



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: April 18, 2017

or Procurement Director Award ☐

Contractor/Vendor Name (DBA): Empire Southwest, LLC (Headquarters: Mesa, AZ)

Project Title/Description:

Caterpillar Equipment, Parts, Repairs and Service

Purpose:

Award: Master Agreement No. MA-PO-17-195. Contract is for an initial term of one (1) year in the annual not-to-exceed amount of \$445,000.00 and includes four (4) one-year renewals. Administering Department: Fleet Services.

Procurement Method:

Pursuant to Pima County Procurement Code 11.12.050, Sole Source Procurement, award for Requisition No. 17-147 is recommended to Empire Southwest LLC, which has accepted the terms of the County's Offer Agreement.

PRCUID No. 246012

Attachment: Master Agreement

Program Goals/Predicted Outcomes:

To acquire only Original Equipment Manufacturer (OEM) for warranty, repair, service, parts and accessories.

Public Benefit:

Contract will benefit the public by providing Pima County public with cost effective quality products and service. The quality products and services will reduce the down time of Caterpillar equipment needed for public work service use. Maintain our warranty on Caterpillar equipment which requires OEM parts and service.

Metrics Available to Measure Performance:

The available metrics used to measure contractor's performance will be availability of product, delivery times of parts, service, repairs and installation.

Retroactive:

No

Procure Dept 03/28/17 PM02:03

Original Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 17-195
Effective Date: 06/01/17 Termination Date: 05/31/18 Prior Contract Number (Synergen/CMS): _____
☒ Expense Amount: \$ 445,000.00 ☐ Revenue Amount: \$ _____
Funding Source(s): Internal Services Fund

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No ☐ Not Applicable to Grant AwardsWere insurance or indemnity clauses modified? ☐ Yes ☒ No ☐ Not Applicable to Grant AwardsVendor is using a Social Security Number? ☐ Yes ☒ No ☐ Not Applicable to Grant Awards

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

Amendment Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Amendment No.: _____ AMS Version No.: _____
Effective Date: _____ New Termination Date: _____
☐ Expense ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ _____
Funding Source(s): _____

Cost to Pima County General Fund: _____

Contact: Maria Julia Canizales, Commodity/Contracts Officer Maria Julia Canizales 3/23/17
Department: Procurement Maria Julia Canizales 3/23/17 Telephone: (520) 724-8167
Department Director Signature/Date: [Signature] 3/24/17
Deputy County Administrator Signature/Date: [Signature] 3-28-17
County Administrator Signature/Date: [Signature] 3/28/17
(Required for Board Agenda/Addendum Items)



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES
CONTRACT EXECUTION


Master Agreement No: 1700000000000000195

MA Version: 1

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Description: Caterpillar Equipment Parts, Repairs and Service

I S S U E R	Pima County Procurement Department
	130 W. Congress St. 3rd Fl
	Tucson AZ 85701
	Issued By: MARIA CANIZALES
	Phone: 5207248167
	Email: maria.canizales@pima.gov

T E R M S	Initiation Date: 06-01-2017
	Expiration Date: 05-31-2018
	

V E N D O R	EMPIRE SOUTHWEST LLC	Contact: CLINTON SWAPP
	PO BOX 29879	Phone: 520-746-8213
	PHOENIX AZ 85038-9879	Email: clinton.swapp@empire-cat.com
		Terms: 0.00 %
		Days: 0

Shipping Method:	Vendor Method
Delivery Type:	
FOB:	FOB Dest, Freight Allowed
Modification Reason	
Contract is for an initial term of one (1) year in a not-to-exceed annual amount of \$445,000.00 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

Master Agreement No: 1700000000000000195

MA Version: 1

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Line	Description	UOM	Unit Price	Stock Code	VPN	MPN
1	Bits Discount 0.0000 %	EA	\$218.78			105-0576
2	Bits Discount 0.0000 %	EA	\$218.78			105-0577
3	Compressor Discount 0.0000 %	EA	\$689.21			106-5122
4	Shoe Discount 0.0000 %	EA	\$136.85			108-0410
5	Hose Discount 0.0000 %	EA	\$164.93			110-3003
6	Sensor GP Discount 0.0000 %	EA	\$5,918.12			124-4672
7	Battery Discount 0.0000 %	EA	\$284.10			153-5700
8	Battery Discount 0.0000 %	EA	\$317.43			153-5710
9	Fuel Line Discount 0.0000 %	EA	\$182.59			191-7943
10	Shank Discount 0.0000 %	EA	\$100.34			195-7218
11	Back up Alarm Discount 0.0000 %	EA	\$186.89			370-1485
12	Control GP Discount 0.0000 %	EA	\$164.17			3E-7843
13	Cutting Edges Discount 0.0000 %	EA	\$84.12			4T-3028
14	Cutting Edges Discount 0.0000 %	EA	\$373.49			4T-6568
15	Cutting Edges Discount 0.0000 %	EA	\$167.21			4T-6612
16	Grader Blades (5/8) Discount 0.0000 %	EA	\$123.71			5D-9561
17	Grader Blades (3/4) Discount 0.0000 %	EA	\$145.18			7D-1577
18	Grader Blades (3/4) Discount 0.0000 %	EA	\$123.71			7D-1158
19	Cutting Edges Discount 0.0000 %	EA	\$217.93			8E-4567



MASTER AGREEMENT DETAILS

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Description						
20	Seal G Discount 0.0000 %	UOM EA	Unit Price \$93.98	Stock Code	VPN	MPN 5K-5288
21	Strip Discount 0.0000 %	UOM EA	Unit Price \$51.85	Stock Code	VPN	MPN 5T-8366
22	Hose Discount 0.0000 %	UOM EA	Unit Price \$186.49	Stock Code	VPN	MPN 5T-9799
23	Shaft Discount 0.0000 %	UOM EA	Unit Price \$2,226.79	Stock Code	VPN	MPN 6G-0395
24	Bracket Discount 0.0000 %	UOM EA	Unit Price \$654.02	Stock Code	VPN	MPN 8V-0381
25	Cable A Discount 0.0000 %	UOM EA	Unit Price \$282.06	Stock Code	VPN	MPN 8V-3058
26	Step Discount 0.0000 %	UOM EA	Unit Price \$276.91	Stock Code	VPN	MPN 8V-3430
27	Nozzle A R Discount 0.0000 %	UOM EA	Unit Price \$90.12	Stock Code	VPN	MPN 0R3418
28	O-Ring Seal Discount 0.0000 %	UOM EA	Unit Price \$21.94	Stock Code	VPN	MPN 130-0229
29	Hydr Filter Discount 0.0000 %	UOM EA	Unit Price \$41.18	Stock Code	VPN	MPN 1G-8878
30	Oil Filter Discount 0.0000 %	UOM EA	Unit Price \$22.48	Stock Code	VPN	MPN 1R-1808
31	Cabin Filter Discount 0.0000 %	UOM EA	Unit Price \$26.38	Stock Code	VPN	MPN 149-1912
32	Cabin Filter Discount 0.0000 %	UOM EA	Unit Price \$21.20	Stock Code	VPN	MPN 211-2660
33	Air Filter Pri Discount 0.0000 %	UOM EA	Unit Price \$66.77	Stock Code	VPN	MPN 386-2099
34	Air Filter Sec Discount 0.0000 %	UOM EA	Unit Price \$28.97	Stock Code	VPN	MPN 331-8108
35	Fuel Filter/Separator Discount 0.0000 %	UOM EA	Unit Price \$28.70	Stock Code	VPN	MPN 326-1643
36	Fuel Filter Discount 0.0000 %	UOM EA	Unit Price \$17.88	Stock Code	VPN	MPN 308-9679
37	Transmission Filter Discount 0.0000 %	UOM EA	Unit Price \$69.24	Stock Code	VPN	MPN 338-3540
38	Transmission Filter Discount 0.0000 %	UOM EA	Unit Price \$55.93	Stock Code	VPN	MPN 328-3655



MASTER AGREEMENT DETAILS

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Line	Description	UOM	Unit Price	Stock Code	VPN	MPN
39	Filter Discount 0.0000 %	EA	\$40.00			341-6643
40	Oil Sample Bottles Discount 0.0000 %	EA	\$18.72			SOS1
41	SAE 30 Wt Bulk Oil/Trans Discount 0.0000 %	GAL	\$14.61			155-6213
42	SAE 10W-40 Wt Bulk Oil/Trans Discount 0.0000 %	GAL	\$10.71			300-7913
43	SAE 30 Wt Bulk Hydr oil Discount 0.0000 %	GAL	\$14.61			155-6214
44	In Shop Hourly Labor Rate (Large Equipment) Discount 0.0000 %	HOUR	\$114.40			
45	In Shop Hourly Labor Rate Overtime (Large Equipment) Discount 0.0000 %	HOUR	\$149.85			
46	In Field Hourly Labor Rate 1st Man (Large Equipment) Discount 0.0000 %	HOUR	\$153.00			
47	In Field Hourly Labor Rate 2nd Man (Large Equipment) Discount 0.0000 %	HOUR	\$107.20			
48	In Field Hourly Labor Rate Overtime (Large Equipment) Discount 0.0000 %	HOUR	\$193.50			
49	Travel Time Discount 0.0000 %	HOUR	\$153.00			
50	Travel Time Mileage (per each mile) Discount 0.0000 %	MI	\$2.95			
51	In Shop Welding Discount 0.0000 %	HOUR	\$114.40			
52	In Shop Hourly Labor Rate (Small Equipment) Discount 0.0000 %	HOUR	\$111.30			
53	In Shop Lube Services Discount 0.0000 %	HOUR	\$96.00			
54	In Field Lube Services Discount 0.0000 %	HOUR	\$116.40			
55	Travel Time (Lube Service) Discount 0.0000 %	HOUR	\$153.00			



MASTER AGREEMENT DETAILS

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Line	Description	Discount	UOM	Unit Price	Stock Code	VPN	MPN
56	In Field Fuel Service (not including price of fuel)						
	Discount	0.0000 %	UOM HOUR	Unit Price \$153.00	Stock Code	VPN	MPN
57	In Field Service Boom Truck						
	Discount	0.0000 %	UOM HOUR	Unit Price \$153.00	Stock Code	VPN	MPN
58	Free Form Line for Donaldson Program Filter items not listed						
	Discount	20.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN
59	Free Form Line for Donaldson TA Program Items not listed						
	Discount	33.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN
60	Free Form Line for NAT-GET-2 Program Items not listed						
	Discount	25.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN
61	Free Form Line for NAT-PR-4 Program Items not listed						
	Discount	20.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN
62	Free Form Line for NAT-UC-7 Program Items not listed						
	Discount	9.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN
63	Free Form Line for NAT-UC-8 Program Items not listed						
	Discount	9.0000 %	UOM	Unit Price \$0.00	Stock Code	VPN	MPN
64	Free Form Line for Items not listed						
	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 Caterpillar Equipment Parts, Repairs and Service on an "as required basis" by issue of Delivery Order ("DO") or Delivery Order Maximo ("DOM").

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 Master Agreement 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 Master Agreement 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: NONE**4. PRODUCT OR SERVICE SPECIFICATIONS & SCOPE:****Qualifications:**

1. Contractor must be an authorized Caterpillar OEM Parts & Service facility
2. Contractor must in the Caterpillar parts and service business for more than 5 years

Scope of Work:

Provide Pima County with as required Caterpillar Heavy Equipment maintenance, repair and parts see Attachment A: Pricing Page

Heavy equipment will typically be repaired by contractor in the field (on-site at County location) or if equipment cannot be repaired on-site then contractor shall transport equipment back to his facility at no charge to County if repair is a warranty repair and repair is covered for transport by warranty for that piece of equipment. If equipment repair is not a warranty repair (not covered by warranty for transport), the transport will be arranged by Pima County Fleet.

Contractor is responsible for returning heavy equipment (including those unable to repair) to a specified Pima County facility. Delivery location to be specified when Equipment is ready for return. Delivery location may be different from pick-up location. If equipment repair is not a warranty repair (not covered by warranty for transport), the transport will be arranged by Pima County Fleet.

If heavy equipment is transported to contractor's facility, the repair shall be initiated no later than 3 days after equipment is transported. Warranty covered repairs shall also be initiated within twenty-four (24) hours of transport. Repaired equipment shall be returned to Pima County with ten (10) working days from the date Contractor transported or received equipment. Contractor must contact Fleet Services to explain the delay and quote a revised repair delivery timeframe.

The contractor shall warranty all parts, material and labor pursuant to Caterpillar warranty guidelines, including workmanship, for at least six (6) months from the date of acceptance by Pima County. All warranty and non-warranty work must be accomplished to the satisfaction of Pima County.

For all warranty repairs the contractor must provide a detailed explanation of what failed, possible causes of failure, and parts and materials required to correct.

1. All repair or replacement parts supplied or used by contractor are to be OEM parts
2. Contractor will use the SAE approved fluids to comply with the conditions of the equipment warranty.
3. Contractor will tear down unit, diagnose, and provide a firm-fixed amount, in writing, to Fleet personnel prior to any work being started. Contractor will also give Fleet an estimated timeframe for repair(s).
4. Pima County Fleet Services will issue a DO against the MA for a Not to Exceed (NTE) amount.
5. Contractor must provide a detailed invoice.
6. The contractor must get approval from Fleet prior to replacing any additional parts, or to perform any additional labor not covered under any repair DO issued under this agreement.

5. OFFER ACCEPTANCE AND ORDER RELEASES:

County will accept offer 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 the goods or services defined herein will issue a DO or DOM to the Contractor. County will furnish the DO or DOM to Contractor via facsimile, e-mail or telephone. **If 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 supply materials or services that are not specified on the MA and are not documented or authorized by a DO or DOM at the time of provision. County accepts no responsibility for control of or payment for materials or services not documented by a County DO or DOM.

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 deliver 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 order DO or DOM will accept goods and services only in accordance with this contract. Such acceptance is a prerequisite to the commencement of payment terms.

7. COMPENSATION & PAYMENT:

Contractor will submit Request(s) for Payment or Invoices to the location and entity defined by County's DO or DOM document.

All Invoice documents will reference the County's, DO or DOM number under which the services or products were ordered. **ALL** Invoice line items will utilize the item description, precise unit price and unit of measure defined by the County's order document. County may return invoices that include line items or unit prices that do not match those documented by the County's order to Contractor unprocessed for correction. **Contractor will not accept orders, or provide services or products that cumulatively exceed the contract amount.**

Standard payment terms are net thirty (30) days from the date of valid invoice document and do not commence until the later of 1) the receiving County Department receives goods or services into County's payment system or 2) County Financial Operations receives and verifies Contractor's invoice.

OPTIONAL EARLY PAYMENT DISCOUNT TERM: Pima County Administrative Procedure No. 22-35 section 2.2.4 defines County's practice regarding discounts for early payment. Contractor offers the following discounts to those prices to be used for all orders issued pursuant to this contract. County will utilize the existing payment code that best matches that offered and does not exceed the offered discount percentage. Payment days cannot be less than ten (10) calendar days. Contractor shall submit valid invoice document consistent with the associated DO or DOM to County Finance Department at least seven (7) calendar days prior to the date on which the discounted payment is due. If desired, for any order issued pursuant with this contract, Contractor may offer early payment discounts that exceed this Standard Early Payment Discount.

Standard Early Payment Discount Percent: N/A % if payment tendered within N/A Days as above.

The MA issued to accept Contractor's offer will define the not-to-exceed amount of the contract.

The parties may negotiate and establish unit pricing in writing under the contract for items included in the scope of the contract that has not previously defined unit pricing.

Unless the parties otherwise agree in writing, all pricing will be *F.O.B. Destination & Freight Prepaid Not Billed ("F.O.B. Destination")*. Contractor will deliver and unload products or services at the destination(s) that the delivery article of this contract or accepted Order indicates. The offered Unit Price must include all freight costs.

Although an order may not fully define State and City sales tax, County will pay such taxes as are DIRECTLY applicable to Pima County and Contractor invoices such taxes as a separate line item. Contractor must not include such taxes in the item unit price.

Price Warranty. Contractor will give Pima County the benefit of any price reduction before actual time of shipment.

Price Escalation. All unit prices include compensation for Contractor to implement and actively conduct cost and price control activities. Pricing will remain firm during the initial year of the contract term after which the parties may consider price increases no more frequently than once per year. Contractor will submit a written request to County that includes supporting documents justifying requested increases at least ninety (90) days prior to the renewal date. Contractor will provide evidence, cite sources, demonstrate specific conditions and document how those conditions affect the cost of its performance, and identify specific efforts Contractor has taken to control and reduce those and other costs to avoid the need to increase prices. County will review proposed pricing and determine if it is allowable, fair and reasonable, and in the best interest of County to accept the proposal. County reserves the right to continue, accept or reject the price proposal, or terminate and re-solicit the contract.

All pricing will conform to Pima County's Living Wage ordinance if applicable, including required annual adjustments of the wage.

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. County is not responsible for Contractor inventory or order commitment.

Contractor's unit prices 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 payment requests, which should be consistent with and not exceed County's DO or DOM document. Contractor will bill County within one (1) month after the date on which Contractor's right to payment accrues ("Payment Accrual Date"), which, unless this contract specifically provides otherwise, is the date Contractor delivers goods, performs services or incurs costs. Invoices must assign each billed amount to an appropriate line item of County's order and document each Payment Accrual Date. County may refuse to pay any amount that Contractor bills in which does not conform to County's DO or DOM document. County will refuse to pay any amount that Contractor bills more than six (6) months after the Payment Accrual Date, pursuant to A.R.S. § 11-622(C).

For those items that Contractor has not specifically listed and priced above that Contractor may provide within the defined scope of this contract, Contractor will submit Master Price List (MPL) documents, diskette or compact disc and file names or identify website address, identifying all other items offered pursuant to this contract to include Description and Discounted Unit Price, or Unit Price and Discount % (Unit Price x Discount % = Discounted Unit Price). The resulting Unit Prices shall be of similar discount off List Prices for those items specifically defined above. Item Unit Prices above will govern in case of conflict with the Master Price List.

List MPL Document by Title, MPL Media & Filenames or MPL Internet Address and Title(s)	Qty of Pages	Dated	Percentage Discount (Unit Price x Discount % = Discounted Unit Price)
parts.cat.com www.empire-cat.com		3/1/17	0%

8. DELIVERY:

"On-Time" delivery is an essential part of the consideration that Contractor is to provide to County under the contract. Contractor will make delivery in accordance with the Instructions to Offerors, Standard Terms and Conditions and to the location(s) on the DO, DOM or PO document.

Define delivery locations: Pima County Fleet Services
Administration / Parts Department
1291 S. Mission Rd.
Tucson, AZ 85713

Contractor guarantees delivery of product or service in less than three (3) calendar days after issue date of order. 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 itemizes them.

10. OTHER DOCUMENTS:

Contractor and County in entering into this contract have relied upon information provided or referenced by Pima County Solicitation No. 246012 including the No Substitute / Sole Source, Instructions to Offerors, Standard Terms and Conditions, Solicitation Addenda, Contractor's Bid Offer, documents submitted by Contractor or References to satisfy Minimum Qualifications and on 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. Pima County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract. The Contractor is free to purchase additional insurance.

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

The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. Pima County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract. The Contractor is free to purchase additional insurance.

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

11.1 Minimum Scope and Limits of Insurance:

Contractor shall procure and maintain, until all of their obligations have been discharged, coverage with limits of liability not less than those stated below.

- 11.1.1 **Commercial General Liability (CGL)** – Occurrence Form with limits of \$1,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy shall include bodily injury, property damage, and broad form contractual liability coverage, and products – completed operations.

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

11.1.3 **Workers' Compensation and Employers' Liability** - Statutory requirements and benefits. Coverage is compulsory for employers of one or more employees. Employer's Liability - \$500,000 each employee/disease/accident.

Note: The Workers' Compensation requirement shall not apply to a Contractor that is exempt under A.R.S. § 23-901, and when such Contractor executes the appropriate Pima County Sole Proprietor or Independent Contractor Waiver form.

11.1.4 **Professional Liability (Errors and Omissions) Insurance** – The policy limits shall be not less than \$1,000,000 Each Claim and \$1,000,000 Annual Aggregate. The insurance policy shall cover professional misconduct or negligent acts of anyone performing any services under this contract.

In the event that the Professional Liability Insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.

11.2 **Additional Insurance Requirements:**

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

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

11.2.2 **Subrogation Endorsement:** The General Liability, Business Automobile Liability and Workers' Compensation Policies shall 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 shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by Pima County, its agents, officials, employees or Pima County shall be excess and not contributory insurance.

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

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

11.3 **Notice of Cancellation:**

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to Pima County. Within two (2) business days of receipt, Contractor must provide notice to Pima County if the Contractor receives notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department representative managing the Contract and notice shall be mailed, emailed, hand delivered or sent by facsimile transmission to that Pima County representative. Notice shall include the Pima County contract number and project description.

11.4 Verification of Coverage:

Contractor shall furnish Pima County with certificates of insurance (valid ACORD form or equivalent approved by Pima County) as required by this Contract. An authorized representative of the insurer shall sign the certificates.

11.4.1 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.

11.4.2 All certificates required by this Contract shall be sent directly to the appropriate County Department. The Certificate of Insurance shall 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.

11.5 Approval and Modifications:

Pima County Risk Management reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

12. PERFORMANCE BOND: NONE**13. ACKNOWLEDGEMENT of SOLICITATION ADDENDA:**

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

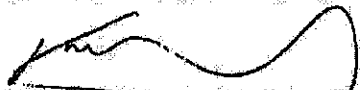
Addendum #	Date	Addendum #	Date	Addendum #	Date
#1 Alternate Language	3/1/17	#3 Consumable Discount	3/1/17		
#2 Labor Rates	3/1/17	#4 CAT Parts Pricing	3/1/17		

14. SMALL BUSINESS ENTERPRISE (SBE) CERTIFICATION: Not Applicable

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

15. BID/OFFER CERTIFICATION:**CONTRACTOR LEGAL NAME:** Empire Southwest, LLC**BUSINESS ALSO KNOWN AS:** _____**MAILING ADDRESS:** 7600 S. Nogales Hwy**CITY/STATE/ZIP:** Tucson, AZ. 85756**REMIT TO ADDRESS:** PO Box 2985**CITY/STATE/ZIP:** Phoenix AZ. 85062**CONTACT PERSON NAME/TITLE:** Carlos Martinez; Product Support Sales Rep**PHONE:** 520-343-1226 cell**FAX:** 520-746-8296**CONTACT PERSON EMAIL ADDRESS:** carlos.martinez@empire-cat.com**EMAIL ADDRESS FOR ORDERS & CONTRACTS:** carlos.martinez@empire-cat.com**CORPORATE HEADQUARTERS ADDRESS:** 1725 S. Country Club Dr. Mesa, AZ. 85210**WEBSITE:** www.empire-cat.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 shall constitute a firm offer and upon the issuance of a MA 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:** 3/1/2017John Helms, Vice President and Chief Financial Officer, Empire Southwest, LLC**PRINTED NAME & TITLE OF AUTHORIZED CONTRACTOR REPRESENTATIVE EXECUTING OFFER****PHONE AND E-MAIL:** 480-633-4000**Approved as to form:**Tobin Rosen, Deputy County Attorney2/7/17**Date**

PIMA COUNTY STANDARD TERMS AND CONDITIONS (1/9/17)**1. OPENING:**

Pima County ("County") will publicly open responses and will read each respondent's name, and if a Bid the amount, on the date and at the location defined in the *Invitation for Bid (IFB)* or *Request for Proposals (RFP)*. County will open proposals so as to avoid disclosure of the contents of any proposal to competing offerors during the process of negotiation. 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 evaluation criteria, conformity to the specifications and other factors.

If County makes an award, County will enter into an agreement with the one or multiple respondent(s) that submitted the lowest responsive bid(s) that County determined to be responsible for supplying the required goods or services. Unless the Bid/Offer document specifies otherwise, County will determine the low/lowest bids considering the total bid amount.

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 Chapter 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. County will base pricing evaluations on Contractor's pre-tax pricing.

3. AWARD NOTICE:

County will post a *Notice of Recommendation for Award* for IFB or RFP on the Procurement website for review. The Procurement Department will maintain a tabulation of responses.

4. AWARD:

Either the Procurement Director or the Board of Supervisors will make the award in accordance with the County Procurement Code. County reserves the right to reject any or all offers, bids or proposals or to waive irregularities and informalities in the best interest of County. Unless County expressly agrees otherwise, resulting contracts are not exclusive, 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 an offer, 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 shall govern, unless County accepts Contractor's terms in writing. No oral agreement or understanding shall in any way modify this contract or the terms and conditions herein. Contractor's acceptance, delivery or performance called for herein shall constitute unqualified acceptance of the terms and conditions of the resultant contract.

7. INTERPRETATION, APPLICABLE LAW and VENUE:

The laws of the State of Arizona govern the interpretation and construction of this contract. Any action pursuant 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. If any of Contractor's terms or conditions is not in agreement with County's terms and conditions as set forth herein, County's shall 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 required by County Procurement Code. 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 County's consideration. Contractor must provide a guaranteed delivery date, or interval period from order release date to delivery if the contract so requires. 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, which extension of delivery time will be valid only if in writing by an authorized representative of County.

To mitigate or prevent damages caused by delayed delivery, County may require Contractor to deliver additional quantity utilizing express modes of transport, and or overtime, all costs to be Contractor's responsibility. County reserves the right to cancel any delinquent order, procure from alternate source, or refuse receipt of or return delayed deliveries, 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.

County will not hold Contractor 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.

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 their place of manufacture, destination or both. County will hold goods failing to meet specifications of the order or contract at Contractor's risk and may return them 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 waiver of any condition will not be a waiver of that condition for subsequent shipments or deliveries.

14. SHIPPING TERMS:

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

15. PAYMENT TERMS:

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

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 delivered goods or services have met 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 fails to conform to the specifications thereof, or to the sample submitted by Contractor, County may reject same, and it thereupon becomes the duty of Contractor to reclaim and remove the same, without expense to County, and to 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 Master Agreement or Purchase Order 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 to 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 County cancels the Master Agreement, Purchase Order 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 that County sustains 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 that the law or the contract provide.

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 offer or resulting contract. Additionally, during the conduct of business with County, Contractor will not knowingly falsely certify, or induce others to falsely certify to a greater amount of labor or to the receipt of a greater amount or different kind of material or supplies than Contractor has actually delivered to County. If County discovers at any time that Contractor has in presenting any offer(s) colluded with any other party or parties for the purpose of preventing any other offer, then County will terminate any affected contract and that person or entity shall 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 develops. Participating agencies may contact Contractor to provide services and products pursuant to the pricing, terms and conditions that the County Master Agreement or Purchase Order defines. The parties may make minor adjustments by agreement to accommodate additional cost or other factors not present in the County's agreement and to satisfy particular Public Agency code or functional requirements within the intended scope of the solicitation and resulting contract. Any such usage shall be in accordance with State, County and other Public Agency procurement rules, regulations and requirements and shall be between the requesting party and Contractor. Contractor holds harmless County, its officers, employees, and agents from and against all liability, including without limitation payment and performance associated with such use. A list of agencies that are authorized to use County contracts is available on the Procurement Department Internet home page: <http://www.pima.gov/procure> by selecting the link titled *Authorized Use of Pima 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 Master Agreement, Purchase Order, 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:

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless Pima County, and its departments, districts, officials, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, costs, losses, or expenses, (including reasonable attorney's fees), (hereinafter collectively referred to as "Claims") arising out of actual or alleged bodily injury or personal injury of any person (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 Contractor's directors, officers, agents, employees, volunteers or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of 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. This indemnification will survive the termination of the above listed contract with the Contractor.

22. UNFAIR COMPETITION AND OTHER LAWS:

Responses must be in accordance 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 provided under this contract require a license issued by the Arizona Registrar of Contractors (ROC), Contractor certifies that those services will be provided by a contractor licensed by ROC to perform those services in Arizona.

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 Master Agreements or Purchase Orders 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 INFORMATION:

Pursuant to A.R.S. § 39-121 et seq., and A.R.S. §§ 34-603(H), 604(H), in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all information submitted by respondent in any way related to this contract, including, but not limited to, pricing, product specifications, work plans, and any supporting data becomes public information and upon request, is subject to release and/or review by the general public including competitors.

Any records that CONTRACTOR submits related to this contract that CONTRACTOR believes constitutes proprietary, trade secret or otherwise confidential information must be appropriately and prominently marked as CONFIDENTIAL by CONTRACTOR prior to submittal to COUNTY. Any information marked as CONFIDENTIAL must be accompanied by an index specifically identifying and describing the general contents of each page so marked. The index is a Public Record and shall not include any information considered confidential.

Notwithstanding the above provisions, in the event records marked CONFIDENTIAL are requested for public release pursuant to A.R.S. § 39-121 et seq., County will release records marked CONFIDENTIAL ten (10) business days after the date of notice to the respondent of the request for release, unless respondent has, within the ten-day period, secured a protective order, injunctive relief, or other appropriate order from a court of competent jurisdiction enjoining the release of the records. For the purposes of this paragraph, the day of the request for release will not be counted in the time calculation. Respondent will be notified of any request for such release on the same day of the request for public release or as soon thereafter as practicable.

County will not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records marked CONFIDENTIAL, 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.

29. CUSTOM TOOLING, DOCUMENTATION AND TRANSITIONAL SUPPORT:

Contractor must include 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 that Contractor will supply to County in the agreed upon Unit Price unless the contract specifically states otherwise. Such tools and documentation are the property of County and Contractor will mark them as is practical, as the "Property of Pima County". If 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 County reasonably requests 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 had 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 filed in accordance with the Pima County Procurement Code, Section 11.20.010.

33. TERMINATION:

County reserves the right to terminate any Master Agreement, Purchase Order, Delivery Order, Delivery Order Maximo 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 that County has 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: Master Agreement, Delivery Order or Delivery Order Maximo, Purchase Order, offer agreement or contract attached to a Master Agreement, Purchase Order, Delivery Order or Delivery Order Maximo; 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 Master Agreement or Purchase Order 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 Master Agreement and Purchase Order, the signed offer of Contractor and the signed acceptance of County are each considered an original and together constitute a binding Master Agreement, if they meet all other requirements for execution.

38. AUTHORITY TO CONTRACT:

Contractor warrants its right and power to enter into the Master Agreement or Purchase Order. If any court or administrative agency determines that County does not have authority to enter into the Master Agreement or Purchase

Order, County is not liable to Contractor or any third party by reason of such determination or by reason of the Master Agreement or Purchase order.

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 Master Agreement, Purchase Order, Delivery Order or Delivery Order Maximo 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 directly employed by it. 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 found 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 otherwise specified and agreed to in writing by County, 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

Attachment "A"
Pricing Page

ITEM #	ITEM NAME Items to include and satisfy all Solicitation & Offer Agreement requirements, General & Item Specifications	Part #	EST. ANNUAL USAGE QTY	UOM	UNIT PRICE \$	EXTENDED AMOUNT \$
1	Bits	105-0576	10	ea.	\$ 218.78	\$ 2,187.80
2	Bits	105-0577	10	ea.	\$ 218.78	\$ 2,187.80
3	Compressor	106-5122	5	ea.	\$ 689.21	\$ 3,446.05
4	Shoe	108-0410	40	ea.	\$ 136.85	\$ 5,474.00
5	Hose	110-3003	5	ea.	\$ 164.93	\$ 824.65
6	Sensor GP	124-4672	6	ea.	\$ 5,918.12	\$ 35,508.72
7	Battery	153-5700	5	ea.	\$ 284.10	\$ 1,420.50
8	Battery	153-5710	6	ea.	\$ 317.43	\$ 1,904.58
9	Fuel Line	191-7943	3	ea.	\$ 182.59	\$ 547.77
10	Shank	165-7218	40	ea.	\$ 100.34	\$ 4,013.60
11	Back up Alarm	370-1485	10	ea.	\$ 186.89	\$ 1,868.90
12	Control G	3E-7843	16	ea.	\$ 164.17	\$ 2,626.72
13	Cutting Edges	4T-3028	24	ea.	\$ 84.12	\$ 2,018.88
14	Cutting Edges	4T-6568	8	ea.	\$ 373.49	\$ 2,987.92
15	Cutting Edges	4T-8612	14	ea.	\$ 167.21	\$ 2,340.94
16	Grader Blades (5/8)	5D-9561	500	ea.	\$ 123.71	\$ 61,855.00
17	Grader Blades (3/4)	7D-1577	400	ea.	\$ 145.18	\$ 58,072.00
18	Grader Blades (3/4)	7D-1158E	300	ea.	\$ 123.71	\$ 37,113.00
19	Cutting Edges	8E-4567	14	ea.	\$ 217.93	\$ 3,051.02
20	Seal G	5K-5288	24	ea.	\$ 93.98	\$ 2,255.52
21	Strip	5T-8366	100	ea.	\$ 51.85	\$ 5,185.00
22	Hose	5T-9799	10	ea.	\$ 186.49	\$ 1,864.90
23	Shaft	6G-0395	8	ea.	\$ 2,226.79	\$ 17,814.32
24	Bracket	8W-0381	8	ea.	\$ 654.02	\$ 5,232.16
25	Cable A	8W-3058	16	ea.	\$ 282.06	\$ 4,512.96
26	Step	8W-3430	16	ea.	\$ 276.91	\$ 4,430.56
27	Nozzle A R	0R-3418	36	ea.	\$ 90.12	\$ 3,244.32
28	O'ring Seal	130-0229	16	ea.	\$ 21.94	\$ 351.04
29	Hydr Filter	1G-8878	16	ea.	\$ 41.18	\$ 658.88
30	Oil Filter	1R-1808	32	ea.	\$ 22.48	\$ 719.36
31	Cabin Filter	149-1912	30	ea.	\$ 26.38	\$ 791.40
32	Cabin Filter	211-2660	30	ea.	\$ 21.20	\$ 636.00
33	Air Filter Pri	386-2099	16	ea.	\$ 66.77	\$ 1,068.32
34	Air Filter Sec	331-8108	16	ea.	\$ 28.97	\$ 463.52
35	Fuel Filter/Separator	326-1643	16	ea.	\$ 28.70	\$ 459.20
36	Fuel Filter	308-9679	32	ea.	\$ 17.88	\$ 572.16
37	Transmission Filter	338-3540	12	ea.	\$ 69.24	\$ 830.88
38	Transmission Filter	328-3655	12	ea.	\$ 55.93	\$ 671.16

Attachment "A" Continued
Pricing Page

39	Filter	341-6643	16	ea.	\$ 40.00	\$ 640.00
40	Oil Sample Bottles	SOS1	500	ea.	\$ 18.72	\$ 9,360.00
41	SAE 30 wt bulk oil/trans	155-6213	200	Qt.	\$ 14.61	\$ 2,922.00
42	SAE 10w-40 wt bulk oil	300-7913	160	Qt.	\$ 10.71	\$ 1,713.60
43	SAE 30 wt bulk Hydr oil	155-6214	300	Qt.	\$ 14.61	\$ 4,383.00
44	Travel -Time	n/a	50	hour	\$ 153.00	\$ 7650.00
45	Travel Time mileage per each mile	n/a	250	ea.	\$ 2.95	\$ 737.50
In Shop Services:						
46	Welding	n/a	35	hour	\$ 114.40	\$ 4004.00
47	Lube Services	n/a	40	hour	\$ 96.00	\$ 3840.00
In Field Services:						
48	Lube service	n/a	200	hour	\$ 116.40	\$ 23280.00
49	Service Boom Truck	n/a	20	hour	\$ 153.00	\$ 3060.00
50	Fuel Service (Not including price of Fuel)	n/a	150	hour	\$ 153.00	\$ 22950.00
In Shop Small Equipment Service:						
51	Hourly Labor Rate	n/a	35	hour	\$ 111.30	\$ 3895.50
In Shop Large Equipment Services:						
52	Hourly Labor Rate	n/a	200	hour	\$ 114.40	\$ 22880.00
53	Hourly Labor Rate Over time	n/a	20	hour	\$ 149.85	\$ 2997.00
In Field Large Equipment Services:						
54	Hourly Labor rate First man	n/a	250	hour	\$ 153.00	\$ 38250.00
55	Hourly Labor rate Second man	n/a	40	hour	\$ 107.20	\$ 4288.00
56	Hourly Labor Rate Over time	n/a	30	hour	\$ 193.50	\$ 5805.00
FOB Destination/Unloaded; include cost of freight in unit price. Although County will pay taxes IF applicable, do NOT include sales tax in unit price.					TOTAL BID	\$ 443,867.11

Addendum #1
Empire Southwest, LLC's Proposed Alternate Language
to Pima County Request for Offer
Solicitation #: 246012
Caterpillar Equipment Parts, Repairs and Service

Empire Southwest, LLC ("Contractor") proposes the following changes to the above referenced Request for Offer:

1. Page 1, Section 2. **Contract Term, Renewals, Extensions & Revisions**. Delete the last sentence of the second paragraph in its entirety:

~~"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."~~

2. Page 3, Section 7. **Compensation & Payment**. Delete and replace as set forth below:

~~"Unless the parties otherwise agree in writing, all pricing will be F.O.B. Destination & Freight Prepaid Not Billed ("F.O.B. Destination"). Contractor will deliver and unload products or services at the destination(s) that the delivery article of this contract or accepted Order indicates. The offered Unit Price must include all freight costs."~~

"Unless otherwise stipulated by this agreement or the County's order, all pricing shall be F.O.B. Destination & Freight Prepaid Not Billed ("FOB Destination"), delivered to and unloaded at the destination(s) defined in the Delivery Section of this agreement or in an accepted order for services or products. All freight costs shall be included in the offered Unit Price, except for non-stocked parts, or where authorized Fleet Services personnel request a premium freight method for quicker delivery of items/part(s).

All miscellaneous shop charges (including, but not limited to, disposal and environmental fees) shall be paid as a flat \$25 fee per work order/Delivery Order for Empire Power Systems (EPS) only. All unit prices shall be quoted FOB Destination, except for non-stocked parts or where authorized Fleet Services personnel request a premium freight method for quicker delivery of items/part(s)."

3. Page 4, Section 8. **Delivery**. Delete Section 8 in its entirety and replace with the following language:

"Deliveries, if applicable, shall be made to the location printed on the delivery order (DO). Fleet Services will usually pick-up their orders but on occasion may need item(s) delivered to Fleet Services which may or may not incur a separate freight charge.

Hours of operation are 7:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays."

4. Page 9, Section 11. **Delivery**: Revise the second sentence of this Section 11 as follows:

"Contractor ~~must~~ will provide, ~~if requested~~, a guaranteed delivery date, or interval period from order release date to delivery if the contract so requires."

5. Page 9, Section 17. **Rights and Remedies of Pima County for Default:** Add the following language to the end of Section 17:

"Notwithstanding anything herein to the contrary, under no circumstances shall Contractor be liable for indirect, consequential, special or incidental damages."

[End of document]