



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

Award Contract Grant

Requested Board Meeting Date: 9/4/18

* = Mandatory, information must be provided

or Procurement Director Award

***Contractor/Vendor Name/Grantor (DBA):**

Sierra Auction Management, Inc.

***Project Title/Description:**

Auctioneering Services

***Purpose:**

Award: Master Agreement No. MA-PO-19-024. This Master Agreement is for an initial term of one (1) year in the annual revenue award amount of \$1,000,000.00 and includes four (4) one-year renewal options. Administering Department: Procurement

***Procurement Method:**

Pursuant to Pima County Procurement Code 11.12.010, Competitive sealed bidding, Solicitation No. 301201 was conducted. Three (3) responses were received. Award is to the responsive and responsible bidder.

PRCUID: 301201

Attachments: Notice of Recommendation for Award and Master Agreement.

***Program Goals/Predicted Outcomes:**

To sell surplus property in the most efficient manner at fair and equitable prices.

***Public Benefit:**

Citizens will have the opportunity to purchase surplus property. Revenue from the auction sales will be returned to the County's coffers.

***Metrics Available to Measure Performance:**

County will measure how many items are sold, length of time an item is at auction and the selling price of items.

***Retroactive:**

No.

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To: COB, 8-22-18
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Contract / Award Information

Document Type: MA Department Code: PO Contract Number (i.e.,15-123): 19-024

Effective Date: 10/1/18 Termination Date: 9/30/19 Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$* _____ Revenue Amount: \$ \$1,000,000.00

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

If Yes, is the Contract to a vendor or subrecipient?

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e.,15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

Expense or Revenue Increase Decrease Amount This Amendment: \$ _____

Is there revenue included? Yes No If Yes \$ _____

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) Award Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e.,15-123): _____

Effective Date: _____ Termination Date: _____ Amendment Number: _____

Match Amount: \$ _____ Revenue Amount: \$ _____

***All Funding Source(s) required:**

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____ % _____

*Funding Source: _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Jennifer Moore, Procurement Officer Division Manager: [Signature]

Department: Procurement Telephone: 520.724.8164

Department Director Signature/Date: [Signature] 8/20/18

Deputy County Administrator Signature/Date: [Signature] 8-21-18

County Administrator Signature/Date: [Signature] 8/22/18
(Required for Board Agenda/Addendum Items)



NOTICE OF RECOMMENDATION FOR AWARD

Date of Issue: August 20, 2018

The Pima County Procurement Department hereby issues formal notice to respondents to Solicitation No. 301201 for Auctioneering Services that the following listed respondents will be recommended for award as indicated below. The award action is scheduled to be performed by the Board of Supervisors on or after September 4, 2018.

Award is recommended to the responsive and responsible Bidder.

<u>AWARDEE NAME</u>	<u>ESTIMATED REVENUE AMOUNT</u>
Group 1: Vehicles, Heavy Truck & Equipment, Automotive Equipment & parts Sierra Auction Management, Inc.	\$485,960.00
Group 2: Miscellaneous Equipment and Supplies Sierra Auction Management, Inc.	\$95,427.50
Group 3: Wastewater Equipment & Parts Sierra Auction Management, Inc.	\$502,500.00
Group 4: Sheriff Department personal surplus and unclaimed property Sierra Auction Management, Inc.	\$177,390.00
 <u>OTHER RESPONDENTS NAME</u>	
Group 1: Vehicles, Heavy Truck & Equipment, Automotive Equipment & parts PropertyRoom.com, Inc.	Non-responsive
Group 2: Miscellaneous Equipment and Supplies None.	
Group 3: Wastewater Equipment & Parts GovDeals, Inc. PropertyRoom.com, Inc.	\$500,000.00* \$487,500.00
Group 4: Sheriff Department personal surplus and unclaimed property PropertyRoom.com, Inc.	Non-responsive

*Bid amount as shown includes correction.

Issued by: Jennifer Moore, Procurement Officer Telephone Number: 520.724.8164

This notice is in compliance with Pima County Procurement Code §11.20.010(C).
Copy to: Pima County SBE via e-mail at SBE@pima.gov.



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES
CONTRACT EXECUTION

Master Agreement No: 1900000000000000024

MA Version: 1

Page: 1 of 2

Description: Auctioneering Services

I S S U E R	Pima County Procurement Department
	130 W. Congress St. 3rd Fl
	Tucson AZ 85701
	Issued By: JENNIFER MOORE
	Phone: 5207248164
	Email: jennifer.moore@pima.gov

T E R M S	Initiation Date: 10-01-2018
	Expiration Date: 09-30-2019
	NTE Amount: \$0.00
	Used Amount: \$0.00

V E N D O R	SIERRA AUCTION MANAGEMENT INC	Contact: Craig Lonabaugh
	3911 N Hwy Dr	Phone: 520-882-0111
	Tucson AZ 85705	Email: michael.cleveland@sierraauction.com
		Terms: 0.00 %
		Days: 30

Shipping Method:	Vendor Method
Delivery Type:	
FOB:	FOB Dest, Freight Prepaid
Modification Reason	
This Master Agreement is for an initial term of one (1) year and includes four (4) one-year renewal options. Attachment: Offer Agreement	

This Master Agreement incorporates the attached documents, and by reference all instructions, Standard Terms and Conditions, Special Terms and Conditions, and requirements that are included in or referenced by the solicitation documents used to establish this agreement. All transactions and conduct are required to conform to these documents.



MASTER AGREEMENT DETAILS

PIMA COUNTY

Master Agreement No: 19000000000000000024

MA Version: 1

Page: 2 of 2

Line	Description					
1	Auctioneering Services Discount 0.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN

OFFER AGREEMENT**1. INTENT:**

This document is intended to establish a Master Agreement ("MA") to provide Pima County ("County") with **live and online public auctioneering services** on a percentage of sales basis. This Master Agreement will be shared amongst Contractors responsible to auction personal surplus county property and unclaimed property.

County reserves the right to make a single or multiple awards by group:

Group 1: Vehicles, Heavy Truck & Equipment, Automotive Equipment & Parts

1a: Vehicles, Trucks, Light and Medium

Class 1-5 Trucks and passenger motor vehicles (including but not limited to: Trucks, Sedans, Vans, SUV's, Crossovers and Hybrids.

1b: Heavy Truck and Heavy Equipment (off road equipment)

Heavy equipment including equipment typically associated with road construction, building construction or road maintenance included but not limited to water trucks, sewer trucks, mobile fuel delivery trucks, road graders, front end loaders, bull dozers, road rollers, rock crushing and processing equipment, cranes (all types), forklifts (all types), scrapers, back hoes, grade tractors, man lifts, and excavators (tracked or wheeled), generators over 20kW rating.

1c: Miscellaneous Automotive Items

Miscellaneous automotive equipment such as trailers, golf carts, utility carts and automobile accessories, such as hitches, winches, and camper shells. Typical parts include oil filters, air filters, belts, hoses, gaskets, brake components.

Group 2: Miscellaneous Equipment and Supplies – IT hardware, printers, copiers, office furniture, commercial kitchen equipment, fabrication equipment, and other items

Group 3: Wastewater equipment and parts

Group 4: Sheriff Department personal surplus and unclaimed property

4a: Sheriff Firearms and Ammunition

4b: Sheriff Unclaimed Property

As defined by the Pima County Standard Terms and Conditions included herein, this contract is non-exclusive and County may terminate it for any reason without penalty or cost.

All Goods and Services that Contractor offers or provides pursuant to the contract will conform to the requirements defined by or referred to by the solicitation documents including *Solicitation Addenda*, *Instructions to Offerors*, *Standard Terms and Conditions*, and this *Offer Agreement*, all of which are incorporated herein.

This document, including all attachments and documents incorporated by reference, constitutes the entire contract between the parties pertaining to the subject matter hereof, and merges all prior or contemporaneous agreements and understandings, oral or written, herein.

2. CONTRACT TERM, RENEWALS, EXTENSIONS & REVISIONS:

The initial term of the MA will be for a one (1) year period and include four (4) one-year renewal options that the parties may exercise upon written agreement as follows:

Contract extensions, renewals, or revisions will occur through the issuance by County to Contractor of a revised MA document setting forth the requested changes. Failure by Contractor to object in writing to the proposed revisions, terms, conditions, scope modifications and/or specifications within ten (10) calendar days of issuance by County will signify acceptance of all such changes by Contractor and the revision will be binding upon the parties, effective on the date of issuance.

3. CONTRACTOR MINIMUM QUALIFICATIONS:

The Contractor certifies that it is competent, willing and responsible for performing the services or providing the products in accordance with all requirements of the solicitation and this contract. Contractor certifies that it possesses all licenses required by applicable Agencies to satisfy the requirements of this contract.

Check appropriate response certifying agreement with the requirement and as applicable the appropriate response certifying requested information/document is provided to substantiate meeting the minimum qualification.

MQ No.	MINIMUM QUALIFICATIONS	CHECK <input checked="" type="checkbox"/> appropriate response certifying agreement with the requirement and/or substantiating documents are attached.
All Groups		
1	Dedicated Account Manager: All Groups Contractor must assign a dedicated account manager.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Group 1: Vehicles, Heavy Truck & Equipment, Automotive Equipment & Parts		
2a	Auction Experience: Group 1 Contractor must be currently active and organized for the past consecutive three (3) years in the provision of live and online auction services. Complete Attachment A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2b	Storage Facility: Group 1 Contractor must have a facility within the Tucson Metropolitan area with the capacity to store up to 20 vehicles monthly and for customers to pre-view items of all subgroups Complete Attachment A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2c	License: Group 1 Must be properly licensed by the Arizona Department of Transportation for motor vehicle dealer services and hold a Public Consignment Auction Dealer license. Attached is a copy of license.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Group 2: Miscellaneous Equipment and Supplies		
3a	Auction Experience: Group 2 Contractor must be currently active and organized for the past consecutive three (3) years in the provision of online auction services. Complete Attachment A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3b	Storage Facility: Group 2 Contractor must have an indoor facility within the Tucson Metropolitan area with the capacity to store pallets of items such as electronics for protection against environment. Complete Attachment A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Group 3: Wastewater equipment and parts		
4	Auction Experience: Group 3 Contractor must be currently active and organized for the past consecutive three (3) years in the provision of online auction services. Complete Attachment A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Group 4: Sheriff Department personal surplus and unclaimed property		
5a	Contractor must be currently active and organized for the past consecutive three (3) years in the provision of online auction services. Complete Attachment A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5b	Storage Facility: Group 4 Contractor must have an indoor facility with the capacity to store pallets of items and permit pre-view of firearms and other items that may be of significant value.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5c	License: Group 4a: Firearms Must currently have and maintain a Federal Firearms License (FFL) type 1. Dealer in Firearms as issued by the Bureau of Alcohol, Tobacco, Firearms and Explosives. Attached is a copy of license.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

4. PRODUCT OR SERVICE SPECIFICATIONS & SCOPE:

Refer To Exhibit A

5. OFFER ACCEPTANCE AND ORDER RELEASES:

County will accept offer(s) and execute this contract by issue of a MA (recurring requirements) to be effective on the document's date of issue without further action by either party. The MA will document the term of the agreement.

Pursuant to the executed MA, County departments requiring auctioning services for items defined herein will issue a Surplus Property Release (SPR) document (Exhibit B) to the Contractor.

County will furnish the Surplus Property Release (SPR) document to Contractor via facsimile, e-mail or telephone. **County gives the order verbally, the County Department issuing the order will transmit a confirming order document to Contractor within five (5) workdays of the date it gives the verbal order.**

Contractor must not pick-up or auction materials that are not specified on the MA and are not documented or authorized by a Surplus Property Release (SPR) document.

Contractor will establish, monitor, and manage an effective contract administration process that assures compliance with all requirements of this contract. In particular, Contractor will not provide goods or services in excess of the executed contract items, item quantity, item amount, or contract amount without prior written authorization by contract revision that County has properly executed and issued. Any items Contractor provides in excess of those stated in the contract are at Contractor's own risk. Contractor will decline verbal requests to pick-up and auction items in excess of the contract and will report all such requests in writing to the County Procurement Department within one (1) workday of the request. The report must include the name of the requesting individual and the nature of the request.

6. ACCEPTANCE OF GOODS AND SERVICES:

The County Department designated on the issued Surplus Property Release (SPR) document will release the items to the Contractor for auctioning services only in accordance with this contract. Such acceptance is a prerequisite to the commencement of payment terms.

7. COMPENSATION & PAYMENT:

As consideration for performance of the duties described herein, Contractor will deduct the expenses from the funds due the County. Payment of commission to the County will be made within six (6) **calendar** days after the sale (auction date).

Payment will be accompanied with a detailed list of all items sold, price sold for, County department disposing of the equipment and buyers' number. A detailed list of all items not sold and to be held for the next sale to include County department will be supplied with the payment.

Contractor will submit Commission Payment to the location and department defined by County's Surplus Property Release (SPR) document.

All payment documents will reference the County's Master Agreement Number and Surplus Property Release (SPR) document under which the services were ordered. **ALL** payment documents, warrant and the report, will utilize the item description, precise unit price and unit of measure defined by this contract.

Quantities in this solicitation are estimates only. County reserves the right to increase or decrease quantities and amounts. County makes no guarantee regarding actual orders for items or quantities during the term of the agreement.

Contractor's commission percentage, unit prices, buyer's premium must include all incidentals and associated costs required to comply with and satisfy all requirements of this solicitation, which includes the *Instructions to Offerors, Standard Terms and Conditions*, and Offer Agreement. County will make no payments for items not in the contract.

Contractor will provide detailed documentation in support of commission payment to the County.

COMMISSION RATES AND UNIT PRICES (Net 30-day Payment Terms)

ITEM #	ITEM NAME Items to include and satisfy all Solicitation & Offer Agreement requirements, General & Item Specifications	Estimated Annual Usage	Unit of Measure	Estimated Selling Price	Commission % from sale Paid to Pima County	Estimated Annual Revenue Paid to Pima County
Group 1						
1a	Vehicles, Trucks, Light and Medium	140	Each	\$2,800.00	-0.5 %	\$ 393,960.00
1b	Heavy Truck/ Equipment	4	Each	\$25,000.00	-0.5 %	\$ 100,500.00
1c	Miscellaneous Automotive Items	15	Each	\$300.00	0.0 %	\$ 4,500.00
				Estimated Total Revenue		\$ 498,960.00
Related Auction Expenses			Unit of Measure	Estimated Annual Usage	Unit Price \$	Estimated Annual Expense Charged to Sale Price
2	Remove large decals (example all graphic's from a Sheriff's car or SUV)		Each	90	\$ 100.00	\$ 9,000.00
3	Remove small decals (example all graphic's average size 30"x30")		Each	60	\$ 25.00	\$ 1,500.00
4	Vehicle & Light Truck Tow Non-running from 1291 S Mission Rd to Auction Facility		Each	50	\$ 45.00	\$ 2,250.00
5	Medium Truck-Vehicle Tow Non-running from 1291 S Mission Rd to Auction Facility		Each	10	\$ 75.00	\$ 750.00
Estimated Total Expenses						\$ 13,500.00
Revenue - Expenses = Total Amount Paid to Pima County For Group 1 (NET REVENUE)						\$ 485,460.00
6	Contractor may charge a Buyer's Premium and an Administrative Fee. Buyer's Premium is an additional charge on the winning bid of the lot/item that is paid by the winner and will not exceed 10% of winning bid. Administrative Fees (including Title Fee) charged by the Contractor to the winning bidder will not exceed \$120.00.					
Group 2		Estimated Annual Usage	Unit of Measure	Estimated Selling Price	Commission % from sale Paid to Pima County	Estimated Annual Revenue Paid to Pima County
7	Miscellaneous Equipment and Supplies	2050	Each	\$50.00	6.9 %	\$ 95,427.50
8	Contractor may charge a Buyer's Premium - an additional charge on the winning bid of the lot/item that is paid by the winner. It is charged by the auctioneer to cover administrative expenses of the auctioneer.					
Group 3		Estimated Annual Usage	Unit of Measure	Estimated Selling Price	Commission % from sale Paid to Pima County	Estimated Annual Revenue Paid to Pima County
9	Wastewater Equipment and Parts	10	Each	\$50,000.00	-0.5 %	\$ 502,500.00
10	Contractor may charge a Buyer's Premium - an additional charge on the winning bid of the lot/item that is paid by the winner. It is charged by the auctioneer to cover administrative expenses of the auctioneer.					
Group 4		Estimated Annual Usage	Unit of Measure	Estimated Selling Price	Commission % from sale Paid to Pima County	Estimated Annual Revenue Paid to Pima County
11	Firearms - RICO	50	Each	\$400.00	-0.5 %	\$ 20,100.00
12	Firearms - Unclaimed	600	Each	\$200.00	-0.5 %	\$120,600.00
13	Firearms - County Surplus	100	Each	\$200.00	-0.5 %	\$ 20,100.00
14	Ammunition	5,000	Each	\$0.50	0.0 %	\$ 2,500.00
15	Spent Shells - 55 gallon drum	30	Drum	\$3.00	0.0 %	\$ 90.00
16	Unclaimed property	1400	Each	\$10.00	0.0 %	\$ 14,000.00
Revenue = Total Amount Paid to Pima County For Group 4						\$ 177,390.00
17	Contractor may charge a Buyer's Premium - an additional charge on the winning bid of the lot/item that is paid by the winner. It is charged by the auctioneer to cover administrative expenses of the auctioneer.					

8. DELIVERY:

"On-Time" delivery Pick-Up is an essential part of the consideration that Contractor is to provide to County under the contract. Contractor will make delivery Pick-Up in accordance with the Instructions to Offerors, Standard Terms and Conditions and to the location(s) on the Surplus Property Release (SPR) document.

Contractor guarantees Pick-Up of product in less than two (2) calendar days after issue date of SPR document. If necessary to satisfy the guaranteed delivery time, Contractor will utilize premium freight method at no additional cost to County.

9. TAXES, FEES, EXPENSES:

County is exempt from federal excise taxes for goods. County is subject to State and City sales tax. County will pay no separate charges for delivery, drayage, express, parcel post, packing, insurance, license fees, permits, costs of bonds, surcharges, or bid preparation unless the contract expressly includes such charges and the solicitation documents itemize them.

10. OTHER DOCUMENTS:

Contractor and County in entering into this contract have relied upon information provided or referenced by Pima County Solicitation No. 301201 including the Invitation for Bids Instructions to Offerors, Standard Terms and Conditions, Solicitation Addenda, Contractor's Bid Offer, documents submitted by Contractor or References to satisfy Minimum Qualifications and any other information and documents that Contractor has submitted in its response to County's Solicitation. The Contract incorporates these documents as though set forth in full herein, to the extent not inconsistent with the provisions of this contract.

11. INSURANCE:

The Insurance Requirements herein are minimum requirements for this Contract and in no way limit, the indemnity covenants contained in this Contract. Contractor's insurance will be placed with companies licensed in the State of Arizona and the insureds will have an "A.M. Best" rating of not less than A- VII. Pima County in no way warrants that the minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

Minimum Scope and Limits of Insurance:

Contractor will procure and maintain, until all contractual obligations have been discharged, the insurance coverage with limits of liability not less than stated below. Pima County in no way warrants that the minimum insurance limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract. The Contractor is free to purchase additional insurance that required by the County. If necessary, Contractor may obtain commercial umbrella or excess insurance to satisfy the County's Insurance Requirements.

Commercial General Liability (CGL) - Occurrence Form with limits of \$2,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy will include bodily injury, property damage, personal/advertising injury and products - completed operations.

Business Automobile Liability - Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract with a Combined Single Limit (CSL) of \$1,000,000 each accident.

Workers' Compensation (WC) and Employers' Liability - Arizona Statutory requirements and Employer's Liability coverage with policy limits of \$1,000,000 and each accident and each person - disease.

Network Security (Cyber)/Privacy Insurance: Coverage will have minimum limits not less than \$1,000,000 Each Claim with a \$1,000,000 Annual Aggregate. The insurance will include, but not be limited to, coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and invasion of privacy regardless of the type of media involved in the loss of private information, crisis management and identity theft response costs. This should also include breach notification costs, credit remediation and credit monitoring, defense and claims expenses, regulatory defense costs plus fines and penalties, cyber extortion, computer program and electronic data restoration expenses coverage (data asset protection), network business interruption, computer fraud coverage, and funds transfer loss.

Claim-Made Insurance Coverage - If any part of the Required Insurance is written on a claims-made basis, any policy retroactive date must precede the effective date of this Contract, and Contractor must maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

Additional Insurance Requirements:

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

Additional Insured: The General Liability and Business Automobile Liability Policies will each be endorsed to include Pima County, its departments, districts, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Subrogation: The General Liability, Business Automobile Liability and Workers' Compensation policies will each contain a waiver of subrogation endorsement in favor of Pima County, and its departments, districts, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

Primary Insurance: The Contractor's policies will stipulate that the insurance afforded the Contractor will be primary and that any insurance carried by Pima County, its agents, officials, or employees will be excess and not contributory insurance.

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

Notice of Cancellation:

Each Required Insurance policy must provide, and certificates specify, that County will receive not less than thirty (30) days advance written notice of any policy cancellation, except 10-days prior notice is sufficient when the cancellation is for non-payment of a premium.

Verification of Coverage:

Contractor will furnish Pima County with certificates of insurance as required by this Contract. An authorized representative of the insurer will sign the certificates.

All certificates and endorsements, as required by this written agreement, are to be received and approved by Pima County before work commences. Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance coverages or policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract will be sent directly to the appropriate County Department. The Certificate of Insurance will include the Pima County project or contract number and project description on the certificate. Pima County reserves the right to require complete copies of all insurance policies required by this Contract at any time.

Neither the County's failure to obtain a required insurance certificate or endorsement, the County's failure to object to a non-complying insurance certificate or endorsement, or the County's receipt of any other information from the Contractor, its insurance broker(s) and/or insurer(s), constitutes a waiver of any of the Insurance Requirements.

Approval and Modifications:

The Pima County Risk Manager may approve a modification of the Insurance Requirements without the necessity of a formal Contract amendment, but the approval must be in writing.

12. PERFORMANCE BOND: N/A

13. ACKNOWLEDGEMENT of SOLICITATION ADDENDA:

Contractor acknowledges that it incorporates the following solicitation addenda in its offer and this contract:

Addendum #	Date	Addendum #	Date	Addendum #	Date
1	07/24/2018				
2	08/02/2018				

14. SMALL BUSINESS ENTERPRISE (SBE) CERTIFICATION:

Is your firm SBE-certified as defined by the solicitation "Instruction to Offerors" section? Yes No (Select one)

If 'Yes', have you included your certification document? Yes No (Select one)

NOTE: If you do not submit the SBE Certification document with your bid, County will not apply the SBE Preference.

15. **BID/OFFER CERTIFICATION:**

CONTRACTOR LEGAL NAME: SIERRA AUCTION MANAGEMENT INC.

BUSINESS ALSO KNOWN AS: N/A

MAILING ADDRESS: 3911 N. HIGHWAY DRIVE

CITY/STATE/ZIP: TUCSON, AZ 85705

REMIT TO ADDRESS: SAME AS ABOVE

CITY/STATE/ZIP: _____

CONTACT PERSON NAME/TITLE: MICHAEL CLEVELAND, GENERAL MANAGER, TUCSON OPERATIONS

PHONE: 520-882-5600 **FAX:** 520-882-1553

CONTACT PERSON EMAIL ADDRESS: michael.cleveland@sierraauction.com

EMAIL ADDRESS FOR ORDERS & CONTRACTS: michael.cleveland@sierraauction.com

CORPORATE HEADQUARTERS ADDRESS: 3570 GRAND AVENUE, PHOENIX, AZ 85019

WEBSITE: www.sierraauction.com

By signing and submitting these Offer Agreement documents, the undersigned certifies that they are legally authorized to represent and bind Contractor to legal agreements, that all information submitted is accurate and complete, that Contractor has reviewed the Pima County Procurement website for solicitation addenda and has incorporated all such addenda to its offer, that Contractor is qualified and willing to provide the items requested, and that Contractor will comply with all requirements of the solicitation. The Unit Pricing includes all costs incidental to the provision of the items in compliance with the above documents; no additional payment will be made. Conditional offers that modify the solicitation requirements may be deemed not 'responsive' and County may not evaluate them. Contractor's submission of a signed offer agreement must constitute a firm offer and upon the issuance of a MA or PO document issued by the Pima County Procurement Director or authorized designee will form a binding contract that will require Contractor to provide the goods or services and materials described in this solicitation. The undersigned hereby offers to furnish the goods or services in compliance with all terms, conditions, specifications that the solicitation defines or references, which includes Pima County Standard Terms & Conditions, this Offer Agreement and other documents as listed in this Offer Agreement's "Other Documents" article.

SIGNATURE:  **DATE:** 8-8-2018

MICHAEL CLEVELAND, GENERAL MANAGER, TUCSON OPERATIONS
PRINTED NAME & TITLE OF AUTHORIZED CONTRACTOR REPRESENTATIVE EXECUTING OFFER

PHONE AND E-MAIL: 520-882-5600 michael.cleveland@sierraauction.com

County Attorney Contract Approval "As to Form":

Approved as to form:

Deputy County Attorney

Date

Exhibit A: Scope of Services – All Groups

Contractor will facilitate the sale of excess property through live public auctions, online public auctions, or a combination thereof. The Contractor is responsible to provide a dedicated account manager responsible to coordinate activities and tasks with the County and to manage all transportation/pick-up, storage, item preparation, advertising and auctioning services required to dispose of the county's surplus items. Services include but are not limited to cash handling, inventorying, record keeping, and security as required by the County.

All surplus property disposal services performed by the contractor must meet the provisions of the Pima County Board of Supervisors Policy D29-11, Pima County Surplus Personal Property (incorporated herein by reference).

Transport/Pick-Up: Contractor must provide services required to pickup items and equipment from any County location (excluding Ajo, Az) at no cost to the county. Items designated by the County will be transported to the contractors' yard or auction place of business.

- a. Contractor will be responsible for any damage to items after it has taken possession.
- b. Compensation for any damage to items or equipment will be to County's estimated value minus the actual selling price at auction. If the item is not successfully auctioned the damaged item will be purchased by the Contractor at the County's estimated value.
- c. Transportation of County surplus property based on set contracted rates portal to portal from the County department location disposing of item(s) to the site where the surplus property is being auctioned/sold.
- d. Pima County reserves the right to deliver items to the Contractor's site at no cost.

Storage: Contractor will properly store items until taken possession by successful bidder. All items will be protected from the elements as reasonably possible, for example, electronics should not be left outside during a rainstorm. Outside items should be covered for protection. All items will be monitored and security provided to guard against theft or vandalism.

Item Preparation: Contractor will ensure all County assets to be sold have been inspected to verify any extraneous or extra County property that may be enclosed, attached, or otherwise not generally considered a part of the asset, has been removed and returned to the County promptly. All costs associated with the preparation of property to be auctioned must be agreed upon prior to sale.

Advertise: The County will be responsible to advertise each surplus auction according to ASRS statute. Advertising will occur in a newspaper circulated in Pima County and include a general description of the property to be sold.

The Contractor will maintain and keep accurate asset records for each item of County property auctioned or sold. This is to include model number(s), serial number(s), asset tag number(s), date each item was auctioned/sold, and amount each item was sold for.

Contractor will assist the County in obtaining a fair market value and establishing an appropriate sale price. All items are to be sold "as-is" with no warranty, express, implied or otherwise.

Contractor will maintain current active bidder lists and notify, at the very least, individuals on it with Arizona addresses of any auctions that include property from the County. Acceptable forms of notification include U.S. Mail, E-mail, Fax, or Telephone. Marketing and advertising will be bases on sale items and volume, which may include direct marketing, web-based marketing and asocial media.

Contractor will collect all fees and any applicable sales taxes from the buyer. Fees to a buyer must be included in the resultant contract and must be disclosed to the buyer prior to sale. Contractor must have capability to ensure money and sales tax are collected from buyers/sellers within three (3) days of auction closing. Require forfeiture of item(s) if not paid in three (3) days after auction closing. Sales tax is the responsibility of the auction house. Fees and Commission Rates will not vary during the contract term.

County Commission Proceeds from completed auction must be received within six (6) calendar days of auction closing. Proceeds will have an itemized listing of all items auctioned. Specific charges/fees deducted from the sales price must be itemized. The Contractor's Consignor settlement must match the County auction spreadsheet. The following sales record will include; item description, lot number, the sale price and the name, address and telephone number of the buyer.

Contractor will have a policy in place to secure privacy and protection against fraud.

Property that does not sell at auction may be held for a future auction. All property must be accounted for.

If Contractor is unable to auction item(s) for a minimal amount set by the County, the Contractor and County will decide on the number of additional auctions to sell item(s) and a proper method to dispose of item(s) which may be one of the following;

- a. Return at no expense to the County to an agreed upon County site.
- b. Delivery at no expense to the County to a proper disposal site.
- c. Release of item to a responsible charity.

ONLINE AUCTION SERVICES

The Contractor at a minimum is expected to have a user friendly and functional website (Twenty-four hours a day, 365 days a year) that allows bidders from over the entire United States to make bids on County submitted items.

The Contractor must have the ability to set an opening bid on specialized items that meet County's requirements. If no bids are received or bids do not meet reserve, the item is not sold.

Advertising must reflect all items available are sold **“as is” “where at”** basis and the successful buyer is responsible for pick up and transportation of all items after payment. No warranties, guarantees or records conveyed with the purchase.

Contractor will provide all necessary software to conduct online auctions. The Contractor will be responsible for ongoing maintenance, support or upgrades of software used to conduct online auctions.

Contractor must have the capability to offer a site-specific webpage dedicated to Pima County or a filter feature to show a comprehensive list of Pima County's items for auction.

The system must be capable of adding, withdrawing and cancelling auctions without penalty.

Contractor will have a disaster recovery plan that covers security and system failures.

All items will be auctioned on timed process basis.

The Contractor's Consignor settlement must match the County auction spreadsheet and reporting. The sales record will include; item description, lot number, the sale price and the name, address and telephone number of the buyer.

Each item will have a sufficient number of photos, minimum 4, to allow prospective bidders to ascertain the quality and condition of the item(s).

EXHIBIT A GROUP 1 VEHICLES, HEAVY TRUCK & EQUIPMENT, AUTOMOTIVE EQUIPMENT

Group 1A: Vehicles, Light and Medium Truck

Class 1-5 Trucks and passenger motor vehicles (including but not limited to: Trucks, Sedans, Vans, SUV's, Crossovers and Hybrids).

Group 1B: Heavy Truck and Heavy Equipment (off road equipment)

Heavy equipment including equipment typically associated with road construction, building construction or road maintenance included but not limited to water trucks, sewer trucks, mobile fuel delivery trucks, road graders, front end loaders, bull dozers, road rollers, rock crushing and processing equipment, cranes (all types), forklifts (all types), scrapers, back hoes, grade tractors, man lifts, and excavators (tracked or wheeled), generators over 20kW rating.

Group 1C: Miscellaneous Automotive Items

Miscellaneous automotive equipment such as trailers, golf carts, utility carts and automobile accessories. Typical accessories include hitches, winches, and camper shells. Typical parts include oil filters, air filters, belts, hoses, gaskets, brake components.

CONTRACTOR RESPONSIBILITIES:

Contractor must have a means to accept items on a regular basis, if necessary, and store items until auction and pick-up by buyer.

Group 1a: Vehicles Light and Medium will have sufficient quantity to conduct a simulcast live (in person/onsite) and online auction at least once per month. The Contractor will be required to conduct at minimum eleven (11) auctions, at least one (1) public auction each month during the annual contract term. The County reserves the right to cancel an auction the month of June.

Contractor will make Group 1 items available for public viewing within twenty – four (24) hours prior to the start of every auction. Group 1b items will be available for viewing either at auction site or at a specified County location.

Contractor must be able to remove any official markings/decals on county surplus equipment. The County may request the Contractor to tow disabled vehicles or transport other property from the department's location to the auction site throughout the year. Contractor may deduct the cost of official markings removal or cost of towing from the total sale price.

The Contractor will pick up items within two (2) business days of notification by the County. Notification will be by transmitting, via email or fax an auction spreadsheet to the Contractor.

Contractor may be required to inflate tires at the time the Contractor picks-up the vehicle. When the Contractor takes possession of the vehicle(s) and a tire(s) deflates, it will be the Contractors' responsibility to repair the flat or replace the tire, at no cost to the County. This is applicable to all types of vehicles including heavy equipment.

The Contractor will ensure the maximum financial benefit to the County by cleaning the interior and exterior of all vehicles and equipment. The Contractor will also include that all assets will be washed and detailed. This mainly pertains to vehicles however; the Contractor will always make the extra effort to make sure all assets are at their most presentable condition.

The Contractor is responsible for processing titles for the buyers. Any Administrative Fee charged by the Contractor will include the cost of processing titles. The Contractor is responsible for submitting a "sold notice" of every County vehicle to Motor Vehicle Department (MVD) on the same day of the auction date.

The Contractor will always make the extra effort to make sure all assets are at their most presentable condition.

COUNTY RESPONSIBILITIES

The Fleet Services Department stores and preps all County vehicles at 1291 S. Mission Road, Tucson AZ, 85713.

Items for sub-group 1b will be available for pick-up and or viewing at this location unless otherwise noted. (Example Large Off -Road equipment will be stored at this county facility, as transporting the equipment to the auction house would be cost prohibitive).

County may remove County markings / decals. County may require the Contractor to be a backup in removing the County markings.

When possible, County Fleet services department will make sure that the vehicle has a charged battery and is operational for pick-up and auction. The Contractor will be responsible for any minor repairs after receiving the vehicle as necessary to make the vehicle operational for the auction (i.e. charge or replace battery; repair a flat tire), at no cost to the County. The Contractor has an option to recharge the battery or push the vehicle to the auction spot. The Contractor must be able to provide minor mechanical support to repair the equipment, if necessary, and approved by the County. Repair cost to be deducted from proceeds.

County will provide an auction spreadsheet listing all vehicles - year, make and model and known problems with the vehicles (i.e. a/c not working, transmission bad). County auction spreadsheet will be not altered.

County will have lots/pallets of related automotive parts and other miscellaneous items to add to the auction. If lots are separated to increase the value the items, proceeds will stay with the original lot to know which County department the proceeds need to be reallocated to.

County will make available, as requested, a forklift to assist in loading the pallets on to the Contractor's equipment or vehicle used to transport items. Pima County reserves the right to deliver items to the Contractor's site at no cost.

County will notify the Contractor when vehicles and other related items are ready to be picked up.

County will provide all vehicle titles and extra set of vehicles keys to the Contractor.
All auction vehicles and related automotive parts are sold "as is".

The Pima County Fleet Services department will designate an auction coordinator point of contact responsible for questions and concerns regarding paperwork (titles, spreadsheet, billing, etc.) and for the release of County vehicles and lots.

EXHIBIT A GROUP 2: MISCELLANEOUS EQUIPMENT AND SUPPLIES

IT hardware, office furniture, commercial kitchen equipment, fabrication equipment or other miscellaneous items.

Items in this group are not readily available for surplus and it is estimated items will be auctioned maybe 3 to 4 times during the year.

Contractor's facility must be sufficient size for both indoor/outdoor storage along with security.

Contractor must be able to temporarily store the equivalent of two bobtail loads of furniture or equipment for the period of the auction which could be at their site or a rented site if holding the items on County property proves dysfunctional for the purpose of the auction.

Group 2 items will be auctioned on-line only.

EXHIBIT A GROUP 3: WASTEWATER EQUIPMENT, PARTS AND SUPPLIES

The majority of the surplus assets are industrial equipment, which includes fluid and slurry pumps, centrifuges, fiberglass and steel tanks, HVAC components, and control vessels, power generators, heat recovery components and aeration blowers.

Items in this group are not readily available for surplus and it is estimated items will be auctioned maybe one (1) time or more frequently during the year. Items are sold uninstalled and buyers will be required to dismantle equipment at the site.

Group 3 items will be auctioned on-line only. Items will be stored, available for viewing and pick-up by the winning bidder at a designated Pima County Wastewater facility.

EXHIBIT A GROUP 4: SHERIFF PERSONAL SURPLUS AND UNCLAIMED PROPERTY

The items in this group are varied and include firearms, ammunition, or any unclaimed property that is abandoned, stolen or lawfully seized items. Contractor should have capabilities of picking up any item in the listed subcategories to be auctioned at their facility once approved and arranged with PCSD Evidence Staff. Pick-Up services should be at no additional charges to Pima County.

4a. Firearms and Ammunition:

Items in this category will be assigned for sale on a routine basis; the volume is expected to be between 10 – 60 guns per month and ammunition quantity varying.

Group 4a items can be either auctioned on-line or simulcast (live in-person/online). Each item will contain appropriate description and have a minimum of ten (10) and a maximum of fifteen (15) photos, showing condition, major components, serial number, manufacturer etc.

Contractor, as mutually agreed by both parties, may offer a Pre-view/public viewing of certain items within twenty – four (24) hours prior to the start of an auction.

Contractor must have and maintain a current Federal Firearms License.

Contractor must ensure firearms are sold to Dealers licensed by the Federal government to purchase firearms. Bidders will be required to provide proof of Firearm License in good standing.

Contractor must be in compliance with ATF rules and regulations at all times during the process to include the pick-up of items from the Sheriff Department, inventorying/logging, tagging, storing, auctioning, acquisition and disposition record of sell.

Contractor, at no cost to the County, may wipe clean (including any biohazard material) guns. Contractor will, tag, package in lots for sale, and photograph guns. Ammunition determined to be unsafe or unusable must be properly disposed of at no cost to Pima County.

Sheriff department is responsible for the sale of the following types of items:

Non-County Property

- a. Evidence Guns
- b. RICO Guns
- c. Ammunition

County Personal Surplus Property

- a. Surplus Guns
- b. Empty Shells from the PCSD gun range

Contractor should have capabilities of picking up any item in the listed subcategories to be auctioned at their facility once approved and arranged with PCSD Evidence Staff. Transportation costs to Pick-Up items should be at no additional charge to Pima County.

Contractor will schedule a specific date/time to pick up surplus items at the following Pima County Sheriff Department facilities:

Property and Evidence
1600 E. Benson Highway
Tucson, Az 85714
Monday – Friday, 8:00 – 5:00

Pima Regional Training Center (PRTC)
10,001 S. Rita Road
Tucson, Az 85747
Monday – Friday, 8:00 – 5:00

Contractor will provide two types of checks made out to:

- a. RICO designated items, final check, must be made payable to Pima County Anti-Racketeering Fund
- b. All other checks, made payable to Pima County Sheriff's Department

Contractor must be able to respond to Property & Evidence facility to take custody of weapons. Escort back to nearby facility can be arranged with Property & Evidence unit.

Ammo Requirements:

Contractor will dispose of any unsafe or unusable ammo through their own processes at no cost to County.

Spent casings/empty shells from the PRTC will be packaged in barrels and will require a tow truck to load and transport. The Contractor will be required to return the empty barrels to the PCSD for re-use.

Some ammunition may be unclaimed property.

4b. Unclaimed Property Requirement:

This category includes, but is not limited to, electronics, furniture, jewelry, car parts, marijuana growing equipment etc.

Group 4b items can be either auctioned on-line or simulcast (live in-person/online). Each item will contain appropriate description and have a minimum of ~~ten (10)~~ four (4) and a maximum of fifteen (15) photos, showing condition, major components, serial number, manufacturer etc.

Contractor should be able to pick up items approved for auction from Property & Evidence facility.

1. Contractor should have appraisal services to determine authenticity of real or fraudulent items.
2. Contractor must have capabilities to destroy items that do not meet selling requirements.
3. Contractor must grant PCSD staff access to online systems for purposes of audit and review by PCSD. County requires access via logon password to see what the status and final disposition of items are.
4. Contractor must have capabilities to "wipe" stored data on electronic devices.
5. Contractor will be granted ability to group items together for auction purposes i.e. 5 different cellphones might be sold as one (1) lot.

End of Exhibit A

Exhibit B: Surplus Property Release (SPR) Document

Date:

To:
Contractor

From:
County Department
Name
Phone Email

Submit Commission Check to: _____

Location of Item(s) _____

Date/Time to Pick-up: _____

Item No.	Description of Surplus Personal Property	Quantity	Make	Model	Age of Equipment	Condition of Property	Bid Reserve/Starting Bid	Problems Related to Pick-up	Property Asset Tag/RICO

PIMA COUNTY STANDARD TERMS AND CONDITIONS**1. OPENING:**

Pima County ("COUNTY") will publicly open responses on the date and at the location as stated in the *Invitation for Bid (IFB)* or *Request for Proposal (RFP)*. The County will read each respondent's name, and for responses to an IFB will also read the total bid amount. COUNTY will open proposals so as to avoid disclosure of the contents of any proposal to competing offerors during the **evaluation** process. COUNTY invites all interested parties to attend the bid opening.

2. EVALUATION:

COUNTY will evaluate responses to determine which are most advantageous to COUNTY considering conformity to the specifications stated in the IFB, evaluation criteria stated in the RFP, and other factors, regardless of solicitation type.

If COUNTY makes an award, COUNTY will enter into an agreement with one or more Contractor(s) that submitted the lowest responsive bid(s) or highest scoring proposal that COUNTY determined responsible for providing the required goods or services. Unless otherwise specified on the IFB document, COUNTY will determine the low or lowest bids considering all items listed in the Unit Price Schedule.

COUNTY, at its sole discretion, reserves the following rights: 1) to waive informalities in the bid or bid procedure; 2) to reject the response of any persons or corporations that have previously defaulted on any contract with COUNTY or who have engaged in conduct that constitutes a cause for debarment or suspension as set forth in COUNTY Code Section 11.32; 3) to reject any and all responses; 4) to re-advertise for bids previously rejected; 5) to otherwise provide for the purchase of such equipment, supplies materials and services as may be required herein; 6) to award on the basis of price and other factors, including but not limited to such factors as delivery time, quality, uniformity of product, suitability for the intended task, and bidder's ability to supply; 7) to increase or decrease the item quantity or eliminate any item of this solicitation prior to the award. Pricing evaluations will be based on pre-tax pricing proposed by Contractor.

3. AWARD NOTICE:

COUNTY will post a *Notice of Recommendation for Award* for IFB or RFP on the Procurement website available for review by interested parties. The Procurement Department will maintain a tabulation of the bids or ranking of proposals.

4. AWARD:

Either the Procurement Director or the Board of Supervisors will make the contract award in accordance with the Pima County Procurement Code. COUNTY reserves the right to reject any or all proposals, bids or to waive irregularities and informalities in the best interest of COUNTY. Unless COUNTY expressly agrees otherwise, resulting contracts are not exclusive, they are for the sole convenience of COUNTY, and COUNTY reserves the right to obtain like goods or services from other sources.

5. WAIVER:

Each offeror, by submission of a proposal, bid or proposal waives any and all claims for damages against COUNTY or its officers or employees when COUNTY exercises any of its reserved rights.

6. ACKNOWLEDGEMENT AND ACCEPTANCE:

If Contractor's terms of sale are inconsistent with the terms of the resultant contract, the terms herein will govern, unless COUNTY accepts Contractor's terms in writing. No oral agreement or understanding will in any way modify this contract or the terms and conditions herein. Contractor's acceptance, delivery or performance called for herein will constitute unqualified acceptance of the terms and conditions of the resultant contract.

7. INTERPRETATION and APPLICABLE LAW:

The laws of the State of Arizona govern the interpretation and construction of this Contract. If any of Contractors' terms or conditions is not in agreement with County's terms and conditions as set forth herein, COUNTY's will govern. This contract incorporates the complete agreement of the parties with respect to the subject matter of this contract. No oral agreement or other understanding will in any way modify the terms and conditions of this contract.

8. WARRANTY:

Contractor warrants goods or services to be satisfactory and free from defects.

9. QUANTITY:

Contractor will not exceed or reduce the quantity of goods ordered without **written** permission from COUNTY in the form of a properly executed Master Agreement ("MA"), Purchase Order ("PO"), Delivery Order ("DO"), or Delivery Order Maximo

("DOM") revision or amendment as the COUNTY's Procurement Code requires. All quantities are estimates and COUNTY provides no guarantee regarding actual usage.

10. PACKING:

Contractor will make no extra charges for packaging or packing material. Contractor is responsible for safe packaging conforming to carrier's requirements.

11. DELIVERY:

On-time delivery of goods and services is an essential part of the consideration that COUNTY will receive.

Contractor must provide a guaranteed delivery date, or interval period from order release date to delivery if the Price proposal document requires it. Upon receipt of notification of delivery delay, COUNTY at its sole option and at no cost to COUNTY may cancel the order or extend delivery times. Such extension of delivery times will not be valid unless an authorized representative of COUNTY extends it to Contractor in writing.

To mitigate or prevent damages from delayed delivery, COUNTY may require Contractor to deliver additional quantity utilizing express modes of transport, or overtime, all costs to be Contractor's responsibility. COUNTY reserves the right to cancel any delinquent order, procure from an alternate source, or refuse receipt of or return delayed deliveries, all at no cost to COUNTY. COUNTY reserves the right to cancel any order or refuse delivery upon default by Contractor concerning time, cost, or manner of delivery.

Contractor is not responsible for unforeseen delays caused by fires, strikes, acts of God, or other causes beyond Contractor's control, provided that Contractor provides COUNTY immediate notice of delay.

12. SPECIFICATION CHANGES:

COUNTY has the right to make changes in the specifications, services, or terms and conditions of an order. If such changes cause an increase or decrease in the amount due under an order or in time required for performance, COUNTY will make an acceptable adjustment and will modify the order in writing. No verbal agreement for adjustment is acceptable.

Nothing in this clause reduces Contractor's responsibility to proceed without delay in the delivery or performance of an order.

13. INSPECTION:

COUNTY may inspect or test all goods and services at place of manufacture, destination, or both. Contractor will hold goods failing to meet specifications of the order or contract at Contractor's risk and COUNTY may return such goods to Contractor with costs for transportation, unpacking, inspection, repacking, reshipping, restocking or other like expenses to be the responsibility of Contractor. In lieu of return of nonconforming supplies, COUNTY, at its sole discretion and without prejudice to COUNTY's rights, may waive any nonconformity, receive the delivery, and treat the defect(s) as a warranty item, but any waiver of any condition will not apply to subsequent shipments or deliveries.

14. SHIPPING TERMS:

Unless the contract states otherwise, delivery terms are to be F.O.B. Destination & Freight Prepaid Not Billed ("F.O.B. Destination") and Contractor is to include such terms in its Unit Price proposal.

15. PAYMENT TERMS:

Payment terms are net thirty (30) days, unless the contract specifies otherwise.

16. ACCEPTANCE OF MATERIALS AND SERVICES:

COUNTY will not execute an acceptance or authorize payment for any service, equipment or component prior to delivery and verification that the delivery meets all specification requirements.

17. RIGHTS AND REMEDIES OF COUNTY FOR DEFAULT:

In the event any item that Contractor furnishes in the performance of the contract should fail to conform to the specifications thereof, or to the sample that Contractor submitted, COUNTY may reject same, and it thereupon becomes the duty of Contractor to reclaim and remove the same, without expense to COUNTY, and immediately replace all such rejected items with others conforming to the specifications or samples. Should Contractor fail, neglect, or refuse immediately to do so, COUNTY has the right to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct from any monies due or that may become due to Contractor the difference between the price named in the MA or Purchase Order ("PO") and the actual cost to COUNTY.

In the event Contractor fails to make prompt delivery as specified of any item, the same conditions as to the rights of COUNTY to purchase in the open market and invoke the reimbursement condition above apply, except when delivery is delayed by fire, strike, freight embargo, or acts of god or of the government. In the event of cancellation of the MA, PO or associated orders, either in whole or in part, by reason of the default or breach by Contractor, Contractor will bear and pay for any loss or damage sustained by COUNTY in procuring any items which the Contractor agreed to supply. The rights and remedies of COUNTY provided above are not exclusive and are in addition to any other rights and remedies provided by law or under the contract.

18. FRAUD AND COLLUSION:

Each Contractor, by submission of a bid, certifies that no officer or employee of COUNTY or of any subdivision thereof: 1) has aided or assisted Contractor in securing or attempting to secure a contract to furnish labor, materials or supplies at a higher price than that proposed by any other Contractor; 2) has favored one Contractor over another by giving or withholding information or by willfully misleading the bidder in regard to the character of the material or supplies called for or the conditions under which the proposed work is to be done; 3) will knowingly accept materials or supplies of a quality inferior to those called for by any contract; 4) has any direct or indirect financial interest in the proposal or resulting contract. Additionally, during the conduct of business with COUNTY, Contractor will not knowingly certify, or induce others to certify, to a greater amount of labor performed than has been actually performed, or to the receipt of a greater amount or different kind of material or supplies that has been actually received. If COUNTY finds at any time that Contractor has in presenting any proposal(s) colluded with any other party or parties for the purpose of preventing any other proposal being made, then COUNTY will terminate any contract so awarded and that person or entity will be liable for all damages that COUNTY sustains.

19. COOPERATIVE USE OF RESULTING CONTRACT:

As allowed by law, COUNTY has entered into cooperative procurement agreements that enable other Public Agencies to utilize procurement agreements that COUNTY has developed. Participating agencies may contact Contractor with requests to provide services and products pursuant to the pricing, terms and conditions defined by the COUNTY MA, or PO. Minor adjustments are allowed subject to agreement by both Contractor and Requesting Party to accommodate additional cost or other factors not present in the COUNTY's agreement and required to satisfy particular Public Agency code or functional requirements and within the intended scope of the solicitation and resulting contract. The parties to the cooperative procurement will negotiate and transact any such usage in accordance with State, COUNTY and other Public Agency procurement rules, regulations and requirements. Contractor will hold harmless COUNTY, its officers, employees, and agents from and against all liability, including without limitation payment and performance associated with such use. Contractor may view a list of agencies that are authorized to use COUNTY contracts at the Procurement Department Internet home page: <http://www.pima.gov/procure> by selecting the link titled *Authorized Use of COUNTY Contracts*.

20. PATENT INDEMNITY:

Contractor will indemnify, defend and hold COUNTY, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the MA, PO, and associated orders. COUNTY may require Contractor to furnish a bond or other indemnification to COUNTY against any and all loss, damage, costs, expenses, claims and liability for patent or copyright infringement.

21. INDEMNIFICATION:

Contractor will indemnify, defend, and hold harmless COUNTY, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by Contractor, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of the MA, PO or associated orders. Contractor warrants that all products and services provided under this contract are non-infringing. Contractor will indemnify, defend and hold COUNTY harmless from any claim of infringement arising from services provided under this contract or from the provision, license, transfer or use for their intended purpose of any products provided under this Contract.

22. UNFAIR COMPETITION AND OTHER LAWS:

Responses must comply with Arizona trade and commerce laws (Title 44 A.R.S.) and all other applicable COUNTY, State, and Federal laws and regulations.

23. COMPLIANCE WITH LAWS:

Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation. In the event any services that Contractor provides under this contract require a license issued by the Arizona Registrar of Contractors (ROC), Contractor certifies that a contractor licensed by ROC to perform those services in Arizona will provide such services. The laws and regulations of the State of Arizona govern the rights, performance and disputes of

and between the parties. Any action relating to this Contract must be filed and maintained in a court of the State of Arizona in Pima County.

Any changes in the governing laws, rules, and regulations during an agreement apply, but do not require an amendment or revisions.

24. ASSIGNMENT:

Contractor may not assign its rights to the contract, in whole or in part, without prior written approval of COUNTY. COUNTY may withhold approval at its sole discretion, provided that COUNTY will not unreasonably withhold such approval.

25. CONFLICT OF INTEREST:

This contract is subject to the provisions of A.R.S. § 38-511, the pertinent provisions of which are incorporated into and made part of all COUNTY MAs or POs as if set forth in full therein.

26. NON-DISCRIMINATION:

CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 which is hereby incorporated into this contract as if set forth in full herein including flow down of all provisions and requirements to any subcontractors. During the performance of this contract, CONTRACTOR must not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

27. NON-APPROPRIATION OF FUNDS:

COUNTY may cancel this contract pursuant to A.R.S. § 11-251(42) if for any reason the COUNTY Board of Supervisors does not appropriate funds for the stated purpose of maintaining the contract. In the event of such cancellation, COUNTY has no further obligation, other than payment for services or goods that COUNTY has already received.

28. PUBLIC RECORDS:

Disclosure. Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all documents submitted in response to the solicitation resulting in award of this Contract, including, but not limited to, pricing schedules, product specifications, work plans, and any supporting documents are public records. As such, those documents are subject to release and/or review by the general public upon request, including competitors.

Records Marked Confidential; Notice and Protective Order. If Contractor reasonably believes that some of those records contain proprietary, trade-secret or otherwise-confidential information, Contractor must prominently mark those records "CONFIDENTIAL." In the event a public-records request is submitted to County for records marked CONFIDENTIAL, County will notify Contractor of the request as soon as reasonably possible. County will release the records 10 business days after the date of that notice, unless Contractor has, within that period, secured an appropriate order from a court of competent jurisdiction, enjoining the release of the records. County will not, under any circumstances, be responsible for securing such an order, nor will County be in any way financially responsible for any costs associated with securing such an order.

The Contractor agrees to waive confidentiality of any price terms in the event of a contract award.

29. CUSTOM TOOLING, DOCUMENTATION AND TRANSITIONAL SUPPORT:

Costs to develop all tooling and documentation, such as and not limited to dies, molds, jigs, fixtures, artwork, film, patterns, digital files, work instructions, drawings, etc. necessary to provide the contracted services or products and unique to the services or products supplied to COUNTY are included in the agreed upon Unit Price unless the contract specifically states otherwise. Such tools and documentation are the property of COUNTY and will be marked, as is

practical, as the "Property of Pima County" and COUNTY so requests, Contractor will deliver a copy of the tooling and documentation to COUNTY within twenty (20) days of acceptance by COUNTY of the first article sample, or not later than ten (10) days of termination of the contract associated with their development, without additional cost to COUNTY. Contractor also agrees to act in good faith to facilitate the transition of work to a subsequent Contractor if and as reasonably requested by COUNTY at no additional cost. Should exceptional circumstances be present that may justify an additional charge, Contractor may submit said justification and proposed cost and negotiate an agreement acceptable to both Contractor and COUNTY, but Contractor may not withhold any requested tooling, document or support as defined above that would delay the orderly, efficient and prompt transition of work. Should conduct by Contractor result in

additional costs to COUNTY, Contractor will reimburse COUNTY for said actual and incremental costs provided that COUNTY has given Contractor reasonable time to respond to COUNTY's requests for support.

30. AMERICANS WITH DISABILITIES ACT:

Contractor will comply with all applicable provisions of the Americans with Disabilities Act (public law 101-336, 42 USC 12101-12213) and all applicable federal regulations under the act, including 28 CFR parts 35 and 36.

31. NON-EXCLUSIVE:

Contracts resulting from this solicitation are non-exclusive and are for the sole convenience of COUNTY, which reserves the right to obtain like goods and services from other sources for any reason.

32. PROTESTS:

An interested party may file a protest regarding any aspect of a solicitation, evaluation, or recommendation for award. Protests must be in accordance with the Pima County Procurement Code, Section 11.20.010.

33. TERMINATION:

COUNTY reserves the right to terminate any MA, PO, Delivery Order, DOM or award, in whole or in part, at any time, without penalty or recourse, when in the best interests of COUNTY. Upon receipt of written notice, Contractor will immediately cease all work as directed by the notice, notify all subcontractors of the effective date of termination and take appropriate actions to minimize further costs to COUNTY. In the event of termination under this paragraph, all documents, data, and reports prepared by Contractor under the contract become the property of COUNTY and Contractor must promptly deliver them to COUNTY. Contractor is 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 defined by A.A.C. R2-7-701 apply.

34. ORDER OF PRECEDENCE-CONFLICTING DOCUMENTS:

In the event of inconsistencies between contract documents, the following is the order of precedence, superior to subordinate, that will apply to resolve the inconsistency: MA, DO or DOM, PO, Offer Agreement or contract attached to a MA, PO, DO or DOM; these standard terms and conditions; any other solicitation documents.

35. INDEPENDENT CONTRACTOR:

The status of Contractor is that of an independent Contractor. Contractor and Contractor officer's agents or employees are not considered employees of COUNTY and are not entitled to receive any employment-related fringe benefits under the COUNTY Merit System. Contractor is responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and will indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of Contractor's failure to pay such taxes. Contractor is solely responsible for its program development and operation.

36. BOOKS AND RECORDS:

Contractor will keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of COUNTY. In addition, Contractor will retain all records relating to this contract at least five (5) years after its termination or cancellation or, if later, until any related pending proceeding or litigation has been closed.

37. COUNTERPARTS:

The parties may execute the MA or PO that COUNTY awards pursuant to this solicitation in any number of counterparts, and each counterpart is considered an original, and together such counterparts constitute one and the same instrument. For the purposes of the MA and PO, the signed proposal of Contractor and the signed acceptance of COUNTY are each an original and together constitute a binding MA, if all other requirements for execution are present.

38. AUTHORITY TO CONTRACT:

Contractor warrants its right and power to enter into the MA or PO. If any court or administrative agency determines that COUNTY does not have authority to enter into the MA or PO, COUNTY is not liable to Contractor or any third party by reason of such determination or by reason of the MA or PO.

39. FULL AND COMPLETE PERFORMANCE:

The failure of either party to insist on one or more instances upon the full and complete performance with any of the terms or conditions of the MA, PO, DO or DOM to be performed on the part of the other, or to take any action permitted as a result thereof, is not a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future.

The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.

40. SUBCONTRACTORS:

CONTRACTOR is fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts CONTRACTOR may be liable to the same extent that CONTRACTOR is responsible for the acts and omissions of persons that it directly employs. Nothing in this contract creates any obligation on the part of COUNTY to pay or see to the payment of any money due any subcontractor, except as may be required by law.

41. SEVERABILITY:

Each provision of this Contract stands alone, and any provision of this Contract that a court finds to be prohibited by law is ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

42. LEGAL ARIZONA WORKERS ACT COMPLIANCE:

CONTRACTOR hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to CONTRACTOR's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). CONTRACTOR will further ensure that each subcontractor who performs any work for CONTRACTOR under this contract likewise complies with the State and Federal Immigration Laws.

COUNTY has the right at any time to inspect the books and records of CONTRACTOR and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of CONTRACTOR's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Contract subjecting CONTRACTOR to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, CONTRACTOR will take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

CONTRACTOR will advise each subcontractor of COUNTY's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR's books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR is a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article is the responsibility of CONTRACTOR. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of CONTRACTOR's approved construction or critical milestones schedule, such period of delay will be excusable delay for which CONTRACTOR is entitled to an extension of time, but not costs.

43. CONTROL OF DATA PROVIDED BY COUNTY:

For those projects and contracts where COUNTY has provided data to enable the Contractor to provide contracted services or products, unless COUNTY otherwise specifies and agrees in writing, Contractor will treat, control and limit access to said information as confidential and will under no circumstances release any data provided by COUNTY during the term of this contract and thereafter, including but not limited to personal identifying information as defined by A.R.S. § 44-1373, and Contractor is further prohibited from selling such data directly or through a third party. Upon termination or completion of the contract, Contractor will either return all such data to COUNTY or will destroy such data and confirm destruction in writing in a timely manner not to exceed sixty (60) calendar days.

44. ISRAEL BOYCOTT CERTIFICATION:

Contractor hereby certifies that it is not currently engaged in, and will not for the duration of this Contract engage in, a boycott of Israel as defined by A.R.S. § 35-393.01. Violation of this certification by Contractor may result in action by the County up to and including termination of this Contract.

END OF PIMA COUNTY STANDARD TERMS AND CONDITIONS