

**CITY CLERK
ORIGINAL**

C-10250
09/02/2015

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
KBAK DBA AIRE FILTER PRODUCTS**

THIS LINKING AGREEMENT (this "Agreement") is entered into as of this 2 day of *September*, 2015, between the City of Glendale, an Arizona municipal corporation (the "City"), and KBAK dba Aire Filter Products, an Arizona corporation ("Contractor"), collectively, the "Parties."

RECITALS

- A. On February 1, 2014, under the Arizona State Procurement Cooperative Purchasing Agreement, the State of Arizona entered into a contract with Contractor to purchase the goods and services described in the Industrial and MRO Supplies (HVAC FILTERS) Contract, Contract No. ADSPO14-064765, which is attached hereto as Exhibit A. The Industrial and MRO Supplies (HVAC FILTERS) Contract permits its cooperative use by other governmental agencies including the City. The Industrial and MRO Supplies (HVAC FILTERS) Contract is hereinafter referred at as the Cooperative Purchasing Agreement.
- B. Section 2-149 of the City's Procurement Code permits the Materials Manager to procure goods and services by participating with other governmental units in cooperative purchasing agreements when the best interests of the City would be served.
- C. Section 2-149 also provides that Materials Manager may enter into such cooperative agreements without meeting the formal or informal solicitation and bid requirements of Glendale City Code Sections 2-145 and 2-146.
- D. The City desires to contract with Contractor for supplies or services identical, or nearly identical, to the supplies or services Contractor is providing other units of government under the Cooperative Purchasing Agreement. Contractor consents to the City's utilization of the Cooperative Purchasing Agreement as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the supplies and services set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Linking Agreement, the parties agree as follows:

1. **Term of Agreement.** The City is purchasing the supplies and/or services from Contractor pursuant to Cooperative Purchasing Agreement. According to the Cooperative Purchasing Agreement award and rate sheet, which are attached hereto as part of Exhibit B, purchases can be made by governmental entities from the date of award, which was February 1, 2014, until the date the contract expires on January 31, 2016, unless the term of the Cooperative Purchasing Agreement is extended by the mutual agreement of the original contracting parties. The Cooperative Purchasing Agreement, however, may not extend the contract

beyond January 31, 2019. The initial period of this Agreement therefore is the period from the Effective Date of this Agreement until January 31, 2016. The City, however, may renew the term of this Agreement for three (3) one-year periods until the Cooperative Purchasing Agreement expires on January 31, 2019. Renewals are not automatic and shall only occur if the City gives the Contractor notice of its intent to renew. The City may give the Contractor notice of its intent to renew this Agreement 30 days prior to the anniversary of the Effective Date to effectuate such a one-year renewal.

2. Scope of Work; Terms, Conditions, and Specifications.

- A. Contractor shall provide City the supplies and/or services identified in the Scope of Work attached as Exhibit C.
- B. Contractor agrees to comply with all the terms, conditions and specifications of the Cooperative Purchasing Agreement. Such terms, conditions and specifications are specifically incorporate into and are an enforceable part of this Agreement.

3. Compensation.

- A. City shall pay Contractor compensation at the same rate and on the same schedule as the Cooperative Purchasing Agreement, unless the City and Contractor agree to a different schedule, as provided in Exhibit D.
- B. The total purchase price for the supplies and/or services purchased under this Agreement shall not exceed forty thousand dollars (\$40,000).

4. Cancellation. This Agreement may be cancelled pursuant to A.R.S. § 38-511.

5. Non-discrimination. Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

6. E-verify. Contractor complies with A.R.S. § 23-214 and agrees to comply with the requirements of A.R.S. § 41-4401.

7. Notices. Any notices that must be provided under this Agreement shall be sent to the Parties' respective authorized representatives at the address listed below:

City of Glendale
c/o Ron Gouger
6210 W. Myrtle Ave
Ste. 111
Glendale, Arizona 8530
623-930-2647

and

KBAK dba Aire Filter Products
c/o Branden Sparks
PO Box 36066
Phoenix, AZ 85067

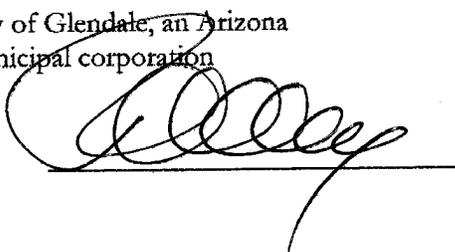
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

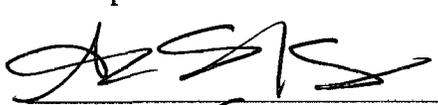
“City”

“Contractor”

City of Glendale, an Arizona
municipal corporation

KBAK dba Aire Filter Products,
an Arizona corporation

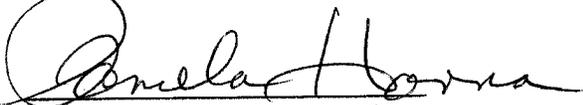
By: 

By: 

Name: Alison Sparks

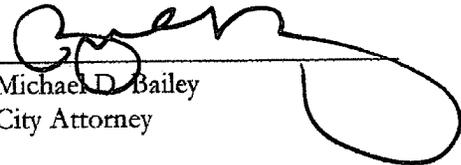
Title: Controller

ATTEST:



Pamela Hanna (SEAL)
City Clerk

APPROVED AS TO FORM:


Michael D. Bailey
City Attorney

**LINKING AGREEMENT
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AND
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EXHIBIT A

Arizona State Contract No. ADSP014-064765 Industrial and MRO Supplies (HVAC FILTERS)



Master Blanket Purchase Order ADSP014-064765

Header Information

Purchase Order Number:	ADSP014-064765	Release Number:	0	Short Description:	Industrial and MRO Supplies (HVAC FILTERS)
Status:	3PS - Sent	Purchaser:	Jennifer Wenger	Receipt Method:	Quantity
Fiscal Year:	2014	PO Type:	Blanket	Minor Status:	
Organization:	State of Arizona	Location:	STRGC - SPO Strategic	Type Code:	Statewide
Department:	ADSP0 - State Procurement Office	Entered Date:	01/31/2014 02:03:04 PM	Control Code:	
Alternate ID:		Retainage %:	0.00%	Discount %:	0.00%
Days ARO:	0	Print Dest Detail:	If Different	Release Type:	Direct Release
Catalog ID:		Contact Instructions:	jennifer.wenger@azdoa.gov	Pcard Enabled:	Yes
		Tax Rate:		Actual Cost:	\$0.00

Master Blanket/Contract End Date (Maximum): 01/31/2019 11:59:59 PM

Project No.:
Building Code:
Cost Code:
Special Purchase Types:
PIJ NUMBER:
Coop Spend To Date:
Commodity Reference Id:
PO External Doc Type:

Agency Attachments: [Contractors Offer_KBAK.zip](#) [ADSP014-064765.pdf](#) [listprices.pdf](#) [Price Schedule Awarded Categories_KBAK dba Aire Filter Products.xlsx](#) [Cert of Ins_KBAK_3.1.14.pdf](#) [COI Aire Filter Products Exp. 3.1.15](#) [Change Order Summary 1 - KBAK COI KBAK Inc. Exp. 03.01.16](#)

Vendor Attachments:

Agency Attachment Forms:

Vendor Attachment Forms:

Primary Vendor Information & PO Terms

Vendor:	000015187 - KBAK dba Aire Filter Products Branden Sparks PO Box 36066 Phoenix, AZ 85067 US Email: bsparks@airefilterproducts.com Phone: (602)254-0293	Payment Terms: Net 30	Shipping Method:
		Shipping Terms:	Freight Terms:

PO Acknowledgements:

Document	Notifications	Acknowledged Date/Time
Purchase Order	Emailed to bsparks@airefilterproducts.com at 02/11/2014 04:41:20 PM	02/12/2014 07:41:06 AM
Purchase Order	Emailed to bsparks@airefilterproducts.com at 12/16/2014 02:56:36 PM	

Master Blanket/Contract Vendor Distributor List

Vendor ID	Alternative ID	Vendor Name	Preferred Delivery Method	Vendor Distributor Status
000015187	PZ000015187	KBAK dba Aire Filter Products	Email	Active

Master Blanket/Contract Controls

Master Blanket/Contract Begin Date: 02/01/2014 **Master Blanket/Contract End Date:** 01/31/2016
Cooperative Purchasing Allowed: Yes

Organization	Department	Dollar Limit	Dollars Spent to Date	Minimum Order Amount
ALL ORG - Organization Umbrella Master Control	AGY - Agency Umbrella Master Control	\$0.00	\$14,735.35	\$0.00

Item Information

<p>Print Sequence # 1.0, Item # 1: For each release, Customer needs to enter in the Contracted Unit Cost from the Core List (attached) or the Unit Cost as per Contractor's Catalog price as well as the contracted Discount from List Price in the Discount % field if that is not already part of the list price. Each line item below includes the contracted discount from list price for that category as part of the description. Customer should also include a description of the specific item being ordered in the Item Description field or attach a quote from the Contractor with the specific item description.</p>								3PS - Sent
Receipt Method	Qty	Unit Cost	UOM	Discount %	Total Discount Amt.	Tax Rate	Tax Amount	Total Cost
This item is narrative								
<p>Print Sequence # 2.0, Item # 2: HVAC FILTERS -Enter the contracted Discount Price to State from the Core List Price Sheet or the discounted price from the general catalog. Discount off List Price for HVAC Filters if item is not on the Core List is as Follows; 1 inch filters at 70% 2 inch filters at 64% 4 inch filters at 69% Bag Filters at 50% Box Filters at 60%</p>								3PS - Sent
NIGP Code:								



SCOPE OF WORK

STATE OF ARIZONA
State Procurement Office
100 N 15th Ave. Suite 201
Phoenix, AZ 85007

Industrial and MRO Supplies (HVAC FILTERS)

1. INTRODUCTION/BACKGROUND

Pursuant to A.R.S. 41-2501, The Arizona Department of Administration, State Procurement Office (The State) is seeking to establish statewide contract(s) for Industrial and Facilities Maintenance Supplies necessary to support all State Agencies, Boards and Commissions and participating Cooperative Members (collectively hereinafter referred to as Eligible Agencies). The Special Terms and Conditions provide a more detailed definition of Eligible Agencies. A list of all State Agencies and Cooperative Members may be found on the State Procurement Office's Website. The State intends to award a contract(s) to qualified vendors in accordance with the terms, conditions and provisions set forth herein.

The awarded contract(s) shall replace existing contracts for Industrial Equipment and Supplies, Lighting Supplies: Lamps, Ballasts, Light Sensors and Exit Signs, Electrical Parts and Supplies, HVAC Filters and WSCA Facilities MRO/Industrial Supplies. The State desires to enter into contract(s) with reliable and capable vendors who can manage multiple agency accounts and delivery points located throughout the state, provides a online ordering system from a contract specific catalog with an effective filtering mechanism for excluded products, has sufficient statewide delivery capabilities, and offers a full, comprehensive line of Industrial and Facilities Maintenance Supplies, comprised of the items within the Product Categories at reasonable prices and offers the various discounts and programs as stated in this solicitation. The estimated dollar volume of products and equipment purchased under the proposed contract(s) is \$10 to \$12 million annually based on historical usage data and anticipated volumes. This is an estimated usage and because this contract(s) will be used on an as needed basis, the State makes no guarantee as to actual spend under any resultant contract.

2. STATEWIDE CAPACITY REQUIREMENTS

The Contractor shall have certain capacities and support mechanisms in place for the successful performance of this contract on a statewide basis. These capacities and support mechanisms shall include but are not limited to the following:

- 2.1 **Business Capacity.** The Contractor shall have the ability to ensure acceptable performance under a statewide contract including the ability to create and manage numerous individual accounts for order placement, billing and reporting purposes and the ability to provide a full range of products, materials, parts, and service for each category offered in order to meet the demands of all eligible agencies. This shall include the ability to resolve customer disputes, handle multiple communications from accounts and provide excellent customer service.
- 2.2 **Key Personnel.** The Contractor shall have in place capable key personnel trained and responsible for providing the following services. A separate staff member is not required for each area described but each of these duties shall be specifically assigned to someone capable of performing each of these duties.
 - 2.2.1 Arizona Statewide Contract Representative - knowledgeable on all aspects of the contract, will handle contract administration requests and resolve problems that may arise. (Main point of contact for the State Procurement Office)
 - 2.2.2 Catalog Maintenance -Maintain electronic, hard copy and ProcureAZ Punch-out Catalog along with resolution of State contract pricing issues
 - 2.2.3 Spend Management Representative – Knowledgeable in various spend management techniques and experience in the successful application of those techniques.
 - 2.2.4 Contract Data Analyst – capable of analyzing and reporting on various contract data inquiries including but not limited to contract spend data, usage trends, etc.



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3.2 ONLINE CATALOG AND ORDERING (Punch-Out)

- 3.2.1 The State utilizes an online catalog and ordering function (punch-out) through ProcureAZ for most purchase under this contract. The contractor shall have a secured website for placing online orders. The features and functions of this online ordering catalog shall include:
- Access by standard web browsers
 - Search functions
 - Product information such as unit of measure, photos, and item status inquiry functionality that provides stock availability
 - Indicate current catalog/or list price and contract price
 - Order tracking
 - Help functionality
 - Acceptance of P – Cards
 - Allow only contract items to be viewable
 - Ability to block or exclude items or categories
 - Identify the following product types;
 - Core List Items
 - Green / Recycled Products
 - Energy Efficient Products
- 3.2.2 *Access.* The Contractor shall provide access to and interconnectivity with the State's eProcurement System for the purpose of allowing authorized State system users to "Punch-Out" of the system, to access directly the Contractor's website, select contract products and services, and return to the State's system with the order details. Contractor shall cooperate with the State's system provider in the establishment and ongoing operations of their punch-out connection.
- 3.2.3 *Timeframe.* The "Punch-Out" capability shall be functional within 12 months of the contract begin date.
- 3.2.4 *Cost.* The cost associated with the Contractor's Punch-Out set-up, maintenance and support shall be borne by the Contractor.
- 3.2.5 *Discount Offered.* The implementation and management of electronic ordering systems result in lower administrative costs for both the Contractor and the State, it is therefore requested that the Contractor offer an additional discount percent (%) from list price for those who utilize the Punch-Out system to make purchases under this contract.
- 3.2.6. **The Online ProcureAZ Punch-Out Catalog shall be required for any contract awarded for all categories.**

3.3 **Core List.** The contractor shall provide discounted firm fixed price for specific items or their equivalent listed within the core product list. The contractors shall provide products and pricing in a minimum of one category. The Core List reflects the most common or frequently purchased under the existing state contracts. The contractor shall provide the product specified or equivalent. The core list may change during the term of the contract. Changes may be made to the core list at the time of renewal and shall reflect the most common products purchased under the contract to provide the best value to the Eligible Agencies. If multiple contracts are awarded, the core list shall have the ability to reflect the usage under each contract.

3.4 **Catalog / Product Categories.** The Contractor shall provide an established catalog/price list(s) containing comprehensive selection of products for a minimum of one Product Category. Pricing for all non-core / catalog items shall be based on a single fixed discount percent (%) from an establish list price. There is no limited to the number of commodities or equipment offered under each category nor is the contractor required to provide all items included in the description of the category. All products offered under any category shall fall within the general category description. If there is any question as to a product's inclusion in a category, the Procurement Officer shall make the final decision. Following is a general description of the product categories available under this contract along with any additional requirements of the products within each category.



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3.4.5 Lighting- Shall include but not be limited to; Energy Saving Lamps (Fluorescent, High Intensity Discharge, Traffic Signal lamps, and Incandescent), Ballasts, LED Lighting, Light Sensors, Exit Signs and Emergency Lighting.

All lamps and ballasts supplied under this contract shall be energy saving. It shall be recommended that all Standard A19 Incandescent Bulbs be replaced with energy efficient alternatives. All lamps and ballasts shall conform to all applicable Federal, State and Local laws, regulations and standards including but not limited to:

- 2012 Federal Lighting Legislation
- Restriction of Hazardous Substances Directive (RoHS)
- All mercury containing lamps shall be clearly marked and shall have passed US EPA's Toxicity Characteristics Leaching Procedure (TCLP) and not be classified as a hazardous waste.
- Electronic ballasts shall meet the limits of FCC Title 47, Parts 15 and 18 limitations for electromagnetic interference (EMI) radio frequency interference (RFI) and shall have at least a 5 year warranty.
- It shall be indicated if the electronic ballasts has been rated by NEMA Premium Electronic Ballast Program
- ANSI C82 Ballasts Standards
- ITE publication "Standard for Traffic Signal Lamps" and the ADOT Standard Specifications for Road and Bridge Construction (1996) - *Lamps to be used in vehicular traffic signal faces*
- If there are existing T12 systems, they shall be recommended to be converted to T8 Systems
- Energy Policy Act (EPACT) – All Lamps
- Light Sensors shall have a standard 5 year warranty and shall be UL and CUL listed.
- Exit signs shall have an input power demand of 5 watts or less per face and NEMA Premium Exit Signs shall be recommended.

3.4.6 Material Handling Equipment - Shall include but not be limited to; Ladders & Racks, Hand Trucks and Carts, Scales, Casters, Wheels, Shelving, Tool Storage, Rope, Straps.

3.4.7 Motors, Pumps and HVAC - Shall include but not be limited to; DC Motors, HVAC Motors, General Purpose Motors and Pumps.

3.4.8 Pneumatics, Hydraulics, Welding & Accessories - Shall include but not be limited to; Impact Wrench, Air Compressors, Vacuum Pumps, Valves, Regulators and Hoses, Arc Welding Rod and Wire Solder, Protective Helmet & Welding Gloves, Torch Kit & Regulators, MIG/TIG Welders.

3.4.9 Power Tools & Accessories - Shall include but not be limited to; Cordless Drills, Saws and Hammers, Finishing & Routing Tools, Battery Packs, Power Shears and Heat Guns, Drill Bits, Saw Blades, Milling Tools

3.4.10 Safety/Security/Batteries/Flashlights – Shall include but not be limited to; Gloves, Protective Eye Glasses and Headgear, Safety Signs and Vests, Protective Clothing and Footwear, Safety Cones, Barricade Tape & Safety Flags, Portable Water Coolers, Batteries, Flashlights, Fans, Heaters, Sports Drinks



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- 5.2 **Spend Management Program and Reports.** The Contractor shall offer a Spend Management Program that provides usage and spend information to customers for analysis of spending patterns. After the analysis is complete, the contractor shall provide suggestions and identify changes that would reduce customer expenditures such as identifying best value products and delivery.
- 5.3 **Seminars.** The Contractor shall have the ability to provide seminars to Eligible Agencies under an awarded contract. The Contractor shall provide a description of the seminars available that includes a seminar's proposed subject matter, presenter qualifications, number of seminars, proposed locations, method of delivery for seminars and notification to potential users. Subject matter of the Seminars may include but shall not be limited to;
- Green initiatives updates
 - Hazardous materials
 - USDA registered chemicals
 - MSD and
 - OSHA.
- 5.4 **Product Training / Demonstrations:** The Contractor shall offer product training available to Eligible Agencies. All product training shall be site specific. Contractor shall describe training offered including but not limited to;
- New products Demonstrations and Training
 - Equipment and operation
 - Green products
 - Energy conservation
- 5.5 **Warranties.** The Contractor shall describe all warranties that will be offered on all applicable equipment and products under this contract. All warranties offered shall meet or exceed the standard manufacturer warranty for that equipment of product.
- 5.6 **Small Business Enterprise Subcontract Program.** The Contractor shall indicate the utilization of any Small Business Enterprise Subcontractors in the performance of any resultant contract. A small business is one that, including its affiliates, is independently owned and operated, is not dominant in the type of business it conducts, and which employs fewer than 100 full-time employees or which has gross revenues of \$4 million or less. To qualify as a Small Business Enterprise Subcontract Program, the Contractor shall set aside a percentage of their business under this contract as subcontracts that will be performed by small business enterprises. Examples of where these subcontracts may be best utilized include but are not limited to subcontracting for a percentage of deliveries made in specific geographic areas of the state, product packaging services and billing or customer service/ordering services.
- 5.7 **Discounts.** The Contractor(s) is encouraged to offer discounts for various groups or purchases. Such discounts may include but are not limited to the following;
- **Educational Discount** - additional discount percent (%) from list price to qualifying educational institutions (e.g. K-12, Colleges and Universities).
 - **Single Bulk Purchase** - additional discount percent (%) from list price offered on stand-alone bulk purchases. If offered, the contractor shall clearly describe what qualifies for the discount.
 - **P-Card** - additional discount percent (%) from list price offered on purchases paid on a Purchasing Card.
 - **Punch-out** - additional discount percent (%) from list price offered on purchases made utilizing the State's ProcureAZ Punch-Out process.



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Industrial and MRO Supplies (HVAC FILTERS)

- 6.5 Energy Efficiency. ARS 34-451 requires; "All state agencies shall procure energy efficient products that are certified by the United States department of energy or the United States environmental protection agency as energy star or are certified under the Federal Energy Management Program (FEMP) in all categories that are available unless the products are shown not to be cost-effective on a life cycle cost basis."

Contractors are encouraged to offer products that meet these requirements. Information about Energy Star Products and FEMP may be found at;

- <http://www.energystar.gov/products> ; and
- http://www1.eere.energy.gov/femp/procurement/eeep_requirements.html

- 6.6 Reporting Requirements. The following requirements shall be performed by the Contractor relating to an Environmentally Friendly or Green Products.

- 6.6.1 The Contractor shall submit an **Environmentally Friendly or Green Product Report** that identifies the environmentally friendly or green products, energy efficient products, and products containing 25% post consumer material sold and the total dollars purchased during the reporting period.
- 6.6.2 The Contractor shall furnish this report on annual basis to the Procurement Officer of Record no later than July 31st or upon request of the State..
- 6.6.3 Failure on the part of the Contractor to accurately and timely submit any reports required by this contract may give rise to any contractual remedies available to the state.



SPECIAL TERMS AND CONDITIONS

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1.10 **Appropriation of Funds.** Every payment obligation of the Agency under this Contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to an Eligible Agency or the State of Arizona in the event this provision is exercised, and neither the Eligible Agency nor the State shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

2. ADMINISTRATIVE FEE / USAGE

2.1 Contractor shall assess an administrative fee in the amount of one (1%) against all contract sales to members of the State Purchasing Cooperative – including cities, counties, school districts and other qualified members. The administrative fee is calculated against all sales under this contract minus any taxes or regulatory fees, minus any returns or credits, and minus any shipping charges not already included in the unit prices. An updated list of State Purchasing Cooperative members may be found at http://spo.az.gov/Cooperative_Procurement/SPC/default.asp.

2.2 At its option, the State may expand or narrow the applicability of this fee. The State shall provide thirty (30) written notice prior to exercising or changing this option.

2.3 The Administrative Fee shall be a part of the Contractor's unit prices and is not to be charged directly to the customer in the form of a separate line item. Statewide contracts shall not have separate prices for State Agency customers and State Purchasing Cooperative customers.

2.4 Contractors shall submit a Quarterly Usage Report documenting all contract sales. The proper Usage Report Forms may be found on the State Procurement Office's web site http://spo.az.gov/Contractor_Resources/Admin_Fee/. Any alternate Quarterly Usage Report format shall be approved by the Procurement Officer. If there are no contract sales during a quarter a quarterly Usage Report indicating "no contract sales" shall be submitted to satisfy this requirement.

2.5 The applicable Administrative Fee shall be submitted, along with a Quarterly Usage Report to the State Procurement Office no later than the last day of the month following the end of each calendar quarter. Administrative Fees shall be submitted to the following address:

Arizona Department of Administration
State Procurement Office
Attention: Statewide Contract Administrative Fee
100 N. 15th Avenue, Suite 201
Phoenix, AZ 85007.

2.6 The submission schedule for Administrative Fees and Usage reports shall be as follows:

FY Q1 (July–Sept.)	Due October 31
FY Q2 (Oct.–Dec.)	Due January 31
FY Q3 (Jan.-March)	Due by April 30
FY Q4 (April – June)	Due by July 31

2.7 Contractor's failure to remit accurate administrative fees and quarterly usage reports in a timely manner consistent with the contract's requirements may result in the State exercising any recourse available under the contract or as provided for by law.



SPECIAL TERMS AND CONDITIONS

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Industrial and MRO Supplies (HVAC FILTERS)

- 4.2 **Product Discontinuance.** In the event that a product or groups of products are discontinued by a manufacturer, written notice shall be submitted to the State within 5 business days of notification from manufacturer. The State at its sole discretion may allow the Contractor to provide replacements for the discontinued product(s) or allow the deletion of such products from the contract. Approval shall be in the form of a contract amendment or change order and shall become effective upon execution of the amendment or change order, unless otherwise stated. Upon approval by the State, the Contractor shall make available all electronic and hard catalog/price list updates to all eligible at no additional cost to the State. The request may be submitted at any time during the contract period and shall be supplemented with the following information. Failure to supply any of the following information with the request may result in the State not considering the request.
- A formal announcement or documentation from the manufacturer stating that the product(s) have been discontinued.
 - Documentation describing any replacement product providing clear evidence that the replacement product(s) meets or exceeds the specifications of the discontinued product(s) while remaining in the same product group(s) as the discontinued item, and;
 - Documentation confirming that the price for the replacement product(s) is equivalent or less than the discontinued item.
- 4.3 **Inventory.** The State of Arizona has an ongoing requirement for the material indicated in this solicitation. It is an express condition of any award that a Contractor shall maintain a reasonable stock on hand for delivery to the requesting agency. Failure to maintain such a stock may result in contract cancellation.
- 4.4 **Current Products.** All products being offered in this contract shall be in current and ongoing production; shall be formally announced for general marketing purposes; shall be a model or type currently functioning in a user (paying customer) environment and capable of meeting or exceeding all specifications and requirements set forth in this contract.
- 4.5 **New Products.** The State, at its sole discretion, reserves the right to include additional products or product categories that are within the scope of work and in the best interest of the State. Approval(s) shall be in the form of a contract amendment or change order and shall become effective on the date specified in the amendment or change order. Upon approval by the State, the contractor shall make available all catalog/price list updates to all eligible agencies at no additional cost to the State. Pricing shall be in line with current contract pricing. Contractor's request for new products shall include the following information;
- 4.5.1 Documentation that provides clear evidence that the new products are those that are within the scope of awarded contract. NO products outside the scope of the original award shall be allowed.
- 4.5.2 That states prices at which sales are currently or were last made to a significant number of category of buyers or buyers constituting the general buying public for the materials or supplies involved and that will be sold at the existing discount (percent %) from list price as existing products.
- 4.6 **Warranty.** The Contractor shall guarantee its products to be free from defect in materials and workmanship, given normal use and care, over the period of the applicable manufacturer's warranty. Manufacturer's warranties are the sole responsibility of the manufacturer and must be official and standard (not customized) documents that are signed by a manufacturer's representative.
- 4.7 **Defective Products.** All defective products shall be replaced and exchanged by the 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 the state within seven (7) days of initial notification.



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7.2 Non Contract Items.

7.2.1 Any attempt to knowingly represent any material and/or service not specifically awarded, as being under contract with the State of Arizona is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the state inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

7.2.2 Electronic Punch-Out systems shall not allow for purchase orders to be placed for non-contract or excluded items.

7.3 Ordering Support. The Contractor shall provide and maintain applicable toll-free telephone numbers, facsimile numbers, and at least one (1) electronic ordering system (such as e-mail or web based) for Customer usage. Failure to maintain this service may be cause for cancellation of the contract.

7.4 Minimum Orders. No minimum dollar or item count shall be allowed on orders from Eligible Agencies.

7.5 Order Acknowledgement. Contractor shall acknowledge receipt of all Orders. Contractor shall notify the Customer, in writing or electronically, within two (2) days of Order receipt. Customers may accept verbal Order acknowledgment when time and circumstances require.

7.6 Return Policy. In the event ordered and delivered items are returned to the supplier due solely to a management decision by the Eligible Agency and not due to any fault or error by the supplier, the freight cost for the return of the items plus any cost necessary to insure receipt of the returned items by the supplier shall be paid by the ordering agency. Items returned under this provision must be shipped back to the supplier by the ordering agency not later than 30 calendar days after initial receipt of the items from the supplier and must be returned unused in the original packaging including any instruction manuals or other material accompanying the initial shipment. The Supplier shall not be entitled to a restocking fee.

8. DELIVERY

8.1 Shipping F.O.B. Statewide. Prices shall be F.O.B. Destination to any delivery location in the State of Arizona, delivered to the specified receiving point as required by the customer agency at the time of order. Contractor shall retain title and control of all goods until they are delivered and received by the Eligible Agency. All risk of transportation and all related charges shall be the responsibility of the contractor. All claims for visible and concealed damage shall be filed by the contractor. The State will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.

8.2 Delivery Time. Delivery shall occur Monday through Friday, except State Service holidays, between the hours of 8:00am and 3:00pm local time, unless otherwise specified by the Customer.

9. KEY PERSONNEL

It is essential that the contractor provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The contractor must assign specific individuals to the key positions assigned to work under the contract, Key personnel shall not be removed or replaced without the prior notification of the State. The contractor shall replace all key personnel that are removed with personnel of equal skill, education and experience.



SPECIAL TERMS AND CONDITIONS

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State Procurement Office
100 N 15th Ave. Suite 201
Phoenix, AZ 85007

Industrial and MRO Supplies (HVAC FILTERS)

11.4.8 Green Product Indicators

11.5 One Version. The State, at its sole discretion, may maintain the contractor's electronic catalog/price list data or provide electronic links to it through our ProcureAZ web-site. Regardless of the number and types of links to the contractor's electronic catalog/price list, the contractor shall ensure that all eligible agencies are able to access one, and only one, version of contracted catalog/price list.

11.6 Catalog Alterations. Upon award and during the term of the contract the contractor shall not alter, modify or update either the electronic or hard copy versions of the catalog/price list without prior approval by the State (see revised replacement catalog price/list provision for additional requirements). Hard copy versions shall be made available to all Eligible Agencies upon request at no cost.

12. PROCUREAZ ONLINE CATALOG AND ELECTRONIC ORDERING SYSTEM (PUNCH - OUT)

12.1 Features. The Contractor shall make available an online catalog to allow eligible agencies to make purchases through the State's eProcurement System (ProcureAZ). The features and functions of any online ordering catalog shall as a minimum include the following:

- Secured website.
- Access by standard web browsers
- Product information such as unit of measure, item status, price description and photos
- Item status inquiry functionality that provides stock availability
- Order tracking
- Help functionality
- Reflect current catalog / price list and contract pricing
- Restricted to only those items that may be purchased under this contract that are within the general product categories establish by this contract
- Any items that are excluded from this contract shall not be included.

12.2 Access. The Contractor shall provide access to and interconnectivity with ProcureAZ for the purpose of allowing authorized State system users to "Punch-Out" of the State's eProcurement system, and select contract products and services directly from the Contractor's website, and return to the State's system with pre-populated order details. Contractor shall cooperate with the State's system provider in the establishment and ongoing operations of their Punch-Out connection.

12.3 Timeframe. The "Punch-Out" capability shall be functional within the first six months of the contract begin date.

12.4 Cost. The cost associated with the Contractor's Punch-Out set-up, maintenance and support shall be borne by the Contractor.

13. CONTRABAND

Any person who takes into or out of, or attempts to take into or out of a correctional facility or the grounds belonging to or adjacent to a correctional facility, any item not specifically authorized by the correctional facility shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including employees and visitors, entering upon these confines are subject to routine searches of their person, vehicles, property of packages

13.1 DEFINITION – A.R.S. § 13-2501.

Contraband means any dangerous drug, narcotic drug, intoxication liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use or possession would endanger the safety, security, or preservation of order in a correctional institution or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e. marijuana, nonprescription medication, etc.)



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16. RISK AND LIABILITY

16.1 INDEMNIFICATION:

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

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

16.2 INSURANCE REQUIREMENTS:

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

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

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

I. Commercial General Liability – Occurrence Form

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

• General Aggregate	\$1,000,000
• Products – Completed Operations Aggregate	\$ 500,000
• Personal and Advertising Injury	\$ 500,000
• Blanket Contractual Liability – Written and Oral	\$ 500,000
• Damage to Rented Premises	\$ 25,000
• Each Occurrence	\$ 500,000



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- C. **NOTICE OF CANCELLATION:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to **the Department** and shall be sent by certified mail, return receipt requested.
- D. **ACCEPTABILITY OF INSURERS:** Contractors insurance shall be placed with companies duly licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII or duly authorized to transact Workers' Compensation insurance in the State of Arizona. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative.
- All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- All certificates required by this Contract shall be sent directly to **the Department**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.
- F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.
- H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.



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2. Contract Interpretation

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

3. Contract Administration and Operation

- 3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.



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Phoenix, AZ 85007

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4. Costs and Payments

- 4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- 4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.
- 4.3. Applicable Taxes.
 - 4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.
 - 4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.
 - 4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
 - 4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.
- 4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.
- 4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:
 - 4.5.1. Accept a decrease in price offered by the contractor;
 - 4.5.2. Cancel the Contract; or
 - 4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

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



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

7. Warranties

- 7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:
- 7.2.1. Of a quality to pass without objection in the trade under the Contract description;
 - 7.2.2. Fit for the intended purposes for which the materials are used;
 - 7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 7.2.4. Adequately contained, packaged and marked as the Contract may require; and
 - 7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.
- 7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.



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Phoenix, AZ 85007

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8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

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

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

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

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

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.



END OF DOCUMENT

Solicitation No.: ADSPO14-00003418

STATE OF ARIZONA
State Procurement Office
100 N 15th Ave. Suite 201
Phoenix, AZ 85007

Industrial and MRO Supplies (Including Electrical, Air Filters & Lighting)

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**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
KBAK DBA AIRE FILTER PRODUCTS**

EXHIBIT B
Award and Rate Sheet



OFFER AND ACCEPTANCE

Solicitation No.: ADSP014-00003418

STATE OF ARIZONA
State Procurement Office
100 N 16th Ave. Suite 201
Phoenix, AZ 85007

Industrial and MRO Supplies (Including Electrical, Air Filters & Lighting)

OFFER

TO THE STATE OF ARIZONA:

The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation and any written exceptions in the offer. Signature also certifies Small Business status.

Arizona Transaction (Sales) Privilege Tax License No.:

[Redacted]

Federal Employer Identification No.:

[Redacted]

Phone:

002 254 0293

Fax:

002 254 1319

Five Filter Products

Company Name

PO Box 30006

Address

PHX

City

AZ

State

85007

Zip

[Signature]

Signature of Person Authorized to Sign Offer

Brandon Sparks

Printed Name

Pres

Title

By signature in the Offer section above, the Offeror certifies:

1. The submission of the Offer did not involve collusion or other anticompetitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 2009-09 or A.R.S. §§ 41-1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror certifies that the above referenced organization IS IS NOT a small business with less than 100 employees or has gross revenues of \$4 million or less.

ACCEPTANCE OF OFFER

The Offer is hereby accepted.

The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by the State.

This Contract shall henceforth be referred to as Contract No. ADSP014-0104765

The effective date of the Contract shall be: February 1, 2014

The Contractor has been cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contract release document or written notice to proceed.

State of Arizona
Awarded this

31st day of January 2014

[Signature]

Procurement Officer

Proposed Product - HVAC Filters - Aire Filter Products								
Manufacturer	Product #	Description	Items per UOM	UOM	Catalog/List Price	Discount % Offered	Contract Price	Green /Energy Efficient (Y/N)
FLANDERS	FL2424VP	24X24X2 P. Merv 8 Pleat	1	each	\$7.28	\$0.64	\$2.62	Y
FLANDERS	FL16252VP	16X25X2 P. Merv 8 Pleat	1	each	\$5.74	\$0.64	\$2.07	Y
FLANDERS	FL20252VP	20X25X2 P. Merv 8 Pleat	1	each	\$5.69	\$0.64	\$2.41	Y
FLANDERS	FL20202VP	20X20X2 P. Merv 8 Pleat	1	each	\$5.74	\$0.64	\$2.07	Y
FLANDERS	FL12242VP	12X24X2 P. Merv 8 Pleat	1	each	\$4.96	\$0.64	\$1.79	Y
FLANDERS	FL16202VP	16X20X2 P. Merv 8 Pleat	1	each	\$5.09	\$0.64	\$1.83	Y
AAF	AAF20201PP	20X20X1 P. Merv 8 Pleat	1	each	\$5.65	\$0.70	\$1.70	Y
AAF	AAF24244P8	24X24X4 P. Merv 8 Pleat	1	each	\$13.70	\$0.69	\$4.25	Y
FLANDERS	FL12161VP	12X16X1 P. Merv 8 Pleat	1	each	\$4.81	\$0.62	\$1.83	Y
AAF	AAF16201PP	16X20X1 P. Merv 8 Pleat	1	each	\$5.74	\$0.70	\$1.72	Y
AAF	AAF20251PP	20X25X1 P. Merv 8 Pleat	1	each	\$6.45	\$0.70	\$1.94	Y
FLANDERS	FL18242VP	18X24X2 P. Merv 8 Pleat	1	each	\$6.29	\$0.64	\$2.26	Y
FLANDERS	FL24242VP	24X24X2 P. Merv 8 Pleat	1	each	\$7.28	\$0.64	\$2.62	Y
FLANDERS	FL20242VP	20X24X2 P. Merv 8 Pleat	1	each	\$6.60	\$0.64	\$2.38	Y
FLANDERS	FL24242VPH	24X24X2 HIGH CAPACITY Merv 8	1	each	\$8.69	\$0.64	\$3.13	Y
FLANDERS	FL16202VPH	16X20X2 HIGH CAPACITY Merv 8	1	each	\$6.08	\$0.64	\$2.19	Y
FLANDERS	FL16162VPH	16X16X2 HIGH CAPACITY Merv 8	1	each	\$6.71	\$0.64	\$2.42	Y
FLANDERS	FL16252VPH	16X25X2 HIGH CAPACITY Merv 8	1	each	\$7.00	\$0.64	\$2.52	Y
FLANDERS	FL20202VPH	20X20X2 HIGH CAPACITY Merv 8	1	each	\$7.00	\$0.64	\$2.52	Y
FLANDERS	FL12242VPH	12X24X2 HIGH CAPACITY Merv 8	1	each	\$5.99	\$0.64	\$2.16	Y
AAF	AAF24244P8H	24X24X4 HIGH CAPACITY Merv 8	1	each	\$14.88	\$0.69	\$4.61	Y
FLANDERS	FL20252VPH	20X25X2 HIGH CAPACITY Merv 8	1	each	\$8.05	\$0.64	\$2.90	Y
AAF	AAF20202I	20X20X2 ANTIMICROBIAL MERV 8 PLEAT	1	each	\$7.88	\$0.64	\$2.84	Y
AAF	AAF16202I	16X20X2 ANTIMICROBIAL MERV 8 PLEAT	1	each	\$6.88	\$0.64	\$2.48	Y
AAF	AAF15202I	15X20X2 ANTIMICROBIAL MERV 8 PLEAT	1	each	\$7.41	\$0.64	\$2.67	Y
AAF	AAF20201I	20X20X1 ANTIMICROBIAL MERV 8 PLEAT	1	each	\$7.79	\$0.70	\$2.34	Y
FLANDERS	FL16202M13H	16X20X2 MERV 13 PLEAT	1	each	\$14.88	\$0.64	\$5.36	Y
FLANDERS	FL16252M13H	16X25X2 MERV 13 PLEAT	1	each	\$17.14	\$0.64	\$6.17	Y
FLANDERS	FL20252M13H	20X25X2 MERV 13 PLEAT	1	each	\$19.87	\$0.64	\$7.15	Y
FLANDERS	FL16202TA	16X20X2 TA PANEL	1	each	\$3.11	\$0.64	\$1.12	Y
FLANDERS	FL16252TA	16X25X2 TA PANEL	1	each	\$3.19	\$0.64	\$1.15	Y
FLANDERS	FL20201TA	20X20X1 TA PANEL	1	each	\$2.60	\$0.70	\$0.78	Y
FLANDERS	FL24242I/6P95	24X24X2I 6P. MERV 15 SYN	1	each	\$29.74	\$0.50	\$14.87	N
FLANDERS	FL242415/6P95	24X24X15 6P. MERV 14 SYN	1	each	\$25.88	\$0.50	\$12.94	N
FLANDERS	FL242415/8P95	24X24X15 8P. MERV 14 SYN	1	each	\$25.88	\$0.50	\$12.94	N
FLANDERS	FL24242I/8P95	24X24X2I 8P. MERV 14 SYN	1	each	\$29.74	\$0.50	\$14.87	N
FLANDERS	FL242422/10PG9	24X24X22 10P. MERV 15 GLASS	1	each	\$61.44	\$0.50	\$30.72	N
FLANDERS	FL242412/5HG95	24X24X12 S/H MERV 14 GLASS UL 1	1	each	\$89.55	\$0.60	\$35.82	N
FLANDERS	FL242412/95	24X24X12 MERV 14 SYN UL2	1	each	\$75.44	\$0.60	\$30.18	N
FLANDERS	FL241212/95	24X12X12 MERV 12 SYN UL2	1	each	\$56.91	\$0.60	\$22.56	N
FLANDERS	FL242412/85	24X24X12 MERV 12 SYN UL2	1	each	\$74.11	\$0.60	\$29.64	N
FLANDERS	FL241212/85	24X12X12 MERV 14 SYN UL2	1	each	\$55.71	\$0.60	\$22.28	N
FLANDERS	FL241212/95	24X12X12 MERV 15 SYN UL2	1	each	\$55.71	\$0.60	\$22.28	N

Pleated Filter Special Size Pricing:

Square Inches	1"	2"	4"
0-149	2.66	2.89	3.64
150-199	2.71	2.91	3.64
200-249	2.81	3.05	3.81
250-299	2.88	3.11	3.81
300-399	2.66	3.26	4.25
400-499	2.71	3.36	4.31
500-599	2.89	3.71	4.31
600-900	3.05	3.88	4.31

Panel Filter Special Size Pricing

Sq. Inches	1" Depth		2" Depth	
	\$ / Filter		\$ / Filter	
0 - 99	1.38		0 - 99	1.46

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
KBAK DBA AIRE FILTER PRODUCTS**

EXHIBIT C
Scope of Work

PROJECT

Supply HVAC filters on an as-needed basis.

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
KBAK DBA AIRE FILTER PRODUCTS**

EXHIBIT D

METHOD AND AMOUNT OF COMPENSATION

NOT TO EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed \$40,000.

DETAILED PROJECT COMPENSATION

Supply HVAC filters on an as-needed basis.