goods are subject to final inspection and acceptance by CITY. Material failing to meet the requirements of this Contract will be held at CONTRACTOR's risk and may be returned to CONTRACTOR. If so returned, the cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses are the responsibility of CONTRACTOR. CITY may elect to do any or all of the following: Waive the non-conformance; stop the work immediately; or bring the material into compliance. Defective Products. All defective products shall be replaced and exchanged by CONTRACTOR. The cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses shall be paid by the CONTRACTOR. All replacement products must be received by CITY within seven (7) days of initial notification
- 4.1. Records.** The CONTRACTOR shall retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
 - 4.2. Audit.** At any time during the term of this Contract and five (5) years thereafter, CONTRACTOR's books and records shall be subject to audit by CITY to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, CONTRACTOR shall produce a legible copy of any or all such records.
 - 4.3. Delivery.** Delivery shall be made within 30-45 calendar days after receipt of a Contract Purchase Order (ARO) on items not in stock.

5. **PRICE:** CITY shall pay to CONTRACTOR an amount not to exceed a total Agreement amount, including all companion Agreements, of **EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS (\$815,000)** for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 5.1. **Pricing:** Prices stated include all freight, insurance, warranty costs, and any other applicable costs.
- 5.2. **Payment:** A separate invoice shall be issued for each shipment of goods or merchandise, and no payment will be issued prior to receipt of material and a correct invoice. All billing invoices shall include delivery time, purchase order number, and contractual payment terms. Items are to be identified by the name, model number, contract number, line item number, and serial number if applicable. Payment. CONTRACTOR shall submit to the issuing department, after completion of the task or combination of tasks listed by the issuing departments task order, a statement of charges for the work completed under that task order, in conformance with the pricing schedule of this contract, the issuing department shall process the claim for prompt payment in accordance with the standard operating procedures of CITY.
- 5.3. **Delivery:** All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. CONTRACTOR shall retain title and control of all goods until they are delivered and accepted by CITY. All risk of transportation and all related charges shall be the responsibility of CONTRACTOR. All claims for visible or concealed damage shall be filed by CONTRACTOR. CITY will notify CONTRACTOR promptly of any damaged goods and shall assist CONTRACTOR in arranging for inspection.
- 5.4. **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 CONTRACTOR regardless of receipt.
- 5.5. **TAXES:** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR.
- 5.6. **IRS W-9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless said form is not required by law.
- 5.7. **Price Adjustment (Annual).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. Prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.
- 5.8. **Acceptance by CITY.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 5.9. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its products concurrent with a published price reduction made to other customers.
6. **TERM:** The term of the Contract is **one (1) year (s)**, commencing on the **1st day of May, 2009** and terminating on **30th day of April, 2010** unless sooner terminated in accordance with the provisions herein. CITY reserves the right, at its sole discretion, to extend the Contract for up to **four (4)**

additional terms of one year each. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof

7. **USE OF THIS CONTRACT:** The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like goods and materials from another source to secure significant cost savings or when timely delivery cannot be met by CONTRACTOR.
 - 7.1. CONTRACTOR is aware that there is more than one CONTRACTOR who has been awarded a Contract to provide this type of goods and materials. CITY reserves the right and will issue Purchase Orders for goods and materials based on ability of CONTRACTOR to meet CITY's schedule and/or price.
 - 7.2. **Emergency Purchases:** CITY reserves the right to purchase from other sources those items that are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.
 - 7.3. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the contracted CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.
8. **CITY'S CONTRACTUAL REMEDIES:**
 - 8.1. **Right to Assurance:** If CITY in good faith has reason to believe that CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that CONTRACTOR give a written assurance of intent to perform. Failure by CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at CITY'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. **Non-exclusive Remedies:** The rights and the remedies of CITY under this Contract are not exclusive.
 - 8.3. **Nonconforming Tender:** Goods, materials or merchandise supplied under this Contract shall fully comply with this Contract and the specifications included herein. The delivery of goods, materials or merchandise or any portion thereof that do not fully comply constitutes a breach of contract. On delivery of nonconforming goods, materials or merchandise, CITY 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.
 - 8.4. **Right of Offset:** CITY shall be entitled to offset against any sums due to CONTRACTOR, any expenses or costs incurred by CITY, or damages assessed by CITY concerning CONTRACTOR's non-conforming performance or failure to perform the Contract, including costs and damages incurred by CITY.
9. **TERMINATION:**
 - 9.1 **Termination for Convenience:** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the

Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

9.2 Termination for Cause: City may terminate this Agreement for Cause:

Upon the occurrence of any one or more of the following events:

- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
- 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
- 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
- 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR 'S property;
- 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

9.3. Termination for Misrepresentation. CITY may, upon written notice, terminate this Contract for any attempt by CONTRACTOR to represent any goods or materials not specifically awarded as being under contract with the CITY of Chandler. Any such action is subject to the legal and contractual remedies available to CITY inclusive of, but not limited to, contract cancellation, suspension and/or debarment of CONTRACTOR.

9.4. Cancellation for Conflict of Interest: Pursuant to A.R.S. § 38-511, CITY may cancel this Contract 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 CITY 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.

9.5. Gratuities: CITY may, by written notice, terminate this Contract, in whole or in part, if CITY 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 CITY for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the CONTRACTOR.

9.6. Suspension or Debarment: CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY 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 Sub-CONTRACTOR 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 CITY.

9.7. 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.

9.8. 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.

- 9.9. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
10. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
11. **Alternate Dispute Resolution. REQUIREMENT FOR ALTERNATIVE DISPUTE RESOLUTION:** Notwithstanding anything to the contrary provided elsewhere in the Agreement documents, the alternate dispute resolution (ADR) process provided herein shall be the exclusive initial means for resolution of claims or disputes and other matters in question between CITY and CONSULTANT arising out of, or relating to the Agreement documents, interpretation of the Agreement, or the performance or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to Agreements containing this ADR provision.

A. INTERNAL RESOLUTION PROCESS

1. **Notice:** CONSULTANT shall submit written notice of any claim or dispute to the Purchasing Manager within thirty (30) days of the occurrence, event or disputed response from CITY for immediate resolution pursuant to these provisions. Each claim or dispute shall be submitted and resolved as they occur and not postponed until the end of the Agreement nor lumped together with other pending claims.
2. **Forfeiture:** Failure to submit a notice of any claim, dispute, or other issue within such thirty (30) days shall constitute CONSULTANT'S forfeiture of its right to dispute the issue, raise the claim or make the request and shall also constitute CONSULTANT'S agreement and acceptance of CITY'S position.
3. **CITY Response:** The Agreement Administrator will provide to CONSULTANT a written response to any claim, request for clarification or dispute on or before thirty (30) days from receipt of CONSULTANT'S written claim.
4. **Appeal:** If CONSULTANT disagrees with the response of the Purchasing Manager, within fifteen days of the date of the response by the Agreement Administrator, CONSULTANT shall file with the Assistant Management Services Director, written notice of appeal. The Purchasing Manager shall provide copies of all relevant information concerning the Agreement and claim or dispute to the Assistant Management Services Director who will determine the appeal. The Assistant Management Services Director may request additional information from either party, may hold an informal informational hearing or may make the determination based on the information provided. The Assistant Management Services Director shall make a final determination of the appeal and provide written notice to CONSULTANT within sixty (60) days from the date of CONSULTANT'S written notice of appeal.

B. ARBITRATION

1. **Arbitration:** If CONSULTANT is not satisfied with the determination of the Assistant Management Services Director, the following binding arbitration procedure shall serve as the exclusive method to

resolve all unresolved disputes in which the claims are for \$500,000 or less except for errors of law which may be appealed if an award exceeds \$100,000 and is based on an error of law . If CONSULTANT chooses not to accept the decision of the Assistant Management Services Director, CONSULTANT shall notify the Agreement Administrator in writing within ten (10) business days of receipt of the Assistant Management Services Director's decision of a request for arbitration. The CONSULTANT shall post a cash bond with the Arbitrator in the amount of \$5,000, or a greater amount as determined by the Arbitrator, that will defray the cost of the arbitration as set forth in paragraph E, Fees and Costs, and proceeds from said bond shall be allocated in accordance with said paragraph by the Arbitrator.

2. **Arbitration Panel:** The Arbitration Panel shall consist of the arbitrators selected by the parties involved in the dispute, (i.e., CITY will select one arbitrator, CONSULTANT will select one arbitrator, and any other CONSULTANT who has a Agreement with CITY which contains this ADR provision and is a party to the same dispute will also select an arbitrator), and the foregoing arbitrators shall select a neutral Arbitrator who will hear the matter and make a final determination, as set forth herein.
3. **Expedited Hearing:** The parties have structured this procedure with the goal of providing for the prompt and efficient resolution of all disputes falling within the purview of this ADR process. To that end, any party can petition the Arbitrator to set an expedited hearing if circumstances justify it. The Arbitrator shall contact the parties and schedule the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical, but in no event later than sixty (60) days after notification of request for arbitration having been submitted. This deadline can be extended only with the consent of all the parties to the dispute, or by decision of the Arbitrator upon a showing of emergency circumstances.
4. **Procedure:** The Arbitrator shall conduct the hearing that will resolve disputes in a prompt, cost efficient manner giving due regard to the rights of all parties. Each party shall supply to the Arbitrator a written pre-hearing statement, which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitrator shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with the deadlines provided herein, and the parties' objective that disputes be resolved in a prompt and efficient manner. The Arbitrator, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any party may make application to the Maricopa County Superior Court to have a protective order entered as may be appropriate to conform to such orders of the Arbitrator.
5. **Hearing Days:** To effectuate the parties' goals, the hearing once commenced, will proceed from business day to business day until concluded, absent a showing of emergency circumstances.
6. **Award:** The Arbitrator shall within ten (10) days from the conclusion of any hearing issue its award. The award shall include an allocation of fees and costs pursuant to the Binding Arbitration Procedure paragraph herein. Any award providing for deferred payment shall include interest at the rate of ten (10%) percent per annum. The award is to be rendered in accordance with the Agreement and the laws of the State of Arizona.
7. **Scope of Award:** The Arbitrator shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitrator shall also be without authority to issue an award against any individual party in excess of \$500,000, exclusive of interest, arbitration fees, costs, and attorney's fees. If an award is made against any individual party in excess of \$50,000, exclusive of interest, arbitration fees, costs and attorneys' fees, it must be supported by written findings of fact, conclusions of law and statement as to how damages were calculated.

- 8. Jurisdiction:** The Arbitrator shall not be bound for jurisdictional purposes by the amount asserted in any party's claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any party at the earliest convenient time, but not later than the commencement of the arbitration hearing.
- 9. Entry of Judgment:** Any party can make application to the Maricopa County Superior Court for confirmation of any award and for entry of judgment on it.
- 10. Severance and Joinder:** To reduce the possibility of inconsistent adjudications, the Arbitrator, may at the request of any party, join and/or sever parties, and/or claims arising under other Agreements containing this ADR provision, and the Arbitrator may, on his own authority, join or sever parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the parties' goal of the prompt and efficient resolution of disputes. Nothing herein shall create the right by any party to assert claims against another party not recognized under the substantive law applicable to the dispute. The Arbitrator is not authorized to join to the proceeding parties not in privity with CITY.
- C. APPEAL TO MARICOPA COURTS:** Any party may appeal errors of law by the Arbitrator if, but only if, the errors arise in an award in excess of \$100,000; the exercise by the Arbitrator of any powers contrary to or inconsistent with the Agreement; or any of the grounds provided in A.R.S. 12-1512. Appeals shall be to the Maricopa County Superior Court within fifteen (15) days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Maricopa County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this section.
- D. UNIFORM ARBITRATION ACT:** Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as enacted in Arizona in A.R.S. 12-1501, et. seq.
- E. FEES AND COSTS:** Each party shall bear its own fees and costs in connection with any internal dispute resolution procedure. All fees and costs associated with any arbitration before the Arbitrator, including without limitation, the Arbitrator's fees, the prevailing party's attorneys' fees, expert witness fees and costs, will be paid by the non-prevailing party, except as provided for herein. The determination of prevailing and non-prevailing parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitrator.
- F. EQUITABLE LITIGATION:** Notwithstanding any other provision of ADR to the contrary, any party may petition the Maricopa County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a party or to ongoing work pending resolution of a dispute pursuant to ADR provided for herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order or award entered by the Arbitrator. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in pursuant to the Alternative Dispute Resolution provisional of this Agreement.
- 12. INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees individually and collectively; from and against all losses, claims, suits, actions, payments and judgments, demands, expenses, damages, including consequential damages and loss of productivity, attorney's fees, defense costs, or actions of any kind and nature relating to, arising out of, or alleged to have resulted from CONTRACTOR'S work or services. CONTRACTOR'S duty to defend, hold harmless and indemnify the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees shall arise in connection with any claim or amounts arising or recovered under Worker Compensation Laws, damage, loss or expenses relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in

the performance of this Contract including any employee of CONTRACTOR, anyone directly or indirectly employed by them or anyone for whose acts CONTRACTOR may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including the City of Chandler. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

13. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of CITY		In the case of the CONTRACTOR	
Department:	Purchasing Division	Firm Name:	Jim Powell
Contact:	Sharon Brause	Contact:	Axiom Southwest Inc.
Mailing Address:	PO Box 4008 MS 901	Address:	2023 W Guadalupe Rd #11-307
Physical Address:	249 E Chicago St	City, State, Zip	Mesa, AZ 85202
City, State, Zip	Chandler AZ 85225	Phone:	480-814-7706
Phone:	480-782-2407	FAX:	480-857-2742
FAX:	480-782-2410	EMAIL:	JCP691@cox.net

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. **GENERAL TERMS:**

14.1. **Entire Agreement:** This Contract, including Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives or each party.

14.2. **Arizona Law:** This Contract shall be governed and interpreted according to the laws of the State of Arizona.

14.3. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.

14.4. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.

14.5. **Conflict of Interest:**

14.5.1 **No Kickback:** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of City Council or any employee of CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to CITY.

- 14.5.2 **Kickback Termination:** CITY may cancel this Contract, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of CITY'S departments or agencies is, at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a CONTRACTOR to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. §38-511).
- 14.5.3 **No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.
- 14.6. **Independent CONTRACTOR:** 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.
- 14.7. **No Parole Evidence:** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 14.8. **Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.
- 14.9. **Ownership.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this day of 2009.

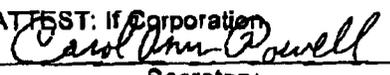
FOR THE CITY OF CHANDLER

 MAYOR

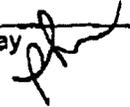
FOR THE CONTRACTOR
 By: 
 Signature

ATTEST:

 City Clerk

SEAL ATTEST: If Corporation

 Secretary

Approved as to form:

 City Attorney 

**EXHIBIT A
GENERAL SPECIFICATIONS
ELECTRICAL PARTS & SUPPLIES**

1. Scope

CONTRACTOR shall provide the City of Chandler with proprietary electrical parts & supplies. It is anticipated that the City will award multiple Agreements to fulfill the necessary requirements. The City has an on-going requirement for the items listed. Supplies will be ordered on an "as needed" basis and therefore quantities listed are estimates based upon past historical usage of the City's Central Supply Division and various departments. Actual quantities may vary and the City offers no minimum guarantee.

2. Pricing

Pricing offered shall be based on a discount from a manufacturer's published price list. CONTRACTOR can offer more than one price list. However, only one discount per price category/list can be offered. Unit price shall be the published price less the discount offered.

**EXHIBIT B
PRICING**

ITEM #	MANUFACTURER	DESCRIPTION	Qty	Unit	Unit Price	Extended Price
1	Bernard Controls	Electric Actuators - parts; 102609	1	EA	\$1,588.00	\$1,588.00
2	Central Station Steam	Magnetic Flow Meter; CMAGGRCFHCSAAB	1	EA	\$3,689.00	\$ 3,689.00
3	FUJI	Transmit time Flow Meter; FLVS12	1	EA	\$3,900.00	\$ 3,900.00
4	Hitech	Isolator; OPV12	1	EA	\$70.00	\$ 70.00
5	Ohmart Vega	Display; DIS12.XBAX	2	EA	\$645.00	\$1,290.00
6	Ohmart Vega	Display; DIS371.xxx	1	EA	\$767.00	\$767.00
7	Ohmart Vega	Level Gauge; PS65UXMNP HKNK	1	EA	\$2,410.00	\$2,410.00
8	Ohmart Vega	Level Gauge; Well72.XXXaafV2FHT230	2	EA	\$1,416.00	\$2,832.00
9	Ohmart Vega	Pressure Gauge; BAR52.XXGN1HPKNA	1	EA	\$1,089.00	\$1,089.00
Discount of similar items						% various
10	Precision Digital	Panel Meter; PD77N	4	EA	\$549.00	\$2,196.00
11	Precision Digital	Panel Meter; PD697N	2	EA	\$310.00	\$620.00
12	Wedgewood	Fitting; 1238	4	EA	\$75.00	\$300.00
13	Wedgewood	Cable; 50086336	4	EA	\$120.00	\$480.00
14	Wedgewood	Cable; 50089252	1	EA	\$95.00	\$95.00
15	Wedgewood	Adaptor; 51506979	1	EA	\$125.00	\$125.00
16	Wedgewood	TSS analyser; 870TS3110	2	EA	\$2,200.00	\$4,400.00
17	Wedgewood	Membrane; COR3-0	3	EA	\$120.00	\$360.00
18	Wedgewood	pH Probe; OPF11LH21C8	1	EA	\$275.00	\$ 275.00
19	Wedgewood	Cable Set; OPH9NPA1A	3	EA	\$110.00	\$330.00
20	Wedgewood	Cable Set; OPH9NPA1Y	3	EA	\$130.00	\$390.00
21	Wedgewood	Probe, TSS; OSU41W4A	2	EA	\$2,999.00	\$5,998.00
22	Yokogawa	Controller; UT420-00	1	EA	\$750.00	\$750.00
Discount of similar items						% various
23	Central Station Steam	pH meter; Alpha2000pH	1	EA	\$1,490.00	\$1,490.00
24	Central Station Steam	Dissolved Oxygen; Alpha2000DO	1	EA	\$2999.00	\$ 2,999.00
25	Central Station Steam	Mag Meter, 4"; CMAGFRCFHCSAAB	1	EA	\$3,655.00	\$ 3,655.00
26	Central Station Steam	Mag Meter, 8"; CMAGHRCFHCSAAB	1	EA	\$4,420.00	\$4,420.00
27	Central Station Steam	Mag Meter, 10"; CMAGIRCFHCSAAB	1	EA	\$5,515.00	\$ 5,515.00
28	Central Station Steam	Mag Meer, 12" CMAGJRCFHCSAAB	1	EA	\$6,555.00	\$ 6,555.00
28a	Central Station Steam	Flow Meter CSSVC12	1	EA	\$3,890.00	\$3,890.00
28b	Central Station Steam	Display CWDSZY	1	EA	\$640.00	\$1,280.00
28c	Central Station Steam	Display CWDSXTZ	1	EA	\$762.00	\$762.00
28d	Central Station Steam	Gauge, level CPRUV	1	EA	\$2,399.00	\$2,399.00
28e	Central Station Steam	Gauge, level CCWLTY	2	EA	\$1,400.00	\$2,800.00
28f	Central Station Steam	Meter CPLVY	1	EA	\$1,079.00	\$1,079.00
28g	Central Station Steam	Meter CDS777	4	EA	\$544.00	\$2,176.00
28h	Central Station Steam	Meter CDC697	2	EA	\$305.00	\$610.00

28i	Central Station Steam	Parts, fitting CSS-1Z2Y3X	4	EA	\$74.00	\$294.00
28j	Central Station Steam	Cable, pH86366	4	EA	\$116.00	\$464.00
28k	Central Station Steam	Analyzer, solids CSSST07-XZZA	2	EA	\$2,190.00	\$4,380.00
28l	Central Station Steam	Membrane; CS24-12-9	3	EA	\$118.00	\$354.00
28m	Central Station Steam	Probe, pH CS-NPT-10-NEMA6	1	EA	\$270.00	\$270.00
28n	Central Station Steam	Part, adaptor CS6-925	1	EA	\$122.00	\$122.00
28o	Central Station Steam	Cable CS-R1311-26	3	EA	\$106.00	\$318.00
28p	Central Station Steam	Cable CS-R1311-2	3	EA	\$128.00	\$384.00
28q	Central Station Steam	Probe, solids CSSP-1286-WZ	2	EA	\$2,990.00	\$5,980.00
28r	Central Station Steam	Electronics controller CS67-WOYAA	1	EA	\$744.00	\$744.00
28s	Central Station Steam	Display meter CDSUT-XU	6	EA	\$294.00	\$1,764.00
28t	Central Station Steam	Meter pH CSSPH-S-U0-0-0-1	1	EA	\$843.00	\$843.00
28u	Central Station Steam	Pressure gauge; CSW0-ZYYV-4A	7	EA	\$246.00	\$ 1,722.00
					Discount of similar items	% various
106	Precision Digital	Meter, 673-6	6	EA	\$300.00	\$1,800.00
					Discount of similar items	% various
107	IEC	pH meter; IEC-860ph	1	EA	\$850.00	\$850.00
					Discount of similar items	% various
108	Wika	gauges, 40-122-53-4	7	EA	\$250.00	\$1,750.00
					Discount of similar items	% various

**CITY OF CHANDLER PURCHASE CONTRACT
ELECTRICAL SUPPLIES - PROPRIETARY
AGREEMENT NO.: MU9-220-2723**

THIS AGREEMENT is made and entered into this _____ day of _____, 2009, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and **BORDER STATES ELECTRIC SUPPLY**, hereinafter referred to as "CONTRACTOR".

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATION AND OPERATION:

- 1.1. Contract Administrator:** CONTRACTOR shall act under the authority and approval of the Procurement Officer /designee (Contract Administrator), to provide the goods and merchandise required by this Contract.
- 1.2. Ordering Instructions:** Authorization for purchases under the terms and conditions of this contract will be made only upon issuance of a CITY Purchase Order, a Contract Release Order or use of a City Procurement Card.
- 1.3. Ordering Process.** Upon award of a contract by the City, any designated department may procure the specific product, equipment or material awarded by the issuance of a Contract Purchase Order to the appropriate CONTRACTOR. Each Contract Purchase Order must cite the correct Chandler contract number.
- 1.4. Annual Usage Report.** CONTRACTOR shall furnish CITY a usage report delineating the acquisition activity governed by the contract. The format of the report shall be approved by CITY and shall disclose the quantity and the dollar value of each contract item by individual purchasing unit.

2. GOODS AND MERCHANDISE TO BE PROVIDED: CONTRACTOR shall provide to CITY the goods and merchandise listed on Exhibit A and Exhibit B attached hereto and made a part hereof by reference, at the prices listed on Exhibit B, all as more specifically set forth in the Specifications and details included therein.

- 2.1. Safety Standards:** All items supplied pursuant to 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.
- 2.2. Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
- 2.3. Product Discontinuance (Categories):** In the event that a required product or model is discontinued by the manufacturer, CITY at its sole discretion may allow CONTRACTOR to provide a substitute for the discontinued item. CONTRACTOR shall request permission to substitute a new product or model and provide the following:

A formal announcement from the manufacturer that the product or model has been discontinued.

Documentation from the manufacturer that names the replacement product or model.

Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.

Documentation confirming that the price for the replacement is the same as or less than the discontinued model.

If requested by CITY, CONTRACTOR shall provide a sample of the replacement product.

- 2.4. **Licenses:** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by CONTRACTOR as applicable to this contract.
- 2.5. **Contract Orders:** CONTRACTOR shall, in accordance with all terms and conditions of this Contract, fully perform and shall be obligated to comply with all contract orders received by CONTRACTOR prior to the expiration or termination hereof, unless otherwise directed in writing by the Contract Administrator, including, without limitation, all contract orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.
- 2.6. **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.
- 2.7. **Compliance With Applicable Laws:** CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable license and permit requirements.
- 2.8. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 2.9. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 2.10. **Payment.** A separate invoice shall be issued for each shipment of goods or materials, and no payment will be issued prior to receipt of goods or materials and receipt of a correct invoice.
- 2.11. **Estimated Quantities.** The quantities shown on Exhibit C (the Price List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. CITY reserves the right to increase or decrease the quantities actually required.
- 2.12. **Catalogs/Contract Price Listing.** As applicable, the CONTRACTOR(s) may be required to furnish to all requesting departments catalogs or a link to a website at no cost, which will outline contract prices.
- 2.13. **Current Models.** It is CITY's intent to procure materials of the latest technology. All materials bid must be in current production and parts must be available for a minimum of five (5) years from bid date.
- 2.14. **New/Current Products.** All goods, equipment, materials, parts and other components supplied pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended.
- 2.15. **New Products.** New products announced by manufacturers on contract may be submitted by the CONTRACTOR for add-ons to the existing contract. Pricing shall be equivalent to the percentage discount for each brand or class of product originally offered.

- 2.16. Packing and Shipping.** The CONTRACTOR shall be responsible for industry standard packing, which conforms to requirements of carrier's tariffs and Interstate Commerce Commission (ICC) regulations. Containers must be clearly marked as to lot number, destination, address and purchase order number.
- 3. Warranties:**
- 3.1. Liens:** CONTRACTOR warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 3.2. Quality:** Unless otherwise modified elsewhere in these terms and conditions, CONTRACTOR warrants that, for one year after acceptance by CITY of the materials, they shall be:
- 3.2.1.** Of a quality to pass without objection in the trade under the Contract description;
 - 3.2.2.** Fit for the intended purposes for which the materials are used;
 - 3.2.3.** Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 3.2.4.** Adequately contained, packaged and marked as the Contract may require; and
 - 3.2.5.** Conform to the written promises or affirmations of fact made by CONTRACTOR.
- 3.3. Fitness:** CONTRACTOR warrants that any material supplied to CITY shall fully conform to all requirements of the Contract and all representations of CONTRACTOR, and shall be fit for all purposes and uses required by the Contract.
- 3.4. Inspection/Testing:** The warranties set forth in Section 3 herein are not affected by inspection or testing of or payment for the materials by CITY.
- 3.5. One-Year Warranty.** CONTRACTOR must provide a one-year warranty on all goods or equipment supplied pursuant to this Contract.
- 4. ACCEPTANCE AND DOCUMENTATION:** All goods are subject to final inspection and acceptance by CITY. Material failing to meet the requirements of this Contract will be held at CONTRACTOR's risk and may be returned to CONTRACTOR. If so returned, the cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses are the responsibility of CONTRACTOR. CITY may elect to do any or all of the following: Waive the non-conformance; stop the work immediately; or bring the material into compliance. Defective Products. All defective products shall be replaced and exchanged by CONTRACTOR. The cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses shall be paid by the CONTRACTOR. All replacement products must be received by CITY within seven (7) days of initial notification
- 4.1. Records.** The CONTRACTOR shall retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
- 4.2. Audit.** At any time during the term of this Contract and five (5) years thereafter, CONTRACTOR's books and records shall be subject to audit by CITY to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, CONTRACTOR shall produce a legible copy of any or all such records.
- 4.3. Delivery.** Delivery shall be made within seven (7) calendar days after receipt of a Contract Purchase Order (ARO) on items not in stock.

5. **PRICE:** CITY shall pay to CONTRACTOR an amount not to exceed a total Agreement amount, including all companion Agreements, of **EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS (\$815,000)** for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 5.1. **Pricing:** Prices stated include all freight, insurance, warranty costs, and any other applicable costs.
- 5.2. **Payment:** A separate invoice shall be issued for each shipment of goods or merchandise, and no payment will be issued prior to receipt of material and a correct invoice. All billing invoices shall include delivery time, purchase order number, and contractual payment terms. Items are to be identified by the name, model number, contract number, line item number, and serial number if applicable. Payment. CONTRACTOR shall submit to the issuing department, after completion of the task or combination of tasks listed by the issuing departments task order, a statement of charges for the work completed under that task order, in conformance with the pricing schedule of this contract, the issuing department shall process the claim for prompt payment in accordance with the standard operating procedures of CITY.
- 5.3. **Delivery:** All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. CONTRACTOR shall retain title and control of all goods until they are delivered and accepted by CITY. All risk of transportation and all related charges shall be the responsibility of CONTRACTOR. All claims for visible or concealed damage shall be filed by CONTRACTOR. CITY will notify CONTRACTOR promptly of any damaged goods and shall assist CONTRACTOR in arranging for inspection.
- 5.4. **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 CONTRACTOR regardless of receipt.
- 5.5. **TAXES:** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR.
- 5.6. **IRS W-9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless said form is not required by law.
- 5.7. **Price Adjustment (Annual).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. Prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.
- 5.8. **Acceptance by CITY.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 5.9. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its products concurrent with a published price reduction made to other customers.
6. **TERM:** The term of the Contract is **one (1) year (s)**, commencing on the **1ST day of May, 2009** and terminating on **April 30, 2010** unless sooner terminated in accordance with the provisions herein. CITY reserves the right, at its sole discretion, to extend the Contract for up to **four (4)** additional terms

of one year each. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof.

7. **USE OF THIS CONTRACT:** The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like goods and materials from another source to secure significant cost savings or when timely delivery cannot be met by CONTRACTOR.
 - 7.1. CONTRACTOR is aware that there is more than one CONTRACTOR who has been awarded a Contract to provide this type of goods and materials. CITY reserves the right and will issue Purchase Orders for goods and materials based on ability of CONTRACTOR to meet CITY's schedule and/or price.
 - 7.2. **Emergency Purchases:** CITY reserves the right to purchase from other sources those items that are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.
 - 7.3. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the contracted CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.
8. **CITY'S CONTRACTUAL REMEDIES:**
 - 8.1. **Right to Assurance:** If CITY in good faith has reason to believe that CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that CONTRACTOR give a written assurance of intent to perform. Failure by CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at CITY'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. **Non-exclusive Remedies:** The rights and the remedies of CITY under this Contract are not exclusive.
 - 8.3. **Nonconforming Tender:** Goods, materials or merchandise supplied under this Contract shall fully comply with this Contract and the specifications included herein. The delivery of goods, materials or merchandise or any portion thereof that do not fully comply constitutes a breach of contract. On delivery of nonconforming goods, materials or merchandise, CITY 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.
 - 8.4. **Right of Offset:** CITY shall be entitled to offset against any sums due to CONTRACTOR, any expenses or costs incurred by CITY, or damages assessed by CITY concerning CONTRACTOR's non-conforming performance or failure to perform the Contract, including costs and damages incurred by CITY.
9. **TERMINATION:**
 - 9.1 **Termination for Convenience:** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the

Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

9.2 Termination for Cause: City may terminate this Agreement for Cause:

Upon the occurrence of any one or more of the following events:

- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
- 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
- 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
- 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR 'S property;
- 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

9.3. Termination for Misrepresentation. CITY may, upon written notice, terminate this Contract for any attempt by CONTRACTOR to represent any goods or materials not specifically awarded as being under contract with the CITY of Chandler. Any such action is subject to the legal and contractual remedies available to CITY inclusive of, but not limited to, contract cancellation, suspension and/or debarment of CONTRACTOR.

9.4. Cancellation for Conflict of Interest: Pursuant to A.R.S. § 38-511, CITY may cancel this Contract 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 CITY 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.

9.5. Gratuities: CITY may, by written notice, terminate this Contract, in whole or in part, if CITY 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 CITY for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the CONTRACTOR.

9.6. Suspension or Debarment: CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY 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 Sub-CONTRACTOR 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 CITY.

9.7. 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.

9.8. 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.

-
- 9.9. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
10. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
11. **Alternate Dispute Resolution. REQUIREMENT FOR ALTERNATIVE DISPUTE RESOLUTION:** Notwithstanding anything to the contrary provided elsewhere in the Agreement documents, the alternate dispute resolution (ADR) process provided herein shall be the exclusive initial means for resolution of claims or disputes and other matters in question between CITY and CONSULTANT arising out of, or relating to the Agreement documents, interpretation of the Agreement, or the performance or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to Agreements containing this ADR provision.

A. INTERNAL RESOLUTION PROCESS

1. **Notice:** CONSULTANT shall submit written notice of any claim or dispute to the Purchasing Manager within thirty (30) days of the occurrence, event or disputed response from CITY for immediate resolution pursuant to these provisions. Each claim or dispute shall be submitted and resolved as they occur and not postponed until the end of the Agreement nor lumped together with other pending claims.
2. **Forfeiture:** Failure to submit a notice of any claim, dispute, or other issue within such thirty (30) days shall constitute CONSULTANT'S forfeiture of its right to dispute the issue, raise the claim or make the request and shall also constitute CONSULTANT'S agreement and acceptance of CITY'S position.
3. **CITY Response:** The Agreement Administrator will provide to CONSULTANT a written response to any claim, request for clarification or dispute on or before thirty (30) days from receipt of CONSULTANT'S written claim.
4. **Appeal:** If CONSULTANT disagrees with the response of the Purchasing Manager, within fifteen days of the date of the response by the Agreement Administrator, CONSULTANT shall file with the Assistant Management Services Director, written notice of appeal. The Purchasing Manager shall provide copies of all relevant information concerning the Agreement and claim or dispute to the Assistant Management Services Director who will determine the appeal. The Assistant Management Services Director may request additional information from either party, may hold an informal informational hearing or may make the determination based on the information provided. The Assistant Management Services Director shall make a final determination of the appeal and provide written notice to CONSULTANT within sixty (60) days from the date of CONSULTANT'S written notice of appeal.

B. ARBITRATION

1. **Arbitration:** If CONSULTANT is not satisfied with the determination of the Assistant Management Services Director, the following binding arbitration procedure shall serve as the exclusive method to

resolve all unresolved disputes in which the claims are for \$500,000 or less except for errors of law which may be appealed if an award exceeds \$100,000 and is based on an error of law. If CONSULTANT chooses not to accept the decision of the Assistant Management Services Director, CONSULTANT shall notify the Agreement Administrator in writing within ten (10) business days of receipt of the Assistant Management Services Director's decision of a request for arbitration. The CONSULTANT shall post a cash bond with the Arbitrator in the amount of \$5,000, or a greater amount as determined by the Arbitrator, that will defray the cost of the arbitration as set forth in paragraph E, Fees and Costs, and proceeds from said bond shall be allocated in accordance with said paragraph by the Arbitrator.

2. **Arbitration Panel:** The Arbitration Panel shall consist of the arbitrators selected by the parties involved in the dispute, (i.e., CITY will select one arbitrator, CONSULTANT will select one arbitrator, and any other CONSULTANT who has a Agreement with CITY which contains this ADR provision and is a party to the same dispute will also select an arbitrator), and the foregoing arbitrators shall select a neutral Arbitrator who will hear the matter and make a final determination, as set forth herein.
3. **Expedited Hearing:** The parties have structured this procedure with the goal of providing for the prompt and efficient resolution of all disputes falling within the purview of this ADR process. To that end, any party can petition the Arbitrator to set an expedited hearing if circumstances justify it. The Arbitrator shall contact the parties and schedule the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical, but in no event later than sixty (60) days after notification of request for arbitration having been submitted. This deadline can be extended only with the consent of all the parties to the dispute, or by decision of the Arbitrator upon a showing of emergency circumstances.
4. **Procedure:** The Arbitrator shall conduct the hearing that will resolve disputes in a prompt, cost efficient manner giving due regard to the rights of all parties. Each party shall supply to the Arbitrator a written pre-hearing statement, which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitrator shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with the deadlines provided herein, and the parties' objective that disputes be resolved in a prompt and efficient manner. The Arbitrator, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any party may make application to the Maricopa County Superior Court to have a protective order entered as may be appropriate to conform to such orders of the Arbitrator.
5. **Hearing Days:** To effectuate the parties' goals, the hearing once commenced, will proceed from business day to business day until concluded, absent a showing of emergency circumstances.
6. **Award:** The Arbitrator shall within ten (10) days from the conclusion of any hearing issue its award. The award shall include an allocation of fees and costs pursuant to the Binding Arbitration Procedure paragraph herein. Any award providing for deferred payment shall include interest at the rate of ten (10%) percent per annum. The award is to be rendered in accordance with the Agreement and the laws of the State of Arizona.
7. **Scope of Award:** The Arbitrator shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitrator shall also be without authority to issue an award against any individual party in excess of \$500,000, exclusive of interest, arbitration fees, costs, and attorney's fees. If an award is made against any individual party in excess of \$50,000, exclusive of interest, arbitration fees, costs and attorneys' fees, it must be supported by written findings of fact, conclusions of law and statement as to how damages were calculated.

- 8. Jurisdiction:** The Arbitrator shall not be bound for jurisdictional purposes by the amount asserted in any party's claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any party at the earliest convenient time, but not later than the commencement of the arbitration hearing.
- 9. Entry of Judgment:** Any party can make application to the Maricopa County Superior Court for confirmation of any award and for entry of judgment on it.
- 10. Severance and Joinder:** To reduce the possibility of inconsistent adjudications, the Arbitrator, may at the request of any party, join and/or sever parties, and/or claims arising under other Agreements containing this ADR provision, and the Arbitrator may, on his own authority, join or sever parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the parties' goal of the prompt and efficient resolution of disputes. Nothing herein shall create the right by any party to assert claims against another party not recognized under the substantive law applicable to the dispute. The Arbitrator is not authorized to join to the proceeding parties not in privity with CITY.
- C. APPEAL TO MARICOPA COURTS:** Any party may appeal errors of law by the Arbitrator if, but only if, the errors arise in an award in excess of \$100,000; the exercise by the Arbitrator of any powers contrary to or inconsistent with the Agreement; or any of the grounds provided in A.R.S. 12-1512. Appeals shall be to the Maricopa County Superior Court within fifteen (15) days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Maricopa County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this section.
- D. UNIFORM ARBITRATION ACT:** Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as enacted in Arizona in A.R.S. 12-1501, et. seq.
- E. FEES AND COSTS:** Each party shall bear its own fees and costs in connection with any internal dispute resolution procedure. All fees and costs associated with any arbitration before the Arbitrator, including without limitation, the Arbitrator's fees, the prevailing party's attorneys' fees, expert witness fees and costs, will be paid by the non-prevailing party, except as provided for herein. The determination of prevailing and non-prevailing parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitrator.
- F. EQUITABLE LITIGATION:** Notwithstanding any other provision of ADR to the contrary, any party may petition the Maricopa County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a party or to ongoing work pending resolution of a dispute pursuant to ADR provided for herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order or award entered by the Arbitrator. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in pursuant to the Alternative Dispute Resolution provisional of this Agreement.
- 12. INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees individually and collectively; from and against all losses, claims, suits, actions, payments and judgments, demands, expenses, damages, including consequential damages and loss of productivity, attorney's fees, defense costs, or actions of any kind and nature relating to, arising out of, or alleged to have resulted from CONTRACTOR'S work or services. CONTRACTOR'S duty to defend, hold harmless and indemnify the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees shall arise in connection with any claim or amounts arising or recovered under Worker Compensation Laws, damage, loss or expenses relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in

the performance of this Contract including any employee of CONTRACTOR, anyone directly or indirectly employed by them or anyone for whose acts CONTRACTOR may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including the City of Chandler. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

- 13. NOTICES:** All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of CITY		In the case of the CONTRACTOR	
Department:	<u>Purchasing Division</u>	Firm Name:	<u>Border States Electric Supply</u>
Contact:	<u>Sharon Brause</u>	Contact:	<u>Jan Vander Ark</u>
Mailing Address:	<u>PO Box 4008 – MS 901</u>	Address:	<u>5519 E Washington St</u>
Physical Address:	<u>249 E Chicago St</u>	City, State, Zip	<u>Phoenix AZ 85034</u>
City, State, Zip	<u>Chandler AZ 85225</u>	Phone:	<u>602-244-0331</u>
Phone:	<u>480-782-2407</u>	FAX:	<u>602-231-8535</u>
FAX:	<u>480-782-2410</u>	EMAIL:	<u>JvanderArk@Border-States.com</u>

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. GENERAL TERMS:

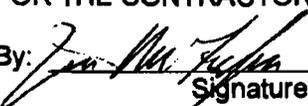
- 14.1. Entire Agreement:** This Contract, including Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives or each party.
- 14.2. Arizona Law:** This Contract shall be governed and interpreted according to the laws of the State of Arizona.
- 14.3. Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 14.4. Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 14.5. Conflict of Interest:**
- 14.5.1 No Kickback:** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of City Council or any employee of CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to CITY.

- 14.5.2 Kickback Termination:** CITY may cancel this Contract, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of CITY'S departments or agencies is, at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a CONTRACTOR to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. §38-511).
- 14.5.3 No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.
- 14.6. Independent CONTRACTOR:** 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.
- 14.7. No Parole Evidence:** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 14.8. Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.
- 14.9. Ownership.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this
day of 2009.

FOR THE CITY OF CHANDLER

MAYOR

FOR THE CONTRACTOR
By: 
Signature

ATTEST:

City Clerk

SEAL ATTEST: If Corporation

Secretary

Approved as to form:

City Attorney 

**EXHIBIT A
GENERAL SPECIFICATIONS
ELECTRICAL PARTS & SUPPLIES**

1. **Scope**
CONTRACTOR shall provide the City of Chandler with proprietary electrical parts & supplies. It is anticipated that the City will award multiple Agreements to fulfill the necessary requirements. The City has an on-going requirement for the items listed. Supplies will be ordered on an "as needed" basis and therefore quantities listed are estimates based upon past historical usage of the City's Central Supply Division and various departments. Actual quantities may vary and the City offers no minimum guarantee.

2. **Pricing**
Pricing offered shall be based on a discount from a manufacturer's published price list. CONTRACTOR can offer more than one price list. However, only one discount per price category/list can be offered. Unit price shall be the published price less the discount offered.

**EXHIBIT B
PRICING**

Discounts vary depending upon manufacturer				
Manufacturer / Description	Qty	Unit	Unit Price	Extended Price
29. Allen Bradley 1202-H10 Cable Option W7	6	EA	\$ 45.46	\$ 272.76
30. Allen Bradley 1202-SSS Smart Serial Conterter	1	EA	\$ 256.21	\$ 256.21
31. Allen Bradley 1746-N18 Exchange	1	EA	\$ 869.48	\$ 869.48
32. Allen Bradley 1746-OW16 Relay Output Module	1	EA	\$ 284.32	\$ 284.32
33. Allen Bradley 20-HIM-CS LCD Display Digital Keypad	7	EA	\$ 227.29	\$ 1,591.03
34. Allen Bradley 20-HIM-H10 Remote HIM Cable 1M; 1175530	2	EA	\$ 53.72	\$ 107.44
35. Brady 44-833 Safety Lockout Tag, 5/crd	1	EA	\$ 16.76	\$ 16.76
36. Brady STD-0-9-(FILLED) Wire Marker Disp.	3	EA	\$ 29.68	\$ 89.04
37. Brady WM-0-45 0-THRU45 Wire Marker Book	10	EA	\$ 7.66	\$ 76.60
38. Bussman FNQ-1 500 V Midget TD Fuse	2	EA	\$ 14.48	\$ 28.96
39. Bussman FNQ-2 500V Midget TD Fuse	2	EA	\$ 14.48	\$ 28.96
40. Bussman FNQ-20 500V Midget TD Fuse	2	EA	\$ 14.48	\$ 28.96
41. Bussman MDL-1/2 250V Small Dim Fuse	2	EA	\$ 1.75	\$ 3.50
42. Carlon E (UHGRN 1G HORZ WP GRY COVER	2	EA	\$ 8.58	\$ 17.16
43. Christy FL36T-Street Lighting Lid	1	EA	\$ 96.71	\$ 96.71
44. Conduit 2-in-intermediate-metal	100	EA	\$ 2.18	\$ 218.00
45. Conduit 1-1/2-intermediate-metal	50	EA	\$ 1.67	\$ 83.50
46. Conduit 3/4-galv-steel	110	EA	\$ 1.11	\$ 122.10
47. Cord SOOW-10/4-BLK-1000R	30	EA	\$ 0.59	\$ 17.76
48. Cord SOOW-6/3-BLK-1000R	30	EA	\$ 1.12	\$ 33.60
49. CRC 51425 Hand Cleaner Towel	3	EA	\$ 12.79	\$ 38.37
50. Crouse Hinds 270G Cover w/integral gasket	1	EA	\$ 5.07	\$ 5.07
51. Crouse Hinds DSI85 SW Cover CRH	1	EA	\$ 38.46	\$ 38.46
52. Crouzet 99761718 Elapsed Time Meter, 24V	4	EA	\$ 49.77	\$ 199.08
53. Dottie BT41-C Nylon Cable Tie	100	EA	\$ 0.26	\$ 25.90
54. Dottie BT4S-C Nylon Cable Tie	200	EA	\$ 0.29	\$ 57.40
55. Dottie W14-314 2DP Wedge Anchor	100	EA	\$ 0.86	\$ 86.15
56. Dottie ZA-125 1/4-DI anchor	200	EA	\$ 0.31	\$ 62.00
57. Edwards 5000 Ionization Smoke Alarm	5	EA	\$ 9.32	\$ 46.60
58. Fluke AC220 Suregrip Pincer Alligator clips	1	EA	\$ 26.49	\$ 26.49
59. Fluke Fluke-333 Meter1	20	EA	\$ 127.56	\$ 2,551.20
60. Greenlee 702-2-EG Cond Clamp	4	EA	\$ 1.32	\$ 5.26
61. Greenlee 702-3/4-EG Cond Clamp	8	EA	\$ 0.79	\$ 6.34
62. Carol 18.02 White; 500' reel	2000	FT	\$ 0.03	\$ 55.84
63. Carol 18-03 Red; 500' reel	2000	FT	\$ 0.03	\$ 55.84

64. Carol 18-06 Green; 500' reel	2000	FT	\$ 0.03	\$ 55.84
65. Hoffman A-S050 1/2 OT KO Seal	10	EA	\$ 4.79	\$ 47.90
66. Hoffman A-S075 3/4 OT KO Seal	10	EA	\$ 6.03	\$ 60.30
67. Hoffman SF-1316-002 Fan Filter	3	EA	\$ 506.85	\$ 1,520.55
68. Hoffman SG-1300-002 Exhaust GRLL FLTR	3	EA	\$ 81.00	\$ 243.00
69. Ideal 45300 Cable tie gun	2	EA	\$ 50.80	\$ 101.60
70. Ideal 45-616 Reflex Stripper	4	EA	\$ 16.84	\$ 67.36
71. Klein 600-4 4" squareshank screwdriver	1	EA	\$ 7.45	\$ 7.45
72. Klein VB1 1/8 to 1/2 variable bit	1	EA	\$ 27.02	\$ 27.02
73. Leviton 86001 1G IV Switch plate	16	EA	\$ 0.22	\$ 3.53
74. Leviton 86003 1G IV DPLX RECPT Plate	65	EA	\$ 0.21	\$ 13.86
75. Leviton 86009 2G IV Switch plate	12	EA	\$ 0.44	\$ 5.30
76. Leviton BR20-I IV DPLX RCPT NEMA5-20R	75	EA	\$ 2.45	\$ 183.75
77. Leviton CS115-21 SP 15A 277V IV SW	30	EA	\$ 1.78	\$ 53.40
78. Leviton CS315-2I 3WAY 15A 277V IV SW	17	EA	\$ 2.59	\$ 44.03
79. LittleFuse CCMR.500 Midget Fuse	10	EA	\$ 9.07	\$ 90.70
80. LittleFuse GMA-63MA Miniature Fuse	50	EA	\$ 1.82	\$ 91.00
81. 3M MV18BCX 22-18 ins butt splice	100	EA	\$ 0.35	\$ 35.46
82. 3M 33+Super 3/4 x 66' plastic tape 1" core	10	EA	\$ 3.50	\$ 35.00
83. MTE RL-30503 20HP Reactor	3	EA	\$ 152.84	\$ 458.52
84. MTE RL-13003 5-input line reactors 480V	2	EA	\$ 550.00	\$ 1,100.00
85. Ocal 1HMS 3/4-G 3/4 OCal 1hole Mstrap, gray	15	EA	\$ 8.14	\$ 122.10
86. Ocal COND 3/4-G 3/4 Ocal Cond, gray	70	EA	\$ 3.58	\$ 250.60
87. Permacote PRH Conduit - 3/4 conduit	70	EA	\$ 4.02	\$ 281.40
88. Permacote PRUNF205 3/4 Female to Female	3	EA	\$ 37.83	\$ 113.49
89. Red Dot All-1 1/2 alum Cond. Body	10	EA	\$ 3.59	\$ 35.90
90. Red Dot SCV-1 1/2 alum. Cond. Body cover	22	EA	\$ 0.98	\$ 21.56
91. Red Dot OLK1RG 1/2 gask. Gkn-1 f/Rdot lb	22	EA	\$ 1.17	\$ 25.74
92. Red Lion CUB7T000 Timer	4	EA	\$ 45.82	\$ 183.28
94. Siemens ICGK Insulated Cu. Ground bus	1	EA	\$ 11.81	\$ 11.81
95. Sola E100D Indust. Control Transformer	1	EA	\$ 28.94	\$ 28.94
96. Steel City LN104-1/4 Steel Locknut	24	EA	\$ 0.23	\$ 5.61
97. Sylvania 100A-130V IF A19 med. Lamp, OSRA	60	EA	\$ 0.38	\$ 22.80
98. T&B A1200HS-10-PG Galv. Stlotchnl	30	EA	\$ 2.31	\$ 69.30
99. T&B PBC105-1 1 pipe strap	30	EA	\$ 40.43	\$ 1,212.90
100. T&B RC10-38 12-10 ins. Ring term	100	EA	\$ 0.67	\$ 67.00
101. T&B TY24M locking cable tie-bulk; 5.50 in.	1000	EA	\$ 0.04	\$ 40.60
102. T&B TY-cooler	2	EA	\$ 74.70	\$ 149.40
103. Wire MTW-16-BLK, STR-2/64-500SP	1000	FT	\$ 0.04	\$ 35.12

104. Wire TFFN-16-BLK-19STR-CU-4@500CN	500	FT	\$ 0.03	\$ 16.03
105. Woodhead 073031204 Strain relief grip	4	EA	\$ 15.49	\$ 61.96
109. Hubbell H/D plus; HBL5266C, 15 amp, 125V, 2-pole; 3 wire	1	EA	\$ 9.69	\$ 9.69
110. Fuses Shawmut TRS30R class RK5 fuse, 30 amp, 600V, dual element, time delay	1	EA	\$ 7.15	\$ 7.15
111. Lenox 600L hole saw kit, electrician, 7/8-2 1/2.; w/1L, 2L plastic case & spare pilot bit	1	EA	\$ 87.30	\$ 87.30
112. Channel lock 806 wrench, 6", adj.	1	EA	\$ 15.70	\$ 15.70
113. Myers Hubs CR-HINDS ST3 Basic Hub, 1" zinc	1	EA	\$ 6.36	\$ 6.36
114. Minnerall 0-B Conduit hanger w/bolt; 3/8 - 1/2"	1	EA	\$ 0.52	\$ 0.52
115. Panduit PLT4H-TL0 locking cable tie; 14.5", 4" bundle	250	EA	\$ 0.36	\$ 90.00
116. B-line B22SH-GR slotted strut, 1-5/8X, 1-5/8., 10 ft; green w/ 9/16 x 7/8"	10	EA	\$ 2.26	\$ 22.60
117. Oz Gedney OZ/EGS 7075ST EMT Connector, compress, 3/4", steel, insul throat	1	EA	\$ 0.54	\$ 0.54
118. Appleton App/EGS LB200M 2" 'LB' Conduit body, form 35, malleable	1	EA	\$ 51.08	\$ 51.08
119. Pass & Seymour Sier, 5266X plus, 15 amp, 125V, extra-hard use, spec. grade	1	EA	\$ 9.12	\$ 9.12
120. Raco Bell 5322-O 1G WP w/3 1/2 hubs	1	EA	\$ 2.79	\$ 2.79
123. IDEC PS5R-D24 50W 24V power supply	1	EA	\$ 79.96	\$ 79.96
124. Weidmuller 51420 TS15 solid steel rail; 2 meters; 15 x 5.5	1	EA	\$ 19.26	\$ 19.26
126. ILSCO T3A2-250N alum. Mechanical lug for 3 conductor, 6AWG-250MCM ALCU	1	EA	\$ 40.79	\$ 40.79
127. Burndy KA28 mech. Lug; 1 cond. 4AWG stranded, 4/0 awg; 3/8" stud (copper only)	1	EA	\$ 6.89	\$ 6.89
128. Cully Hardware 59020 Nailin anchor, 1/4 x 1-1/4"	100	EA	\$ 0.23	\$ 22.60
129. NSI AL-R2-R2 Connector block, 500-4AWG Dbl primary; 500-4 AWG dbl secondary	1	EA	\$ 35.82	\$ 35.82
130. CRC Chemicals 02130 cleaner/degreaser, QD	1	EA	\$ 9.32	\$ 9.32
131. Taymac Covers 20510 deep GFCI cover, 1 gang surface mount, vertical	1	EA	\$ 15.80	\$ 15.80
132. Advance 71A5292001D, MH ballast, 70W, multi-tap, kit	1	EA	\$ 116.59	\$ 116.59
133. Arlington 856A flex/AC/MC connector, 90 degree, 2" squeeze type	1	EA	\$ 35.63	\$ 35.63
134. PVC Conduit PVC 1-1/2" schedule 40	100	FT	\$ 0.27	\$ 26.99
135. PVC 68 primer, purple, Oatey #30806	1	QT	\$ 5.73	\$ 5.73
136. LEN Bega #FP1222	1	EA	\$ 270.20	\$ 270.20

**CITY OF CHANDLER PURCHASE CONTRACT
ELECTRICAL SUPPLIES - PROPRIETARY
AGREEMENT NO.: MU9-220-2723**

THIS AGREEMENT is made and entered into this _____ day of _____, 2009, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and **SWABS-AZ**, hereinafter referred to as "CONTRACTOR".

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATION AND OPERATION:

- 1.1. Contract Administrator:** CONTRACTOR shall act under the authority and approval of the Procurement Officer /designee (Contract Administrator), to provide the goods and merchandise required by this Contract.
- 1.2. Ordering Instructions:** Authorization for purchases under the terms and conditions of this contract will be made only upon issuance of a CITY Purchase Order, a Contract Release Order or use of a City Procurement Card.
- 1.3. Ordering Process.** Upon award of a contract by the City, any designated department may procure the specific product, equipment or material awarded by the issuance of a Contract Purchase Order to the appropriate CONTRACTOR. Each Contract Purchase Order must cite the correct Chandler contract number.
- 1.4. Annual Usage Report.** CONTRACTOR shall furnish CITY a usage report delineating the acquisition activity governed by the contract. The format of the report shall be approved by CITY and shall disclose the quantity and the dollar value of each contract item by individual purchasing unit.

2. GOODS AND MERCHANDISE TO BE PROVIDED: CONTRACTOR shall provide to CITY the goods and merchandise listed on Exhibit A and Exhibit B, attached hereto and made a part hereof by reference, at the prices listed on Exhibit B, all as more specifically set forth in the Specifications and details included therein.

- 2.1. Safety Standards:** All items supplied pursuant to 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.
- 2.2. Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
- 2.3. Product Discontinuance (Categories):** In the event that a required product or model is discontinued by the manufacturer, CITY at its sole discretion may allow CONTRACTOR to provide a substitute for the discontinued item. CONTRACTOR shall request permission to substitute a new product or model and provide the following:

A formal announcement from the manufacturer that the product or model has been discontinued.

Documentation from the manufacturer that names the replacement product or model.

Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.

Documentation confirming that the price for the replacement is the same as or less than the discontinued model.

If requested by CITY, CONTRACTOR shall provide a sample of the replacement product.

- 2.4. **Licenses:** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by CONTRACTOR as applicable to this contract.
- 2.5. **Contract Orders:** CONTRACTOR shall, in accordance with all terms and conditions of this Contract, fully perform and shall be obligated to comply with all contract orders received by CONTRACTOR prior to the expiration or termination hereof, unless otherwise directed in writing by the Contract Administrator, including, without limitation, all contract orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.
- 2.6. **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.
- 2.7. **Compliance With Applicable Laws:** CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable license and permit requirements.
- 2.8. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 2.9. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 2.10. **Payment.** A separate invoice shall be issued for each shipment of goods or materials, and no payment will be issued prior to receipt of goods or materials and receipt of a correct invoice.
- 2.11. **Estimated Quantities.** The quantities shown on Exhibit C (the Price List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. CITY reserves the right to increase or decrease the quantities actually required.
- 2.12. **Catalogs/Contract Price Listing.** As applicable, the CONTRACTOR(s) may be required to furnish to all requesting departments catalogs or a link to a website at no cost, which will outline contract prices.
- 2.13. **Current Models.** It is CITY's intent to procure materials of the latest technology. All materials bid must be in current production and parts must be available for a minimum of five (5) years from bid date.
- 2.14. **New/Current Products.** All goods, equipment, materials, parts and other components supplied pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended.
- 2.15. **New Products.** New products announced by manufacturers on contract may be submitted by the CONTRACTOR for add-ons to the existing contract. Pricing shall be equivalent to the percentage discount for each brand or class of product originally offered.

- 2.16. **Packing and Shipping.** The CONTRACTOR shall be responsible for industry standard packing, which conforms to requirements of carrier's tariffs and Interstate Commerce Commission (ICC) regulations. Containers must be clearly marked as to lot number, destination, address and purchase order number.
3. **Warranties:**
- 3.1. **Liens:** CONTRACTOR warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 3.2. **Quality:** Unless otherwise modified elsewhere in these terms and conditions, CONTRACTOR warrants that, for one year after acceptance by CITY of the materials, they shall be:
- 3.2.1. Of a quality to pass without objection in the trade under the Contract description;
 - 3.2.2. Fit for the intended purposes for which the materials are used;
 - 3.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 3.2.4. Adequately contained, packaged and marked as the Contract may require; and
 - 3.2.5. Conform to the written promises or affirmations of fact made by CONTRACTOR.
- 3.3. **Fitness:** CONTRACTOR warrants that any material supplied to CITY shall fully conform to all requirements of the Contract and all representations of CONTRACTOR, and shall be fit for all purposes and uses required by the Contract.
- 3.4. **Inspection/Testing:** The warranties set forth in Section 3 herein are not affected by inspection or testing of or payment for the materials by CITY.
- 3.5. **One-Year Warranty.** CONTRACTOR must provide a one-year warranty on all goods or equipment supplied pursuant to this Contract.
4. **ACCEPTANCE AND DOCUMENTATION:** All goods are subject to final inspection and acceptance by CITY. Material failing to meet the requirements of this Contract will be held at CONTRACTOR's risk and may be returned to CONTRACTOR. If so returned, the cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses are the responsibility of CONTRACTOR. CITY may elect to do any or all of the following: Waive the non-conformance; stop the work immediately; or bring the material into compliance. **Defective Products.** All defective products shall be replaced and exchanged by CONTRACTOR. The cost of transportation, unpacking, inspection, repacking, reshipping or other like expenses shall be paid by the CONTRACTOR. All replacement products must be received by CITY within seven (7) days of initial notification
- 4.1. **Records.** The CONTRACTOR shall retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
 - 4.2. **Audit.** At any time during the term of this Contract and five (5) years thereafter, CONTRACTOR's books and records shall be subject to audit by CITY to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, CONTRACTOR shall produce a legible copy of any or all such records.
 - 4.3. **Delivery.** Delivery shall be made within seven (7) calendar days after receipt of a Contract Purchase Order (ARO) on items not in stock.

5. **PRICE:** CITY shall pay to CONTRACTOR an amount not to exceed a total Agreement amount, including all companion Agreements, of **EIGHT HUNDRED FIFTEEN THOUSAND Dollars (\$815,000)** for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 5.1. **Pricing:** Prices stated include all freight, insurance, warranty costs, and any other applicable costs.
- 5.2. **Payment:** A separate invoice shall be issued for each shipment of goods or merchandise, and no payment will be issued prior to receipt of material and a correct invoice. All billing invoices shall include delivery time, purchase order number, and contractual payment terms. Items are to be identified by the name, model number, contract number, line item number, and serial number if applicable. Payment. CONTRACTOR shall submit to the issuing department, after completion of the task or combination of tasks listed by the issuing departments task order, a statement of charges for the work completed under that task order, in conformance with the pricing schedule of this contract, the issuing department shall process the claim for prompt payment in accordance with the standard operating procedures of CITY.
- 5.3. **Delivery:** All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. CONTRACTOR shall retain title and control of all goods until they are delivered and accepted by CITY. All risk of transportation and all related charges shall be the responsibility of CONTRACTOR. All claims for visible or concealed damage shall be filed by CONTRACTOR. CITY will notify CONTRACTOR promptly of any damaged goods and shall assist CONTRACTOR in arranging for inspection.
- 5.4. **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 CONTRACTOR regardless of receipt.
- 5.5. **TAXES:** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR.
- 5.6. **IRS W-9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless said form is not required by law.
- 5.7. **Price Adjustment (Annual).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. Prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.
- 5.8. **Acceptance by CITY.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 5.9. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its products concurrent with a published price reduction made to other customers.
6. **TERM:** The term of the Contract is **one (1) year (s)**, commencing on the **1ST day of May, 2009** and terminating on **April 30, 2010** unless sooner terminated in accordance with the provisions herein. CITY reserves the right, at its sole discretion, to extend the Contract for up to **four (4)** additional terms

of one year each. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof.

7. USE OF THIS CONTRACT: The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like goods and materials from another source to secure significant cost savings or when timely delivery cannot be met by CONTRACTOR.

7.1. CONTRACTOR is aware that there is more than one CONTRACTOR who has been awarded a Contract to provide this type of goods and materials. CITY reserves the right and will issue Purchase Orders for goods and materials based on ability of CONTRACTOR to meet CITY's schedule and/or price.

7.2. Emergency Purchases: CITY reserves the right to purchase from other sources those items that are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.

7.3. Cooperative Use of Contract. In addition to the City of Chandler and with approval of the contracted CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

8. CITY'S CONTRACTUAL REMEDIES:

8.1. Right to Assurance: If CITY in good faith has reason to believe that CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that CONTRACTOR give a written assurance of intent to perform. Failure by CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at CITY'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. Non-exclusive Remedies: The rights and the remedies of CITY under this Contract are not exclusive.

8.3. Nonconforming Tender: Goods, materials or merchandise supplied under this Contract shall fully comply with this Contract and the specifications included herein. The delivery of goods, materials or merchandise or any portion thereof that do not fully comply constitutes a breach of contract. On delivery of nonconforming goods, materials or merchandise, CITY 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.

8.4. Right of Offset: CITY shall be entitled to offset against any sums due to CONTRACTOR, any expenses or costs incurred by CITY, or damages assessed by CITY concerning CONTRACTOR's non-conforming performance or failure to perform the Contract, including costs and damages incurred by CITY.

9. TERMINATION:

9.1 Termination for Convenience: CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORs to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the

Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

9.2 Termination for Cause: City may terminate this Agreement for Cause:

Upon the occurrence of any one or more of the following events:

- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
- 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
- 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
- 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR 'S property;
- 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

9.3. Termination for Misrepresentation. CITY may, upon written notice, terminate this Contract for any attempt by CONTRACTOR to represent any goods or materials not specifically awarded as being under contract with the CITY of Chandler. Any such action is subject to the legal and contractual remedies available to CITY inclusive of, but not limited to, contract cancellation, suspension and/or debarment of CONTRACTOR.

9.4. Cancellation for Conflict of Interest: Pursuant to A.R.S. § 38-511, CITY may cancel this Contract 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 CITY 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.

9.5. Gratuities: CITY may, by written notice, terminate this Contract, in whole or in part, if CITY 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 CITY for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the CONTRACTOR.

9.6. Suspension or Debarment: CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY 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 Sub-CONTRACTOR 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 CITY.

9.7. 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.

9.8. 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.

- 9.9. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
10. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
11. **Alternate Dispute Resolution. REQUIREMENT FOR ALTERNATIVE DISPUTE RESOLUTION:** Notwithstanding anything to the contrary provided elsewhere in the Agreement documents, the alternate dispute resolution (ADR) process provided herein shall be the exclusive initial means for resolution of claims or disputes and other matters in question between CITY and CONSULTANT arising out of, or relating to the Agreement documents, interpretation of the Agreement, or the performance or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to Agreements containing this ADR provision.

A. INTERNAL RESOLUTION PROCESS

1. **Notice:** CONSULTANT shall submit written notice of any claim or dispute to the Purchasing Manager within thirty (30) days of the occurrence, event or disputed response from CITY for immediate resolution pursuant to these provisions. Each claim or dispute shall be submitted and resolved as they occur and not postponed until the end of the Agreement nor lumped together with other pending claims.
2. **Forfeiture:** Failure to submit a notice of any claim, dispute, or other issue within such thirty (30) days shall constitute CONSULTANT'S forfeiture of its right to dispute the issue, raise the claim or make the request and shall also constitute CONSULTANT'S agreement and acceptance of CITY'S position.
3. **CITY Response:** The Agreement Administrator will provide to CONSULTANT a written response to any claim, request for clarification or dispute on or before thirty (30) days from receipt of CONSULTANT'S written claim.
4. **Appeal:** If CONSULTANT disagrees with the response of the Purchasing Manager, within fifteen days of the date of the response by the Agreement Administrator, CONSULTANT shall file with the Assistant Management Services Director, written notice of appeal. The Purchasing Manager shall provide copies of all relevant information concerning the Agreement and claim or dispute to the Assistant Management Services Director who will determine the appeal. The Assistant Management Services Director may request additional information from either party, may hold an informal informational hearing or may make the determination based on the information provided. The Assistant Management Services Director shall make a final determination of the appeal and provide written notice to CONSULTANT within sixty (60) days from the date of CONSULTANT'S written notice of appeal.

B. ARBITRATION

1. **Arbitration:** If CONSULTANT is not satisfied with the determination of the Assistant Management Services Director, the following binding arbitration procedure shall serve as the exclusive method to

resolve all unresolved disputes in which the claims are for \$500,000 or less except for errors of law which may be appealed if an award exceeds \$100,000 and is based on an error of law . If CONSULTANT chooses not to accept the decision of the Assistant Management Services Director, CONSULTANT shall notify the Agreement Administrator in writing within ten (10) business days of receipt of the Assistant Management Services Director's decision of a request for arbitration. The CONSULTANT shall post a cash bond with the Arbitrator in the amount of \$5,000, or a greater amount as determined by the Arbitrator, that will defray the cost of the arbitration as set forth in paragraph E, Fees and Costs, and proceeds from said bond shall be allocated in accordance with said paragraph by the Arbitrator.

2. **Arbitration Panel:** The Arbitration Panel shall consist of the arbitrators selected by the parties involved in the dispute, (i.e., CITY will select one arbitrator, CONSULTANT will select one arbitrator, and any other CONSULTANT who has a Agreement with CITY which contains this ADR provision and is a party to the same dispute will also select an arbitrator), and the foregoing arbitrators shall select a neutral Arbitrator who will hear the matter and make a final determination, as set forth herein.
3. **Expedited Hearing:** The parties have structured this procedure with the goal of providing for the prompt and efficient resolution of all disputes falling within the purview of this ADR process. To that end, any party can petition the Arbitrator to set an expedited hearing if circumstances justify it. The Arbitrator shall contact the parties and schedule the arbitration at the earliest possible date. In any event, the hearing of any dispute not expedited will commence as soon as practical, but in no event later than sixty (60) days after notification of request for arbitration having been submitted. This deadline can be extended only with the consent of all the parties to the dispute, or by decision of the Arbitrator upon a showing of emergency circumstances.
4. **Procedure:** The Arbitrator shall conduct the hearing that will resolve disputes in a prompt, cost efficient manner giving due regard to the rights of all parties. Each party shall supply to the Arbitrator a written pre-hearing statement, which shall contain a brief statement of the nature of the claim or defense, a list of witnesses and exhibits, a brief description of the subject matter of the testimony of each witness who will be called to testify, and an estimate as to the length of time that will be required for the arbitration hearing. The Arbitrator shall determine the nature and scope of discovery, if any, and the manner of presentation of relevant evidence consistent with the deadlines provided herein, and the parties' objective that disputes be resolved in a prompt and efficient manner. The Arbitrator, upon proper application, shall issue such orders as may be necessary and permissible under law to protect confidential, proprietary, or sensitive materials or information from public disclosure or other misuse. Any party may make application to the Maricopa County Superior Court to have a protective order entered as may be appropriate to conform to such orders of the Arbitrator.
5. **Hearing Days:** To effectuate the parties' goals, the hearing once commenced, will proceed from business day to business day until concluded, absent a showing of emergency circumstances.
6. **Award:** The Arbitrator shall within ten (10) days from the conclusion of any hearing issue its award. The award shall include an allocation of fees and costs pursuant to the Binding Arbitration Procedure paragraph herein. Any award providing for deferred payment shall include interest at the rate of ten (10%) percent per annum. The award is to be rendered in accordance with the Agreement and the laws of the State of Arizona.
7. **Scope of Award:** The Arbitrator shall be without authority to award punitive damages, and any such punitive damage award shall be void. The Arbitrator shall also be without authority to issue an award against any individual party in excess of \$500,000, exclusive of interest, arbitration fees, costs, and attorney's fees. If an award is made against any individual party in excess of \$50,000, exclusive of interest, arbitration fees, costs and attorneys' fees, it must be supported by written findings of fact, conclusions of law and statement as to how damages were calculated.

- 8. Jurisdiction:** The Arbitrator shall not be bound for jurisdictional purposes by the amount asserted in any party's claim, but shall conduct a preliminary hearing into the question of jurisdiction upon application of any party at the earliest convenient time, but not later than the commencement of the arbitration hearing.
- 9. Entry of Judgment:** Any party can make application to the Maricopa County Superior Court for confirmation of any award and for entry of judgment on it.
- 10. Severance and Joinder:** To reduce the possibility of inconsistent adjudications, the Arbitrator, may at the request of any party, join and/or sever parties, and/or claims arising under other Agreements containing this ADR provision, and the Arbitrator may, on his own authority, join or sever parties and/or claims subject to this ADR process as they deem necessary for a just resolution of the dispute, consistent with the parties' goal of the prompt and efficient resolution of disputes. Nothing herein shall create the right by any party to assert claims against another party not recognized under the substantive law applicable to the dispute. The Arbitrator is not authorized to join to the proceeding parties not in privity with CITY.
- C. APPEAL TO MARICOPA COURTS:** Any party may appeal errors of law by the Arbitrator if, but only if, the errors arise in an award in excess of \$100,000; the exercise by the Arbitrator of any powers contrary to or inconsistent with the Agreement; or any of the grounds provided in A.R.S. 12-1512. Appeals shall be to the Maricopa County Superior Court within fifteen (15) days of entry of the award. The standard of review in such cases shall be that applicable to the consideration of a motion for judgment notwithstanding the verdict, and the Maricopa County Superior Court shall have the authority to confirm, vacate, modify or remand an award appealed under this section.
- D. UNIFORM ARBITRATION ACT:** Except as otherwise provided herein, binding arbitration pursued under this provision shall be governed by the Uniform Arbitration Act as enacted in Arizona in A.R.S. 12-1501, et. seq.
- E. FEES AND COSTS:** Each party shall bear its own fees and costs in connection with any internal dispute resolution procedure. All fees and costs associated with any arbitration before the Arbitrator, including without limitation, the Arbitrator's fees, the prevailing party's attorneys' fees, expert witness fees and costs, will be paid by the non-prevailing party, except as provided for herein. The determination of prevailing and non-prevailing parties, and the appropriate allocation of fees and costs, will be included in the award by the Arbitrator.
- F. EQUITABLE LITIGATION:** Notwithstanding any other provision of ADR to the contrary, any party may petition the Maricopa County Superior Court for interim equitable relief as necessary to preserve the status quo and prevent immediate and irreparable harm to a party or to ongoing work pending resolution of a dispute pursuant to ADR provided for herein. No court may order any permanent injunctive relief except as may be necessary to enforce an order or award entered by the Arbitrator. The fees and costs incurred in connection with any such equitable proceeding shall be determined and assessed in pursuant to the Alternative Dispute Resolution provisional of this Agreement.
- 12. INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees individually and collectively; from and against all losses, claims, suits, actions, payments and judgments, demands, expenses, damages, including consequential damages and loss of productivity, attorney's fees, defense costs, or actions of any kind and nature relating to, arising out of, or alleged to have resulted from CONTRACTOR'S work or services. CONTRACTOR'S duty to defend, hold harmless and indemnify the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees shall arise in connection with any claim or amounts arising or recovered under Worker Compensation Laws, damage, loss or expenses relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in

the performance of this Contract including any employee of CONTRACTOR, anyone directly or indirectly employed by them or anyone for whose acts CONTRACTOR may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including the City of Chandler. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

13. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Contract shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of CITY		In the case of the CONTRACTOR	
Department:	<u>Purchasing Division</u>	Firm Name:	<u>SWABS-AZ</u>
Contact:	<u>Sharon Brause</u>	Contact:	<u>Marcy Kostewa</u>
Mailing Address:	<u>PO Box 4008 – MS 901</u>	Address:	<u>3517 E Indian School Rd</u>
Physical Address:	<u>249 E Chicago St</u>	City, State, Zip	<u>Phoenix, AZ 85018</u>
City, State, Zip	<u>Chandler, AZ 85225</u>	Phone:	<u>602-552-2010</u>
Phone:	<u>480-782-2407</u>	FAX:	<u>602-522-2501</u>
FAX:	<u></u>	EMAIL:	<u>Marcy@SWABS-AZ.com</u>

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. **GENERAL TERMS:**

- 14.1. **Entire Agreement:** This Contract, including Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Contract may not be modified or amended except by a written document, signed by authorized representatives or each party.
- 14.2. **Arizona Law:** This Contract shall be governed and interpreted according to the laws of the State of Arizona.
- 14.3. **Assignment:** Services covered by this Contract shall not be assigned in whole or in part without the prior written consent of CITY.
- 14.4. **Amendments:** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by CITY 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.
- 14.5. **Conflict of Interest:**
- 14.5.1 **No Kickback:** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of City Council or any employee of CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to CITY.

- 14.5.2 **Kickback Termination:** CITY may cancel this Contract, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of CITY'S departments or agencies is, at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a CONTRACTOR to any other party to the Contract with respect to the subject matter of the Contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the Contract, unless the notice specifies a later time (A.R.S. §38-511).
- 14.5.3 **No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.
- 14.6. **Independent CONTRACTOR:** 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.
- 14.7. **No Parole Evidence:** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 14.8. **Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.
- 14.9. **Ownership.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this day of _____ 2009.

FOR THE CITY OF CHANDLER

MAYOR

FOR THE CONTRACTOR

By: Marcy Kosteva
Signature

ATTEST:

City Clerk

SEAL

ATTEST: If Corporation

Marcy Kosteva
Secretary

Approved as to form:

City Attorney

**EXHIBIT A
GENERAL SPECIFICATIONS
ELECTRICAL PARTS & SUPPLIES**

1. **Scope**
CONTRACTOR shall provide the City of Chandler with proprietary electrical parts & supplies. It is anticipated that the City will award multiple Agreements to fulfill the necessary requirements. The City has an on-going requirement for the items listed. Supplies will be ordered on an "as needed" basis and therefore quantities listed are estimates based upon past historical usage of the City's Central Supply Division and various departments. Actual quantities may vary and the City offers no minimum guarantee.

2. **Pricing**
Pricing offered shall be based on a discount from a manufacturer's published price list. CONTRACTOR can offer more than one price list. However, only one discount per price category/list can be offered. Unit price shall be the published price less the discount offered.

**EXHIBIT B
PRICING**

(discounts vary depending upon manufacturer)				
Manufacturer / Description	Qty	Unit	Unit Price	Extended Price
34. Allen Bradley 20-HIM-H10 Remote HIM Cable 1M; 1175530	2	EA	\$ 12.03	\$ 24.06
35. Brady 44-833 Safety Lockout Tag, 5/crd	1	EA	\$ 25.15	\$ 25.15
36. Brady STD-0-9-(FILLED) Wire Marker Disp.	3	EA	\$ 10.81	\$ 32.43
37. Brady WM-0-45 0-THRU45 Wire Marker Book	10	EA	\$ 3.86	\$ 38.60
38. Bussman FNQ-1 500 V Midget TD Fuse	2	EA	\$ 3.86	\$ 7.72
39. Bussman FNQ-2 500V Midget TD Fuse	2	EA	\$ 3.86	\$ 7.72
40. Bussman FNQ-20 500V Midget TD Fuse	2	EA	\$ 3.86	\$ 7.72
41. Bussman MDL-1/2 250V Small Dim Fuse	2	EA	\$ 1.36	\$ 2.72
47. Cord SOOW-10/4-BLK-1000R	30	EA	\$ 61.07	\$10,832.10
48. Cord SOOW-6/3-BLK-1000R	30	EA	\$ 19.22	\$ 9,576.60
49. CRC 51425 Hand Cleaner Towel	3	EA	\$ 9.15	\$ 27.45
50. Crouse Hinds 270G Cover w/integral gasket	1	EA	\$ 17.99	\$ 17.99
51. Crouse Hinds DSI85 SW Cover CRH	1	EA	\$ 210.39	\$ 210.39
52. Crouzet 99761718 Elapsed Time Meter, 24V	4	EA	\$ 18.44	\$ 73.76
53. Dottie BT41-C Nylon Cable Tie	100	EA	\$ 7.65	\$ 765.00
55. Dottie W14-314 2DP Wedge Anchor	100	EA	\$ 61.60	\$ 6,160.00
56. Dottie ZA-125 1/4-DI anchor	200	EA	\$ 10.02	\$ 2,004.00
57. Edwards 5000 Ionization Smoke Alarm	5	EA	\$ 6.43	\$ 32.15
58. Fluke AC220 Suregrip Pincer Alligator clips	1	EA	\$ 30.46	\$ 30.46
59. Fluke Fluke-333 Meter1	20	EA	\$ 137.84	\$ 2,756.80
60. Greenlee 702-2-EG Cond Clamp	4	EA	\$ 0.46	\$ 1.84
61. Greenlee 702-3/4-EG Cond Clamp	8	EA	\$ 1.09	\$ 8.72
65. Hoffman A-S050 1/2 OT KO Seal	10	EA	\$ 2.64	\$ 26.40
69. Ideal 45300 Cable tie gun	2	EA	\$ 72.49	\$ 144.98
70. Ideal 45-616 Reflex Stripper	4	EA	\$ 16.31	\$ 65.24
71. Klein 600-4 4" squareshank screwdriver	1	EA	\$ 7.52	\$ 7.52
72. Klein VB1 1/8 to 1/2 variable bit	1	EA	\$ 10.85	\$ 10.85
73. Leviton 86001 1G IV Switch plate	16	EA	\$ 0.20	\$ 3.20
74. Leviton 86003 1G IV DPLX RECPT Plate	65	EA	\$ 0.23	\$ 14.95
75. Leviton 86009 2G IV Switch plate	12	EA	\$ 0.44	\$ 5.28
76. Leviton BR20-I IV DPLX RCPT NEMA5-20R	75	EA	\$ 4.15	\$ 311.25
77. Leviton CS115-21 SP 15A 277V IV SW	30	EA	\$ 1.45	\$ 43.50
78. Leviton CS315-2I 3WAY 15A 277V IV SW	17	EA	\$ 2.23	\$ 37.91
79. LittleFuse CCMR.500 Midget Fuse	10	EA	\$ 4.68	\$ 46.80

80. LittleFuse GMA-63MA Miniature Fuse	50	EA	\$ 1.32	\$ 66.00
81. 3M MV18BCX 22-18 ins butt splice	100	EA	\$ 4.95	\$ 495.00
82. 3M 33+Super 3/4 x 66' plastic tape 1" core	10	EA	\$ 3.80	\$ 38.00
89. Red Dot All-1 1/2 alum Cond. Body	10	EA	\$ 3.16	\$ 31.60
90. Red Dot SCV-1 1/2 alum. Cond. Body cover	22	EA	\$ 0.82	\$ 18.04
91. Red Dot OLK1RG 1/2 gask. Gkn-1 f/Rdot lb	22	EA	\$ 1.53	\$ 33.66
95. Sola E100D Indust. Control Transformer	1	EA	\$ 58.69	\$ 58.69
96. Steel City LN104-1/4 Steel Locknut	24	EA	\$ 0.46	\$ 11.04
97. Sylvania 100A-130V IF A19 med. Lamp, OSRA	60	EA	\$ 0.33	\$ 19.80
98. T&B A1200HS-10-PG Galv. Stlotchnl	30	EA	\$ 19.20	\$ 576.00
100. T&B RC10-38 12-10 ins. Ring term	100	EA	\$ 19.54	\$ 1,954.00
101. T&B TY24M locking cable tie-bulk; 5.50 in.	1000	EA	\$ 0.03	\$ 32.23
105. Woodhead 073031204 Strain relief grip	4	EA	\$ 17.35	\$ 69.40
109. Hubbell Heavy Duty plus; HBL5266C, 15 amp, 125V, 2-pole; 3 wire	1	EA	\$ 9.62	\$ 9.62
110. Fuses Shawmut TRS30R class RK5 fuse, 30 amp, 600V, dual element, time delay	1	EA	\$ 2.99	\$ 2.99
111. Lenox 600L hole saw kit, electrician, 7/8-2 1/2"; w/1L, 2L plastic case & spare pilot bit	1	EA	\$ 55.98	\$ 55.98
112. Channel lock; 806 wrench, 6", adj.	1	EA	\$ 14.70	\$ 14.70
114. Minnerall 0-B Conduit hanger w/bolt; 3/8 - 1/2"	1	EA	\$ 0.52	\$ 0.52
115. Panduit PLT4H-TL0 locking cable tie; 14.5", 4" bundle	250	EA	\$ 0.09	\$ 23.65
116. B-line B22SH-GR slotted strut, 1-5/8X, 1-5/8.; 10 ft; green w/ 9/16 x 7/8"	10	EA	\$ 18.27	\$ 182.70
117. Oz Gedney OZ/EGS 7075ST EMT Connector, compress, 3/4", steel, insul throat	1	EA	\$ 2.22	\$ 2.22
118. Appleton Appl/EGS LB200M 2" 'LB' Conduit body, form 35, malleable	1	EA	\$ 24.33	\$ 24.33
120. Raco Bell 5322-O 1G WP w/3 1/2 hubs	1	EA	\$ 4.14	\$ 4.14
122. Square D KAL36250 KAL Breaker, 250 amp, 3-pole; 600V	1	EA	\$2,004.75	\$ 2,004.75
125. PIPE NIPPLES Conduit running thread, 2" rigid; galvanized; 3 ft piece	1	EA	\$ 3.74	\$ 3.74
127. Burndy KA28 mech. Lug; 1 cond. 4AWG stranded, 4/0 awg; 3/8" stud (copper only)	1	EA	\$ 4.66	\$ 4.66
128. Cully Hardware 59020 Nailin anchor, 1/4 x 1-1/4"	100	EA	\$ 7.78	\$ 778.00
130. CRC Chemicals 02130 cleaner/degreaser, QD	1	EA	\$ 9.18	\$ 9.18
132. Advance 71A5292001D, MH ballast, 70W, multi-tap, kit	1	EA	\$ 103.83	\$ 103.83
133. Arlington 856A flex/AC/MC conn., 90°, 2" squeeze type	1	EA	\$ 38.85	\$ 38.85
134. PVC Conduit PVC 1-1/2" schedule 40	100	FT	\$ 9.50	\$ 950.00
135. PVC 68 primer, purple, Oatey #30806	1	QT	\$ 2.95	\$ 2.95