

Ph. (480) 816-5113
Fax (480) 837-3145

December 2, 2011

Cynthia Magazine, President
Fountain Hills Library Association
P. O. Box 17581
Fountain Hills, Arizona 85269

Re: Cost Participation Agreement between the Town of Fountain Hills (the "Town")
and the Fountain Hills Library Association (the "Association")
New Carpet in Fountain Hills Library

Dear Cynthia:

I am writing to follow up on the proposed action by the Fountain Hills Town Council (the "Town Council") scheduled for December 15, 2011, authorizing the Town to share in the cost of installing new carpet in the Fountain Hills Library. As set forth in the October 18, 2011 Proposal from Continental Flooring Company (the "Company"), attached hereto as Exhibit A and incorporated herein by reference, the Company will install the new carpet in the Fountain Hills Library, November 28, 2011 through December 1, 2011 (the "Project"). It is in the Town's best interest to ensure that the Project is completed and, therefore, the Town Council is being asked to authorize participation in the cost of completing the Project.

In consideration for the Town's agreement to pay the Association for half of the cost of the Project, the Association has agreed to (i) provide the Interim Town Manager with copies of all invoices prepared by the Company in connection with the Project and (ii) inform the Interim Town Manager of all meetings with respect to the Project.

The Town shall pay half the cost of the Project, an amount not to exceed \$27,767.55, as set forth in the Proposal, attached hereto as Exhibit A. Payment shall be remitted to the Company within 15 days of receipt and approval of invoices and notice from the Association that the Project is complete and that all obligations related to the Project have been met.

I believe that this letter accurately sets out the agreement contemplated by the Town Council. If this letter is consistent with your understanding of the parties' respective obligations, please counter-sign this letter in the space below and return one original to

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my office. A duplicate original is enclosed for your convenience. If you have any questions or you want to talk with me about this matter, please do not hesitate to contact me at (480) 816-5106.

Sincerely,



Julie A. Ghetti, MPA, CPA, CGFM
Interim Town Manager

ACCEPTED AND APPROVED:

FOUNTAIN HILLS LIBRARY ASSOCIATION

By: Cynthia Magazine
Cynthia Magazine, President

EXHIBIT A
TO
COST PARTICIPATION AGREEMENT
BETWEEN
TOWN OF FOUNTAIN HILLS
AND
FOUNTAIN HILLS LIBRARY ASSOCIATION

[Proposal]

See following page(s).



9319 N. 94th Way • Suite 1000 • Scottsdale, AZ 85258
 Phone (480) 949-8509 • Toll Free (800) 825-1221
 FAX (480) 945-2603 • Website www.cfc4u.com

October 18, 2011

Town of Fountain Hills
 Mike Koveikis
 16705 E Avenue of the Fountains
 Fountain Hills, AZ 85268-3815

Via Email

RE: Replace Worn Carpet at Main Library
Maricopa County Contract No. 09101-C, Contract Period through 3/31/2013

Dear Mike Koveikis:

In response to your request for quotation, Continental Flooring Company offers the following proposal for your consideration:

Description	Qty	Price	Extended
Furnish & Install Carpet Tile (2.6.2) Shaw - Kinetic, Color: <i>Gilded</i>	1466 SY	\$24.75 SY	\$36,283.50
Furnish & Install 4" Rubber Base Color: <i>To Be Determined</i>	840 LF	\$1.10 LF	\$924.00
Remove Existing Standard Carpet	1466 SY	\$2.75 SY	\$4,031.50
Move Standard Furniture	104 SY	\$1.98 SY	\$205.92
Move Bookstacks & Heavy with Lift	1362 SY	\$7.88 SY	\$10,732.56
		Sub Total	\$52,177.48
		6.4350% Tax	\$3,357.62
		Total	\$55,535.10

Prices listed in this quote include moving of standard furniture and lifting of "full" book stacks. Standard furniture moving includes moving of regular desks, chairs, 2 drawer file cabinets and half empty 4 drawer filing cabinets.

Not included in moving of standard furniture is the moving of sensitive electronic equipment such as computers, telephones, copiers and such. You should have your IT department or facilities department coordinate the moving of all electronic items. A guide sheet regarding what to do before installation begins is included with this quote and another copy will be sent to you once an installation date is set.

Prices listed in this quote include standard carpet removal. Over the past couple of decades, advancements in adhesive technology combined with improvements in carpet construction have led to an increasing amount of flooring removal to require more than standard demolition procedures. Even though our best effort is made to make an educated estimate to determine in advance the conditions of your existing floor, there remains the possibility of discovering at the time of demolition that an atypical, hard removal condition exists which could increase this project sub total by \$1.24/SY for the equipment and additional labor required for atypical flooring removal. This is a state contract line item called Atypical Flooring Removal. If we encounter this situation, we will notify you before proceeding with any increased costs.

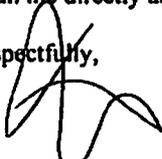
Prices listed in this quote include standard sub-floor preparation. Standard sub-floor preparation consists of 25lbs of patch for every 300 square yards of material, except as otherwise noted. Should any unforeseen sub-floor conditions exist additional charges will apply.

Continental Flooring does not test for asbestos or provide asbestos abatement. The Owner represents that they have taken all necessary steps to insure that no asbestos exists on this project. The Owner accepts all responsibility for the testing and removal of asbestos and will hold Continental Flooring harmless relating to asbestos. The owner will provide related certification to continental flooring if required.

Once your purchase order is delivered to Continental Flooring Company, materials for your installation will be ordered. **Cathy Gordon, operations coordinator (480) 949-8509 ext 289** will contact you when the material for this installation has been received and provide a proposed installation date for your approval.

Thank you for the opportunity to quote to you on this project. Should you have any questions, or require additional information, please call me at (480) 949-8509 ext 285 or on my mobile at (602) 690-6978 or email me directly at laurak@continentalflooring.com.

Respectfully,



Laura Kaligowska
Continental Flooring Company
Celebrating over 30 years of flooring the public sector

TERMS: 50% payment of \$ 27,767.55, the remaining \$ 27,767.55 payment to be made after installation is completed. Checks can be made out to: Continental Flooring Company. Visa & MC also acceptable forms of payment.

Accepted by: _____ Date: _____
Signature

Name & Title: _____

Purchase Order Number: _____

Or

Consider this acceptance as a notice to proceed -- Initial Here: _____