

**CONSTRUCTION SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
ACE ASPHALT OF ARIZONA, INC.**

THIS CONSTRUCTION SERVICES AGREEMENT (this "Agreement") is made as of September 20, 2012, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and Ace Asphalt of Arizona, Inc., an Arizona corporation (the "Contractor").

RECITALS

A. After a competitive procurement process, Mohave Educational Services Cooperative, Inc. ("Mohave") entered into Contract No. 10A-ACE-0316, dated March 16, 2010, with the Contractor for the Contractor to provide quality asphalt paving at the unit rates set forth in the Contractor's responsive bid, and subject to Mohave's standard terms and conditions (collectively, the "Mohave Contract"). The Mohave Contract, which was extended through March 16, 2013, is attached hereto as Exhibit A and incorporated herein by reference. *sup 9-11-12*

B. The Town is permitted by Section 3-3-13 of the Town Code to make purchases under the Mohave Contract without further public bidding, and the Mohave Contract permits its cooperative use by other public entities including the Town.

C. The purchasing director has made the determination that a separate bidding process is not likely to result in a lower price than would be available under the Mohave Contract. The Town desires to utilize the services of the Contractor for a lower cost than would otherwise be available.

D. The Town and the Contractor desire to enter into this Agreement, Number C2013-113, for the purpose of (i) acknowledging a cooperative contractual relationship under the Mohave Contract, (ii) establishing the terms and conditions by which the Contractor may provide the Town with parking lot repair, surface seal, slurry seal and striping services (the "Services") and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect for six months from the Notice to Proceed, but in no event later than March 31, 2013.

2. Scope of Work. Contractor shall provide the Services as set forth in the Scope of Work attached hereto as Exhibit B and incorporated herein by reference. *Jul 9-11-12*

3. Reference Standards. Contractor shall perform the Work required in conformance with (A) the "Uniform Standard Specifications for Public Works Construction," current edition as of the date of award of this Agreement and the Uniform Standard Details for Public Works Construction," current edition as of the date of award of this Agreement, each of which are sponsored and distributed by the Maricopa Association of Governments ("MAG") (collectively, the "MAG Specifications") and (B) any amendments, technical notes or supplements adopted by the Town (the "Town Specifications"), each of which are incorporated herein by reference. In the event of a conflict between the MAG Specifications and the Town Specifications, the Town Specifications shall prevail.

4. Inspection, Safety and Compliance. Contractor must inform itself fully of the conditions relating to the Services and the employment of labor thereon. Failure to do so will not relieve the Contractor of its obligation to furnish all material and labor necessary to carry out the provisions of this Agreement. Insofar as possible the Contractor, in carrying out its work, must employ such methods or means as will not cause any interruption of or interference with the work of any other contractor. Contractor affirms that it (i) has inspected the jobsite, (ii) has thoroughly reviewed the Agreement and (iii) is not relying on any opinions or representations of Town.

5. Compensation. The Town shall pay Contractor an aggregate amount not to exceed \$56,007.13 for the Services as set forth in the Contractor's Scope of Work and Fee Proposal, attached hereto as Exhibit B and incorporated herein by reference. *Jul 9-11-12*

6. Payments. The Town shall pay the Contractor monthly, based upon work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. All invoice statements shall include a record of time expended and work performed in sufficient detail to justify payment.

7. Documents. All documents prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town.

8. Contractor Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. Contractor agrees to assign specific individuals to key positions. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel of substantially equal ability and qualifications.

9. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during Contractor's performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the Town.

10. Licenses; Materials. Contractor shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the Contractor. The Town has no obligation to provide Contractor, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Contractor.

11. Performance Warranty. Contractor warrants that the Services rendered will conform to the requirements of this Agreement and to the highest professional standards in the field.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the Town and each council member, officer, employee or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims

arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

G. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

H. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

I. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Contractor's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion of the Services and the Town's acceptance of the Contractor's work or services and as evidenced by annual certificates of insurance. If any of the policies required by

this Agreement expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing Agreement Number C2013-113. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without a reference to Agreement Number C2013-113. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing Agreement Number C2013-113 will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(a) Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 or equivalent.

(b) Auto Liability - Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability - Follow Form to underlying insurance.

(2) Contractor's insurance shall be primary insurance as respects performance of the Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.

(4) A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

13.2 Required Insurance Coverage.

A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited

as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read “Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of “your work” for that insured by or for you.” If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Contractor’s owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or anyone for whose negligent acts, mistakes, errors and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate. In the event the Professional Liability insurance policy is written on a “claims made” basis, coverage shall extend for two years past completion and acceptance of the Services, and the Contractor shall be required to submit certificates of insurance and a copy of the declaration page(s) of the insurance policies evidencing proper coverage is in effect as required above.

D. Workers’ Compensation Insurance. Contractor shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor’s employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

13.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without 30 days’ prior written notice to the Town.

14. Applicable Law; Venue. In the performance of this Agreement, Contractor shall abide by and conform to any and all laws of the United States, the State of Arizona and the Town of Fountain Hills, including, but not limited to, federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this Agreement. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the State of Arizona.

15. Termination; Cancellation.

15.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by Contractor of written notice by the Town. Upon termination for convenience, Contractor shall be paid for all undisputed services performed to the termination date.

15.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

15.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

15.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a contractor to any other party of the Agreement with respect to the subject matter of the Agreement.

15.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor an amount equal to 150% of the gratuity.

15.6 Agreement Subject to Appropriation. This Agreement is subject to the provisions of ARIZ. CONST. ART. IX, § 5 and ARIZ. REV. STAT. § 42-17106. The provisions of this Agreement for payment of funds by the Town shall be effective when funds are appropriated

for purposes of this Agreement and are actually available for payment. The Town shall be the sole judge and authority in determining the availability of funds under this Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the Town to make any payment pursuant to this Agreement is a current expense of the Town, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall be relieved of any subsequent obligation under this Agreement.

16. Contract Bonds Required. Prior to issuance of the Notice to Proceed, the Contractor shall furnish the Town the following bonds, which shall become binding on the Contractor when delivered.

16.1 Performance Bond. The Contractor shall be required to furnish non-revocable security binding the Contractor to provide faithful performance of this Agreement in the amount of 100% of the total Agreement price payable to the Town. Performance security shall be in the form of a performance bond, certified check or cashier's check. This security must be in the possession of the Town's Development Services Department within seven days after execution of this Agreement by the Town. If the Contractor fails to execute the security document as required, the Contractor may be found in default and the Agreement terminated by the Town. In case of default the Town reserves all rights. All performance bonds shall be executed in the form attached hereto as Exhibit C, duly executed by the Contractor as Principal and having as Surety thereon a Surety company approved by the Town and holding a Certificate of Authority to transact surety business in the State of Arizona by the Arizona Department of Insurance. Individual sureties are unacceptable. All Insurers and Sureties shall have, at the time of submission of the performance bond, an A.M. Best's Key Rating Guide of "A-" or better as currently listed in the most recent Best Key Guide, published by the A.M. Best Company.

16.2 Payment Bond. The Contractor shall be required to furnish non-revocable security for the protection of all persons supplying labor and material to the Contractor or any subcontractor for the performance of any work related to this Agreement. Payment security shall be in the amount of 100% of the total Agreement price and be payable to the Town. Payment security shall be in the form of a payment bond, certified check or cashier's check. This security must be in the possession of the Town's Development Services Department within seven days after execution of this Agreement by the Town. If the Contractor fails to execute the security document as required, the Contractor may be found in default and the Agreement terminated by the Town. In case of default the Town reserves all rights. All payment bonds shall be executed in the form attached hereto as Exhibit D, duly executed by the Contractor as Principal and having as Surety thereon a Surety company approved by the Town and holding a Certificate of Authority to transact surety business in the State of Arizona by the Arizona Department of Insurance. Individual sureties are unacceptable. All Insurers and Sureties shall have, at the time of submission of the payment bond, an A.M. Best's Key Rating Guide of "A-" or better as currently listed in the most recent Best Key Guide, published by the A.M. Best Company.

17. Miscellaneous.

17.1 Independent Contractor. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. The Contractor, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Contractor meets the requirements of its agreed Scope of Work as set forth in Section 2 above. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Contractor do not intend to nor will they combine business operations under this Agreement.

17.2 Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes or laws affecting the Services, including, but not limited to, the following: (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws and (C) existing and future Occupational Safety and Health Administration standards.

17.3 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

17.4 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will promptly be physically amended to make such insertion or correction.

17.5 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of the Agreement which may remain in effect without the invalid provision or application.

17.6 Relationship of the Parties. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any Town payments issued hereunder and Contractor agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Agreement.

17.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and

superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

17.8 Assignment. No right or interest in this Agreement shall be assigned by Contractor without prior, written permission of the Town signed by the Town Manager and no delegation of any duty of Contractor shall be made without prior, written permission of the Town signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor.

17.9 Subcontracts. No subcontract shall be entered into by the Contractor with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used.

17.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

17.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

17.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

17.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

17.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town: Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268
Attn: Kenneth W. Buchanan, Town Manager

With copy to: GUST ROSENFELD, P.L.C.
One East Washington Street, Suite 1600
Phoenix, Arizona 85004-2553
Attn: Andrew J. McGuire, Esq.

If to Contractor: Ace Asphalt of Arizona, Inc.
3030 South 7th Street
Phoenix, AZ 85040-1163
Attn: Ron Erickson

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

17.15 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement.

17.16 Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under subsection 17.17 below, Contractor's and

its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of the Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 17.17 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

17.17 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

17.18 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 15.2 above.

17.19 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the Mohave Contract, this Agreement, the Scope of Work, the Fee Proposal, and the Contractor's response to the cooperative bid, the documents shall govern in the order listed herein.

17.20 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

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

“Town”

TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation

Kenneth W. Buchanan
Kenneth W. Buchanan, Town Manager

ATTEST:

Bevelyn J. Bender
Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on September 24, 2012, by Kenneth W. Buchanan, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, on behalf of the Town of Fountain Hills.



Janice E. Baxter
Notary Public in and for the State of Arizona

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

"Contractor"

ACE ASPHALT OF ARIZONA, INC.,
an Arizona corporation

By: *[Signature]*

Name: MICHAEL G. MOERTL PRESIDENT

Title: _____

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on September 11, 2012, by MICHAEL G. MOERTL, as PRESIDENT of Ace Asphalt of Arizona, Inc., an Arizona corporation, on behalf of the corporation.



(affix notary seal here)

[Signature]
Notary Public in and for the State of Arizona

EXHIBIT A
TO
CONSTRUCTION SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
ACE ASPHALT OF ARIZONA, INC.

[Mohave Contract]

See following pages.



**Award Notification
Via Email**

Mike Jensen
Ace Asphalt of Arizona, Inc.
3/12/2010

Congratulations, Ace Asphalt of Arizona, Inc.'s response has been awarded a contract under IFB 10A-0216. Attached is a copy of the contract signature page. Important notes and action items regarding the award are listed on page two.

Your organization is bound by the terms of this contract: **only items specifically requested in this solicitation and submitted in your response to this solicitation will be authorized/allowed.**

Advise your Mohave customers to make purchase orders out to Ace Asphalt of Arizona, Inc. Purchase orders must be faxed (928-718-3232), or emailed (orders@mesc.org) to Mohave for review.

Do not perform any work or provide any products until you receive a "Mohave Reviewed" purchase order.

We highly recommend having your staff review our vendor information pages at http://www.mesc.org/purchasing_v.html to learn more about working with Mohave. Especially helpful is the Vendor Handbook.

Please check all the entries on the contract record attached. You may make additions or revisions to the description (40 words or less), contact persons, etc. Email back any changes as soon as possible to tomd@mesc.org.

Your current contract 05D-ACE-0315 expires on 3/15/2010. Your contract under IFB 10A-0216 will take effect on 3/16/2010.

If you have any questions regarding your new contract, please call me at (928) 718-3201. We look forward to working with you and your company in the future.

Craig A. McKee, CPPB
Director of Contracting Programs

NOTES ON AWARD FOR: Ace Asphalt of Arizona, Inc.

- Please remind the member of their responsibility to independently verify that quotations and purchase orders comply with the terms of the award of a contract or procurement. This responsibility is set by rule and statute, and cannot be changed by Mohave. Members can go to http://www.mesc.org/contract_documentation.html to assist in meeting this due diligence responsibility.
- Financial information included under Tab 4 of your response will be kept confidential, unless it is in the form of an annual report for the general public.
- All products quoted must be priced and approved by Mohave in advance.
- Send requests for pricing updates to Nancy Colbaugh - nancy@mesc.org.
- Do not provide any goods/services until you receive a Mohave reviewed purchase order.
- Quick payment discounts must be approved by Mohave before being offered to Members, and must be available equally.

Order cycle overview:

1. Members forwards purchase orders to Mohave. Vendor is Ace Asphalt of Arizona, Inc.
2. Mohave emails Member order to Ace Asphalt of Arizona, Inc.
3. Ace Asphalt of Arizona, Inc. provides product/services.
4. Ace Asphalt of Arizona, Inc. invoices Member.
5. Member pays Ace Asphalt of Arizona, Inc.
6. Ace Asphalt of Arizona, Inc. sends Usage and Reconciliation Report to Mohave.
7. Ace Asphalt of Arizona, Inc. remits administration fee monthly, based on invoices paid.
8. Mohave audits selected purchases.

REQUIREMENTS/ACTION ITEMS FOR THE AWARD:

- You agreed to provide a Usage and Reconciliation Report detailing activity under the contract, and payment for Mohave administration fees for invoices paid in the previous month. Your report is due on the 20th of each month.
- Because you have an existing Mohave contract, we want to address how to properly report invoices on your monthly reconciliation reports.
 - Line item purchase orders that remain open under 05D-ACE-0315 should be reported on 05D-ACE-0315 reconciliation reports.
 - Blanket purchase order invoices with a ship date prior to 3/16/2010 should be reported on the 05D-ACE-0315 reconciliation reports.
 - New purchase orders issued under the 10A-ACE-0316 should be reported under 10A-ACE-0316 reconciliation reports.
 - Blanket purchase order invoices with a ship date after 3/15/2010 should be reported on the 10A-ACE-0316 reconciliation reports.
- All future pricing updates must be electronic. Updates on the original Excel workbook are preferred. Similar formats in Word or PDF are acceptable.
- Installation of new asphalt running tracks or full reconstruction tracks and repairs are allowed under this contract. Latex, polyurethane coatings are not allowed, along with pre-manufactured rolled rubber tracks.

Offer and Contract Award

Place after Tab 1

**IFB 10A-0216
Asphalt Paving**

To Mohave Educational Services Cooperative, Inc.:

The undersigned hereby certifies understanding and compliance with the requirements in the General Terms and Conditions. Bidder further agrees to furnish materials and/or services in compliance with all terms, conditions, specifications and addenda in the solicitation and any written exceptions in the offer.

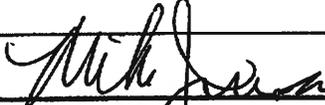
Federal Employer Identification Number 86-0419478

Company Name Ace Asphalt of Arizona, Inc.

Address 3030 S. 7th Street City Phoenix State AZ Zip 85040

Telephone Number 602-304-4023 Fax 602-304-2725

Printed Name Mike Jensen Title Public Works Manager

Authorized Signature 

The Contractor shall not commence any billable work or provide any material or service under this contract unless and until Contractor receives a purchase order with Mohave's review noted.

Acceptance of Offer and Contract Award (Mohave Only)

Your Bid is Hereby Accepted:

As Contractor, you are now bound to sell the materials and/or services offered to and accepted by Mohave in accordance with the solicitation, including all terms, conditions, specifications, addenda, etc.

This Contract shall be referred to as Contract Number 10A-ACE-0316

Awarded this 16th day of MARCH 2010.


Tom Peeler, Executive Director
Mohave Educational Services Cooperative, Inc.



IFB 10A-0216
Asphalt Paving
3/8/2010
NLC

Awarded as recommended.
 T. Peeler, 3/9/10

Recommended for award
Ace Asphalt of Arizona, Inc.

We received six responses to Invitation to Bid 10A-0216. In accordance with the procurement rules and the solicitation, the basis of award was lowest responsive and responsible bidder. The market basket pricing was used to develop a ranking from lowest to highest price for the bids received. The market basket pricing was reviewed against the submitted price lists to verify accuracy. Ace Asphalt of Arizona, Inc. was determined to be the lowest bidder for the sample job in the market basket comparison.

Ace Asphalt of Arizona, Inc. was determined to be responsive and responsible. They provided the following required information:

- Bid security of \$33,689
- Evidence of required bonding capacity
- Provide the products and services requested in solicitation
- Demonstrated necessary experience
- Demonstrated ability to adequately service members statewide for all products and services offered

The award is recommended to the least number of bidders determined necessary to meet the members' requirements. The decision was based upon considerations for future expansion, contractor's ability to provide for our large, diverse membership, bonding capacity, geographic areas served, and Mohave's past experience with contracts for similar product/services.

The award is recommended to the responsible and responsive bidder with the lowest cost, based upon the market basket referenced above. Market basket pricing from the lowest responsive and responsible bidders follows:

Ace Asphalt of Arizona, Inc.	\$147,996.37
Blount Contracting, Inc.	\$177,408.71
Cactus Asphalt	\$212,689.50
Regional Pavement Maintenance of Arizona, Inc.	\$215,264.65
Bates Paving & Sealing, Inc.	\$251,315.52

Details for the recommended awards are as follows:

Ace Asphalt of Arizona, Inc. was the lowest bidder overall. Ace Asphalt has three locations that represent three geographical areas of the state for service. They have a bonding capacity of \$2 million single and \$50 million aggregate. They have extended the warranty to 30 months for the following services: asphalt emulsion sealer, Type II cationic slurry seal, asphalt concrete overlay/full depth paving, asphalt surface patch, concrete for all phases, grade place ABC and fine grade area.

The bidder recommended for award is not on the United States General Services Administration's Excluded Parties List or on the Arizona Department of Administration Excluded Parties List.

The current contract for asphalt paving (05D-ACE-0315) expires on March 15, 2010. It is recommended that the new contracts be effective on March 16, 2010.

Not recommended for award after market basket review:

Market basket pricing was higher than the recommended award for the following bidders:

Blount Contracting, Inc.	Cactus Asphalt
Regional Pavement Maintenance of Arizona, Inc.	Bates Paving & Sealing, Inc.

Not recommended for award (Non-Responsive)

Southwest Slurry Seal, Inc.: The required market basket was "no bid," which did not allow the ability to provide a price ranking for low bidder(s). They provided a limited offer by "no bidding" the following Scope of Work and Specifications Sections: 2.3, 2.6, 2.7, 2.8, 2.9, 2.10, 2.11, 2.12, 2.13, 2.14, and 2.15. The required references were not provided in the original or the copy of their bid binders.



2/1/2012

Extension of Contract

(Page 1 of 2)

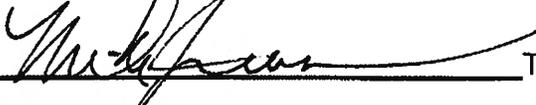
Mike Jensen
Ace Asphalt of Arizona, Inc.
3030 S. 7th Street
Phoenix, AZ 85040

RE: Contract # 10A-ACE-0316 Extension Agreement made by and between Ace Asphalt of Arizona, Inc. and Mohave Educational Services Cooperative (MESC).

In accordance with its terms, Mohave desires to extend contract 10A-ACE-0316 for a period of one (1) year, beginning 3/16/2012. The extension shall be under the same terms and conditions contained therein, except as outlined on page two of this extension of agreement.

Please indicate your desire to extend by completing the appropriate information below and on page two. If the contract is extended, Ace Asphalt of Arizona, Inc. agrees to provide products or prices as per 10A-0216.

We desire to **extend** the contract as specified above, and agree to abide by the original terms & conditions, and any attached clarifications.

Signature  Title Public Works Manager

Typed/Printed Name Mike Jensen Date 2/15/2012

Please check the information below.

POs Att: Order Desk Ace Asphalt of Arizona, Inc. 3030 S. 7th Street Phoenix, AZ 85040	Remit to: Ace Asphalt of Arizona, Inc. Accounts Receivable 3030 S. 7th Street Phoenix, AZ 85040
--	--

Member Contact: Mike Jensen Phone Number: 602-304-4023 Fax Number: 602-304-2725
Contract Administrator: Mike Jensen

We also ask you to review your contract description on our "Product/Vendor Finder" page at www.mesc.org.
Email any corrections to contracts@mesc.org

If both pages of this notice are not received at Mohave's Kingman office on or before 3/16/2012, orders may be held without processing. Email or Fax completed extension to contracts@mesc.org or (928) 718-3238

To terminate contract 10A-ACE-0316 effective 3/16/2012, send a notice of such to (928) 718-3238 or email contracts@mesc.org. You agree to complete any authorized work or orders received prior to that date.

Extension of Contract

(Page 2 of 2)

Ace Asphalt of Arizona, Inc. 10A-ACE-0316

Pricing Update:

We list your contract as having predominantly Fixed pricing. Please check the applicable lines below:

_____ Our contract has fixed prices. We agree to hold the current prices until the next anniversary.

_____ Our contract has percentage off retail pricing. The current price lists/catalogs are still applicable.

_____ We will provide new catalogs by _____(insert date)

I intend to provide pricing 3/21/2012 _____(insert date)

Remember that you cannot quote any new items or new pricing unless and until it has been approved by Mohave. Your pricing on file at Mohave is in effect until we have approved new pricing.

Email is preferred for price updates. Please identify any new items you may be proposing.

Green contracting:

In our ongoing commitment to green procurement, we ask you to review the following with regard to your contract:

Are there environmental protection and sustainability considerations that could be added into your contract?

See attached

What products or services in your contract support environmental protection and sustainability?

See attached

Identify the services in your contract generally accepted as environmentally friendly and sustainable:

See attached

What, if any, testing or certification substantiates that the products or services in the contract protect the environment and improve sustainability?

See attached

What testing or certifications (such as LEED certification) do the products or services in your offer support?

None

Any other "green" considerations we should make members aware of?

Not at this time.

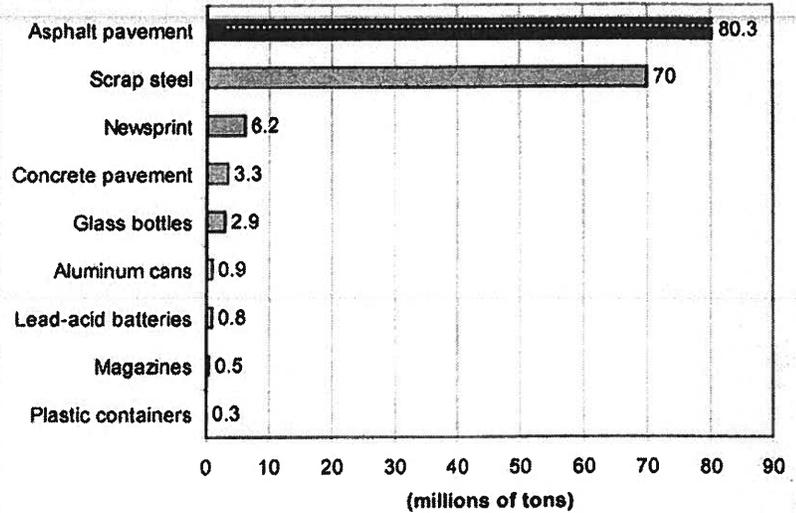
1. **Are there environmental protection and sustainability considerations that could be added into your contract? See attached.**
2. **What products or services in your contract support environmental protection and sustainability?**
 - Asphalt Remove and Replace: Dust Control, Storm Water Pollution Prevention, Recycled Asphalt Base Material
 - Asphalt Emulsion Sealer: *SealMaster* MasterSeal Modified Tire Rubberized Sealcoat
 - Tire Rubber Modified Surface Seal (TRMSS) (Spray Applied) (Roadways Only): As name supports
 - Asphalt Edge Milling 2 Feet Wide: Recycling of Millings
 - Asphalt Milling 6 Feet Wide: Recycling of Millings
 - Asphalt Pulverizing: Recycling
 - Grade/Place ABC: Dust Control, Storm Water Pollution Prevention, Recycled Asphalt Base Material
 - Demo/Haul Asphalt, Dirt, Etc.: Dust Control, Storm Water Pollution Prevention, Recycling
 - Site Grading (Moving/Excavating Dirt - On Site, No Haul Off): Dust Control, Storm Water Pollution Prevention
 - Fine Grade Area: Dust Control, Storm Water Pollution Prevention
3. **Identify the services in your contract generally accepted as environmentally friendly and sustainable:**
 - Tire Rubber Modified Surface Seal (TRMSS) (Spray Applied) (Roadways Only)
 - Asphalt Edge Milling 2 Feet Wide
 - Asphalt Milling 6 Feet Wide
 - Asphalt Pulverizing
4. **What, if any, testing or certification substantiates that the products or services in the contract protect the environment and improve sustainability?**
 - *SealMaster* MasterSeal Modified Tire Rubberized Sealcoat: Terminal certification for tire rubber content results in 10% minimum inclusion in product.
 - Tire Rubber Modified Surface Seal (TRMSS): Terminal certification for blended ground whole scrap tire rubber results in 10-16% inclusion in product.
5. **What testing or certifications (such as LEED certification) do the products or services in your offer support? None.**
6. **Any other "green" considerations we should make members aware of? Not at this time.**



Sustainability

We're On It.

- ◆ We use recycled asphalt from existing paved surfaces in greater than 90% of asphalt construction projects.
- ◆ Proper dust control and storm water pollution prevention on job sites.
- ◆ Company-wide recycling program participation.
- ◆ Our fleet is required to use ultra-low sulfur diesel to fuel equipment, reducing levels of harmful emissions into the environment.
- ◆ Systems in place to remotely monitor idling in vehicles in order to conserve fuel and lower emissions.
- ◆ All hazardous materials disposed of through licensed HAZMAT contractors only.
- ◆ All common area lighting in Ace facilities is on motion detectors to conserve energy.
- ◆ State of the art energy management system installed in all Ace facilities.
- ◆ Estimator and project management fleet converting to hybrid vehicles to conserve fuel and emissions.



Asphalt: America's Most Recycled Product

Americans who recycle aluminum cans, newspapers, plastics and glass are helping to preserve our nation's resources. But daily and quietly, the Hot Mix Asphalt industry is recycling asphalt pavement to a substantially larger extent.

Asphalt pavement is unquestionably the nation's most widely recycled product. The volume of recycled asphalt pavement is...

- ◆ 13 times greater than recycling of newsprint
- ◆ 27 times greater than recycling of glass bottles
- ◆ 89 times greater than recycling of aluminum cans
- ◆ 278 times greater than recycling of plastic containers

The Federal Highway Administration reports that 73 million metric tons of the 91 million metric tons (or 80.3 million of the 100.1 million tons) of asphalt pavement that is removed each year during resurfacing and widening projects is reused as part of new roads, roadbeds, shoulders and embankments. That's a recycling rate of 80 percent.

MOHAVE

EDUCATIONAL SERVICES COOPERATIVE, INC.
www.mesc.org

1/19/2011

Extension of Contract

(Page 1 of 2)

Strong Arizona Since 1971

▶ 6251 E. Beale St., Kingman, AZ 86401
▶ PHONE: (928) 753-6945 ▶ FAX: (928) 718-3232

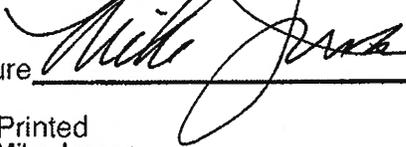
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In accordance with its terms, Mohave desires to extend contract 10A-ACE-0316 for a period of one (1) year, beginning 3/16/2011. The extension shall be under the same terms and conditions contained therein, except as outlined on page two of this extension of agreement.

Please indicate your desire to extend by completing the appropriate information below and on page two. If the contract is extended, Ace Asphalt of Arizona, Inc. agrees to provide products or prices as per 10A-0216.

We desire to **extend** the contract as specified above, and agree to abide by the original terms & conditions, and any attached clarifications.

Signature  Title Public Works Manager

Typed/Printed Name Mike Jensen Date 3/11/2011

Please check the information below.

POs Att: Order Desk
Ace Asphalt of Arizona, Inc.
3030 S. 7th Street
Phoenix, AZ 85040

Remit to: Ace Asphalt of Arizona, Inc.
Accounts Receivable
3030 S. 7th Street
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We also ask you to review your contract description on our "Product/Vendor Finder" page at www.mesc.org.
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If both pages of this notice are not received at Mohave's Kingman office on or before 3/16/2011, orders may be held without processing. Email or Fax completed extension to contracts@mesc.org or (928) 718-3238

To terminate contract 10A-ACE-0316 effective 3/16/2011, send a notice of such to (928) 718-3238 or email contracts@mesc.org. You agree to complete any authorized work or orders received prior to that date.

Extension of Contract

(Page 2 of 2)

Ace Asphalt of Arizona, Inc. 10A-ACE-0316

Pricing Update:

We list your contract as having predominantly Fixed pricing. Please check the applicable lines below:

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- We will provide new catalogs by _____(insert date)
- I intend to provide pricing 3/21/2011 (insert date)

Remember that you cannot quote any new items or new pricing unless and until it has been approved by Mohave. Your pricing on file at Mohave is in effect until we have approved new pricing.

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What products or services in your contract support environmental protection and sustainability?

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Identify the services in your contract generally accepted as environmentally friendly and sustainable:

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What, if any, testing or certification substantiates that the products or services in the contract protect the environment and improve sustainability?

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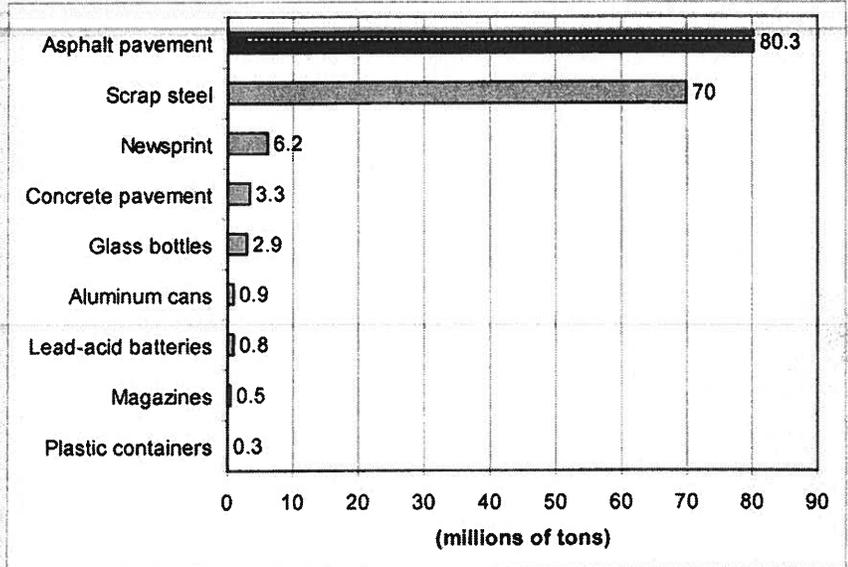
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 - Grade/Place ABC: Dust Control, Storm Water Pollution Prevention, Recycled Asphalt Base Material
 - Demo/Haul Asphalt, Dirt, Etc.: Dust Control, Storm Water Pollution Prevention, Recycling
 - Site Grading (Moving/Excavating Dirt - On Site, No Haul Off): Dust Control, Storm Water Pollution Prevention
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3. **Identify the services in your contract generally accepted as environmentally friendly and sustainable:**
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6. **Any other "green" considerations we should make members aware of? Not at this time.**



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Asphalt pavement is unquestionably the nation's most widely recycled product. The volume of recycled asphalt pavement is...

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625 E. Beale St.
Kingman, AZ 86401
(928) 753-6945 • Fax (928) 718-3232

The delivery address for
solicitations is now:
211 N. 7th Street
Kingman, AZ 86401

INVITATION FOR BID 10A-0216
DUE FEBRUARY 16, 2010 @ 3:00 P.M. MST

Bids shall be delivered to Mohave Educational Services Cooperative, Inc., 211 N. 7th Street, Kingman, AZ 86401. Bids must be submitted in a sealed envelope or box properly addressed to Mohave Educational Services Cooperative, Inc., (Mohave) with IFB 10A-0216, Bid Due Date and Time, and Bidder's Name and Address clearly indicated on the envelope or box. Mohave will not be responsible for late receipt of bids. Bids must be in the actual possession of Mohave on, or prior to the exact time and date indicated above. Bids shall be opened immediately following the bid due date and time. The name of each bidder and a sample of prices will be publicly read and recorded.

Pursuant to the provisions in the Arizona Department of Education School District Procurement Rules R7-2-1001 thru R7-2-1195, Mohave Educational Services Cooperative, Inc. seeks bids to establish contracts for sources for the following materials, equipment and/or services:

- **Asphalt Paving**

PRE-BID CONFERENCE: NONE

This solicitation consists of instructions, general terms and conditions, award criteria, bid form, form of contract, special terms and conditions, and specifications. Bidders are strongly encouraged to carefully read all general information, the special terms and conditions, and specifications for the products/services being offered. Failure to examine any of the requirements will be at bidder's risk.

Mohave reserves the right to cancel this solicitation and/or reject all bids in whole or in part if Mohave determines that cancellation and/or rejection are advantageous to Mohave and/or its Members.

Questions regarding this Invitation For Bid should be directed to:

Primary Contact:

Nancy L. Colbaugh, Contract Specialist I

Departmental email: contracts@mesc.org

Secondary Contact:

Craig A. McKee, CPPB, Director of Contracting Programs

(928) 753-6945



Tom Peeler, Executive Director
Mohave Educational Services Cooperative, Inc.

Date: January 20, 2010

Template Rev. 10-01

Offer and Contract Award

Place after Tab 1

**IFB 10A-0216
Asphalt Paving**

To Mohave Educational Services Cooperative, Inc.:

The undersigned hereby certifies understanding and compliance with the requirements in the General Terms and Conditions. Bidder further agrees to furnish materials and/or services in compliance with all terms, conditions, specifications and addenda in the solicitation and any written exceptions in the offer.

Federal Employer Identification Number _____

Company Name _____

Address _____ City _____ State _____ Zip _____

Telephone Number _____ Fax _____

Printed Name _____ Title _____

Authorized Signature _____

The Contractor shall not commence any billable work or provide any material or service under this contract unless and until Contractor receives a purchase order with Mohave's review noted.

Acceptance of Offer and Contract Award (Mohave Only)

Your Bid is Hereby Accepted:

As Contractor, you are now bound to sell the materials and/or services offered to and accepted by Mohave in accordance with the solicitation, including all terms, conditions, specifications, addenda, etc.

This Contract shall be referred to as Contract Number _____

Awarded this _____ day of _____ 2010.

Tom Peeler, Executive Director
Mohave Educational Services Cooperative, Inc.

IFB Preparation & Checklist

You have received this solicitation because of information that you provided on Mohave's online potential bidders registration. **Review this document in its entirety to make sure you fully understand the products and services that we are requesting.** Please do not assume that a particular form, section, specification or information does not or should not apply to you. Contact Mohave with any questions that you may have.

We have included this preparation form and checklist to assist you in preparing your response. Follow each step, placing the required information in your response binder in the proper place. **All of the items listed below are required.** Initial next to each item to indicate completion.

To be considered, your bid must arrive at Mohave's Kingman office (211 N. 7th St., Kingman, AZ 86401) on or before 3:00 p.m. MST on Tuesday, February 16, 2010.

Bidder shall organize the bid in the following manner:

_____ **Step ONE:**

Read and understand the document. You are responsible for asking any questions regarding the information you are required to include with your response. Do not hesitate to call for clarification on any items in this solicitation.

_____ **Step TWO:**

Obtain a set of three-hole punched index dividers with 9 tabs. Bid shall be submitted in a 3-ring binder.

_____ **Step THREE (Preparation of response, in order):**

_____ **Tab 1: Offer & Contract Award**

_____ The Offer and Contract Award page is **signed** and placed after Tab 1.

_____ Addenda, if any, are placed after Tab 1.

_____ Original bid bond or alternate bid security in the amount of \$33,689 is placed after Tab 1.

_____ **Tab 2: Introduction**

_____ Prepare an Executive Summary that provides a short narrative description of what you are offering for this contract, and place after Tab 2.

_____ **Tab 3: General Terms and Conditions**

_____ A completed copy of the *General Terms & Conditions* (pages 5-22) and the *General Terms and Conditions: Standard Terms for Construction* (pages (23-29) is placed after Tab 3.

_____ A copy of the *General Terms and Conditions Acceptance Form & the General Terms: Standard Terms for Construction Form* (page 30) is placed after Tab 3. Any exceptions to the General Terms and Conditions are noted and explained.

_____ **Tab 4: Bidder Qualifications**

_____ A complete response to the Bidder Qualifications (Appendix A) is placed after Tab 4.

_____ The financial information required in the Bidder Qualifications is placed after Tab 4.

_____ The certificate of insurance required in the Bidder Qualifications is placed after Tab 4.

_____ **Tab 5: Special Terms and Conditions, Scope of Work and Specifications**

_____ A completed copy of the Special Terms and Conditions is placed after Tab 5.

_____ A completed *Special Terms and Conditions and Scope of Work and Specifications Acceptance Form* is placed after Tab 5. Any exceptions to the Special Terms and Conditions and/or explanations for deviations to the Scope of Work and Specifications are provided.

IFB Preparation & Checklist (con't)

_____ A copy of the Scope of Work and Specifications with compliance or deviation noted for each item is placed after Tab 5.

_____ **Tab 6: Price & Discount Schedule**

_____ A complete printed copy of your price schedule(s), is placed after Tab 6.

_____ Market Basket pricing data (in paper and electronic format), placed after Tab 6.

_____ A CD or similar electronic media device (DVD, USB thumb drive, etc.) with the **required** electronic workbook and electronic versions of your price schedules, and any additional requested price information, is placed after Tab 6.

_____ **Tab 7: Required Forms**

_____ All remaining required forms are completed and placed after Tab 7, as follows:

_____ Questionnaire for Bidder (Appendix B)

_____ Support and Maintenance Plans (Appendix C)

_____ Manufacturer's Representative Information & Business Ownership (Appendix D)

_____ N/A Telecommunications & Information Systems Compliance Worksheets (Appendix E & F)

_____ **Tab 8: Additional Information**

_____ Supplementary information (3.0 questions) and additional relevant and/or requested information is placed after Tab 8.

_____ Details of contract vendor's standard and extended warranty plans are provided after Tab 8.

_____ Your current bonding capacity information as required is provided after Tab 8.

_____ **Tab 9: Preparation & Checklist, Descriptive literature & supporting printed data**

_____ This completed form, placed after Tab 9.

_____ Descriptive literature and any other additional company information are placed after Tab 9.

_____ Complete specifications for all products offered in this bid (paper or electronic media device [CD, DVD, USB thumb drive, etc.]

_____ CES participation information (Appendix H)

_____ **Step FOUR:**

_____ Confirm that the bid is complete and signed on page 2 by an authorized representative.

_____ **Step FIVE:**

_____ Provide one original and one complete copy of your bid to Mohave. Make an additional complete copy of your bid for your records.

_____ **Step SIX:**

_____ Place your complete bid and the additional Mohave copy in a sealed envelope or box and send to Mohave so that it arrives **on or before 3:00 p.m. MST on Tuesday, February 16, 2010.**

Generally, Mohave takes between three to six weeks to fully evaluate and award contracts. A bid tabulation (a list of respondents and prices read during the bid opening) will be posted at www.mesc.org within one week of the IFB opening.

General Terms and Conditions

Place after Tab 3

CANCELLATION

Cancellation for bankruptcy or acquisition: Mohave reserves the right to cancel, or suspend the use of, any contract if contractor files for bankruptcy protection, or is acquired by an independent third party.

Cancellation for conflict of interest: Pursuant to ARS §38-511, Mohave may cancel this contract or any purchase order issued under this contract within three (3) years after contract execution, for conflict of interest. Conflict of interest occurs if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Mohave, is or becomes at any time while the contract or an extension of the contract is in effect, an employee of, or a consultant to, any other party to the contract, with respect to the subject matter of the contract. Mohave shall incur no penalty or further obligation if the contract is cancelled for conflict of interest. Cancellation shall be effective when the contractor receives written notice of the cancellation, unless the notice specifies a later time.

Cancellation for convenience: Mohave reserves the right to immediately cancel the contract without penalty or recourse, in whole or in part, when Mohave determines that action to be in the best interests of its Members. Contractor shall be entitled to receive just and equitable compensation in accordance with applicable contract pricing for work in progress, work completed and materials accepted before the effective date of the cancellation.

Cancellation for non-performance or contractor deficiency: Mohave may terminate any contract if Members have not used the contract in any 12-month period, or if purchase orders total less than \$100,000 per year. Mohave reserves the right to cancel the whole or any part of this contract due to failure by contractor to carry out any obligation, term or condition of the contract. Mohave may issue a written deficiency notice to contractor for acting or failing to act in any of the following:

- Providing material that does not meet the specifications of the contract;
- Providing work and/or material that was not awarded under the contract;
- Failing to adequately perform the services set forth in the scope of work and specifications;
- Failing to complete required work or furnish required materials within a reasonable amount of time;
- Failing to make progress in performance of the contract and/or giving Mohave reason to believe that contractor will not or cannot perform the requirements of the contract;
- Performing work or providing services under the contract prior to receiving a Mohave reviewed purchase order for such work; and/or
- Accepting non-Mohave reviewed purchase orders (under the contract).

Upon receipt of a written deficiency notice, contractor shall have ten (10) days to provide a satisfactory response to Mohave. Failure to adequately address all issues of concern may result in contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by contractor under the contract shall become the property of the Member on demand.

Cancellation for replacement: Mohave reserves the right to cancel a contract awarded under this solicitation and replace it with a newer contract awarded to the same vendor for similar goods and services. Mohave may, at its option, either replace a contract resulting from this solicitation or delay a new award until the existing contract expires. The decision to replace the contract rests solely with Mohave.

Contractor cancellation: Contractor may cancel this contract at any time upon thirty (30) days prior written notice to Mohave or on the yearly anniversary of the contract. Termination shall have no effect on projects in progress at the time the notice of cancellation is received by Mohave.

Continuation of performance: Contractor shall continue to perform in accordance with the requirements of the contract, up to the date of cancellation and as directed in the cancellation notice.

Gratuities: Mohave may cancel this contract if it is found that gratuities in the form of entertainment, gifts or otherwise, were offered or given by contractor or any agent or representative of contractor, to any employee of Mohave with a view toward securing a contract or with respect to the performance of this contract. Paying the expenses of normal business meals, which are generally made available to all eligible school and government employees, shall not be prohibited by this paragraph. Samples of software, equipment or hardware provided to Mohave for demonstration or evaluation are not considered gratuities.

General Terms and Conditions (con't)

CERTIFICATION

By signing the Offer and Contract Award page (page 2 of the IFB), bidder certifies the following:

- Bidder has examined and understands the terms, conditions, scope of work and specifications and other documents in this solicitation.
- The submission of the bid did not involve collusion or other anti-competitive practices. Neither signatory nor any person on his behalf, has not agreed, connived or colluded to produce a deceptive show of competition in the matter of the bidding or award of a contract under this solicitation.
- Bidder has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.
- Neither bidder, nor any officer, director, partner, Member or associate of bidder, nor any of its employees directly involved in obtaining contracts with the State of Arizona, Mohave Educational Services Cooperative, Inc., or any subdivision of the state has been convicted of false pretenses, attempted false pretenses, or conspiracy to commit false pretenses, bribery, attempted bribery or conspiracy to bribe under the laws of any state or federal government for acts or omissions after January 1, 1985.
- Bidder agrees to comply fully with any and all provisions of ARS §32-1101 et seq (Registrar of Contractors) that may regulate bidder's business. Bidder shall not discriminate against any employee, or applicant for employment in violation of federal and state laws (see Federal Executive Order 11246; ARS § 31-1461).
- Bidder is not currently suspended, debarred or otherwise precluded from participating in any public procurement activity with any federal, state or local government entity.
- If awarded a contract, bidder agrees to promote, offer and sell under Mohave contract only those materials and/or services awarded to contractor by Mohave.
- If awarded a contract, bidder will provide the equipment, commodities, and/or services to Members of Mohave in accordance with the terms, conditions, scope of work, specifications, and other documents of this Invitation For Bid.
- If awarded a contract, bidder agrees that all students, staff and other individuals eligible to receive services will have equal access to the services regardless of race, religion, color, sex, disability, age or national origin (including language minority individuals).
- Bidder and all proposed subcontractors comply and shall remain in compliance with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, A.R.S. § 41-4401, and A.R.S. § 23-214, which requires compliance with federal immigration laws by Arizona employers, Arizona contractors and Arizona subcontractors in accordance with the E-Verify employee eligibility verification program.
- Bidder does not have scrutinized business operation in Sudan or Iran and complies with the Export Administration Act.

CLARIFICATION/DISCUSSIONS

Clarifications: Clarification means communication with bidder for the sole purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the bid. It is achieved by explanation or substantiation, either in response to an inquiry from Mohave or as initiated by bidder. Clarification does not give bidder an opportunity to revise or modify its bid, except to the extent that correction of apparent clerical mistakes results in a revision.

CONFIDENTIAL INFORMATION

Confidential information request: If bidder believes that its bid contains trade secrets or confidential information that should be withheld from public inspection, a statement advising Mohave of this fact shall accompany the bid, and the information shall be so identified wherever it appears. Mohave shall review the statement and shall determine in writing whether the information shall be withheld. If Mohave determines to disclose the information, Mohave shall inform bidder in writing of such determination.

Pricing: Mohave will not consider pricing to be confidential or proprietary.

Public record: All bids submitted in response to this solicitation shall become the property of Mohave. They will become a matter of public record available for review, subsequent to award notification, under the supervision of Mohave, by appointment, at the Kingman offices.

General Terms and Conditions (con't)

COOPERATIVE PURCHASING

Cooperative purchasing: This contract is based on the need for Mohave to provide the economic benefits of volume purchasing and reduction in administrative costs through cooperative purchasing to schools and other Members. Although contractors may restrict sales to certain public units (for example, state agencies or local government units), any contract that prohibits sales from being made to public school districts will not be considered.

Cooperative purchasing agreements: Cooperative Purchasing Agreements between Mohave and its Members have been established under ARS §41-2632 through §41-2634.

Cooperative purchasing contracts: Bidder agrees all prices, terms, warranties, and benefits granted by bidder to Members through this contract are comparable to or better than the equivalent terms offered by bidder to any present customer meeting the same qualifications or requirements (see **Most favored customer** under **Pricing**).

DELIVERY

Default in one installment to constitute total breach: Contractor shall deliver conforming materials in each installment or lot under this contract and may not substitute nonconforming materials. Mohave reserves the right to declare a breach of contract if contractor delivers nonconforming materials to any Member under this contract.

Defective goods: Contractor agrees to pay for return shipment of goods that arrive in a defective or non-operable condition. Contractor shall arrange for return shipment of damaged or defective goods.

Delivery time: Delivery is desired within thirty (30) days of receipt of purchase order. Exceptions should be listed by bidder. Delivery time is of the essence and failure to deliver any order within the time frame specified on the purchase order may result in cancellation of that purchase order.

Improper delivery: Unless contrary to other parts of this solicitation, if the goods or tender of delivery fail in any respect to conform to this contract, Member may reject the whole, accept the whole, or accept any commercial unit or units and reject the rest.

Restocking fees: A restocking fee may only be charged on products ordered and delivered to Member's site. Restocking fees in excess of fifteen percent (15%) will not be allowed. Contractor may waive restocking fees. Shipping charges on returns must be identified.

ESTIMATED QUANTITIES

Mohave anticipates considerable activity resulting from this solicitation. An estimate of purchases is provided in the overview of the requested materials or services. However, no commitment of any kind is made concerning quantities actually to be acquired. Mohave does not guarantee usage. Usage depends on the actual needs of Members and marketing by contractor.

EVALUATION & AWARD

Basis of award: Award(s) will be made to the responsive and responsible bidder(s) whose bid(s) is (are) determined in writing to be the low responsive and responsible bid or bids. Mohave reserves the right to use model projects/market baskets to determine the low responsive and responsible bid. It is Mohave's intent to award a complete line of products, when possible and advantageous.

Criteria: The evaluation criteria for this solicitation are as follows: 1) Price; 2) conformance to the terms and conditions in the solicitation; 3) completeness of the bid, and required forms; 4) service capabilities for all regions of the state; 5) availability of maintenance beyond warranty period; and 6) references and Past Performance Information (PPI) review.

Deviations and exceptions to requirements: Deviations or exceptions stipulated in a bid may result in disqualification. Language to the effect that bidder does not consider this solicitation part of the contract may result in rejection of the bid.

Formation of contract: A response to this solicitation is an offer to contract with Mohave based upon the terms, conditions, scope of work, and specifications contained in this request. A bid does not become a contract unless and until Mohave accepts it. A contract is formed when a Mohave administrator signs the award document.

General Terms and Conditions (con't)

EVALUATION & AWARD (con't)

Multiple award: Mohave has a large number of various types of Members located throughout Arizona. To assure that our contracts meet the requirements of all Members, Mohave reserves the right to award multiple contracts. Such decision will be based upon considerations for Members' experience with existing products and systems, brand continuity for parts replacement and future expansion, contractor's ability to provide for our large, diverse membership, bonding capacity, geographic area(s) served, Mohave's past experience with contracts for similar product/services, and other relevant criteria. Bidder should consider the fact that Mohave may award multiple contracts in preparing their response. The decision to award multiple contracts, award a single contract, or make no award rests solely with Mohave.

A multiple award shall be made only if the procurement officer determines in writing that a single award is not advantageous to Mohave. A multiple award shall be limited to the least number of suppliers necessary to meet the requirements of the using agencies.

Non-exclusive contract: Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of Mohave's Members. Mohave and its Members reserve the right to obtain like goods and services from other sources.

Past performance information: Past Performance Information (PPI) is relevant information regarding a contractor's actions under previously awarded contracts to schools and local, state or federal agencies. It includes contractor's record of performance under such contracts including, but not limited to: conformance to the terms, conditions, specifications and scope of work of the contracts, responsiveness to, and correction of, contract claims and controversies, and satisfaction of the contracting entities. PPI shall be a factor in evaluation and award.

Responsible bidder: A responsible bidder is a firm or person with the capability to perform the contract requirements and the integrity and reliability which will assure good faith performance. Mohave must determine a bidder to be responsible before awarding a contract to bidder.

Responsive bids: A responsive bid reasonably and substantially conforms to all material requirements of the solicitation. Bids must be responsive to receive award consideration. Mohave reserves the right to waive minor informalities.

Telecommunications and information systems: Telecommunications systems and information systems shall include the following additional evaluation factors: total life cycle costs (vendor costs, total Member costs and financing costs throughout the life cycle of the system); application benefits (a quantified assessment of the benefits to be achieved in the Member and support areas through the bid, including reasonable projected reductions in program costs and increases in productivity of personnel).

Total costs: Total Member costs include energy, facilities, repair costs, present values of money, vendor charges, personnel costs and all other identifiable Member costs. Vendor charges include all the costs of vendor support, materials, transportation and all other identifiable costs associated with the bid. Vendor costs means the costs of all hardware, materials, software, transportation, vendor support and all other identifiable costs associated with the bid. Vendor support means services provided by the vendor, such as consulting, education, training, management of the system purchased and other integration and maintenance support.

General Terms and Conditions (con't)

FEDERAL & STATE REQUIREMENTS

Business Operations in Sudan/Iran: In accordance with A.R.S. 35-391.06 and 35-393.06, the Contractor shall not have scrutinized business operations in Sudan and/or Iran.

Compliance with Federal and state requirements: Contractor agrees, when working on any federally assisted projects with more than \$2,000 in labor costs, to comply with the Contract Work Hours and Safety Standards Act, the Davis-Bacon Act (Section 29, CFR Part 5), the Copeland "Anti-Kickback" Act, and the Equal Opportunity Employment requirements of Executive Order 11246 as amended by Executive Order 11375. In such projects, contractor agrees to post wage rates at the work site and submit a copy of their payroll to the Member for their files. In addition, to comply with the Copeland Act, contractor must submit weekly payroll records to the Member. Contractor must keep records for three years and allow the federal grantor agency access to these records, upon demand. Contractor also agrees to comply with state of Arizona Executive Order 75-5, as amended by Executive Order 99-4.

When working on any projects funded with Federal grant monies, contractor additionally agrees to comply with the administrative requirements for grants and cooperative agreements to state, local and federally recognized Indian tribal governments (24 CFR, Part 85, subpart 36 – procurement). This compliance includes sections regarding requirements and regulations pertaining to reporting; patent rights; copyrights and rights in data; and applicable standards, orders or requirements issued under: section 306 of the Clean Air Act; section 508 of the Clean Water Act; Executive Order 11738; EPA regulations; and standards and policies related to the Energy Policy and Conservation Act.

Compliance with workforce requirements: Pursuant to ARS § 41-4401, Contractor and subcontractor(s) warrant their compliance with all federal and state immigration laws and regulations that relate to their employees, and compliance with ARS § 23-214 subsection A, which states, "*...every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.*"

[To register for E-Verify, go to: <https://www.vis-dhs.com/EmployerRegistration/StartPage.aspx>.]

Mohave reserves the right to cancel or suspend the use of any contract for violations of immigration laws and regulations. Mohave and its Members reserve the right to inspect the papers of any contractor or subcontract employee who works under this contract to ensure compliance with the warranty above.

Contractor Employee Work Eligibility: By entering into the contract, contractor warrants compliance with A.R.S. § 41-4401, A.R.S. § 23-214, the Federal Immigration and Nationality Act (FINA), and all other Federal immigration laws and regulations. Mohave and/or Mohave Members may request verification of compliance from any contractor or subcontractor performing work under this contract. Mohave and its Members reserve the right to confirm compliance. Should Mohave or its Members suspect or find that the contractor or any of its subcontractors are not in compliance, Mohave may pursue any and all remedies allowed by law, including, but not limited to suspension of work, termination of the contract for default, and suspension and/or debarment of the contractor. All costs necessary for compliance are the responsibility of the contractor.

Non-compliance: All federally assisted contracts to Members that exceed \$10,000 may be terminated by the federal grantee for noncompliance by contractor. In projects that are not federally funded, bidder must agree to meet any federal, state or local requirements, as necessary. In addition, if compliance with the federal regulations increases the contract costs beyond the agreed on costs in this solicitation, the additional costs may only apply to the portion of the work paid by the federal grantee.

Offshore Performance of Work Prohibited: Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

Terrorism Country Divestments: In accordance with A.R.S. 35-392, Mohave and its Members are prohibited from purchasing from a company that is in violation of the Export Administration Act. By entering into the contract, contractor warrants compliance with the Export Administration Act.

General Terms and Conditions (con't)

FORCE MAJEURE

Except for payments of sums due, neither party shall be liable to the other, nor be deemed in default under this contract, if and to the extent that such party's performance of this contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence, including, but not limited to the following: acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; snow; earthquakes; tornadoes or violent winds; hail storms; lockouts; injunctions-intervention-acts, or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure, which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring it notifies the other party of the existence of the force majeure, and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with the contract. Force majeure shall not include late deliveries of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences. If either party is delayed at any time by force majeure, the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours.

FORM OF CONTRACT

Contract type: The term contract shall be a percent of discount off manufacturer's price list or catalog, or fixed price, or a combination of both with indefinite quantities.

Form of contract: The form of contract for this solicitation shall be the Invitation For Bids, the awarded bid(s), and properly issued Member purchase orders referencing the requirements of the Invitation For Bids. If a firm submitting a bid requires Mohave and/or Member to sign an additional agreement, a copy of the proposed agreement must be included with the bid.

Parol evidence: The contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.

Vendor contract documents: Mohave will review proposed vendor contract documents. Vendor's contract document shall not become part of Mohave's contract with vendor unless and until an authorized representative of Mohave reviews it.

INDEMNIFICATION

General indemnification: To the extent permitted by law, Mohave and its Members shall be indemnified and held harmless by contractor for its vicarious liability as a result of entering into this contract. Each party to the contract is responsible for its own negligence.

Modification by Member: Contractor shall have no obligation with respect to any patent and copyright infringement claim based upon Member's modification of the equipment and/or software, or its operation or use with apparatus, data or programs not furnished by contractor. However, one Member's action will not preclude contractor's obligation to others not having modified their equipment or software.

Patent and copyright indemnification: To the extent permitted by law, contractor shall indemnify and hold harmless Mohave and its Members against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of contract performance or use by Mohave and its Members of materials furnished or work performed under this contract. Mohave and its Members shall reasonably notify contractor of any claim for which it may be liable under this paragraph.

INSTALLATION

Equipment installation should be done in a reasonable amount of time and be scheduled directly with the Member. Installation shall be in accordance with the manufacturer's instructions and shall be accomplished by skilled and properly licensed individuals.

INQUIRIES

Any question related to this solicitation shall be directed to Mohave. Mohave may require any and all questions to be submitted in writing. Inquiries may be faxed (928-718-3238), e-mailed to contracts@mesc.org, or via phone (928-753-6945). Mailed inquiries should not have the solicitation number on the envelope since it might be confused with a sealed bid response and not be opened until the due date and time.

General Terms and Conditions (con't)

INSURANCE

Liability insurance: Unless otherwise modified elsewhere in this solicitation, prior to commencing services under this contract, contractor shall procure and maintain during the life of this agreement comprehensive public liability insurance, to include automobile liability, providing limits of not less than \$1,000,000 per occurrence. Evidence of the required insurance shall be provided by means of a certificate of insurance naming Mohave as the certificate holder. In addition, contractor must be willing to provide, upon request, identical certification of insurance to any Member using this contact.

Subcontractor insurance: Prior to commencing any work, any subcontractor shall procure and maintain at its own expense until final acceptance of the work, insurance coverage in a form and from insurers acceptable to the prime contractor. All subcontractors will provide worker's compensation insurance, which waives all subrogation rights against the prime contractor and Member.

Workers compensation insurance: Contractor shall also procure and maintain during the life of this agreement, workers' compensation insurance for all of contractor's employees engaged in work under the contract. All workers' compensation insurance will be in compliance with state statute and evidenced by a certificate of insurance.

LEASES AND RENTALS

Availability of leasing: Leasing plans offered for the contract must be priced as specified in Tab 6. However, Members shall have the right to choose a different leasing company. Leases with options to purchase must be described. Rental plans should not include end-of-rental-term buy out.

Lease requirements: Mohave must be apprised of Member's intent to lease prior to processing a purchase order. Mohave will not collect monthly lease payments. Bidder agrees that leases will be in compliance with the Uniform Commercial Code. All terms of leasing must be included in the bid, with interest rates described as a relation to a recognized index or standard acceptable to Mohave. Bidder must indicate if the shipping costs for return of leased or rented equipment is Member's responsibility, and what that cost will be. Since Arizona public agencies do not pay property tax, no leasing party may charge property taxes to Member.

Sell or assignment of lease: No sale of a lease contract to a third party will be made without informing Member of the transfer. If contractor sells a lease contract to a third party, the cost of return of the product must not be greater than the cost of return to the original vendor.

LICENSES

Contractor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by contractor. Contractor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the contract. Mohave reserves the right to stop work and/or cancel the contract of any contractor whose license(s) expire, lapse, are suspended or terminated.

MAINTENANCE

Maintenance facilities and support: Unless otherwise specified, contractor shall have maintenance facilities and a maintenance support system available for servicing products in all parts of Arizona. If a third party is used to provide maintenance or warranty work, bidder must include details of any such arrangement in the bid. Trained and qualified technicians shall be available to cover all parts of the state. It is preferred that maintenance service in metropolitan areas of Arizona be available within eight hours; service in rural areas within 24 hours, or next day. Maintenance facilities must have sufficient parts inventory to provide quality service on products sold to Members.

MANUFACTURER'S REPRESENTATIVE

Manufacturer support: Bidders submitting bids as a manufacturer's representative must be able, if requested by Mohave, to supplement the bid with a letter from the manufacturer certifying that bidder is a bona fide dealer for the equipment offered, that bidder is authorized to submit an bid on such equipment, and which guarantees that should bidder fail to satisfactorily fulfill any obligations established as a result of the award of contract, the manufacturer will either assume and discharge such obligations or provide for their competent assumption by one or more bona fide dealers for the balance of the contract period.

General Terms and Conditions (con't)

OFFER ACCEPTANCE PERIOD/WITHDRAWAL

Bid acceptance period: A bid submitted in response to this solicitation shall be valid and irrevocable for ninety (90) days after opening time and date.

Late bids: Except as authorized by ARS §41-2534 and/or R7-2-1028-B, late bids shall not be considered. Late bids will be returned unopened within ten (10) days of request.

Withdrawal of bid: At any time prior to the specified due date and time, bidder may withdraw his bid. After the opening time and date, bids may not be withdrawn, except as allowed by R7-2-1030.

ORDERING CYCLE

Acceptance of orders by Contractor: All quotations provided to Members must be based on prices in the contract. Contractor may only refuse a Mohave reviewed order under this contract after providing written documentation acceptable to Mohave describing the circumstances that warrant refusal. Improper documentation and/or frequent refusals may result in contract cancellation.

Acceptance of orders by Mohave: This contract is for the sole use of Mohave and its Members. Mohave reserves the right to require Contractor to reject any purchase orders received from Members based on this contract, without cause.

Audit of Contract Activity: Mohave will audit some of the purchases made under this contract. The Contractor agrees to provide all documentation necessary for Mohave to audit purchases made under contract including invoices, credits and statements issued to Members in a timely fashion.

Contractor contacts: Contractor agrees to assign only one contact person for each of the following: administration, audit, escalation and reconciliation. These contacts may be the same person, with the exception of the escalation contact. The name(s) of the contact persons will be provided to Mohave.

Open order reports: Mohave will send contractor an open order report on a periodic basis. Contractor agrees to reply to information requests in a timely fashion.

Orders in process: Member purchase orders dated on or before the contract cancellation and/or expiration date will be processed and are considered valid until order fulfillment, or cancellation by the Member.

Purchase verification: It is the Member's independent responsibility to verify that quotations and purchase orders comply with the terms of the award of a contract or procurement.

Quotations: Quotations with no end date are considered invalid after sixty (60) days from the issue date.

OVERVIEW

Advertising: Bidder shall not advertise or publish information concerning this solicitation prior to an award being announced by Mohave. After award, contractor(s) may advertise the availability of products and services to Members. Any promotional marketing materials using the Mohave logo must be approved by a Mohave Contract Specialist in advance.

Applicable law: Contract shall be governed by the laws of the State of Arizona, and suits pertaining to the contract may be brought only in courts in the State of Arizona.

Application of law: The Arizona Procurement Code, the Arizona State Board of Education School District Procurement Rules, and the Uniform Commercial Code (UCC) as adopted by the State of Arizona, are part of this document as if fully set forth herein. Any provision or clause required by law, rule or regulation to be included in the contract will be read and enforced as if in the contract, whether or not physically included. If any such provision is not included, or is not correctly included, contract will be amended in writing to make such inclusion or correction upon application from either party to contract.

Arbitration: After exhausting applicable administrative review, the parties to this contract may agree to resolve disputes arising out of or relating to this contract through arbitration, to the extent allowed by law.

Assignment: Contractor shall assign no right or interest in this contract without prior written permission from Mohave. No delegation of any duty of contractor shall be made without prior written permission from Mohave. Mohave shall not unreasonably withhold approval and shall notify contractor of its decision within fifteen (15) days of receipt of written notice from contractor.

Audit rights: In accordance with applicable Arizona law, contractor's books and records related to this contract may be audited at a reasonable time and place, for the term specified in ARS § 41-2548.

General Terms and Conditions (con't)

OVERVIEW (con't)

Bid opening: Bids shall be opened immediately following the bid due date and time. Sample pricing will be publicly read and recorded in the presence of witnesses. All other information in the bids shall remain confidential until after award of contracts, with the exception of review by Mohave staff and selected evaluators.

Bidder qualifications: Bidder shall have extensive knowledge and at least three (3) years experience with the installation, maintenance and provision of the equipment, software or services offered. Mohave reserves the right to accept or reject newly-formed companies solely based on information provided in the bid and/or its own investigation of the company.

Brand names: The names of major businesses and their products that appear without the trademark or service mark remain the property of their respective owners.

Captions, headings and illustrations: The captions, illustrations, headings, and subheadings in this solicitation are for convenience and ease of perusal only, and in no way define, limit or describe the scope or intent of the request.

Contract claims or controversies: The requirements of the Arizona State Board of Education School District Procurement Rules and the Arizona State Procurement Code shall govern any contract awarded as a result of this solicitation, as well as any contract claims or controversies associated with it.

Formal contract claims and controversies between a Member and Mohave vendor shall be resolved in accordance with R7-2-1155 through R7-2-1159, or ARS, Title 41, Chapter 23, Article 9, as applicable. The Member's authorized representative shall serve as the district representative for resolution of such claims and controversies. ARS, Title 41, Chapter 23, Article 9 and the rules promulgated under it, or R7-2-1155 through R7-2-1159, as applicable, provide the exclusive procedure for asserting a cause against the Member under the contract.

Definition of time: Periods of time, stated as a number of days, shall be in calendar days, not business days.

Eligible agencies: Any contract awarded from this solicitation shall be available to any and all Mohave Members. Member is defined as a local or public procurement unit, or a governmental public entity that is a political subdivision for purposes of federal income tax, or a nonprofit educational or public health institution that is a political subdivision for purposes of federal income tax or meets the requirements of section 115 of the Internal Revenue Code. Mohave has over 380 Members including public school districts, community colleges, city and county governments and political subdivisions throughout Arizona. A list of Members may be found on Mohave's website, www.mesc.org. Actual use of any contract will be at the sole discretion of Mohave's Members.

Liens/serial numbers: All materials and services shall be free of liens. Bids must be for equipment on which the original manufacturer's serial number has not been altered in any way.

Novation: If contractor sells or transfers all assets or the entire portion of the assets used to perform this contract, a successor in interest must guarantee to perform all obligations under this contract. Mohave reserves the right to accept or reject any new party. A simple change of name agreement will not change the contractual obligations of contractor.

Order cycle overview:

1. Member forwards purchase orders to Mohave. Vendor and contract number listed on purchase order is contract vendor.
2. Mohave reviews and emails Member order to contract vendor.
3. Contract vendor provides product/services.
4. Contract vendor invoices Member.
5. Member pays contract vendor.
6. Contract vendor sends Usage and Reconciliation Report to Mohave.
7. Contract vendor remits administration fee monthly, based on invoices paid.
8. Mohave audits selected purchases.

General Terms and Conditions (con't)

OVERVIEW (con't)

Order of precedence: In the event of a conflict in the provisions of the contract as accepted by Mohave, the following order of precedence shall prevail:

1. Special terms and conditions
2. General terms and conditions
3. Specifications and scope of work
4. Attachments and exhibits
5. Documents referenced or included in the solicitation

Pricing extension errors: In case of error in extension of prices in the bid, unit prices shall govern.

Relationship of the parties: Vendors receiving contracts under this solicitation are independent contractors. Neither party to the contract, nor any Member, shall be deemed to be the employee of another party to the contract.

Removal from potential bidders list: Any bidder submitting a perfunctory bid with no serious intent of being accepted may be removed from Mohave's potential bidders list. Any vendor not responding to two (2) consecutive Invitation for Bids for similar procurements may be removed from the potential bidders list for those items or services. A "no bid" response or request to remain on the list is sufficient to keep a vendor on the potential bidders list.

Severability: The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.

Successful performance: The sections of solicitation defining the scope of services, requirements, qualifications, etc., are not to be construed as a complete listing that exempts successful bidder from reasonable services required to ensure successful performance under the contract.

Title: Purchase orders placed under this contract are on behalf of its Members. As such, title to goods passes directly from Contractor to Member. Title does not pass to Mohave. Mohave is not a reseller of goods.

PAYMENT

Billing: All invoices shall list the applicable Member purchase order number and Mohave contract number. Contractor will invoice Members directly. Late fees are not permitted. All transactions are payable in U.S. currency only.

Contacting Member about payment: Contractor may contact Member directly for payment for a product or service delivered to the Member under the contract. Such contact shall be professional and courteous.

Correct billing: Contractor's invoice must match the purchase order. If discovered, incorrect invoices resulting in excess charges must be corrected by Contractor, no matter the cause of the error. Any excess payment must be returned to Member within thirty (30) days, in the form of a check or credit memo, as determined by the Member.

If a Member is invoiced at less than contract prices, contract vendor will invoice the Member for the difference unless Mohave approves the undercharge.

If contract pricing in effect on the contract has gone down between the time of the order and the invoice date, vendor may invoice at the current contract price.

Credit hold: Contractor agrees to advise Mohave's assigned Contract Specialist of a Member(s) being placed on credit hold, within five (5) days of the action.

Overpayment: Contractor shall reimburse Member for any overpayment reported to contractor within the time allowed by law.

Payment time: Payment terms are Net thirty (30) days from receipt of Contractor's invoice.

General Terms and Conditions (con't)

PAYMENT (con't)

Progress payments: Mohave will permit Members to make progress payments under the following conditions: 1) Member and Contractor agree to the terms of the progress payments prior to issuing a purchase order; 2) the purchase order describes the amounts/percentages to be paid and the dates/frequency of payment; 3) Member accepts responsibility for verifying the validity of each payment application; 4) payments are made only after goods and/or services are verified; and 5) any such payments be made in full compliance with Member's local governing entity rules and any and all other applicable state rules and regulations.

Quick pay discounts: Quick pay discounts may be offered to Members, provided they have received the materials or services, and that such discounts are available equally to all Members. Mohave must approve such discounts in writing, in advance.

Reporting and Payment of Administration Fees to Mohave: The Contractor agrees to provide a Usage and Reconciliation Report detailing activity under the contract, and payment for Mohave administration fees for invoices paid in the previous month. Items in the report must include Member names, PO numbers, amounts, administration fees, invoice numbers, and credit/return information for all paid invoices in the prior month. Payment and report are due as per a schedule agreed upon by Mohave and Contractor. The initial due date shall be the 10th, 20th or 30th of the following month and will be specified in an award notification letter. If no invoices were paid under the contract in the previous month, the Contractor will provide notice of no activity. A sample reconciliation report is available at our website (www.mesc.org/solicitations/sample_recon.xls).

Vendor invoice: Vendor shall invoice Member after delivery of goods and/or services. Goods and services shall be invoiced at applicable contract prices, which include Mohave's 1% administration fee. Invoice must include Member purchase order number and Mohave contract number.

Vendor shall invoice Member for the item cost(s) including Mohave's administration fee, calculated at .0099 of the original subtotal amount. The Mohave administrative fee shall not be calculated on ancillary charges (e.g. performance bonds, shipping, transaction privilege tax, travel, lodging, meals & incidental expenses (M&IE), permits, etc.).

Vendor payment: Member shall issue payment to vendor after receipt of invoice.

PREPARATION OF BID & BID FORMAT

Amendment of bid: A bid may be amended up to the time of opening by submitting a sealed letter to the place indicated on the front of the solicitation.

Bid forms: The forms and format contained in the solicitation shall be used. Bidders may reproduce the forms and retype the information, but all of the required information must be presented in the tab order requested. Telegraphic, electronic mail, or faxed bids shall not be considered.

Bid submittal: One (1) original bid shall be submitted in a three-ring loose-leaf binder on the forms and in the format contained in the solicitation. Bid shall contain all descriptive literature, specifications, samples and any other information required by the solicitation. Include a CD or similar electronic media device (DVD, USB thumb drive, etc.) with electronic copies of your submitted documents, if available.

Bids must be completed in ink, on a computer, or typewritten. No pencil submissions are allowed. Forms may be filled out by hand, but must be legible. Illegible or vague bids may be rejected.

Bidder responsibility: Bidder shall examine the entire solicitation, seek clarification of any item or requirement that may not be clear, and check all responses for accuracy before submitting bid. Failure to examine any requirements shall be at bidder's risk. Negligence in preparing a bid confers no right of withdrawal after due date and time.

Cost of bid preparation: Mohave will not reimburse the cost of developing, presenting, or providing any response to this solicitation.

Receipt of bids: Bids must be in the actual possession of Mohave on or prior to the exact time and date set for bid opening.

General Terms and Conditions (con't)

PREPARATION OF BID & BID FORMAT

Sealed envelope or package: Bid shall be submitted to the proper location in a sealed and properly identified envelope or package, as specified on page 1 of this solicitation.

Signature(s) on bids: The bid and contract award document must be submitted with an original ink signature by the person authorized to sign the bid. The person signing the bid shall initial erasures, interlineations, or other modifications in bid. Failure to sign the bid and contract award document, or to make other notations as indicated, may result in rejection of bid.

Wording in response: Bidder shall indicate "comply" or "deviate" for each specification where requested in bid document. Details for any and all deviations shall be provided, as requested. Deviations may be accepted or rejected by Mohave, and Mohave's decision shall be final.

PRICING

Administration fee: Mohave's 1% administration fee shall be included in bidder's net price. Contractor shall not add the administration fee to approved contract prices.

Basis for pricing: Contract pricing under this IFB must be based upon:

- 1) Fixed discount(s) off published price list(s) or catalog(s)
- 2) Firm fixed price with economic adjustment (contingencies for economic price adjustments must be identified in the bid)
- 3) A combination of the above

Catalogs/price lists: A copy of the latest edition of the price list or catalog to which discount shall be applied shall be included with bid. Bidder shall attach all applicable price lists or catalogs. Submission of outdated price lists or catalogs may result in rejection of bid.

Combination pricing: Bids for combination contracts shall clearly identify items covered by discount(s) and those with fixed prices. Prices for such contracts shall be adjusted as identified for the appropriate contract type above.

Decimal Places: Pricing shall use a maximum of three (3) decimal places, unless specified otherwise.

Discounts: Discount bids must clearly identify percent of discount to apply to contract. If multiple discounts apply, bidder shall clearly indicate the discounts and applicable materials or services. Bidder shall agree that there will be no reduction in discount(s) during the term of contract.

Effect of price: No contract shall be awarded solely on the basis of price.

Fixed prices: Fixed price bids shall include prices for any and all items. Fixed prices shall be firm until each anniversary date of contract, unless there is an occurrence of one or more economic price adjustment contingencies outlined in bid. If price adjustment contingencies occur, or not less than thirty (30) days prior to each contract anniversary date, contractor may submit a fully documented request for price adjustment to Mohave. The documentation must substantiate that any requested price increase was clearly unpredictable at the time of bid submittal and results from an increased cost to contractor that was out of contractor's control.

Fixed price review: Mohave will review requests for fixed price adjustments to determine if the new prices or another option is in the Members' best interests. New fixed prices shall apply to the contract upon approval from Mohave. Price changes shall be a factor in contract renewal.

Most favored customer: Nothing in this solicitation is intended to establish a most favored customer relationship between Mohave and contractor. Contractor may respond to any solicitation without regard to this contract. If contractor offers lower prices to any of its other customers, it may lower its prices to Mohave at the same time by written notice.

New catalogs/price lists: New price lists or catalogs may be submitted for review throughout the term of the contract. Mohave will review new price lists or catalogs to determine if the new prices or an alternative option is in the Members' best interests. New price lists or catalogs shall apply to the contract only upon approval from Mohave. New price lists or catalogs found to be non-competitive at any time during the contract will be grounds for terminating the contract.

Overcharges by antitrust violations: Mohave maintains that overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, contractor assigns to Mohave any and all claims for such overcharges as to the goods or services used to fulfill the contract.

General Terms and Conditions (con't)

PRICING (con't)

Percent of discount as fixed price: Percent of discount bids that are not based upon published price lists or catalogs will be administered as fixed price contracts.

Price reduction and adjustment: Price reduction may be offered at any time during contract and shall become effective upon notice of acceptance from Mohave. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all Members equally; 2) reduction is for a specific time period, normally not less than 30 days; 3) original price is not exceeded after the time-limit; and 4) Mohave has approved the new prices prior to any offer of the prices to a Member. Contractor shall offer Mohave any published price reduction during the contract period.

Reimbursement for Transportation, Mileage, Lodging, Meals and Incidental Expenses (M&IE): Contractor may charge for transportation, mileage, lodging, M&IE, costs for out of area employees working in state under this contract. Out of area is defined as 50 miles from the point of origin. An overnight stay is required for lodging reimbursement. Mileage reimbursement shall be at a specified rate. Transportation charges are separate from mileage, and may include airfare, car rental, etc.

Reimbursements under this section shall not exceed the rates listed in approved pricing, and may not exceed the actual charge. To be eligible for reimbursement, estimated charges must be on the quote and approved by the Member. Receipts for such reimbursements must be provided upon request from the buying Member.

Special pricing offers: Special pricing offers (i.e., volume discounts) must apply to all Mohave orders of similar size and scope. Special pricing limited to a single Member is not acceptable. Special academic pricing shall be available to all eligible Members. Mohave must approve special pricing before it is offered to any Member.

Telecommunications and information systems: All vendors of telecommunication and information systems must include information on the total life cycle cost and application benefit to the Member. A telecommunication system includes, but is not limited to: all instrumentalities, facilities, apparatus and services for the transmission and reception of messages, impressions, signs, signals, pictures, sounds or any other symbols by wire, radio, optical cable, electromagnetic or other similar means. An information system is a system of hardware, software or vendor support that processes information or data by electronic data processing methods and devices.

Travel Time, Mobilization, and Trip Charges: Contractor may charge for travel time, mobilization, or trip charges under this contract. Travel time is a labor rate charged for time in transit to and from a job site, per person. Travel time may be used with mileage reimbursement, but shall be listed separately. Travel time charges are only applicable for out of area employees working in state under this contract. Out of area is defined as 50 miles from the point of origin.

Mobilization or trip charges are charges for the movement of equipment to the jobsite necessary to complete a job. Mobilization or trip charges may be based on mileage from the point of origin. Charges under this section shall not exceed the rates listed in approved pricing. Such charges must be on the quote and approved by the Member.

PRODUCT LINES

Current products: Bids shall be for materials and equipment in current production and marketed to the general public and education/government agencies at the time the bid is submitted.

Discontinued products: If a product or model is discontinued by the manufacturer, contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.

New products: New products that meet the scope of work may be added to the contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines to an existing contract if the line is replacing or supplementing products on contract, is equal or superior to the original products offered, is discounted in a similar or to a greater degree, and if the products meet the requirements of the solicitation. No products may be added to avoid competitive procurement requirements. Mohave may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Mohave may reject any additions without cause.

General Terms and Conditions (con't)

PRODUCT LINES

Options: Optional equipment for products under contract may be added to the contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.

Product line: Bidders with a published catalog may submit the entire catalog. Mohave reserves the right to select products within the catalog for award without having to award all contents. Mohave may reject any addition of equipment options without cause.

PROTESTS

Protests shall be filed with the district representative Tom Peeler, the Executive Director of Mohave, and shall be resolved in accordance with ARS, Title 41, Chapter 23, Article 9 and State Board Rules R7-2-1001 through R7-2-1195. *A protest must be in writing and must be filed with the Executive Director of Mohave at 625 E. Beale Street, Kingman, Arizona, 86401.* A protest of a solicitation must be filed with the Executive Director before the solicitation due date and time. A protest of a proposed award or awards must be filed within ten (10) days after the protester knows or should have known the basis of the protest, whichever is earlier. A protest filed on the tenth day must be received by 5:00 pm, MST. A protest must include:

- The name, address and telephone number of the protester;
- The original signature of the protester or its representative;
- Identification of the solicitation by contract number;
- A detailed statement of the legal and factual grounds of protest including copies of any relevant documents; and
- The form of relief requested.

Should Mohave prevail in an appeal of a decision issued by the Executive Director, appellant waives any objection to the hearing officer awarding Mohave its reasonable attorneys fees and costs.

RIGHT TO ASSURANCE

Whenever one party to the contract has a good faith reason to question the other party's intent to perform, he may demand that the other party give written assurance of its intent to perform. If a demand is made and no written assurance is given within ten (10) days, the demanding party may treat this failure as an anticipatory repudiation of the contract.

SAFETY STANDARDS

Items supplied under the contract shall comply with applicable Occupational Safety & Health Standards of the Arizona Industrial Commission, National Electric Code, and National Fire Protection Association Standards.

SAMPLES

Sample evaluation: Samples will be compared to bid specifications and evaluated as to materials used in construction, quality and workmanship, durability, adaptability to the use for which the items were intended, and overall appearance.

Sample requirements: Samples may be required prior to awarding a contract. Bidder shall provide adequate samples and detailed specifications for any item offered. Samples must be submitted within ten (10) days of request from Mohave.

Sample submittals: Samples shall be free of charge and submitted and removed by bidder at bidder's expense. Award samples may be held for comparison with deliveries. Mohave shall not be held responsible for samples damaged or destroyed in examination or testing. Samples not removed within thirty (30) days after notice to bidder will be considered abandoned, and Mohave shall have the right to dispose of them.

SHIPPING

Shipping terms/transfer of title: Shipments shall be F.O.B. destination. Title and risk of loss of material shall not pass to Member until Member receives the material at delivery point, unless otherwise provided in the contract.

Shipment under reservation: Contractor is not authorized to ship materials under reservation and no tender of a bill of lading will operate as a tender of the materials.

General Terms and Conditions (con't)

SHIPPING (con't)

Shipping charges: If shipping is charged, it shall be prepaid and the actual cost added to the invoice. Shipping charges as a percentage of purchase price may be offered, if bidder agrees that Member will not be charged more than the actual invoiced amount for shipping. If contractor requires Member to pay for shipping, weight of the empty container and any material used for packing shall be of the lightest weight practical for safe delivery of the contents.

Shipping errors/risk of transportation: Shipping errors will be at contractor's expense. If contractor ships a product that was not ordered, contractor shall pay for return shipment at the convenience of Member. All risk of transportation and all related charges shall be contractor's responsibility. Contractor shall file all claims for visible or concealed damage. Member will notify contractor promptly of any damaged goods and shall assist contractor in arranging for inspection.

SITE REQUIREMENTS

Cleanup: Contractor shall clean up and remove all debris and rubbish resulting from his work as required or directed by Member. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean and unobstructed condition.

Contractor Employee Fingerprinting: Contractor, subcontractors or vendors and their employees working under an awarded contract who are required to provide services on a regular basis at an individual school, shall obtain and present a valid Department of Public Safety fingerprint clearance card in accordance with A.R.S. § 15-512 (H). The fingerprint card shall be issued pursuant to title 41, chapter 12, article 3.1. Charges for such fingerprint checks will be the responsibility of the contractor, subcontractor, vendor or individual employee as determined by the buying Member.

An exception to this requirement may be authorized in Member's Governing Board policy, for persons who, *"as part of the normal job duties of the persons, are not likely to have independent access to or unsupervised contact with pupils."*

Contractor, subcontractors or vendors and their employees shall not provide services on school district property until so authorized by the school district. Additionally, contractor shall comply with applicable governing board fingerprinting policy(ies) at the school district where services are provided.

Preparation: Contractor shall not begin a project for which Member has not prepared the site, unless contractor does the preparation work at no cost, or until Member includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.

Registered sex offender restrictions: For work to be performed at an Arizona school, contractor agrees that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Contractor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Member's discretion. Contractor must identify any additional costs associated with compliance of this term. Include such costs in Tab 6. If no costs are specified, compliance with this term will be provided at no additional charge.

Safety measures: Contractor shall take all reasonable precautions for the safety of employees on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Contractor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public, and existing structures from injury or damage.

Smoking: Persons working under the contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.

General Terms and Conditions (con't)

SITE REQUIREMENTS (con't)

Stored materials: Upon prior written agreement between the contractor and Member, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Member prior to payment. Such materials must be stored and protected in a secure location, and be insured for their full value by the contractor against loss and damage. Contractor agrees to provide proof of coverage and/or addition of Member as an additional insured upon Member's request. Additionally, if stored offsite, the materials must also be clearly identified as property of buying Member and be separated from other materials. Member must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary.

Until final acceptance by the Member, it shall be the Contractor's responsibility to protect all materials and equipment. The Contractor warrants and guarantees that title for all work, materials and equipment shall pass to the Member upon final acceptance. Payment for stored materials shall not constitute final acceptance of such materials.

SPECIFICATIONS

Compliance with specifications: The fact that a manufacturer, supplier or bidder chooses not to produce or supply equipment, supplies or services to meet the specifications will not be considered sufficient cause to adjudge the specifications as restrictive. Bidders shall offer equipment, supplies, and/or services they believe come closest to meeting specifications.

Deviations from specifications: Bidder shall provide an explanation for each deviation to the specifications. Failure to detail deviations may result in rejection of the bid.

Purpose of specifications: Specifications are designed to enable bidder to satisfy a requirement for a product, material, process, or service. A specification may be expressed as a standard, part of a standard, or independent of a standard. No specification is intended to limit competition by eliminating items capable of satisfactorily meeting the requirements of the procurement. If bidder believes a specification is unnecessarily restrictive, bidder must indicate such in its bid.

Use of brand names: Brand names, trade names, model numbers, and/or catalog numbers are used to indicate the character, quality, and/or performance characteristics of the materials desired. Use of the name of a manufacturer, brand, make or catalog number does not restrict bidder from offering suitable alternates. However, Mohave reserves the right to decide whether alternatives to the identified manufacturer and brand are equal to the materials, equipment described in the solicitation. Mohave will be the sole judge on the question of equal quality, and Mohave's decision shall be final.

SUBCONTRACTORS

Awarding subcontracts: Bidder agrees that any subcontract competitively solicited by contractor will not be awarded solely upon membership or non-membership in a union or professional association.

Entering subcontracts: Contractor shall not enter into any subcontract subject to this solicitation without prior approval from Mohave. Any such subcontract shall incorporate by reference the terms and conditions of the Mohave contract.

Prime contractor: Contractor will be considered a prime contractor and not a subcontractor. Neither Mohave nor the Member will establish a contractual relationship with subcontractors.

Subcontracts: No subcontracts shall be entered into with any unlicensed party. Contractor must use subcontractors openly, include such arrangements in the bid, and certify upon request that such use complies with the rules of the Arizona Registrar of Contractors and the Procurement Code. No subcontracting costs may be hidden in a cost bid to Member.

Subcontractor payment: Contractor agrees to pay subcontractors within seven days after receipt of payment from Mohave Member, as required in ARS §32-1129. If contractor receives any interest monies for delay of payment from Member [A.C.C. R7-2-1115 (C)], contractor will pay subcontractor the correct proportion of interest paid. Complaints by subcontractor may be resolved as described in ARS §32-1129 (E). Failure to pay subcontractor for work faithfully performed and properly invoiced may result in the suspension or cancellation of this contract.

General Terms and Conditions (con't)

SUBCONTRACTORS (con't)

Use of subcontractors: Labor used throughout the work shall be of a standing or affiliation that will permit the work to be carried on harmoniously and without delay, and that will, in no case or under any circumstances, cause any disturbance, interference or delay to the progress of the project. Subcontractor and lower-tier subcontractors shall not employ in subcontract work anyone whose employment may be objected to by prime contractor or Member. Should workers performing work covered by a subcontract engage in a strike or other work stoppage or cease to work due to picketing or a labor dispute of any kind, said circumstance shall be deemed a failure of subcontractor subject to the conditions and terms above.

SUSPENSION OR DEBARMENT STATUS

Bidder shall include a letter in its bid notifying Mohave of any debarment, suspension or other lawful action taken by any federal, state or local government within the last five years that precludes bidder or its employees from participating in any public procurement activity. Such letter shall provide name and address of the public procurement unit, effective date, duration, and relevant circumstances of the suspension or debarment. Failure to supply such letter or not disclose all pertinent information shall result in cancellation of any contract.

TAXES

Federal excise tax: Most Members are exempt from paying Federal Excise Tax.

Indian reservation or tribal tax: If goods or services are subject to Indian reservation or tribal tax, Contractor shall include such taxes as a separate item on the original invoice to the Member.

Payment of taxes: Member is responsible for payment for all taxes listed on the invoice. Contractor is responsible for collecting such taxes and shall forward all taxes to the proper revenue office. Installation of equipment that becomes permanently attached to a structure is taxable as a contracting activity. [R-15-5-708 (A)]

Pre-tax prices: Prices shall not include applicable state and local taxes. All applicable taxes must be listed as a separate item on all invoices and will be paid by Member issuing the purchase order.

Property taxes: Arizona public agencies do not pay state property taxes. (Arizona Constitution, Article 9, Section 2) Contractors who lease equipment that is subject to property taxes may not invoice Mohave or its Arizona public Members for property taxes. Contractors who sell lease contracts to third parties shall inform the owner of a lease contract that no Arizona property taxes are allowed and will not be collected by Mohave.

Transaction Privilege Tax (Sales Tax): Most Members are taxable. Transaction privilege taxes in Arizona include State, County and City taxes. The tax status of the ordering Member determines if and when transaction privilege taxes are to be applied. Documentation for Members who do not pay Transaction privilege tax is available upon request from Member. Contractor is responsible for charging taxes correctly.

Taxes on construction: Contractors for construction-related projects must follow the latest Arizona Administrative Code, Department of Revenue, transaction privilege tax procedure as described in R-15-5-602. Since the work is performed for and payments will be received from Mohave's Members, the contractor is considered a prime contractor by R-15-602 (C, 1, a). Transaction privilege taxes on contracting shall be separately stated on invoices.

Taxes on shipping: Transaction privilege tax may not be collected on delivery charges to the Member's location if separately stated on the invoice (Arizona Administrative Code, R15-5-133A).

TERM OF CONTRACT AND EXTENSION

Contract period: It is Mohave's intent to award a multi-term contract for the specified materials, equipment and services. The initial contract term shall be for one (1) calendar year from the date of contract award. By mutual written agreement between Mohave and contractor, the contract may be extended for up to four consecutive additional 12-month periods, beginning immediately after expiration of the prior term. However, no contract extension exists unless and until contractor is so notified by Mohave.

General Terms and Conditions (con't)

TERM OF CONTRACT AND EXTENSION (con't)

Month-to-month extensions: Mohave reserves the right to offer month-to-month extensions if that is determined to be in the best interests of Members.

Renewal of contract: Conditions for renewal of the contract shall include, but are not limited to: contract usage, satisfactory performance of services during the preceding contract term, ability to continue to provide satisfactory services, continued adherence to the requirements of the contract, and continued competitive prices for the materials and services provided under the contract.

TRADE-IN EQUIPMENT

Member and contractor shall determine values placed on trade-in products. The value of trade-in shall not affect the amount of administration fee paid to Mohave. Trade-in equipment shall be dismantled by contractor and removed at contractor's expense. The condition of trade-in equipment at the time it is turned over to contractor shall be the same as when the original agreement was made, except for normal wear and tear from use between the time of the offer and trade-in.

WARRANTY/QUALITY GUARANTEE

Fitness: Contractor warrants that any equipment or material supplied to Mohave or its Members shall fully conform to all requirements of the contract and all representations of contractor, and shall be fit for all purposes and uses required by the contract.

Inspection: The warranties set forth in this section shall not be affected by inspection or testing of, or payment for the equipment or materials to Mohave by its Member.

WARRANTY/QUALITY GUARANTEE (con't)

Quality: Unless otherwise modified elsewhere in this solicitation, contractor warrants that for one (1) year after acceptance of the equipment or materials by Member, they shall be:

1. Of a quality to pass without objection in the industry or trade normally associated with them;
2. Fit for the intended purpose(s) for which they are used;
3. Of even kind, quantity and quality within each unit and among all units, within the variations permitted by the contract;
4. Adequately contained, packaged and marked as the contract may require; and
5. Conform to the written promises or affirmations of fact made by contractor.

Warranty requirements: Contractor warrants that all equipment, materials, and service delivered under this contract shall conform to the specifications. Unless stated otherwise, all equipment must carry a minimum 12-month manufacturer's warranty that includes parts and labor. Contractor agrees to help Member reach resolution in a dispute with the manufacturer over warranty terms. Any extended manufacturer's warranty will be passed on to Member without exception. Mohave reserves the right to cancel the contract if contractor charges Member for a replacement part contractor received at no cost under a warranty.

General Terms and Conditions: Standard Terms for Construction

BID SECURITY

Amount of bid security: Amount of bid security: All bidders for a contract under this IFB must include acceptable bid security in the amount of **\$33,689** with the submission of their bid.

Bid security requirement: School procurement rules [R7-2-1111 (A)] require that all competitive sealed bidding for construction have bid security, if the amount of the construction contract will exceed the amount established by ARS §15-213(A). Bid security as a percentage of the bid amount is unacceptable, as this is a term contract with no specific bid amount. Bid security must be in the amount stated above in "*Amount of bid security.*"

Form of bid security: Acceptable bid security for this IFB will be a certified or cashier's check, or an annual or one time bid bond underwritten by a surety company licensed to issue bid bonds in Arizona [R7-2-1111 (B, C)]. Bid security may be provided using a form similar to the Arizona Department of Administration State Purchasing Office (SPO) Form 301A with the principal being the prime contractor and Mohave Educational Services Cooperative, Inc. being the Agency of Record. (See last pages of this IFB for forms.)

CHANGE ORDERS

Adherence to specifications and drawings: The contractor shall follow the requirements of all specifications and drawings as closely as actual construction and work of contractors shall permit. Should existing conditions or limitations require a major change or rearrangement, the change shall be allowed only upon issuance of a written change order.

Change order requirement: Member and contractor shall establish a procedure for identifying and approving changes to the work. Said procedure shall include provisions for field change orders. Member shall notify Mohave of any change that revises the cost of the project. Contractor shall not begin the revised work prior to receipt of the Mohave reviewed Member change order.

Contractor agrees to follow all applicable rules and regulations for any change orders, including R7-2-1008.

Change orders shall be properly documented in writing. Minor changes mutually agreed between the Member and the prime contractor that do not involve compensation may be made without informing Mohave, unless such change significantly modifies the scope and needs to be documented.

Costs for changes associated with improper checking or coordination: The cost of any change in construction due to improper checking of site and/or other conditions, or coordination by contractor, shall be borne by the contractor, and the contractor shall not be entitled to reimbursement for such costs.

CONSTRUCTION CONTRACTS

Cancellation by Mohave: Mohave reserves the right to cancel a contract resulting from this IFB if the original contract holder is sold and ownership is transferred to a new party. If Mohave cancels the contract, the cancellation clause will be exercised, as required. The fact that a current owner has an existing contract should not be a factor in the sale of the company.

Compensation: Compensation for received goods, terms of progress payments, and a schedule of payments should be described in the contract. The agreement must state that Mohave will not be responsible for any late fees due the prime contractor by the Mohave Member.

Member delays: As required by ARS §15-213 (D), the prime contractor will negotiate with Mohave Member for the recovery of damages related to expenses incurred by the contractor for a delay for which the Mohave Member is responsible, which is unreasonable under the circumstances and which were not within the contemplation of the parties to the contract between the two parties. Any such negotiations will not void any provisions between the parties that require notice of delays, provide for arbitration or other procedure for settlement or provides for liquidated damages.

Standard Terms and Conditions for Construction (con't)

CONSTRUCTION CONTRACTS (con't)

Construction contract requirement: In any contract between the prime contractor and a Mohave Member based on this contract, the terms and conditions of this contract will prevail. In any contract between the Mohave Member and the prime contractor, the scope of work will include all specifications, drawings, and other official documents. All applicable codes around which the contract is made will be included as will any technical specifications and general conditions. The prime contractor will acquire and pay for all permits and approvals from local, county, and state offices needed to accomplish the work. The actual cost of permits and approvals may be invoiced to the buyer only if included in the original quotation and scope of work.

Form of construction contracts: A contract between the Mohave Member and the prime contractor for construction shall be an industry standard agreement. The parties may agree to use the American Institute of Architects (AIA) General Conditions of Contract for Construction Form A201 as a guide.

Member representative: All formal contact between the contractor and/or contractor's personnel and the Mohave Member shall be processed through the Member representative. The buying Mohave Member shall designate the Member representative at the time of purchase.

Terms of acceptance: Terms for acceptance by the owner and title to work must be clearly agreed upon and described in the contract. If any part of the construction requires the owner to assume control before the completion, this needs to be defined. Both parties must agree on the definition of what constitutes final acceptance before payment of any retained compensation. Upon completion of the project, the worksite shall be left in a condition equal to or better than before the project.

Void provisions: A provision, covenant, clause or understanding in, collateral to or affecting a construction contract that makes the contract subject to the laws of another state or that requires any litigation, arbitration or other dispute resolution proceeding arising from the contract to be conducted in another state is against public policy of the State of Arizona and is void and unenforceable. (ARS § 15-213 & 34-227)

Work performed by the buying Member: Work to be performed by the Mohave Member must be clearly described and agreed to by the buyer prior to project start up.

CONSTRUCTION SCHEDULE

Schedule adjustment: The Mohave Member retains the right to extend the schedule of work or to suspend the work and to direct the prime contractor to resume work when appropriate. The agreement must describe an equitable adjustment for added costs caused by any suspension. Any increases will be invoiced, as allowed in the agreement.

Schedule requirement: The schedule for performance of work that can be met without planned overtime is the responsibility of the prime contractor.

Work crew size: The cost for each project shall include all costs of all necessary trained personnel to complete the project on or before the completion date(s) set forth in the contract. The buyer shall not incur additional expense for upsized crews, nor overtime costs, which might be necessary for the contractor to complete the project on schedule.

COORDINATION

Conflict with Member activities: The contractor and Member shall coordinate activities so as to avoid conflicts. The contractor will make every reasonable effort not to interrupt scheduled Member activities with work under the contract. The contractor will notify the Member of any construction work that may negatively impact scheduled Member activities due to noise, etc.

Coordination with other contractors: The contractor shall coordinate with other contractors and vendors so that work may be properly coordinated.

Interruption of other work: The contractor shall employ such methods or means as will not cause any interruption of, or interference with, work of any other contractor on the project site.

Standard Terms and Conditions for Construction (con't)

DELIVERY OF CONSTRUCTION MATERIALS:

Condition of materials on delivery: The prime contractor will deliver materials to the worksite in new, dry, unopened, and well-marked containers showing product and prime contractor's name. Damaged or unlabeled materials will not be accepted.

Delivery requirement: The prime contractor will deliver materials in sufficient quantity to allow for continuity of work. Delivery will be coordinated with the Member's representative.

Precautions: The contractor shall take all necessary precautions to protect its materials from damage, theft and misuse. The Member shall have no responsibility for such precautions or protection.

Rejected and damaged material: Damaged or rejected materials shall be immediately removed from the work area.

INSURANCE

Course of Construction Insurance: Upon request from Member, contractor shall purchase and maintain course of construction insurance equal to the estimated replacement cost of the property after completion of the entire work at the site as called for in the purchase order. The insurance form will be an "all risk" type policy with standard exclusions. Coverage will include temporary structures, scaffolding and office trailers at the site, as well as materials and equipment at the site destined to become a permanent part of the property. Any additional costs associated with course of construction insurance, must be identified in the pricing workbook.

Deductibles: Contractor shall pay the deductibles required by the insurance provided under this agreement.

Indemnification: During the life of the contract, contractor agrees to save and hold harmless Mohave and/or its Members from any and all liability for loss or damage to persons or property arising out of the work required by the contract. Contractor further agrees to waive any right of recovery against Mohave and/or its Members for damage to the property of contractor, whether caused by negligence on the part of Mohave and/or its Members or otherwise. This provision includes specifically the waiver of right of recovery against Mohave and/or its Members for fire damage to property under contract and not yet formally accepted by Member even though said property at the time of loss may be occupied, in whole or in part, by Member.

Proof of Insurance: Evidence of the required insurance shall be provided by means of a certificate of insurance naming Mohave as the certificate holder. In addition, contractor must be willing to provide, upon request, identical certification of insurance to any Member using this contract. Upon request, contractor shall provide Mohave and/or Member with a certificate of insurance naming Mohave and/or the buying Member as an additional insured. All insurance policies shall include a clause to the effect that the policy shall not be cancelled or reduced, restricted or limited until thirty days after the Owner has received written notice, evidenced by a return receipt of a registered or certified letter, of the proposed action.

Scope of Insurance: Contractor's insurance shall provide adequate protection for contractor and contractor's subcontractors, respectively, against damage claims which may arise from operations under this contract, whether such operations be by the insured or by anyone directly or indirectly employed by the insured. All insurance must be written by companies incorporated within the United States (exclusive of Territories or Possessions) and licensed or authorized to do business in Arizona.

LABOR PRACTICES

Labor practices: The prime contractor must agree to treat its labor in keeping with its labor contract agreement and to the best interest of the Mohave Member. Any overtime practices or retroactive agreements with labor unions that would be to the detriment of the Mohave Member must be limited to only those approved by the Mohave Member.

Labor requirements: The method and manner of performance must be stated: employees of the prime contractor are not employees of the Mohave Member; the level of competency of the personnel will be subject to approval by the Mohave Member; the prime contractor must agree to comply with all local, state and federal laws; adjoining property owners must not be annoyed by noise, pollutants, material hauling operations; procedures for dealing with fire, theft, and storm damage must be established; methods the prime contractor will use to guarantee safe job practices relating to the health and welfare of the Member employees and contract vendor employees will be clearly stated.

Standard Terms and Conditions for Construction (con't)

LABOR PRACTICES (con't)

Quality control: The Member shall have the right to require the contractor to remove from the project any employee or representative of the contractor, its subcontractors or suppliers that the buyer may deem incompetent, careless, insubordinate, or otherwise unacceptable.

Quality of work: All work under the contract shall be accomplished by experienced craftsmen, helpers and laborers under the supervision of the foremen or supervisor.

Supervision: The contractor shall furnish the services of an experienced foreman or supervisor who will continually be in charge of work on the project. The foreman or supervisor shall provide continuous supervision, coordination and inspection of the work required under the contract.

LIQUIDATED DAMAGES

Any agreements on liquidated damages and early completion incentives will be between the Member and the contractor and must be agreed upon in writing prior to start up. If the Mohave Member declines a liquidate damages or early incentive agreement, the contractor will obtain a written and signed statement to this effect. Mohave will not be a party to liquidated damages or early completion incentive agreements.

MEMBER COSTS

Temporary electrical service and the cost for power, the costs for water, and other Member costs will be identified in writing and agreed upon.

PERFORMANCE AND PAYMENT BONDS

Form of performance and payment bonds: Performance bonds between the Member and the prime contractor shall be on forms similar to SPO Form 302. Payment bonds between the Member and the prime contractor shall be on forms similar to SPO Form 303.

Issuing performance and payment bonds: Upon execution of a contract between a Mohave Member and the prime contractor, performance and payment bonds shall be provided to the Member as required in ARS §§ 34-222, 34-223, 28-6923, 41-2574, or R7-2-1112 (A, B, C, D), as applicable. The prime contractor agrees to notify the Mohave Member in writing of this requirement before accepting any work orders.

If the prime contractor fails to deliver any required performance or payment bond, the contract with Mohave may be canceled. The contractor will supply Mohave with a copy of the bonds for our records, upon request.

Payment bond requirement: An irrevocable payment bond in an amount equal to 100% of the price specified in the contract between the Member and the prime contractor shall be executed by a surety company authorized to do business in Arizona. This bond will protect all persons supplying labor and material to the prime contractor for the performance of the work provided in the contract. Such bonds are taxable at the contractor's tax rate.

Performance bond requirement: An irrevocable performance bond in an amount equal to 100% of the price specified in the contract between the Member and the prime contractor shall be executed by a surety company authorized to do business in Arizona.

Standard Terms and Conditions for Construction (con't)

PROGRESS PAYMENTS

Progress Payments on Construction: R7-2-1115 allows for progress payments to the contractor of construction if the contractor agrees to adhere to ARS §41-2577 (B) (D) (F). All progress payments must be invoiced to the Member; it is the responsibility of the Mohave Member to review and approve any estimates of work completed. If the Mohave Member issues a written statement to the bidder that the estimate of work is not approved and certified, the Member may withhold an amount from the progress payment the Member reasonably expects to incur in correcting the deficiency set forth in the written finding, as permitted in R7-2-1115 (A). In such cases, the bidder agrees to hold Mohave harmless for any deficiency of payment.

Progress payments may be made to the prime contractor on the basis of a duly certified and approved estimate of work performed during the preceding month. The prime contractor must agree to pay any subcontractors or material suppliers within seven days of their receipt of the progress payment, unless otherwise agreed on in writing between the parties.

Schedule of payments: Once all bonds are in place, the prime contractor and the Member will agree upon a schedule of payments based on identifiable milestones.

If any payment is delayed beyond 30 days from the due date, the bidder agrees not to charge Mohave interest on the late payment. Any late charges will be the total responsibility of the Mohave Member. The bidder may extend any due date to avoid the requirement to pay interest in R7-2-1115 (C).

Acceptance of final payment is a waiver of all claims except unsettled claims previously made in writing.

Subcontractor notification: A subcontractor to the prime contractor may request, in writing, that the subcontractor be notified by Mohave Member within five (5) days from payment of each progress payment made to the prime contractor [R7-2-1115 (B)]. It is the responsibility of the prime contractor to inform all suppliers and subcontractors that this contract is a cooperative purchasing contract and that payments must be made by the Member before Mohave Member can issue progress payments. The prime contractor must provide Mohave Member with a contact name, title, company name, mailing address and fax number for all subcontractors and suppliers that are covered by a payment bond.

PROJECT ADVERTISING

The prime contractor must agree that the Mohave Member reserves the right to release information about the project and that any advertising of the project by the prime contractor must be approved by an authorized official of the Member.

PROJECT COMPLETION

Project documents: Upon completion of the work, the contractor shall present the Member with all documents necessary to closeout the project. Maintenance manuals, drawings, warranties on installed equipment, etc., shall be given to the Member.

Unfinished work: Even if final payments are made, if the Member discovers an unfinished job that should have been completed, the contractor shall complete the work in a timely fashion at no additional cost.

PUBLIC WORKS

Preservation: The contractor shall be responsible for the preservation of all public and private property included on or adjacent to the worksite. This requirement shall apply to the surface and hidden features of the property.

Receipt of public funds: Contractors and subcontractors will meet the requirements of ARS §34, Article 3, for eligibility to receive public funds.

Standard Terms and Conditions for Construction (con't)

PUBLIC WORKS (con't)

Residency requirement: ARS § 34-302 says that only persons who have been for not less than one year a bona fide resident of Arizona shall be employed in the performance in any public work. A public works contract is defined in ARS § 34-321 as “a contract to which the state or a political subdivision is a party involving the employment of laborers, workmen or mechanics in the construction, alteration or repair of public buildings or improvements.” It shall be the responsibility of the contractor to comply with these laws, when applicable.

Restoration: The contractor shall repair, rebuild or otherwise acceptably restore any property on or adjacent to the worksite that was damaged during the course of work on the project. Such restoration shall be at the contractor’s expense, and is not subject to reimbursement by the buyer.

Rules, regulations and codes: Construction work on public buildings shall be in compliance with the state fire code unless a fire code has been adopted by the city, town, county or fire district in which the building is located. Public buildings shall be constructed in compliance with applicable building, plumbing, electrical, fire prevention and mechanical codes adopted by the city, town, county or fire district in which the building is located. If a public building is built in an area that has not adopted local codes, the building shall be designed or constructed according to the state fire code adopted by the state fire marshal and the building, plumbing, electrical, fire prevention and mechanical codes that apply in the largest city in the county in which the building is located. Public buildings are subject to those codes that apply and are in effect when the building is designed or constructed and to the currently adopted codes when a building is found to be structurally unsafe, without adequate egress, or a fire hazard or are otherwise dangerous to human life. “Public Building” means a building or appurtenance to a building that is built in whole or in part with public monies (see ARS § 34-461).

RETENTION

Fifty percent completion adjustments: When fifty (50) percent of the work is completed, one half of the amount retained shall be paid to the prime contractor if the prime contractor requests payment and if the Member is satisfied with the progress of the work.

After the work is fifty (50) percent completed, no more than five percent of the amount of any subsequent progress payments shall be retained, unless the governing board of the Member determines satisfactory progress is not being made, at which point ten percent retention shall be reinstated.

Retention requirement: Ten (10) percent of all contract payments shall be retained by the Member as insurance of proper performance of the prime contractor. Prime contractor agrees to identify the amount to be retained on invoices to Member for each progress payment.

Substitute security: If the Member and the prime contractor agree to a substitute security, the agreement must be in full compliance with R7-2-1114 (B, C, D, E). If a substitute security is agreed to, the prime contractor must provide Mohave and the Member with a signed and acknowledged waiver of any right or power of the obligor to set off any claim against Mohave, the Member, or the prime contractor in relationship to the security assigned.

RULES, REGULATIONS AND CODES

Compliance: All work will be accomplished in conformance to OSHA safety requirements, and any additional federal, state, or local fire or safety requirement. When specifications or scope of work will result in a violation of a code or result in an unsafe condition, the contractor must inform the buyer of the situation. The contractor will not construct any device or produce any condition that intentionally violates a fire or safety code or safety standard.

Hazard notification: Contractor must advise Mohave Member contact person whenever work is expected to be hazardous to school children, district employees and/or operators.

SUITS FOR NONPAYMENT OR NONPERFORMANCE

All suits for nonpayment or nonperformance shall be filed as allowed in R7-2-1112 (D).

Standard Terms and Conditions for Construction (con't)

SURETY COMPANIES

Surety company requirements: Surety companies issuing bid bonds, performance bonds and/or payment bonds under this contract must be licensed by the Arizona Department of Insurance. Evidence of such license will be the name of the surety company on the monthly surety listing printed by the Corporate and Financial Affairs Division of the Arizona Department of Insurance, 2910 North 44th Street, Suite 210, Phoenix, AZ 85018-7256, (800) 325-2548.

WARRANTY/MAINTENANCE CONTRACTS

Extended warranties/service contracts: The prime contractor or a manufacturer may offer extended warranties available at extra cost for Mohave Members that agree to a maintenance contract. The maintenance contract must be offered as a separate line item. Upon request, training must be offered by the prime contractor for the maintenance staff of the buyer and will be arranged before installation as part of the purchase contract. This training will be priced per contract pricing.

Warranty work: The contractor will perform all warranty work and remain available to the Member should continued service be required after warranty obligations are met.

WORKSITE

Site access: The Member must provide an all-weather road to the site and prepare the site with room for construction equipment.

Site conditions: The condition of the site before start up will be agreed upon between the buyer and the prime contractor and will be written into the contract.

Stored Materials: Upon prior written agreement between the contractor and Member, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Member prior to payment. Such materials must be stored and protected in a secure location, and be insured for their full value by the contractor against loss and damage. Contractor agrees to provide proof of coverage and/or addition of Member as an additional insured upon Member's request. Additionally, if stored offsite, the materials must also be clearly identified as property of buying Member and be separated from other materials. Member must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary.

Until final acceptance by the Member, it shall be the Contractor's responsibility to protect all materials and equipment. The Contractor warrants and guarantees that title for all Work, materials and equipment shall pass to the Member upon final acceptance. Payment for stored materials shall not constitute final acceptance of such materials.

***General Terms & Conditions and
Standard Terms & Conditions for Construction
Acceptance Form***

Place after Tab 3

Signature on page two certifies complete acceptance of the General Terms and Conditions and the General Terms and Conditions: Standard Terms for Construction in this solicitation, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the General Terms and Conditions and the General Terms and Conditions: Standard Terms for Construction:

- We take no exceptions to the general terms and conditions and the standard terms and conditions for construction

(Note: If none are listed below, it is understood that no exceptions are taken.)

- We take the following exceptions to the general terms and conditions and the standard terms and conditions for construction. All deviations must be clearly explained. Provide details on your exceptions below:

(Note: Unacceptable exceptions shall remove your bid from consideration for award. Mohave shall be the sole judge on the acceptance of exceptions and Mohave's decision shall be final.)

Asphalt Paving

Place after Tab 5

Mohave desires to contract with a qualified vendor or vendors to provide quality asphalt paving. Services are sought for Mohave's statewide membership.

The scope of work and minimum specifications define the quality and characteristics of the desired materials and application. They are based upon specifications for known acceptable processes, and materials for asphalt. Specifications are not intended to be exclusive or restrictive. Bidders may offer alternate solutions, which meet the quality and performance characteristics in the specifications. Mohave shall review such bids and be the final judge on the acceptance of any alternate solutions.

One contract vendor hold Mohave's current contract for the specified products and services. Activity under the contract for FY2009 was \$3,242,516, and year to date for FY2010 is \$1,718,185. Mohave believes the lower amount for FY2010 is a reflection of the downturn in the economy, and we anticipate that annual contract volume from this solicitation will equal or exceed the FY2009 amount. This information is provided as an aid to contract vendors in preparing bids only. It is not to be considered a guarantee of volume under an awarded contract. The successful bidder(s)' pricing schedule shall apply regardless of the volume of business under the contract.

References used for this IFB:

ASTM International (ASTM): <http://www.astm.org/>
Maricopa Association of Governments (MAG): www.mag.maricopa.gov
Pima Association of Government (PAG) www.pagnet.org
Arizona Registrar of Contractors (AZROC): www.azroc.gov
Occupational Safety and Health Administration (OSHA) www.osha.gov
National Concrete Masonry Association (NCMA): www.ncma.org
Portland Cement Association (PCA): www.cement.org
American with Disabilities Act (ADA): www.ada.gov
American Association of State Highway and Transportation Officials (AASHTO):
www.transportation.org
International Slurry Surfacing Association (ISSA): www.slurry.org
National Asphalt Pavement Association (NAPA): www.hotmix.org
Arizona Department of Transportation (ADOT): www.azdot.gov
Asphalt Institute (AI): www.asphaltinstitute.org

1.0 Special Terms and Conditions

The following special terms and conditions are in addition to the applicable General Terms and Conditions that appear on pages 5-29. Please review them and complete the *Special Terms and Conditions and Scope of Work and Specifications Acceptance Form* (page 48).

- 1.1 All bidders must download and complete the 10A Asphalt Paving Workbook titled "**10a asphalt paving wb.xls**" located at <http://www.mesc.org/solicitations.html>. Provide a CD or similar electronic media device (DVD, USB thumb drive, etc.) with the completed spreadsheet in your response. Failure to provide and complete the 10A Asphalt Paving Workbook may render the bid non-responsive. **Place after Tab 6.**
- 1.2 If awarded a contract, all future pricing updates shall be based on the electronic workbook, or similar approved format.
- 1.3 Pricing shall meet all requirements contained on the Discount and Price Schedule (page 56-57). Follow all pricing instructions. Failure to provide pricing meeting those requirements may render your bid non-responsive.

Asphalt Paving (con't)

Place after Tab 5

1.0 Special Terms and Conditions (con't)

- 1.4 This contract shall be administered as a fixed price contract. Fixed prices offered shall include prices for all items. Fixed prices shall be firm and may be updated on a quarterly basis, unless there is an occurrence of one or more economic price adjustment contingencies outlined in **Tab 8 Supplementary Information 3.5**. Pricing may be updated and shall be approved in accordance with the following schedule: July 1st, October 1st and January 1st, and April 1st, or unless adjusted by Mohave and contract vendor. Contract pricing shall be submitted 10-days prior to the next price adjustment period. Pricing may be lowered at any time. (See Fixed Price in General Terms and Conditions.)
- 1.5 The required minimum single job bonding capacity for this contract shall be \$600,000. Provide a letter from your bonding company describing your current bonding capacity (single and aggregate levels) and how much bonding capacity will be available for this contract. The letter must be signed by your licensed bonding agency. If the original letter is not signed and/or has conflicting information, it may render your bid non-responsive. **Place letter from bonding company in Tab 8 behind Supplementary Information 3.7**. Provide your current bonding rates on pricing workbook "10a asphalt paving wb.xls" and **place in Tab 6**.
- 1.6 Bidder shall provide an original bid bond or alternate bid security in the amount of **\$33,689**. **Place after Tab 1**. Note: Bid security as a percentage of the bid value (i.e. – 10 % of contract award) is not acceptable.
- 1.7 Contract vendor shall be properly licensed by the Arizona Registrar of Contractors to perform all work required under the contract, or shall ensure that properly licensed subcontractors are used to perform the work.
- 1.8 Contract vendor may subcontract work to qualified asphalt contractors or concrete contractors in rural Arizona and shall guarantee that all work and materials used meet the specifications of this contract. Any work that fails to meet specifications of this contract shall be brought up to specifications at no additional cost to Member, and in a reasonable time frame.
- 1.9 On all jobs, the contract vendor and Member shall agree to the scope of work, in writing and signed by both parties, which shall describe but not limited to: condition of the site prior to start up, the work to be done, specific responsibilities of each party for all work tasks, milestone with dates, progress payments and other information needed to complete project. Contract vendor, upon request, shall provide a copy of this signed agreement to Mohave. If contract vendor requires Member to sign an agreement with terms that conflict with the Mohave contract, the terms and conditions of the Mohave contract will prevail.
- 1.10 Contract vendor shall promptly notify Member if contract vendor finds discrepancies in, or omissions from, plans, drawings, specifications, and/or any other documents for any project. Member shall issue written instructions upon such notification. Member shall not be responsible for oral instructions.
- 1.11 Standard of quality and performance indicated in the specifications and scope of work shall be understood as the minimum requirements. Unless otherwise indicated in the specifications or drawings, all work shall be done in accordance with specifications and recommendations of the manufacturer of the product to be applied.
- 1.12 All work in Maricopa and Pima Counties shall conform to latest standards and specifications for each county. Work performed in other counties shall conform to any other applicable code.
- 1.13 Contract vendor shall observe all safety precautions as recommended or required by OSHA, and governing agency(ies) with jurisdiction over the project.
- 1.14 Hours allowed to work on project shall be established by Member and the contract vendor will abide by this policy. Weekend work will be permitted as long as contract vendor submits this request to Member and Member approves request. Contract vendor will clean up the project, and secure both equipment and project site for non-working hours.

Asphalt Paving (con't)

Place after Tab 5

1.0 Special Terms and Conditions (con't)

- 1.15 All warranties will begin on the date of final acceptance by the Member. Opening to traffic does not constitute acceptance of the work. Both parties must agree when work is completed.
- 1.16 Contract vendor shall provide a performance guarantee for full-depth asphalt concrete of two (2) years. Required maintenance, if any, to keep guarantee valid shall be *described in Tab 8*. All other work shall be guaranteed for a period of one year.
- 1.17 Contract vendor shall provide a performance guarantee for cement concrete work for one (1) year.
- 1.18 Authorized applications for any stamping or imprinting process may be offered. Pricing must be provided *in Tab 6 on the pricing workbook*.
- 1.19 The majority of the work under this contract will be for asphalt paving; only firms that provide asphalt paving will be considered for award. Concrete work including but not limited to: curbs, gutters, sidewalks, alley entrances, or driveways is allowed in conjunction with asphalt paving work. Concrete work can be subcontracted.
- 1.20 All cement used must comply with the current standard ASTM specifications for Portland cement.
- 1.21 Contract vendor shall not dump or put anything into dry wells, dumpsters, or on landscape areas at any time. Contract vendor shall properly dispose of all materials from job site or left over product, in a proper and environmentally safe manner.
- 1.22 Contract vendor shall supply all Material Safety Data Sheets (MSDS) forms required for compliance with OSHA Safety and Health Standards. This includes any products containing asphalt, artificial asphalt, asphalt rock or bituminous rock, amiesite, catalyzed asphalt, petroleum asphalt, petroleum pitch, coal tar pitch, and all paints used for striping and marking whether oil or acrylic base and cement. This information shall be supplied by the manufacturer and made available to Member, if requested. *Place MSDS after Tab 9*. MSDS sheet may be provided in electronic format.

2.0 Scope of work and specifications

Bidders will respond to each numbered specification by checking the appropriate "Comply" or "Deviate" box. "No Bid" items shall be marked as such in the appropriate "Deviate" box. Details for deviations will be listed by specification number on the *Special Terms and Conditions and Scope of Work and Specifications Acceptance Form* (Page 48). Place pages 31-48 after Tab 5.

Requirement	Comply	Deviate*
2.1 General Requirements for Asphalt		
2.1.01 All water shall be potable and compatible with the slurry mix.		
2.1.02 No slurry seal shall be applied if either pavement or air temperature is below manufacturer's recommended application temperature, but may be applied if both pavement and air temperature is above recommended temperature. If local weather forecasts say it will freeze within 24 hours, no work will commence. Neither shall work commence if weather conditions prolong opening to traffic beyond a reasonable time. Work shall not be done during rainstorms, blizzards, or extreme high winds. Ideally, slurry seal will be applied when the air temperature is 70°F, humidity is low, and no rain is forecasted for 48 hours.		
2.1.03 Care will be taken to prevent segregation of aggregate in storage and handling; if segregation occurs, materials will be handled in a manner to correct segregation.		

*Deviations must be listed on the *Special Terms & Conditions and Scope of Work and Specifications Acceptance Form* (Page 48). List the specification number for each deviation.

Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

	Comply	Deviate*
Requirement		
2.1 General Requirements for Asphalt (con't)		
2.1.04 No sealant will be applied until area to be sealed has been cleaned and prepared. Suitable methods shall be used by contract vendor to protect sealant from all types of traffic until new surface has had time to support traffic.		
2.1.05 Contract vendor shall clean all sidewalks, driveways, and any other surface adjacent to work area of all dust, dirt, rocks and any other debris prior to maintenance material being applied unless specified differently by Member. Contract vendor and employees shall not track or walk back over new work, or track materials into buildings or adjacent areas of walks, patios, curbs, and outdoor carpeting.		
2.1.06 Contract vendor shall be responsible for all site cleanup; no debris or construction materials will remain on site. Work shall not be considered complete until all site cleanup has been accomplished to satisfaction of Member including but not limited to: sidewalks, driveways and any other surface adjacent to work area of all dust, dirt, rocks and other debris.		
2.1.07 In final cleanup, contract vendor shall replace any materials disturbed as result of erecting or removing barricades, remove and properly dispose of all debris generated, and repair defaced or disfigured finishes caused by work performed, including any concrete structures where asphalt products have been splashed on.		
2.1.08 Contract vendor has responsibility to provide portable restrooms for own employees.		
2.1.09 Contract vendor or subcontractor shall be authorized representative for applications of any stamping or imprinting process offered.		
2.1.10 Contract vendor shall use Reclaimed Asphalt Pavement (RAP), Recycled Asphalt Concrete (RAC), Hot Mix and Hot In-Place Recycling as much as possible. Current specifications of MAG and PAG, or any other applicable code.		
2.2 Existing Asphalt Pavements, Crack Sealant		
2.2.01 Prior to application any surface treatment, a crack sealant that meets or exceeds ASTM standards will be applied to cracks of 1/4" wide, or larger. Crack sealant shall be a hot elastomeric asphalt sealant formulated specifically to be a stiff, non-tracking, yet flexible sealant specifically suited for areas subject to pedestrian, slow moving vehicle traffic and for local conditions.		
2.2.02 Prior to sealing, all qualifying cracks shall be cleaned by blowing out with compressed air blowing at 150 CFM or more, until clean. If weeds or grass is present, growths shall be removed, crack cleaned, and the sterilant will need to be applied to crack by Member's representative.		
2.2.03 Sealant shall be heated to manufacturer's recommended temperatures. Do not apply sealant to wet cracks. Material applied shall have a softening point of not less than 208 degrees and a viscosity of greater than 2500 cps.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

	Comply	Deviate*
Requirement		
2.2 Existing Asphalt Pavements, Crack Sealant (con't)		
2.2.04 A double boiler melter using heat transfer oil as the heat transfer medium, with a positive displacement, hydraulically driven, gear type driven shall be used to melt and apply crack sealing material. Melter shall be fully agitated and be capable of heating material to required application temperature and maintaining that temperature. Melter shall be equipped with thermometers to monitor both temperature of material and heat transfer oil.		
2.2.05 If routing is required, cracks will be routed to 1/2" by 1/2" before sealant is applied.		
2.2.06 All cracks will be slightly overfilled and then leveled with a squeegee leaving a 1" band on both sides of the sealed crack. If high temperature or local traffic increase possibility of pick up by foot or tire traffic, a fine mesh sand or ash blotting material shall be placed over filled cracks.		
2.2.07 Crack sealer shall cure according to manufacturer's instructions.		
2.3 Existing Asphalt Pavements, Asphalt Surface Patching		
2.3.01 When skin patching is required, area to be patched shall be power swept and cleared of all loose material. Oil spots shall be scraped and cleaned with a mild detergent to remove any petroleum residue. Manholes, valve boxes, drop inlets and other service entries or markers shall be protected from application of patch material, and elevated where required after patch is installed.		
2.3.02 Asphalt material used shall be 3/8" maximum size aggregate and 5.5 to 6 percent asphalt by total weight. If conditions warrant, a hot-mixed sand seal can be used. When patching an existing waterway such as a gutter, sand seal shall be used.		
2.3.03 Treat entire area to be patched with a coat of primer tack extending about one foot beyond distressed area, or industry recommended standard.		
2.3.04 Mark location of edges with a chalk line to insure square even edges. Patches shall be installed with straight even edges. Any ragged, raveled, or uneven edges shall be corrected.		
2.3.05 Apply patching material to a depth of not more than 1/2" for 3/8" maximum size aggregate or 1/4" for sand seal. Make sure edges are square or rectangular. Pavement shall be installed in a manner to prevent segregation of aggregate and shall be raked to feather the edges smoothly into existing pavement to prevent an abrupt edge.		
2.3.06 Roll and compact with a 3-5 ton static roller if roller can move without interruption or turning. If patch is in flow of water or where roller would require a sharp turn, a vibratory plate shall be used. Patch shall be installed to fit existing grade and not block flow of water or cause damming of water behind it.		
2.3.07 Skin patches shall be allowed time to cure before application of any surface treatment.		
2.3.08 If a patch is installed when ambient temperature is between 32° - 50°, patch shall be coated with an asphalt-based emulsion to retard raveling.		
2.3.09 All materials shall be applied in such a manner as to restore areas to their original elevations and grades when possible to allow for proper drainage.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

	Requirement	Comply	Deviate*
2.4	Existing Asphalt Pavements, Full Depth Asphalt Surface Patching		
2.4.01	Distressed areas shall be saw cut or jack hammered at least one foot in all directions beyond distressed area. All cuts shall be at right angles (90° angles) and as square as possible.		
2.4.02	Subgrade and ABC shall be recompact to ASTM D698 (clay soils) or ASTM D1557 (aggregate bases, sandy soils and sand). Should subgrade be water saturated or inadequate, material shall be removed and replaced with new ABC and compacted to at least 95 percent of maximum density.		
2.4.03	Asphalt material used for full depth asphalt patching shall meet all material specifications for E-3/8", D-1/2", or C-3/4".		
2.4.04	New asphalt material shall be 1/4" to 3/8" above existing pavement before compaction or to current industry standard.		
2.4.05	Roll and compact with a 3-5 ton static roller (or current ASTM specifications), compacting new pavement to 1/8" to 1/4" above existing asphalt. Materials shall be applied to return pavement to original condition and to prevent ponding.		
2.4.06	Patched areas shall be allowed time to cure before application of a surface treatment, usually at least 30 days. In hot desert areas, a summer curing is recommended as ideal. Patches left to cure more than 30 days shall have one coat of an asphalt emulsion seal coat applied twelve (12) hours after curing.		
2.4.07	All areas that are excavated shall have sufficient barricades and warnings to protect and prevent pedestrians and vehicles from entering.		
2.5	Existing Asphalt Pavement, General Specifications Cationic Type II		
2.5.01	Cationic slurry seal shall consist of a mixture of an approved emulsified asphalt, mineral aggregate and water with specified additives, and be proportionally mixed and uniformly spread over properly prepared surface. Completed slurry seal shall leave a homogeneous mat, adhere firmly to prepared surface, and have a skid resistant surface texture.		
2.5.02	Bituminous materials and mineral aggregates used shall be as specified in sections of the standards and specifications as distributed by MAG and PAG, or any other applicable code.		
2.5.03	Cationic slurry seal shall be a Type II as outlined by ASTM, AASHTO, ISSA or local governing agencies, and met all applicable specifications for aggregate and mineral filler, emulsified asphalt and application.		
2.5.04	No surface treatments shall be applied until all cracks, skin patches, and holes have been repaired, cured and brought to specifications.		
2.5.05	Member and contract vendor shall agree on type of gradations. Type II shall be used in most applications. Grading of the aggregate shall be by AASHTO, and ASTM standards.		
2.5.06	Slurry mixing equipment shall be a continuous flow unit. All feeding mechanism shall be continuous feed and proportioning shall remain constant at all times. In event these metering devices stop working, unit shall be stopped until they are fixed.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

	Requirement	Comply	Deviate*
2.5	Existing Asphalt Pavement, General Specifications Cationic Type II (con't)		
2.5.07	ISSA recommended standards shall be used to check calibration if a machine manufacturer instructions is not available. Only machines that have been calibrated and tested shall be used. Mixer shall thoroughly blend all materials to form a homogeneous mass before leaving mixer.		
2.5.08	Slurry spreading boxes shall have one or more sets of augers to improve distribution of slurry seal in spreader box. Any type of drag pulled behind spreader box shall not be stiffened by hardened slurry.		
2.5.09	Place a test strip, not to exceed 60 square yards, made by each machine to be used in project. Slurry mixtures placed in testing area shall conform in design mix to what will be used on the job. Samples shall be made to verify mix consistency and proportioning as well as the rate of application. Tolerances for individual materials as well as slurry seal mixture are as follows: ± 1 percent for asphalt content; ± 4 percent of aggregate passing each sieve; percentage of aggregate passing shall not go from high end to low end of specified range of any two successive sieves; slurry consistency shall not vary more than ± 0.5 cm from job mix formula after field adjustments.		
2.5.10	Prior to sealing condition of the surface shall be recommended industry standard. All loose material shall have been removed; silt spots and oil spots shall be cleaned. If water is used, cracks shall be allowed time to dry. Manholes, valve boxes, drop inlets shall be protected by suitable methods.		
2.5.11	If a tack coat is needed to prepare brick, concrete, or other highly absorbent or polished surface, it shall be applied after consultation with Member. Emulsion shall be the same type and grade as in slurry.		
2.5.12	Surface shall be pre-wetted by fogging ahead of slurry box when required by local conditions. Water used shall make entire surface damp with no apparent flowing water in front of the slurry box. Rate of fog spray will vary according to the surface texture, temperature, humidity and dryness of the pavement.		
2.5.13	Slurry mixture shall be of desired consistency upon leaving mixer and no additional materials shall be added. A sufficient amount of slurry shall be carried in all parts of box to guarantee even spreading. Overloading of spreader shall be avoided. No lumping, bailing or unmixed aggregate shall be permitted.		
2.5.14	No streaks, often caused by oversized aggregate, will be left in the finished surface. Member may stop the work if the situation warrants.		
2.5.15	Slurry mixture shall possess sufficient stability so that premature breaking of slurry seal in spreader box does not occur.		
2.5.16	Areas that cannot be reached with slurry seal machine shall be surfaced using hand squeegees to provide complete and uniform coverage. Handwork area shall be damped prior to application. Hand worked areas shall have same type of finished look as machine work. Handwork shall be completed while machine is applying slurry.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

	Requirement	Comply	Deviate*
2.5	Existing Asphalt Pavement, General Specifications Cationic Type II (con't)		
2.5.17	Rolling is normally not required, except in areas of slow turning traffic. If rolling is necessary, pneumatic 13.5-10-ton roller shall be rolled a minimum of 3 times as indicated by industry standards. However, no rolling is permitted until slurry seal has cured enough so that no slurry is picked up on tires of roller. Rolling shall be used to smooth ridges and finish surface, as needed.		
2.5.18	Care shall be taken to insure straight lines along curbs and shoulders. No slurry runoff will be permitted. Lines shall be kept straight to provide a good appearance. No excessive buildup, uncovered areas of unsightly appearance shall be permitted on longitudinal or transverse joints. Contract vendor shall provide a suitable width spreading equipment to produce a minimum number of longitudinal joints throughout the project. When possible, longitudinal joints shall be placed on lane lines; half passes and odd width passes shall be used only in minimum amounts. No half passes will be permitted as the last pass of any paved area.		
2.5.19	All areas, such as manhole covers, walkways and gutters shall have slurry seal removed as specified by Member. Debris shall be removed daily, and deposited in a legal landfill.		
2.5.20	Slurry seal shall be measured and paid for by square yard or weight of aggregate and weight of emulsion used on work completed and accepted by Member. If paid by the weight of aggregate and emulsion, contract vendor shall submit with invoices to Member a certified affidavit and delivery tickets, which show quantities of each material delivered to job site and used in project. Price shall be full compensation for furnishing all materials and for all preparation, mixing and applying these materials, and for all labor, equipment, tools, test design, cleanup and incidentals necessary to complete and warrant the job.		
2.5.21	Contract vendor may separately price extensive pre-project work that is completed 30 or more days prior to application of slurry seal. Additional cost of painted parking symbols, after application has cured, may be offered. <i>Place pricing after Tab 6.</i>		
2.6	Asphalt Emulsion Seal Coat Materials Specifications		
2.6.01	Emulsified asphalt sealers shall be used with a minimum of 2-3% latex or co-polymer added, when specified in scope of work or by manufacturer's recommendation. Mineral filler shall be added in quantity of 1 to 3 pounds of grade #60 silica sand (or approved equal mineral filler with same sieve size) added per gallon and mechanically agitated. Where material has silica or other mineral additives added by manufacturer, no additional silica would be required. When a second coat of sealer is required, second coat shall contain same amount of silica as first coat. Contract vendor shall supply the manufacturers guaranteed material specification sheet indicating such silica has been added. Dilution of material shall not exceed 20% to 30% of the manufacturer's concentrate of solids for asphalt-based products as specified in manufacturer's material product specification data sheet.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.6. Asphalt Emulsion Seal Coat Materials Specifications (con't)		
2.6.02 Specifications for this product shall also follow the appropriate section of the MAG and PAG standards and specifications for public works construction when used in Maricopa and Pima County. Unless other codes have a more stringent standard, specifications above and below shall be followed in all parts of the state, or any other applicable code.		
2.6.03 Asphalt emulsion sealer shall contain at least 55% non-volatile materials when using current ASTM standards. Nonvolatile residue shall be between 25% and 35% by weight soluble in trichloroethylene. Manufacturer's required specification shall be used.		
2.7 Existing Asphalt Pavements, Fog Sealant		
2.7.01 Pavement shall be in good condition with only fine cracking and little raveling of fine aggregate and ordinary wear and tear.		
2.7.02 A light application of slow-setting emulsified asphalt diluted with water shall be used to renew old asphalt surfaces and to seal small cracks and surface voids.		
2.7.03 Emulsion shall be diluted with an equal amount of water and sprayed at rate meets manufacturer's specifications or industry standards.		
2.7.04 When applying emulsified asphalt to a parking lot, alternative parking shall be arranged with Member during construction and curing period.		
2.7.05 Care shall be exercised when spraying liquid asphalt or emulsified asphalt near building walls and concrete curbs. A movable shield or building paper shall be used to protect structures.		
2.7.06 When using a distributor spray bar, height of bar shall be no more than necessary for adequate coverage; as spray-bar height increases, control over asphalt spray decreases.		
2.7.07 In localized areas where extensive fuel spillage is likely, a commercially available sealer that is impervious to petroleum solvents shall be used.		
2.8 Application of New Asphalt Pavement Structure - General Requirements for Parking Areas, Driveways, Sidewalks, Playgrounds, and Golf Cart and Bicycle Paths		
2.8.01 Grades shall be established by contract vendor, in cooperation with Member, and grade stakes shall be set with due allowance for existing improvements, proper drainage, adjoining property rights and good appearance.		
2.8.02 All debris, vegetation, or other perishable materials shall be removed from job site, except for trees or shrubs designated by Member for preservation.		
2.8.03 Site to be paved shall be graded to require section and all excess material removed from location of work.		
2.8.04 Contract vendor shall be responsible for securing any necessary permits for waste removal and for providing a dumpster, if needed. Provide pricing on your pricing workbook <i>place after Tab 6</i> .		
2.8.05 Any material in a soft spot shall be removed and shall be replaced with a material that shall be equal to or better than best subgrade material on-site. If subgrade does not meet standards, repair with ABC (asphalt base course).		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

	Requirement	Comply	Deviate*
2.8	Application of New Asphalt Pavement Structure - General Requirements for Parking Areas, Driveways, Sidewalks, Playgrounds, and Golf Cart and Bicycle Paths (con't)		
2.8.06	Entire subgrade area shall be thoroughly compacted to lowest moisture content necessary to meet AI standards.		
2.8.07	After compaction, subgrade shall be hard, uniform, smooth, and true to grade and cross section.		
2.8.08	When a soils/procter test has not been performed, contract vendor shall approve site prior to work.		
2.8.09	Prepared subgrade shall be overlaid with ABC and/or asphaltic concrete to a compacted thickness, as recommended by industry standard.		
2.8.10	A tack coat shall be applied to all existing and to each new course of bituminous surfaces prior to placing of succeeding layer of bituminous mixed material. Tack coat may be deleted when succeeding layer of asphalt concrete is being applied over a freshly laid course that has been subject to very little traffic. Application of tack coat shall comply with MAG and PAG current regulations. Grade of emulsified asphalt shall be as specified in MAG and PAG where applicable, or any other applicable code. Same material that is used as tack coat shall be applied to sides of all structures that asphalt concrete overlay will come in contact with.		
2.8.11	Surface of completed work, when tested with a ten-foot straightedge, shall not contain irregularities in excess of 1/4th inch or recommended depth.		
2.8.12	Elevation of finished project shall allow water drainage of 1 inch in 10 feet all in same plane.		
2.8.13	Contract vendor shall stripe parking lot or trail, as requested by Member.		
2.8.14	Asphalt selected for project shall be based on use of pavement (foot traffic, automobiles and trucks, bicycles, golf carts) and temperature variations of area.		
2.8.15	Contract vendor shall provide all necessary equipment, materials, and labor to accomplish work acceptable to Member. Self-propelled mechanical spreading and finishing equipment shall be provided with a screed or strike off assembly capable of distributing not less than a full width of a traffic lane. Screed shall be adjustable to desired template and elevation. Forward speed of operation shall not exceed 55 feet per minute. All rollers used in compaction of asphalt concrete shall be self-propelled and reversible with a minimum weight of 8 tons. All rollers shall be equipped with an automatic device for dispensing an approved releasing agent or water onto wheels of roller to prevent wheel from picking up the asphalt concrete. Contract vendor shall be responsible for the adjustment of all manholes, sewer clean outs, valve covers, survey monuments and grates when the asphalt concrete overlay is completed per applicable sections of the MAG and PAG.		
2.8.16	Asphalt shall meet requirements of applicable specifications for asphalt cements and liquid asphalts of the AI and ASTM.		
2.8.17	Mineral aggregate shall consist of coarse and fine aggregate mineral filler as needed to meet specifications.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.9 Construction Requirements for Parking Areas, Driveways, Sidewalks, Playgrounds and Golf Cart and Bicycle Paths		
2.9.01 For areas more than 1,000 square yards, asphalt base and surfaces shall be spread and struck off with a self-propelled paver.		
2.9.02 All irregularities in surface shall be corrected directly behind a self-propelled paver.		
2.9.03 High spots shall be removed by shovel or a lute.		
2.9.04 Indented areas shall be filled with hot mix and smoothed with a lute or shovel edge.		
2.9.05 Casting of mix over such areas shall not be permitted.		
2.9.06 When it is impossible to use a self-propelled paver or spread box in areas of 1000 square yards, or less, work may be done by hand.		
2.9.07 Wood or steel forms shall be rigidly supported to assure correct grade and cross section.		
2.9.08 All handwork shall be performed carefully to avoid segregation of mix.		
2.9.09 Any lumps that do not break down shall be removed.		
2.9.10 Rolling shall start as soon as hot mix material can be compacted without displacement.		
2.9.11 Rolling shall continue until thoroughly compacted and all rolling marks have disappeared.		
2.9.12 For areas too small for a roller, vibrating plate compactor or hand tamper shall be used to achieve compaction.		
2.9.13 Asphalt pavement shall be provided for bicycle, running, and golf cart paths, playgrounds and sidewalks.		
2.9.14 Paving mixture shall be placed directly on prepared subgrade to give smooth, durable and economical surfaces that resist high unit loads. (Asphalt mixes specified by local agencies may be used in place of specified mixes if they have a history of satisfactory performance and are approved by Member.)		
2.9.15 Properly prepared subgrade against which to compact overlying pavement shall result in good drainage for pavement durability. Surface of pavement shall be blended to contour of existing ground so that surface drainage runs over it or away from it in its natural course. Water shall not be allowed to stand at pavement's edge.		
2.9.16 Asphalt pavement for bicycle paths shall be a minimum of 2 inches thick or as specified by Member.		
2.9.17 Recommended width for a bicycle path is 8 feet. In remote areas or in difficult terrain, consideration shall also be given to building pavement wide enough for necessary maintenance, ambulances or rescue-squad vehicles to use during an emergency.		
2.9.18 Golf cart pavements are normally built like bicycle paths having a minimum width of 5 feet or as specified by Member.		
2.9.19 To minimize golf shoe spike wear, pavement shall be designed and constructed in two layers: a minimum of 4" of hot mix asphalt pavement is recommended. A 3 inches full-depth asphalt base shall be placed first and topped by a 1 inches to 1.5 inches asphalt surface course.		
2.9.20 Asphalt sidewalks shall be constructed like bicycle path, except that they may not be as wide.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.9 Construction Requirements for Parking Areas, Driveways, Sidewalks, Playgrounds and Golf Cart and Bicycle Paths (con't)		
2.9.21 If desired, sidewalks shall be given almost any surface color or texture by application of special materials. A minimum of 4" of hot mix asphalt pavement shall be used, a 3 inches full-depth asphalt base shall be placed first and topped with a 1 inches to 1 1/2 inches asphalt surface course. If desired, a single 4 inches course may be placed.		
2.10 Pavement Texturing		
2.10.01 Street pavement texturing can be offered.		
2.10.02 Authorized applicator shall prepare drawings and documents for all projects.		
2.10.03 Imprint pattern shall be installed according to specifications of patent holding company.		
2.10.04 To keep the asphalt that has been laid hot prior to imprinting, place a large canvas tarp over the asphalt.		
2.10.05 Basic imprint patterns offered shall include but not limited to: offset brick, soldier course, herringbone, and a decorative arch.		
2.10.06 Water-based colored coating of an acrylic fortified with epoxy to increase adhesion and abrasion resistance shall be applied to surface, following manufacturer's instructions.		
2.10.07 Color coat shall be spray applied and backrolled.		
2.10.08 Color coat may be applied using rollers and/or brushes in smaller areas.		
2.10.09 Color coating shall be applied at a minimum rate of 100 square feet per gallon.		
2.10.10 Color compound and hardener comprised of integrally colored cement with a modified acrylic latex surface shall be used over imprinted asphalt.		
2.10.11 The system shall be spray applied and broomed using a broom or brushes.		
2.10.12 Coating shall be applied at a minimum coverage rate to 75 square feet per gallon.		
2.10.13 Hot mix asphalt may need a high performance additive to achieve level of stability required for imprinting, as recommended by contract vendor.		
2.11 Asphalt Concrete Fabric Overlay		
2.11.01 Paving fabrics are non-woven, needle-punched, polypropylene, staple fiber Geo-textile specifically engineered for asphalt overlays. These fabrics shall be installed between the old and new asphalt layers in flexible pavement systems as recommended by manufacturer.		
2.11.02 Pavement shall be cleaned of dust, dirt, vegetation and moisture. Potholes shall be filled prior to application of fabric.		
2.11.03 Amount of PG 64-16 or approved binder AC-20 required to saturate paving fabric shall be per manufacturer's recommended gal/sy. Actual rate of application depends upon relative porosity of old pavement, ambient temperature and AC-20. A distributor truck shall apply specific tack rate in a smooth and uniform manner at a temperature below 300 degrees F. It shall be sprayed approximately 6 inches wider than width of paving fabric.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.11 Asphalt Concrete Fabric Overlay (con't)		
2.11.04 Geo-textile fabrics shall be placed with calendared side up when tack coat is still warm and tacky to assure best bond and absorption possible. Installation can be done manually or with fabric installation units. Pressures shall be light and vehicle shall be driven straight as possible to assure a smooth and wrinkle-free installation. A lightweight metal tube shall be inserted inside the fabric roll to prevent bowing of roll. Hand brooms all small wrinkles. Large wrinkles shall be carefully slit with a knife and overlapped in the direction of paving. Additional tack shall be applied between the layers.		
2.11.05 A minimum asphalt thickness of 1-1/2 inch of hot-mix asphalt shall be installed on top of paving fabric.		
2.12 Parking Lot and Roadway Striping		
2.12.01 Traffic striping paint for use on asphaltic concrete roadways, parking lots, driveways, playgrounds etc. shall be manufactured for use in marking centerlines and edge lines, crosswalks, stop lines, parking spaces, traffic aisles, and traffic control marks.		
2.12.02 Paint shall conform to requirements of Federal specifications for traffic fine paints, of specifications for the highway division of Arizona Department of Transportation (ADOT).		
2.12.03 Areas to be painted shall be free of dirt, loose paint, oil, grease and shall be dry.		
2.12.04 Traffic paint shall be mixed thoroughly just prior to application and shall be homogeneous, free of contaminants and of a consistency suitable for intended use.		
2.12.05 Paint shall be applied to a 15 mm wet thickness in 4 inches width striping, and shall include two separate coats or per specifications. All striping shall be protected from traffic until thoroughly dry.		
2.13 Preventive Maintenance		
2.13.01 Upon request, contract vendor shall visit a potential job site, at no cost to Member, to determine if preventive maintenance (early detection and repair of minor defects, before major corrective action is necessary) is needed.		
2.13.02 When these inspections reveal minor defects, contract vendor shall recommend they be repaired immediately, before they deteriorate into pavement failures requiring major maintenance expenditures.		
2.13.03 Full-depth asphalt patching shall be used to repair all types of localized pavement distress that extend below roadway surface by removing failed area and replacing it with fresh asphalt mix.		
2.13.04 Hot mix asphalt shall be a thoroughly controlled hot mixture of well-graded, high quality aggregate and asphalt cement.		
2.13.05 Materials shall be mixed at a high temperature and shall be laid and compacted before mix temperature drops below 185°F.		
2.13.06 With a pavement saw or pneumatic hammer, cut outline of the patch, extending at least 1 foot outside of the distressed area. Outline shall be square or rectangular with two of sides at right angles to direction of traffic.		

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Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.13 Preventive Maintenance (con't)		
2.13.07 Excavate as much pavement, and subgrade, as necessary to reach firm support to make a foundation as strong or stronger than that of original roadway.		
2.13.08 Faces of the excavation shall be straight and vertical.		
2.13.09 Trim and compact subgrade.		
2.13.10 Apply a tack coat to vertical faces of the excavation.		
2.13.11 Backfill with asphalt mixture.		
2.13.12 Shovel mixture directly from truck into prepared excavation.		
2.13.13 Place shovels-full against edges of hole first (rather than in center and then raking to edges). Maximum lift thickness largely depends upon type of asphalt mixture and compaction equipment. Hot mix asphalt can and shall be placed in deep lifts since greater heat retention of thicker layers facilitates compaction.		
2.13.14 Spread carefully to avoid segregation of mixture. Avoid pulling material from center of patch to edges. If more material is needed at edge, it shall be deposited there, and excess raked away.		
2.13.15 Amount of mixture used shall be sufficient to ensure that after compaction, patch surface shall not be below that of adjacent pavement.		
2.13.16 Check vertical alignment and smoothness of patch with a straightedge or string line.		
2.14 Optional Services		
2.14.01 Ultra thin bonded wear course may be offered using aggregated materials in accordance with AASHTO and ASTM specifications. Asphalt binder shall be in accordance with MAG and PAG specification, or any other applicable code.		
2.14.02 Polymer modified asphalt chip seal may be offered in accordance with AASHTO specifications and industry standards.		
2.15 Concrete Curb, Gutter, Sidewalks, Sidewalk Ramps, Driveways and Alley Entrances		
2.15.01 Concrete shall be Class B unless otherwise noted, or requested by Member. Concrete shall conform to the requirements of current MAG and PAG specifications, or any other applicable code.		
2.15.02 Expansion joint filler shall comply with current MAG and PAG specifications, or any other applicable code.		
2.15.03 Detectable warnings shall consist of raised truncated domes aligned in a square grid pattern in conformity to the ADA Accessibility Guidelines. Detectable warnings shall contrast visually with adjoining surfaces. Visual contrast shall be obtained by color, use safety yellow or other approved color. The color shall be an integral part of the material surface. The material is to be durable with a non-slip surface not subject to spalling, chipping, delamination, or separation. All detectable warnings shall be approved by the jurisdictional agency prior to installation.		
2.15.04 Existing pavements and concrete, which are joined by new construction, shall be cut in accordance with current MAG and PAG specifications, or any other applicable code.		

*Deviations must be listed on the *Special Terms & Conditions and Scope of Work and Specifications Acceptance Form* (Page 48). List the specification number for each deviation.

Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.15 Concrete Curb, Gutter, Sidewalks, Sidewalk Ramps, Driveways and Alley Entrances (con't)		
2.15.05 The subgrade shall be constructed and compacted true to grades. All soft or unsuitable material shall be removed to a depth of not less than 6 inches below subgrade elevation and replaced with material satisfactory to code. When existing subgrade consists of soils with swelling characteristics, the moisture content shall be brought as close as possible to the optimum required for compaction. The subgrade shall be constructed and compacted true to grades and lines shown on the plans. When determined that the existing subgrade consists of soils with swelling characteristics, the moisture content shall be brought as close as possible to the optimum required for compaction. The subgrade relative compaction for all streets shall be 95%, other traffic areas shall be 90%, and at curbs, gutters and sidewalks shall be 85%. Material displaced in the construction shall not be placed on the base and/or surfacing material already in place on the roadway nor shall the excavated material be placed in such a manner as to interfere with access to property or traffic flow in the street. Existing concrete sidewalks and driveways which abuts the new sidewalks and driveway entrances shall be removed to a distance required to maintain a slope as indicated by standard details or not to exceed 1 inch per foot where sidewalks are concerned.		
2.15.06 Concrete curbs, gutters and sidewalks shall be constructed by the conventional use of forms, or may be constructed by means of an appropriate machine. If machines designed specifically for such work are used, the results shall be equal to or better than that produced by the use of forms. Forms conforming to the dimensions of the curb, gutter, sidewalk, sidewalk ramps, driveway, and alley entrance shall be carefully set to line and grade, and securely staked in position. The forms and subgrade shall be watered immediately in advance of placing concrete. Forms shall be thoroughly cleaned each time they are used, and shall be coated with a light oil, or other releasing agent of a type, which shall not discolor the concrete. The concrete shall be thoroughly spaded away from the forms so that there shall be no rock pockets next to the forms. The concrete may be compacted by mechanical vibrators. Tamping or vibrating shall continue until the mortar flushes to the surface, and the coarse aggregate is below the concrete surface.		

*Deviations must be listed on the *Special Terms & Conditions and Scope of Work and Specifications Acceptance Form (Page 48)*. List the specification number for each deviation.

Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.15 Concrete Curb, Gutter, Sidewalks, Sidewalk Ramps, Driveways and Alley Entrances (con't)		
2.15.07 Unless otherwise specified, expansion joints shall be installed at all radius points, at both sides of each driveway, at both sides of each alley entrance, at adjoining structures and at every change of depth in the concrete. The maximum distance between expansion joints shall be 50 feet. Expansion joints shall be constructed in a straight line, vertical plane and perpendicular to the longitudinal line of the sidewalk, curb and gutter, single curb, etc., except in cases of curved alignment, where they shall be constructed along the radial lines of the curve. Expansion joints shall be placed to match the joints of the adjacent concrete such as sidewalk to the curb and gutter or single curb, etc. Expansion joints shall be constructed to the full depth and width of the concrete and extend one inch into the subgrade with the top of the expansion joint material one-quarter inch below the top surface. Expansion joint material shall be secured in place prior to placement of concrete.		
2.15.08 Unless otherwise specified, all expansion joints, installed against newly placed concrete, sawcut or other smooth surfaces shall comply with current MAG and PAG, or any other applicable code.		
2.15.09 Contraction joints, unless otherwise specified, shall be constructed in accordance with the standard details, and in a straight line and vertical plane perpendicular to the longitudinal line of the sidewalk, sidewalk ramp or curb and gutter, except in cases of curved alignment when they shall be constructed along the radial lines of the curb. Sidewalk or sidewalk ramp score marks, unless otherwise specified, shall be constructed in accordance with the standard detail. All edges shall be shaped with a suitable tool so formed as to round the edges to a radius as indicated on the standard details. The front face form shall not be removed before the concrete has taken the initial set and has sufficient strength to carry its own weight, gutter forms and rear forms shall not be removed until concrete has hardened sufficiently to prevent damage to the edges. Special care shall be taken to prevent any damage. Any portion of concrete damaged while stripping forms shall be repaired or if the damage is severe, replaced at no additional cost to the Member.		
2.15.10 The face, top, back, and flow line of the curb and gutter shall be tested with a 10-foot straightedge or curve template, longitudinally along the surface. Unless otherwise specified, any deviation in excess of 1/4 inch shall be corrected at no additional cost to the Member.		
2.15.11 The surface of concrete sidewalk or sidewalk ramp shall be tested with a 5-foot straightedge. Unless otherwise specified, any deviation in excess of 1/8 inch shall be corrected at no additional cost to the Member.		

*Deviations must be listed on the *Special Terms & Conditions and Scope of Work and Specifications Acceptance Form* (Page 48). List the specification number for each deviation.

Asphalt Paving (con't)

2.0 Scope of work and specifications (con't)

Requirement	Comply	Deviate*
2.15 Concrete Curb, Gutter, Sidewalks, Sidewalk Ramps, Driveways and Alley Entrances (con't)		
2.15.12 When required, gutters having a slope of 0.8 foot per hundred feet or less, or where unusual or special conditions cast doubt on the capability of the gutters to drain, they shall be water tested. Water testing shall consist of establishing flow in the length of gutter to be tested by supplying water from a hydrant, tank truck or other source. One hour after the supply of water is shut off, the gutter shall be inspected for evidence of ponding or improper shape. In the event water is found ponded in the gutter to a depth greater than 1/2 inch, or on the adjacent asphalt pavement, the defect or defects shall be corrected in a manner acceptable to the Member without additional cost to the Member.		
2.15.13 Any section of the work deficient in depth or not conforming to the plans or specifications shall be removed and replaced by the contract vendor at no additional cost to the Member. Finishing and curing of the concrete shall be done in the manner according to the current MAG and PAG specifications, or any other applicable code. The contract vendor shall stamp his name and year on all work done, on each end of the curb, gutter, sidewalk or sidewalk ramp. The letters shall not be less than 3/4 inch in height.		
2.15.14 The detectable warning surface shall be located so that the edge nearest the curb line is 6 inches minimum and 8 inches maximum back from the face of curb. Detectable warnings shall be installed perpendicular to the direction of pedestrian/wheelchair travel and have a minimum width of 24 inches measured perpendicular to the edge of the roadway or rail crossing. The base surface of detectable warnings shall be installed flush with the adjacent walkway surface, the truncated domes shall extend above the walkway surface. The boundary between detectable warnings and the adjacent walkway shall provide a flush uniform surface that shall not cause ponding of water nor present a tripping hazard. Partial domes at the edge of the detectable warning shall be made flush to match the base surface of the detectable warning. Detectable warnings installed on curb ramps shall extend the full width of the ramp depression. Detectable warnings installed on sidewalk ramps shall modify the sidewalk concrete thickness at the detectable warning to provide a minimum thickness of four-inches (4 inches). When detectable warnings are modules inset into the sidewalk ramp, the bottom surface of the sidewalk shall be lowered a distance equal to or greater than the module thickness to maintain the minimum sidewalk thickness. The sidewalk bottom surface shall have a minimum transition taper length of 12 inches between the thickened and normal depth sections of sidewalk.		
2.15.15 Unless otherwise specified, the contract vendor shall backfill behind the curbs, sidewalk or sidewalk ramps to the lines and grades shown on the plans.		

***Deviations must be listed on the *Special Terms & Conditions and Scope of Work and Specifications Acceptance Form* (Page 48). List the specification number for each deviation.**

Asphalt Paving (con't)

Place after Tab 5

Special Terms and Conditions and Scope of Work and Specifications Acceptance Form

Signature on page two certifies complete acceptance of the Special Terms and Conditions and Scope of Work and Specifications in this solicitation, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Special Terms and Conditions and Scope of Work and Specifications:

- We take no exceptions/deviations to the special terms and conditions and scope of work and specifications.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- We take the following exceptions/deviations to the special terms and conditions and scope of work and specifications. Provide details on your exceptions/deviations below:

(Note: Unacceptable exceptions/deviations shall remove your bid from consideration for award. Mohave shall be the sole judge on the acceptance of exceptions and Mohave's decision shall be final.)

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information

3.1 PPI (Past Performance Indicators) is relevant information regarding your actions under previously awarded contracts to schools, local, state, or federal agencies. It includes your record of conforming to specifications and to standards of good workmanship; your record of containing and forecasting costs on any previously performed cost reimbursable contract schedules, including the administrative aspects of performance; your history for reasonable and cooperative behavior and commitment to customer satisfaction; and generally, your businesslike concern for the interests of the customer.

Provide a list of five separate (5) Arizona public agencies (preferably school districts) where work has been successfully accomplished in the past five (5) years, for specific goods/services related to this solicitation. Provide the name of the public agency, type of project, contract sales amount, year of the project, contact name and telephone number.

If you cannot provide five (5) Arizona references, please explain why and provide other public agency references. Failure to provide these references may render your bid non-responsive.

Number	Name of Public Agency	Contract Sales Amount	Year of the Project	Contact Name	Phone Number
1					
Description of Project #1					
2					
Description of Project #2					
3					
Description of Project #3					
4					
Description of Project #4					
5					
Description of Project #5					

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information (con't)

3.2 Indicate if your offer is regional or statewide: Regional _____ Statewide _____

If regional, indicate the regions in Arizona you will service.

In the past three years, what percentage of your Arizona business do you estimate was in each geographical area identified below?

Maricopa/Pinal/Pima counties ___% Northern Arizona ___% Southern Arizona ___%

Although many Arizona businesses are able to serve any part of the state, most businesses concentrate on just one or two geographic areas. If you are awarded a contract with Mohave, which area(s) of the state will your sales force target?

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information (con't)

3.3 If a Mohave Member in a geographic area of the state remote from your general service area needs your services, please describe how you would use local subcontractors to accomplish the work. What is the maximum amount of work you would subcontract to complete a job?

Provide a list of subcontractors if any, to be used if awarded a contract. Provide complete information on each subcontractor, including name of the firm, names and titles of management, location, phone number, services to be performed, license numbers, and any other pertinent information. Only subcontractors listed here will be authorized to perform work under an awarded contract.

Name of Firm	Management Personnel Name	Title	Location	Phone Number	Services to be Performed	License Number(s)

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information (con't)

- 3.4 Will Members be required to sign any additional agreement(s) (sales, maintenance, etc.)?
 Yes No

If yes, review/revise your agreement(s) for any terms that conflict with the Mohave terms and conditions. In addition, review for the following common issues:

Acceptable agreements **shall** include:

- o Non-appropriations clause;
- o Contract or agreement must be governed by the laws of the State of Arizona;
- o Net payment is thirty (30) days.

Agreements **shall not** include:

- o Waiver of right for a jury trial;
- o Requirement of upfront payment by Member when purchase order is placed;
- o Entire agreement language;
- o Auto-renewal language.

Attach your reviewed/revise agreement(s). **Unacceptable agreement(s) may render your bid non-responsive.**

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information (con't)

3.5 Outline any contingencies for economic adjustments. (See **Basis for Pricing** in the general terms and conditions.)

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information (con't)

- 3.6 If mobilization and/or travel charges are applicable, describe how they are calculated, and when they are necessary, (e.g., 50 miles from origin, etc.). Include information regarding what the mobilization and travel rates cover. (See **Pricing: Reimbursement for Transportation, Mileage, Lodging, Meals and Incidental Expenses** in the general terms and conditions.)

Asphalt Paving (con't)

Place after Tab 8

3.0 Supplementary Information (con't)

- 3.7 Provide evidence of your single and aggregate bonding capacity as per Special Term and Condition 1.4, after this page.

Asphalt Paving (con't)

Place after Tab 6

Discount and Price Schedule

All bidders must download, complete and submit the 10A Asphalt Paving workbook titled "10a asphalt paving wb.xls" located at <http://www.mesc.org/solicitations.html>. Include paper copies of the workbooks, along with a CD or similar electronic media device (DVD, USB thumb drive, etc.) containing the completed workbook in your response. Failure to complete the 10A Asphalt Paving workbook may render your bid non-responsive.

In addition to the above Excel workbook, bidder shall provide additional price schedules. Bidders may prepare their own schedules. However, all price schedules shall follow the format, and provide the information listed below. Place all pricing information after Tab 6.

All pricing required must be provided in electronic and paper format. To conserve paper, please print double-sided.

Mohave Members pay an administration fee equal to 1% of the purchase price of goods and services purchased from Mohave contracts. Bidders shall include the administration fee in all prices in the price schedules. *No administration fee is charged on shipping, sales or use tax, bonds, travel, and/or M&IE.*

Services Price Schedule

- Provide a price schedule, as detailed above, for any services offered to Mohave's Members (installation, etc.). *The net Mohave price shall include Mohave's 1% administration fee.*
- The preferred services price schedule will include, at minimum, price list date, your standard or fixed price, offered to Mohave's Members, and net Mohave price for each line item.

Performance and Payment Bonds

- Indicate the additional cost, if any, to provide the required 100% performance and payment bonds. (See **Performance and Payment Bonds** in the General Terms and Conditions: Standard Terms for Construction.) **If no fee is specified, performance and payment bonds will be provided at no additional cost.** *The Mohave administration fee is not charged on performance and payment bonds.*

Warranties, Additional Services or Incidental Price Schedule

- Provide a price schedule, as detailed above, for any and all extended warranties, additional or incidental services, equipment and/or materials. The preferred additional or incidental price schedule will include, at minimum, price list date, your fixed price offered to Mohave's Members, with net Mohave price for each line item. *The net Mohave price shall include Mohave's 1% administration fee.*

Asphalt Paving (con't)

Place after Tab 6

Discount and Price Schedule (con't)

Transportation, Lodging, Meals and Incidental Expenses (M&IE)

- Provide a price schedule, as detailed on previous page, for mileage, lodging, M&IE. Transportation charges (airfare, car rental, etc.) shall be at rates generally acceptable for business class travel. Indicate when such fees are applicable. Provide pricing on the required pricing workbook.
- Reimbursements may be set at rates as per the General Accounting Office's publication: State of Arizona Accounting Manual (SAAM) - Travel Policy: Section IID – section II. The publication is available for download at <http://www.gao.az.gov/travel/default.asp>. You may elect to use other rates. For seasonally adjusted rates, the rates in effect at the time of travel will be used.
- *The Mohave administration fee is not charged on transportation, lodging, M&IE. If rates are not specified for these reimbursements, no charges will be allowed.*

Travel Time, Mobilization, and Trip Charges:

- Provide a price schedule for travel time, mobilization, and/or trip charges if such charges are to be used. Indicate when such charges are applicable and how they are calculated.
- *The Mohave administration fee is charged on Travel Time, Mobilization, and Trip Charges.*
- **If rates are not specified for these charges, no charges will be allowed.**

Market Basket Pricing

- Provide pricing for the Market Basket pricing contained in the Excel workbook. Follow all instructions in the Market Basket. **This Market Basket does not represent an actual job, but is based on components from actual projects. This is a Market Basket only and should not be submitted as your only pricing.** All pricing used for the Market Basket **must** match submitted pricing.

Notes

- **Pricing Higher Than Retail:** Net Mohave pricing that is higher than the manufacturer's suggested retail price is not acceptable.
- **Cost Plus Pricing:** Cost plus a percentage of cost pricing is not acceptable as per R7-2-1091(A).

Sample of the 10A Asphalt Paving workbook:

IFB 10A-0216 - Asphalt Paving				
Contract Vendor's Name: _____				
Section One: General Information Summary				
Step One - Enter the Cost for Services listed below:				
Labor/Service/Installation Rates, Misc., if applicable (Specify Type of Service) Add lines or additional price schedules, as necessary to provided all labor, service and installation rates. Repair Rates (Add rows for different repair rates, if necessary.) Bond Rate (Percentage of job total, Dollar amount per thousands, etc) Restock Fees (not higher than 15%), if applicable. Mark "N/A" if not applicable. Describe your return policy, if applicable, (include the number of days from the delivery date for acceptable returns.) Mark "N/A" if not applicable.	Regular	Sunday		
	Business Hours	Overtime	Holiday	
Describe shipping charges on returns.				
Describe any exclusions or limitations applicable to your return policy.				
Section Two: Mileage, M&IE, and Lodging Rates Information				
Transportation, Mileage, Lodging, Meals and Incidental Expenses: Specify pricing in accordance with the pricing requirements on the price and discount page. If rates are not specified for these reimbursements, no charges will be allowed.				
Travel Time, Mobilization, and Trip Charges: Specify pricing in accordance with the pricing requirements on the price and discount page. If rates are not specified for these charges, no charges will be allowed.				

Appendix A: Bidder Qualifications

Place responses after Tab 4

Bidder shall respond to each item below. The information will be used to assist Mohave in evaluating the bid. Do not use "boilerplate" answers for the questions. Respond to each item by specifically addressing the Mohave request. Failure to complete all questions may result in your bid being considered nonresponsive.

- 1) Write a *brief* history of your company that includes length of time in business and your firm's philosophy of doing business. If bidder has recently purchased an established business or has proof of prior success in this business or a closely related business, please provide written verification.
- 2) Provide the address for your company's headquarters. Provide addresses for any branch offices in Arizona. Indicate how long your company has provided the services/products you are proposing. Provide names, titles, qualifications and experiences of the key people who will support this contract.
- 3) Provide a current certificate of insurance listing coverage for comprehensive and general liability, vehicle liability, and property damage, as specified on page 11. *A sample certificate may be provided. However, before any orders are processed, contractor must provide a certificate that names Mohave as the certificate holder.*
- 4) Provide a letter from your financial institution indicating the range of credit available to your firm. (i.e., "credit in the low nine figures" or "credit line exceeding five figures.") Provide a letter from your financial institution and/or officers of major suppliers, indicating confidence in your firm's stability and payment history. *These letters will only be used to evaluate bids and will not be made available to the public.*

Bidders may submit audited annual financial reports in lieu of letters from financial institutions. However, the annual financial reports must provide essentially the same information as requested from the letters. Bidders are encouraged to highlight the requested information in any audited annual financial report submitted in response to this solicitation. Any financial information included here will be kept confidential, unless it is in the form of an audited annual report available to the general public.

- 5) Describe any limitations to your company's ability to sell to all Mohave Member types including, but not limited to school districts, state, county and municipal government agencies, community college districts, other political subdivisions of the State of Arizona, and non-profit educational and healthcare institutions. Also, describe any differences in product availability/pricing for different types of Members.

Appendix B: Questionnaire for Bidder

Place after Tab 7

1. Provide Arizona Transaction Privilege (Sales) Tax License Number: _____

Do you collect city, county and/or other local sales tax in Arizona? Yes _____ No _____

If yes, please check one:

- Our combined state, city, county and/or other local sales tax rate is _____% (local rate).
- The sales tax rate varies by the location (i.e. ship-to-rate).

2. For products on your price list, is shipping/handling included in the price?

Yes _____ No _____ Varies by Product _____ N/A _____

If you answered "No" or "Varies by Product," provide detailed shipping information on the pricing workbook.

3. Mohave is established to offer a cooperative purchasing program "*which can be accomplished more efficiently and economically as a multi-district or multi-county operation.*"

Efficiency and economy can be established through reduced bidding effort for Members and vendors, management of a single contract, fewer price schedules to maintain, fewer contact persons, using Mohave as an extension of Members' purchasing departments, etc. Additionally, it is Mohave's assertion that a statewide contract available to approximately 380 Member agencies results in economies of scale and lower prices than those received by bidding individual contracts, especially, but not limited to small Member agencies.

Will a contract based upon your bid result in the efficiencies and economies described above?

Yes _____ No _____

If No, what efficiencies and economies would Members receive from a contract based on your bid?

4. List applicable Arizona Contractor's licenses held by your company.

Name of licensee	Classification	Number

5. Address for purchase orders:

Attention of _____

Street Address _____ Mailing Address _____

City _____ State _____ ZIP _____

Fax _____

Email Address _____

Appendix B: Questionnaire for Bidder (con't)

Place after Tab 7

6. Contacts for Mohave:

Main Mohave representative _____
(Shall be the main point of contact for Members. Shall be responsible for handling information requests from Members.)

Title _____ Email address _____

Phone number _____ Fax _____

Name of contact for IFB/contract _____
(Shall be the main point of contact for Mohave procurement/contract specialists. Shall be responsible for handling information requests from the Mohave specialists.)

Title _____ Email address _____

Phone number _____ Fax _____

Name of contact for Escalation _____
(Shall be the main point of contact when an issue needs to be escalated above the main contact for the IFB/contract.)

Title _____ Email address _____

Phone number _____ Fax _____

Audit Contact _____ Email address _____
(Shall be the main point of contact for Mohave accounting specialists. Shall be responsible for handling information requests from the Mohave specialists.)

Reconciliation Contact _____ Email address _____
(Shall be the main point of contact for the reconciliation report.)

Payment remittance address _____

City _____ State _____ ZIP _____

Telephone (invoice questions) _____ FAX _____

7. Sales support by region (If you have representatives other than the Arizona Representative listed above.)

Name	Region served	Phone

8. Will you offer Members a quick pay discount if payment is made within 10 or 20 days?
 Yes ___ No ___ If Yes, what is the discount for 10 days? ___ 20 days? ___

9. What is your general website (Internet) address? _____

Appendix C: Support and Maintenance Plans

Place after Tab 7

Provide the requested information for warranty and maintenance service offered by your firm, as applicable.

Do you provide warranty and maintenance for the items in the bid? Yes [] No [] If no, how do Members obtain warranty and maintenance service?

Provide the name and address of the facility that will provide warranty and maintenance service, under an awarded contract. If there is more than one facility, provide the names and addresses for all facilities. Attach a list if necessary.

Provide a contact person and phone number for warranty and maintenance service. If there is more than one facility, provide the information for all facilities. Attach a list if necessary.

Do you provide technical help via phone? Yes [] No [] If yes, provide a phone number and contact.

How many technicians are located at each warranty/service facility that would serve a Mohave contract?

Describe the steps a Member should take to activate a warranty, if any. _____

Do you offer extended warranty or maintenance service plans? Yes [] No [] If yes, provide a summary of the plans here and place any sample forms after Tab 8. _____

Include pricing for extended warranty or maintenance service plans in your price schedule. (Tab 6.)

Appendix D: Manufacturer's Representative Information & Business Ownership

Place after Tab 7

Manufacturer's Representative Information

Check one or more of the following:

- _____ Bidder is authorized to submit a bid for the specified equipment/services and can provide the equipment if awarded a contract.
- _____ Bidder is a bona fide dealer for the services in the bid.
- _____ Bidder is the producer / manufacturer of the services in the bid.

Business Ownership: Gender/Ethnic Group

(Used for reporting. Not a factor in evaluation.)

If total combined minority ownership (woman/ethnic or multi-ethnic) is at least 51%, please check the appropriate groups and indicate the percent of ownership for each. To qualify for ownership in a single group, at least 51% of the firm's ownership must be held by a person or persons of the select group. Proof of ownership is evidenced by the transaction privilege tax license or business privilege license for sole proprietorship; business privilege licensed **and** written partnership agreement for partnerships; or the Articles of Incorporation, Corporate By-laws **and** stock certificates for corporations.

- | | | | |
|---------------------------|--------|--------------------------------------|--------|
| 1. Woman owned | _____% | 5. Native American owned | _____% |
| 2. Anglo owned | _____% | 6. Asian owned | _____% |
| 3. Hispanic owned | _____% | 7. N/A (government, nonprofit, etc.) | _____% |
| 4. African American owned | _____% | | |

Appendix E: Telecommunications Systems Compliance Worksheet

Place after Tab 7

The Arizona Procurement Code requires that all public agencies purchasing telecommunications systems be aware that the costs involved include more than the costs of purchase and installation, but future repair costs, financing costs, training and support fees, and other less obvious costs. These costs represent the total Member and total life cycle costs. The law requires that any vendor of telecommunications systems that cost over \$100,000 include the total life cycle costs, total Member costs, and application benefits for the proposed purchase.

"Telecommunications systems" means a system costing more than one hundred thousand dollars, including but not limited to all instrumentalities, facilities, apparatus and services, for the transmission and reception of messages, impressions, signs, signals, pictures, sounds or any other symbols by wire, radio, optical cable, electromagnetic or other similar means.

To assist in evaluating your bid, please check and complete the applicable section below.

- We are exempt from ARS §41-2553 because we are not offering telecommunications systems.
- We are exempt from ARS §41-2553 because the systems we sell will not exceed \$100,000 per Member or contract.
- We will respond to the information below because the systems we sell may exceed \$100,000 per Member or contract.
- Mohave has determined that Appendix E does not apply to this solicitation.

A. Our research indicates that for some communications equipment, the average expected life cycle is 84 months. For the purpose of this IFB, what is the useful life of the equipment being offered?

___ 60 months ___ 84 months ___ 120 months ___ other

B. Using a life cycle of 84 months, do you accept the following rates as substantially accurate in representing the remaining values under normal depreciation of equipment? 100% after 1 year; 86% after 2 years; 71% after 3 years; 28% after 5 years; 0 % after 7 years.

___ Yes ___ No (If No, attach separate worksheet showing remaining value after depreciation.)

C. Do you accept the following costs as reflective of actual costs for yearly maintenance contracts based on a percentage of the net cost of equipment purchased? 1st year, no cost (warranty); 2nd year, 13%; 3rd year, 15%; 4th year, 18%; 5-7th year, 21%.

___ Yes ___ No (If No, attach separate worksheet showing yearly maintenance costs.)

D. Using the figures in A-C above, do you agree that the following projections are reflective of life cycle costs for a \$100,000 purchase of your equipment?

Initial cost	\$100,000
Maintenance costs	\$109,000
Residual value	-0-
Total Life Cycle Costs	\$209,000 or \$29,858 per year

___ Yes ___ No (If no, attach separate worksheet showing life cycle cost.)

E. Identify where in your bid the application benefits of the equipment you offer are described. Application benefits means a quantified assessment of the benefits to be achieved by the telecommunications systems offered by reduction in program costs and/or by increases in productivity of users.

Appendix F: Information Systems Compliance Worksheet

Place after Tab 7

The Arizona procurement code requires that all public agencies purchasing information systems be aware that the costs involved include more than the costs of purchase and installation, but future repair costs, financing costs, training and support fees, and other less obvious costs. These costs represent the total Member and total life cycle costs. The law requires that any vendor of information systems that cost over \$100,000 include the total life cycle costs, total Member costs, and application benefits for the proposed purchase.

"Information systems" means a system of hardware, software or vendor support costing more than one hundred thousand dollars that processes information or data by electronic data processing methods and devices.

To assist in evaluating your bid, please check and complete the applicable section below.

- We are exempt from ARS §41-2553 because we are not offering information systems.
- We are exempt from ARS §41-2553 because the systems we sell will not exceed \$100,000 per Member or contract.
- We will respond to the information below because the systems we sell may exceed \$100,000 per Member or contract.
- Mohave has determined that Appendix F does not apply to this solicitation.

A. Our research indicates that for some communications equipment, the average expected life cycle is 60 months. For the purpose of this IFB, what is the useful life of the equipment being offered?

___ 60 months ___ 48 months ___ 36 months ___ other

B. Using a life cycle of 60 months, do you accept the following rates as substantially accurate in representing the remaining values under normal depreciation of equipment? after 1 year, 100%; after 2 years, 84%; after 3 years, 64%; after 4 years, 30%; after 5 years, 10%.

___ Yes ___ No (If No, attach separate worksheet showing remaining value after depreciation.)

C. Do you accept the following costs as reflective of actual costs for yearly maintenance contracts based on a percentage of the net cost of equipment purchased? 1st year, no cost (warranty); 2nd year, 13% of cost; 3rd year, 15% of cost; 4th year, 18% of cost; 5th year, 21% of cost.

___ Yes ___ No (If No, attach separate worksheet showing yearly maintenance costs.)

D. Using the figures in A-C above, do you agree that the following projections are reflective of life cycle costs for a \$100,000 purchase of your equipment?

Initial cost	\$100,000
Maintenance costs	67,000
Residual value	-10,000
TOTAL LIFE CYCLE COSTS	\$157,000 or \$31,400 per year

___ Yes ___ No (If no, attach separate worksheet showing life cycle cost.)

E. Identify where in your bid the application benefits of the equipment you offer are described. Application benefits means a quantified assessment of the benefits to be achieved by the information systems offered by reduction in program costs and/or by increases in productivity of users.

Appendix G: A Better Understanding of Mohave

1. Mohave Educational Services Cooperative, Inc. (Mohave) is a non-profit agency established by the authority of ARS §11-952 and ARS §41-2632. Mohave began administering a cooperative purchasing program in 1986 as a school service agency. Mohave's membership includes public school districts, community colleges, city and county governments, and political subdivisions throughout Arizona. [See [ww.mesc.org](http://www.mesc.org) for list of Members.]
2. Membership is established through a Cooperative Purchasing Agreement (CPA). The signed CPA serves as the contract between Mohave and the participating Member, and authorizes the Member to use Mohave's procurement contracts.
3. As a local procurement unit administering a cooperative purchasing program, Mohave follows the Arizona Procurement Code and Arizona Department of Education School District Procurement Rules to competitively solicit and award procurement contracts.
4. When Mohave issues solicitations and awards contracts in compliance with the Arizona Procurement Code and Arizona Department of Education School District Procurement Rules, all Members using those contracts are deemed to be in compliance and may use the contracts as if the contracts were their own.
5. A Mohave reviewed purchase order is a legal contract between a vendor and a Member for goods and services. Members issue purchase orders for all goods and services purchased under our contracts.
6. In accordance with the Arizona Procurement Code and Arizona Department of Education School District Procurement Rules, the buying Member is responsible for paying for goods and services received under Mohave contract. Mohave's CPA requires that the Member pay within 30 days of the date of the invoice.
7. Protection for a Mohave contractor from a Member that refuses to pay is substantial. A Member that issues a purchase order must have the funds to pay for the goods and services received from that purchase order. A non-paying Member runs the risk of losing its ability to use Mohave contracts and/or facing a variety of legal consequences that result for default on a contract.
8. Mohave has approved a procedure that allows Mohave contractors to sign multi-term contracts directly with Members, as long as the agreements are based on purchase orders from Mohave. This enables Members to make periodic rental and lease payments directly to the lender, not Mohave.
9. Mohave receives no direct tax funding for its operation. Instead, Mohave operates on a 1% administration fee, which is generally included in the contract price for materials and services. The administration fee paid is by the Member and is based upon the cost of the goods and services purchased by the Member.
10. Mohave is a unique organization. Mohave is a non-profit organization that follows the Uniform School Financial Records (USFR), a fund-accounting system used by Arizona schools. We have a Board of Trustees which functions much like a school board. We have independent annual audits, with the results reported to the Arizona Auditor General's office. Our contracts are governed by the Arizona Procurement Code and Arizona Department of Education School District Procurement Rules, the same statutes and rules directly applicable to our Members.
11. Mohave is an active Member of the Association of School Business Officials International (ASBO), the Arizona Association of School Business Officials (AASBO), Arizona School Boards Association (ASBA), the National Institute of Governmental Purchasing (NIGP), and other regional and national professional associations.

Learn more about Mohave at www.mesc.org

Appendix H: CES Participation Information

Cooperative Educational Services (CES) is composed of all 89 public school districts, all public universities, most charter schools and two-year colleges, and several BIA in New Mexico. The CES Members have joined and become parties to the Joint Powers Agreement To Form An Educational Cooperative that does business as CES. The public agency is run by and for the public schools in New Mexico. Based in Albuquerque, CES was organized in 1979 as a direct response to the articulated needs of small and rural K-12 school districts, but has since expanded to include all public educational institutions. Like Mohave Educational Services Cooperative, Inc. of Arizona, CES issues IFB's seeking contracts for schools that meet the procurement rules of New Mexico.

The New Mexico procurement code allows CES to use an out-of-state contract awarded as a result of a competitive sealed solicitation if the process used was the same as used in New Mexico. Since Arizona and New Mexico have very similar procurement codes, CES has been able to use Mohave contracts in the past. If you are willing to sign a contract based on this IFB with CES, it will be understood that where the word Arizona is used, New Mexico will be understood, and where the name Mohave is used, CES will be understood. Where laws are quoted, similar New Mexico laws will be interpreted. In any event, Mohave suggests any vendor who opts to use this IFB to include New Mexico to offer an even bigger discount, considering the potential increase in sales using two states. If Mohave awards you and you have marked the CES box on the front cover page, Mohave will forward an electronic copy of the award to CES for their evaluation. CES will award and administer any New Mexico contracts, however the contracts will only exist as long as a Mohave contract issued under this solicitation is in place.

Neither CES nor Mohave will hold the other responsible for any irregularities in either contract. Mohave neither encourages nor discourages vendors from contacting CES. If you would like to discuss the use of any contract awarded by Mohave in New Mexico, contact CES at the address below:

Cooperative Educational Services
Dr. Max Luft, Executive Director
4216 Balloon Park Rd. NE
Albuquerque, NM 87109
Phone (505) 344-5470
FAX (505) 344-9343

CES participation will not be a factor in the decision to award a Mohave contract.

If you are willing to honor purchase orders from Cooperative Educational Services in New Mexico under the same terms and conditions as in this IFB place your initials in the box.

If you are unable to service New Mexico, please initial this box.

Bid Bond

KNOW ALL MEN BY THESE PRESENTS:

THAT, _____

(hereinafter called Principal), as Principal, and _____

a corporation organized and existing under the laws of the State of _____, with its principal office

in the city of _____, (hereinafter called the

Surety), as Surety, are held and firmly bound unto Mohave Educational Services Cooperative, Inc. in the

State of Arizona, (hereinafter called the Obligee) in the amount of _____ (Dollars) (\$33,689), for

payment whereof the said Principal and Surety bind themselves, and their heirs, administrators, executors,

successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or contract documents with good and sufficient surety for the faithful performance of such contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter into such contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as part of his judgment such reasonable attorney fees as may be fixed by a judge of the court.

Witness our hands this _____ day of _____, 20__.

PRINCIPAL SEAL

BY

SURETY SEAL

BY

AGENCY OF RECORD

PAYMENT BOND (Sample)

KNOW ALL MEN BY THESE PRESENTS:

THAT, _____
(hereinafter called Principal), as Principal, and _____ a
corporation organized and existing under the laws of the State of _____, with its principal office in the
City of _____, (hereinafter called the Surety), as Surety, are held and firmly
bound unto _____, (hereinafter called the Obligee) in
the amount of _____ (Dollars) (\$ _____), for the payment whereof, the said
Principal and Surety bind themselves, and their heirs, administrators, executors, successors and
assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the
_____ day of _____ 20__ for the material, service or construction described
as _____

which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at
length herein.

NOW, THEREFORE, THE CONDITION OF THE OBLIGATION IS SUCH, that if the said Principal shall
promptly pay all monies due to all persons supplying labor or materials to him or his subcontractors in the prosecution
of the work provided for in said contract, then this obligation shall be void, otherwise to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as part of his judgment such reasonable attorneys'
fees as may be fixed by a judge of the Court.

Witness our hands this _____ day of _____, 20 _____

Principal Seal

BY _____

Surety Seal

BY _____

Agency of Record

PERFORMANCE BOND (Sample)

KNOW ALL MEN BY THESE PRESENTS:

THAT, _____
(hereinafter called Principal), as Principal, and _____
a corporation organized and existing under the laws of the State of _____, with its principal office in
the City of _____, (hereinafter called the Surety), as Surety, are held and firmly
bound unto _____, (hereinafter called the Obligee) in
the amount of _____ (Dollars) (\$ _____), for the payment whereof, the said
Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns,
jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the
_____ day of _____ 20__ for the material, service or construction described
as _____

which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at
length herein.

NOW, THEREFORE, THE CONDITION OF THE OBLIGATION IS SUCH, that if the said Principal shall
faithfully perform and fulfill all the undertakings, covenants, terms, conditions and agreements of said contract during
the original term of said contract and any extension thereof, with or without notice to the Surety and during the life of
any guaranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms,
conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made,
notice of which modifications to the Surety being hereby waived; then the above obligations shall be void, otherwise
to remain in full force and effect.

The prevailing party in a suit on this bond shall recover as part of his judgment such reasonable attorneys'
fees as may be fixed by a judge of the Court.

Witness our hands this _____ day of _____, 20_____

Principal Seal

BY _____

Surety Seal

BY _____

Agency of Record

625 E. Beale St.
Kingman, AZ 86401
(928) 753-6945 • Fax (928) 718-3232

ADDENDUM 1
INVITATION FOR BID 10A-0216
ASPHALT PAVING

This Addendum 1 is hereby made part of the contract documents and shall be included in all bids. Offerors shall acknowledge receipt of this Addendum 1 by including this page, signing and dating the following statement:

Addendum 1 acknowledged by _____

Printed name and title _____

Date _____

Place the signed Addendum 1 after Tab 1 in your bid binder.

DUE DATE AND TIME

The due date and time for IFB 10A-0216 has been revised. Bids are to be delivered to Mohave's Kingman office (211 N. 7th St., Kingman, AZ 86401) on, or before 3:00 p.m. MST on **Thursday, February 18, 2010.**

NOTE: There are no changes to Invitation for Bid 10A-0216, or the pricing workbook. Only the due date is being changed.

Questions regarding this Invitation for Bid should be directed to:

Nancy L. Colbaugh, Contract Specialist I
Craig A. McKee, CPPB, Director of Contracting Programs

Email contracts@mesc.org
(928) 753-6945



Tom Peeler, Executive Director
Mohave Educational Services Cooperative, Inc.

January 22, 2010

625 E. Beale St.
Kingman, AZ 86401
(928) 753-6945 • Fax (928) 718-3232

ADDENDUM 2
INVITATION FOR BID 10A-0216
ASPHALT PAVING

This Addendum 2 is hereby made part of the contract documents and shall be included in all bids. Offerors shall acknowledge receipt of this Addendum 2 by including this page, signing and dating the following statement:

Addendum 2 acknowledged by _____

Printed name and title _____

Date _____

Place the signed Addendum 2 after Tab 1 in your bid binder; do not fax or email to Mohave.

DUE DATE AND TIME

The due date and time for IFB 10A-0216 has not been changed from the Addendum 1 date. Bids are to be delivered to Mohave's Kingman office (211 N. 7th St., Kingman, AZ 86401) on, or before 3:00 p.m. MST on **Thursday, February 18, 2010.**

BID PREPARATION: NUMBER OF BID COPIES REQUIRED: Addendum 2 is issued to correct conflicting information on Page 4 and Page 15 in the bid pertaining to how many bid copies are required. Provide one original and one complete copy of your bid to Mohave. Make an additional complete copy of your bid for your records.

Questions regarding this Invitation for Bid should be directed to:

Nancy L. Colbaugh, Contract Specialist I
Craig A. McKee, CPPB, Director of Contracting Programs

Email contracts@mesc.org
(928) 753-6945



Tom Peeler, Executive Director
Mohave Educational Services Cooperative, Inc.

February 4, 2010

625 E. Beale St.
Kingman, AZ 86401
(928) 753-6945 • Fax (928) 718-3232

**ADDENDUM 3
INVITATION FOR BID 10A-0216
ASPHALT PAVING**

This Addendum 3 is hereby made part of the contract documents and shall be included in all bids. Offerors shall acknowledge receipt of this Addendum 3 by including this page, signing and dating the following statement:

Addendum 3 acknowledged by _____

Printed name and title _____

Date _____

Place the signed Addendum 3 after Tab 1 in your bid binder; do not fax or email to Mohave.

DUE DATE AND TIME

The due date and time for IFB 10A-0216 has been changed from the Addendum 1 and 2 date (February 18, 2010). Bids are to be delivered to Mohave's Kingman office (211 N. 7th St., Kingman, AZ 86401) on, or before 3:00 p.m. MST on **Monday, February 22, 2010.**

MARKET BASKET LINE ITEM CLARIFICATIONS AND MOBILIZATION PRICING:

- Addendum 3 is issued to clarify Item 4 concrete saw cut depth and Item 24 Speed Bump size on a revised pricing workbook titled *10a Addendum 3 asphalt paving wb.xls*. Pricing workbook can be downloaded at www.mesc.org.
- If bidder is offering a regional bid and not providing services in the requested area (Apache Junction) for the Market Basket, please complete the Market Basket as if you are providing service to this area. Note on the Market Basket the regions you are willing to service, if awarded.

Questions regarding this Invitation for Bid should be directed to:

Nancy L. Colbaugh, Contract Specialist I
Craig A. McKee, CPPB, Director of Contracting Programs

Email contracts@mesc.org
(928) 753-6945



**Tom Peeler, Executive Director
Mohave Educational Services Cooperative, Inc.**

February 16, 2010

EXHIBIT B
TO
CONSTRUCTION SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
ACE ASPHALT OF ARIZONA, INC.

[Scope of Work and Fee Proposal]

See following pages.

Parking Lot Repair

Scope of Work

The contractor will thoroughly clean, repair, surface seal, slurry seal and stripe the parking lots at the Town Center Complex, Fountain Park, Golden Eagle Park, Desert Vista Park and Four Peaks Park. Product use and method are outlined in the respective proposals for each location.

Bid by location:

<i>July 9-12-12</i>	Town Center Complex	\$22,954.38	<i>59720</i>
<i>July 9-11-12</i>	Fountain Park	\$12,760.80	<i>59724</i>
<i>July 9-11-12</i>	Golden Eagle Park	\$13,516.97	<i>59721</i>
<i>July 9-11-12</i>	Desert Vista Park	\$ 3,255.48	<i>59723</i>
<i>July 9-11-12</i>	Four Peaks Park	<u>\$ 3,519.50</u>	<i>59722</i>
<i>July 9-11-12</i>	Total	\$56,007.13	

Inf 9-11-12



We're on it.

Proposal

3030 South 7th Street
Phoenix, AZ 85040-1163
Phone: (602) 243-4100

Paving • Concrete • Earthwork
Arizona California Nevada New Mexico Texas

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Raymond Rees - (480) 837-2003
16836 E Palisades Blvd
Fountain Hills, AZ 85268

Work To Be Performed At:

Town of Fountain Hills Civic Center
16705 E Avenue of the Fountains
Fountain Hills, AZ 85268

Proposal # Tow216-dfe

July 30, 2012

**MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 10A-ACE-0316**

SPECIAL NOTE:

The terms and conditions of Mohave Educational Services Co-Op Bid, Contract Number 10A-ACE-0316 will prevail over any and all terms and conditions stated in the proposal.

Prices are valid until SEP 30 2012.

Sealing: PD Lot

\$2,592.13

Thoroughly clean approximately **31,710 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **12 gallons**. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

Ace Asphalt uses SealMaster® pavement sealing products. These products are modified with recycled tire rubber and contain no cutbacks, solvents, or coal tar for environmental friendliness. We are proud to offer the following:

" MasterSeal MTR: a clay-stabilized, mineral-filled asphalt emulsion seal coat designed to protect structurally sound pavements.

" MasterSeal MTR-PLUS: a high-solids, mineral and polymer reinforced asphalt emulsion seal coat designed to repair and protect distressed pavements.

" TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping: PD Lot

\$1,476.45

Restripe all pavement markings to match existing layout including:

- 27 single parking stalls
- 3 two color handicap stalls
- 70 linear feet of hash-out striping
- 1,156 each 4 inch stencils
- 1,185 linear feet of painted curb



This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and

Sealing: Community Center Lot

\$6,545.60

Thoroughly clean approximately **80,540 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **70 gallons**. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

Ace Asphalt uses SealMaster® pavement sealing products. These products are modified with recycled tire rubber and contain no cutbacks, solvents, or coal tar for environmental friendliness. We are proud to offer the following:

- " MasterSeal MTR: a clay-stabilized, mineral-filled asphalt emulsion seal coat designed to protect structurally sound pavements.
- " MasterSeal MTR-PLUS: a high-solids, mineral and polymer reinforced asphalt emulsion seal coat designed to repair and protect distressed pavements.
- " TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping: Community Center Lot

\$2,230.85

Restripe all pavement markings to match existing layout including:

- **169 single parking stalls**
- **10 two color handicap stalls**
- **3,680 linear feet of hash-out striping**
- **789 each 4 inch stencils**
- **27 each 10 inch stencils**
- **1,120 linear feet of painted curb**

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and

Sealing: Museum & Library Lot

\$6,188.10

Thoroughly clean approximately **75,040 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **70 gallons**. Written permission will be requested if quantities are expected to exceed this amount.



Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

Ace Asphalt uses SealMaster® pavement sealing products. These products are modified with recycled tire rubber and contain no cutbacks, solvents, or coal tar for environmental friendliness. We are proud to offer the following:

" MasterSeal MTR: a clay-stabilized, mineral-filled asphalt emulsion seal coat designed to protect structurally sound pavements.

" MasterSeal MTR-PLUS: a high-solids, mineral and polymer reinforced asphalt emulsion seal coat designed to repair and protect distressed pavements.

" TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping: Museum & Library Lot

\$2,533.44

Restripe all pavement markings to match existing layout including:

- **158 single parking stalls**
- **4 two color handicap stalls**
- **1,650 linear feet of hash-out striping**
- **1170 each 4 inch stencils**
- **2,330 linear feet of painted curb**

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Our Commitment to the Environment:

Ace believes in employing sustainable practices that are both socially responsible and commercially sound. From material recycling strategies to pollution prevention initiatives, we are committed to minimizing our environmental impact while improving the well being of the communities we serve.



Respectfully Submitted,

Ron Erickson
Account Executive
Phone: (602) 304-4162
Fax: (602) 304-2776
Email: Ericksonr@aceasphalt.com

Subtotal:	\$21,566.57
Estimated Tax:	\$1,387.81
Proposal Total:	\$22,954.38

NOTE: Any purchase order issued with an aggregate total of more than \$50,000.00 will need to have a payment/performance bond issued for the work covered, per A.R.S. [R7-2-1111 (A,B,C)]. This charge will be 1.3% of the aggregate amount on the PO. For additional information, please contact Mike Jensen at 602-304-4023.

NOTE: When you decide to accept this proposal, please make your PO out directly to Ace Asphalt of Arizona, Inc., then fax your PO to Mohave Educational Services, Inc. at 928-718-3232 for verification of pricing and to Ace Asphalt at 602-304-2725. The Mohave contract number: 10A-ACE-0316, must appear on your PO. Once Mohave approves the PO for compliance, they will notify Ace Asphalt to proceed with the Work.

Sales Tax may vary based upon completion time of the project and any tax rate changes made by the state, city or county regulations.

TERMS: NET 30 DAYS AFTER COMPLETION OF WORK.

ACCEPTANCE: Ace Asphalt of Arizona, Inc., is authorized to proceed with the work as specified. Payment will be made according to the terms listed above.

Authorized Signature

Title

Print Name

Date

Legal Property Owner Name

Scheduling Contact

Mailing Address

Scheduling Contact Phone



Terms and Conditions

General Conditions

All surfaces to which material is to be applied shall be in a condition that is similar to the time at which the project was bid. Customer shall notify Ace in advance when the site will be ready for the work to be performed, and shall give free and unobstructed access so that the work to be performed hereunder can be commenced promptly, and that once begun, may be completed without delay. Customer agrees to pay Ace its reasonable charges for delays caused by Customer. Towing of vehicles, if necessary, shall be the responsibility of Customer.

Traffic control will be provided by Ace unless otherwise specified. It shall become the responsibility of Customer to maintain barricades and/or closures if required after Ace's personnel leave the site.

A water supply source shall be furnished by Customer for Ace's use on this project.

Ace does not assume responsibility for any utility lines such as water, electric, sprinkler, etc., which may lie within eighteen inches (18") of the surface. Layouts of locations must be furnished to Ace if such lines are known to exist. Failure to furnish information in this regard will cause Customer to carry responsibility in case of any damage and repairs to such lines.

Customer shall be represented by one spokesperson, who shall have the authority to accept work performed, authorize and sign for any additions or changes desired, and will be available for consultation with Ace's representative.

Customer grants permission to Ace to create photos or videos of the site for use in promotion of its business services.

Taxes are computed for the locality in which the work is performed at the time the project is invoiced. Taxes can be waived, by law, only upon receipt of an exemption certificate that has been properly executed by responsible party to this contract.

Indemnification

Ace maintains adequate insurances and shall indemnify and hold harmless Customer, Owner, and agents and employees of any of them from any claims, damages, losses and expenses arising out of or resulting from performance of the Work to the extent caused by the negligent acts or omissions of Ace or anyone for whose acts Ace may be liable.

Warranty

The work proposed herein is covered by a 30 month warranty on workmanship. Normal wear and tear, abuse, accidental damage, and acts of God are excluded.

Disputes

If Customer objects to any portion of the work, Customer will so notify Ace within seven (7) calendar days, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice.

The parties hereby agree that, in any legal action arising from this Agreement, venue for the action may properly be placed in the county of the Ace office that issued this contract. The parties acknowledge that they are hereby voluntarily and knowingly relinquishing and waiving any rights they may have to establishing venue in any other county. This Agreement shall be in accordance with and governed by the laws of the state of Arizona. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

Our Commitment to the Environment

Ace believes in employing sustainable practices that are both socially responsible and commercially sound. From material recycling strategies to pollution prevention initiatives, we are committed to minimizing our environmental impact while improving the well being of the communities we serve.

Confidentiality

The information in this document is privileged and confidential. No part of this document may be reproduced and/or distributed to anyone other than the recipient listed on this document without written permission from Ace.

July 9-11-12



We're on it.

Proposal

3030 South 7th Street
Phoenix, AZ 85040-1163
Phone: (602) 243-4100

Paving • Concrete • Earthwork
Arizona California Nevada New Mexico Texas

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Raymond Rees - (480) 837-2003
16836 E Palisades Blvd
Fountain Hills, AZ 85268

Work To Be Performed At:

Fountain Hills Park
12925 N Saguaro
Fountain Hills, AZ 85268

Proposal # Tow215-f92
August 21, 2012

MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 10A-ACE-0316

SPECIAL NOTE:

The terms and conditions of Mohave Educational Services Co-Op Bid, Contract Number 10A-ACE-0316 will prevail over any and all terms and conditions stated in the proposal.

Prices are valid until SEP 30 2012

Heavy Grade Slurry Seal (Type II): East Lot

\$5,003.37

Thoroughly clean approximately **2,184 square yards** of existing pavement surface.

Apply a MAG type II CATIONIC slurry seal at the rate of 15 pounds per square yard.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Please Note: Slurry seal does not compare cosmetically to a fabric overlay. It does not favorably alter any existing poor drainage and will not adhere to oil spillage areas that have saturated the pavement surface unless prior repairs are made. Scuffing, raveling, and visible seams on the new slurry surface are normal and to be expected with the best application methods and materials for this service. Power steering marks are unavoidable and should not cause undue concern. Over time, reflective cracking will occur as movements of the underlying asphalt occur and break through to the surface.

Towing charges, if necessary, will be the owner's responsibility.

Exclusions: Crack sealing

Striping: East Lot

\$286.83

Restripe all pavement markings to match existing layout including:

- 47 single parking stalls
- 2 two color handicap stalls
- 140 linear feet of hash-out striping
- 20 linear feet of painted curb

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Asphalt Repair: Memorial Lot

\$2,609.69

REMOVE & REPLACE AREAS:

Contractor's Licenses: AZ ROC 090990-A; ROC 166913-C-13
CA 725402; NV 0076024; NM 366859



Sawcut, excavate, and remove severely deteriorated asphalt totaling 798 square feet in 1 area. Pave with hot asphalt and compact to a depth of 3 inches with steel drum vibratory rollers.

NOTE: Our initial assessment indicates an excavation depth of 3 inches. Should it prove necessary to exceed that depth, or if base failure is evident after the area is excavated, we may need you to authorize additional funds.

This work will be done at the same time as the repair of the East Parking Lot. Additional Charges apply if done as a stand alone project (\$363.83).

Sealing: Memorial Lot

\$154.77

Thoroughly clean approximately 2,381 square feet of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Apply sealer in 2 Coats. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on the work in the Memorial Lot being completed at the same time as the East Lot and or West Lot. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

Ace Asphalt uses SealMaster® pavement sealing products. These products are modified with recycled tire rubber and contain no cutbacks, solvents, or coal tar for environmental friendliness. We are proud to offer the following:

" MasterSeal MTR: a clay-stabilized, mineral-filled asphalt emulsion seal coat designed to protect structurally sound pavements.

" MasterSeal MTR-PLUS: a high-solids, mineral and polymer reinforced asphalt emulsion seal coat designed to repair and protect distressed pavements.

" TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Sealing: West Lot

\$3,445.39

Thoroughly clean approximately 37,807 square feet of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (1/4 inch and wider) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is 46 gallons. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in 2 Coats. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on 1 mobilization. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

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and protect distressed pavements.

" TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping: West Lot

\$489.24

Restripe all pavement markings to match existing layout including:

- **110 single parking stalls**
- **8 two color handicap stalls**
- **210 linear feet of hash-out striping**

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Our Commitment to the Environment:

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Proposal
... continued

Town of Fountain Hills

Tow215-f92
August 21, 2012

Respectfully Submitted,

Ron Erickson
Account Executive
Phone: (602) 304-4162
Fax: (602) 304-2776
Email: Ericksonr@aceasphalt.com

Subtotal:	\$11,989.29
Estimated Tax:	\$771.51
Proposal Total:	\$12,760.80

NOTE: Any purchase order issued with an aggregate total of more than \$50,000.00 will need to have a payment/performance bond issued for the work covered, per A.R.S. [R7-2-1111 (A,B,C)]. This charge will be 1.3% of the aggregate amount on the PO. For additional information, please contact Mike Jensen at 602-304-4023.

NOTE: When you decide to accept this proposal, please make your PO out directly to Ace Asphalt of Arizona, Inc., then fax your PO to Mohave Educational Services, Inc. at 928-718-3232 for verification of pricing and to Ace Asphalt at 602-304-2725. The Mohave contract number: 10A-ACE-0316, must appear on your PO. Once Mohave approves the PO for compliance, they will notify Ace Asphalt to proceed with the Work.

Sales Tax may vary based upon completion time of the project and any tax rate changes made by the state, city or county regulations.

TERMS: NET 30 DAYS AFTER COMPLETION OF WORK.

ACCEPTANCE: Ace Asphalt of Arizona, Inc., is authorized to proceed with the work as specified. Payment will be made according to the terms listed above.

Authorized Signature

Title

Print Name

Date

Legal Property Owner Name

Scheduling Contact

Mailing Address

Scheduling Contact Phone



Terms and Conditions

General Conditions

All surfaces to which material is to be applied shall be in a condition that is similar to the time at which the project was bid. Customer shall notify Ace in advance when the site will be ready for the work to be performed, and shall give free and unobstructed access so that the work to be performed hereunder can be commenced promptly, and that once begun, may be completed without delay. Customer agrees to pay Ace its reasonable charges for delays caused by Customer. Towing of vehicles, if necessary, shall be the responsibility of Customer.

Traffic control will be provided by Ace unless otherwise specified. It shall become the responsibility of Customer to maintain barricades and/or closures if required after Ace's personnel leave the site.

A water supply source shall be furnished by Customer for Ace's use on this project.

Ace does not assume responsibility for any utility lines such as water, electric, sprinkler, etc., which may lie within eighteen inches (18") of the surface. Layouts of locations must be furnished to Ace if such lines are known to exist. Failure to furnish information in this regard will cause Customer to carry responsibility in case of any damage and repairs to such lines.

Customer shall be represented by one spokesperson, who shall have the authority to accept work performed, authorize and sign for any additions or changes desired, and will be available for consultation with Ace's representative.

Customer grants permission to Ace to create photos or videos of the site for use in promotion of its business services.

Taxes are computed for the locality in which the work is performed at the time the project is invoiced. Taxes can be waived, by law, only upon receipt of an exemption certificate that has been properly executed by responsible party to this contract.

Indemnification

Ace maintains adequate insurances and shall indemnify and hold harmless Customer, Owner, and agents and employees of any of them from any claims, damages, losses and expenses arising out of or resulting from performance of the Work to the extent caused by the negligent acts or omissions of Ace or anyone for whose acts Ace may be liable.

Warranty

The work proposed herein is covered by a 30 month warranty on workmanship. Normal wear and tear, abuse, accidental damage, and acts of God are excluded.

Disputes

If Customer objects to any portion of the work, Customer will so notify Ace within seven (7) calendar days, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice.

The parties hereby agree that, in any legal action arising from this Agreement, venue for the action may properly be placed in the county of the Ace office that issued this contract. The parties acknowledge that they are hereby voluntarily and knowingly relinquishing and waiving any rights they may have to establishing venue in any other county. This Agreement shall be in accordance with and governed by the laws of the state of Arizona. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

Our Commitment to the Environment

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Confidentiality

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July 9-11-12



We're on it.

Proposal

3030 South 7th Street
Phoenix, AZ 85040-1163
Phone: (602) 243-4100

Paving • Concrete • Earthwork
Arizona California Nevada New Mexico Texas

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Raymond Rees - (480) 837-2003
16836 E Palisades Blvd
Fountain Hills, AZ 85268

Work To Be Performed At:

Golden Eagle Park
15900 E Golden Eagle Blvd
Fountain Hills, AZ 85268

Proposal # Tow218-bbe

July 31, 2012

**MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 10A-ACE-0316**

SPECIAL NOTE:

The terms and conditions of Mohave Educational Services Co-Op Bid, Contract Number 10A-ACE-0316 will prevail over any and all terms and conditions stated in the proposal.

Prices are valid until SEP 30 2012.

Sealing: South Lot #1

\$2,702.45

BID SCOPE:

Thoroughly clean approximately **25,550 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **50 gallons**. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

Ace Asphalt uses SealMaster® pavement sealing products. These products are modified with recycled tire rubber and contain no cutbacks, solvents, or coal tar for environmental friendliness. We are proud to offer the following:

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- " TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping

\$692.22

Restripe all pavement markings to match existing layout including:

- **77 single parking stalls**
- **5 two color handicap stalls**
- **350 linear feet of hash-out striping**
- **102 each 4 inch stencils**



- 430 linear feet of painted curb

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Asphalt Repair: Central Lot #2

\$639.58

REMOVE & REPLACE AREAS:

Sawcut, excavate, and remove heaving and problematic asphalt totaling up to **80 square feet in 1 area** (tree root heaving). Pave with hot asphalt and compact to a depth of **3 inches** with steel drum vibratory rollers.

NOTE: Our initial assessment indicates an excavation depth of **3 inches**. Should it prove necessary to exceed that depth, or if base failure is evident after the area is excavated, we may need you to authorize additional funds.

This work will be done in **1 mobilization**.

Concrete - Maintenance: Central Lot #2

\$1,560.21

Bid includes **1 mobilization(s)** or move-ins. Additional mobilizations will require additional charges.

- Provide barricades as required.
- Demo and haul off **up to 2 cubic yards** of material.
- Demo and haul off replaced curb.
- Grade and compact existing material.
- Place and finish up to **40 linear feet of curb & gutter**.

EXCLUSIONS, EXCEPT AS NOTED ABOVE:

Bonds, Testing, Permits, Taxes, Project Engineering, Caulking/Grouting, Protection of concrete after initial placement, Landscaping/Landscape Irrigation repairs, Wire Mesh, Fiber Mesh, Rebar, ABC, Dowels, Colored Concrete, Decorative Finishes.

Bid is based on no rebar being present in concrete which is to be demolished. If it is found that existing concrete contains rebar then additional funds may be required.

Ace Asphalt is not responsible for subgrade deficiencies, drainage on projects with less than 1% fall, and damage to underground utilities not located by the owner prior to the start of work.

Work area is to be unobstructed prior to mobilization.

Ace is not responsible for damage to underground facilities not located by owner prior to the start of work. Asphalt patchback, if required, is NOT included in this phase of work.

Sealing: Central Lot #2

\$3,188.50

Thoroughly clean approximately **30,960 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **60 gallons**. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.



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- " TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping: Central Lot #2

\$783.86

Restripe all pavement markings to match existing layout including:

- **62 single parking stalls**
- **4 two color handicap stalls**
- **700 linear feet of hash-out striping**
- **204 each 4 inch stencils**
- **530 linear feet of painted curb**

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Sealing: North Lot #3

\$2,371.75

Thoroughly clean approximately **26,140 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **50 gallons**. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate assumes the work outlined in this phase being completed along with either the South Lot #1 or Central Lot #2. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

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SealMaster® products meet or exceed all state and federal specifications.



Striping: North Lot #3

\$761.17

Restripe all pavement markings to match existing layout including:

- **86 single parking stalls**
- **2 two color handicap stalls**
- **110 linear feet of hash-out striping**
- **340 each 4 inch stencils**
- **620 linear feet of painted curb**

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Our Commitment to the Environment:

Ace believes in employing sustainable practices that are both socially responsible and commercially sound. From material recycling strategies to pollution prevention initiatives, we are committed to minimizing our environmental impact while improving the well being of the communities we serve.



Respectfully Submitted,

Ron Erickson
Account Executive
Phone: (602) 304-4162
Fax: (602) 304-2776
Email: Ericksonr@aceasphalt.com

Subtotal:	\$12,699.74
Estimated Tax:	\$817.23
Proposal Total:	\$13,516.97

NOTE: Any purchase order issued with an aggregate total of more than \$50,000.00 will need to have a payment/performance bond issued for the work covered, per A.R.S. [R7-2-1111 (A,B,C)]. This charge will be 1.3% of the aggregate amount on the PO. For additional information, please contact Mike Jensen at 602-304-4023.

NOTE: When you decide to accept this proposal, please make your PO out directly to Ace Asphalt of Arizona, Inc., then fax your PO to Mohave Educational Services, Inc. at 928-718-3232 for verification of pricing and to Ace Asphalt at 602-304-2725. The Mohave contract number: 10A-ACE-0316, must appear on your PO. Once Mohave approves the PO for compliance, they will notify Ace Asphalt to proceed with the Work.

Sales Tax may vary based upon completion time of the project and any tax rate changes made by the state, city or county regulations.

TERMS: NET 30 DAYS AFTER COMPLETION OF WORK.

ACCEPTANCE: Ace Asphalt of Arizona, Inc., is authorized to proceed with the work as specified. Payment will be made according to the terms listed above.

Authorized Signature

Title

Print Name

Date

Legal Property Owner Name

Scheduling Contact

Mailing Address

Scheduling Contact Phone



Terms and Conditions

General Conditions

All surfaces to which material is to be applied shall be in a condition that is similar to the time at which the project was bid. Customer shall notify Ace in advance when the site will be ready for the work to be performed, and shall give free and unobstructed access so that the work to be performed hereunder can be commenced promptly, and that once begun, may be completed without delay. Customer agrees to pay Ace its reasonable charges for delays caused by Customer. Towing of vehicles, if necessary, shall be the responsibility of Customer.

Traffic control will be provided by Ace unless otherwise specified. It shall become the responsibility of Customer to maintain barricades and/or closures if required after Ace's personnel leave the site.

A water supply source shall be furnished by Customer for Ace's use on this project.

Ace does not assume responsibility for any utility lines such as water, electric, sprinkler, etc., which may lie within eighteen inches (18") of the surface. Layouts of locations must be furnished to Ace if such lines are known to exist. Failure to furnish information in this regard will cause Customer to carry responsibility in case of any damage and repairs to such lines.

Customer shall be represented by one spokesperson, who shall have the authority to accept work performed, authorize and sign for any additions or changes desired, and will be available for consultation with Ace's representative.

Customer grants permission to Ace to create photos or videos of the site for use in promotion of its business services.

Taxes are computed for the locality in which the work is performed at the time the project is invoiced. Taxes can be waived, by law, only upon receipt of an exemption certificate that has been properly executed by responsible party to this contract.

Indemnification

Ace maintains adequate insurances and shall indemnify and hold harmless Customer, Owner, and agents and employees of any of them from any claims, damages, losses and expenses arising out of or resulting from performance of the Work to the extent caused by the negligent acts or omissions of Ace or anyone for whose acts Ace may be liable.

Warranty

The work proposed herein is covered by a 30 month warranty on workmanship. Normal wear and tear, abuse, accidental damage, and acts of God are excluded.

Disputes

If Customer objects to any portion of the work, Customer will so notify Ace within seven (7) calendar days, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice.

The parties hereby agree that, in any legal action arising from this Agreement, venue for the action may properly be placed in the county of the Ace office that issued this contract. The parties acknowledge that they are hereby voluntarily and knowingly relinquishing and waiving any rights they may have to establishing venue in any other county. This Agreement shall be in accordance with and governed by the laws of the state of Arizona. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

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July 9-11-12



We're on it.

Proposal

3030 South 7th Street
Phoenix, AZ 85040-1163
Phone: (602) 243-4100

Paving • Concrete • Earthwork
Arizona California Nevada New Mexico Texas

www.aceasphalt.com

Submitted To:
Town of Fountain Hills
Raymond Rees - (480) 837-2003
16836 E Palisades Blvd
Fountain Hills, AZ 85268

Work To Be Performed At:
Desert Vista Park
11800 N Desert Vis
Fountain Hills, AZ 85268

Proposal # Tow217-2bd
July 31, 2012

MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 10A-ACE-0316

SPECIAL NOTE:

The terms and conditions of Mohave Educational Services Co-Op Bid, Contract Number 10A-ACE-0316 will prevail over any and all terms and conditions stated in the proposal.

SEP 30 2012

Prices are valid until _____.

Sealing \$1,931.65

BID SCOPE:

Thoroughly clean approximately **24,030 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

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- " TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Crack Sealing \$537.60

Major cracks (**1/4-inch and wider**) will be caulked with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Cracksealer to be used is estimated at **40 gallons**.

NOTE: Written permission will be requested if additional quantities are needed. Crackfill adjacent to concrete curbing and sidewalks not included.

Striping \$589.41

Restripe all pavement markings to match existing layout including:

Contractor's Licenses: AZ ROC 090990-A; ROC 166913-C-13
CA 725402; NV 0076024; NM 366859



- 98 single parking stalls
- 6 two color handicap stalls
- 820 linear feet of hash-out striping

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Our Commitment to the Environment:

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Respectfully Submitted,

Ron Erickson
Account Executive
Phone: (602) 304-4162
Fax: (602) 304-2776
Email: Ericksonr@aceasphalt.com

Subtotal:	\$3,058.66
Estimated Tax:	\$196.82
Proposal Total:	\$3,255.48

NOTE: Any purchase order issued with an aggregate total of more than \$50,000.00 will need to have a payment/performance bond issued for the work covered, per A.R.S. [R7-2-1111 (A,B,C)]. This charge will be 1.3% of the aggregate amount on the PO. For additional information, please contact Mike Jensen at 602-304-4023.

NOTE: When you decide to accept this proposal, please make your PO out directly to Ace Asphalt of Arizona, Inc., then fax your PO to Mohave Educational Services, Inc. at 928-718-3232 for verification of pricing and to Ace Asphalt at 602-304-2725. The Mohave contract number: 10A-ACE-0316, must appear on your PO. Once Mohave approves the PO for compliance, they will notify Ace Asphalt to proceed with the Work.

Sales Tax may vary based upon completion time of the project and any tax rate changes made by the state, city or county regulations.

TERMS: NET 30 DAYS AFTER COMPLETION OF WORK.

ACCEPTANCE: Ace Asphalt of Arizona, Inc., is authorized to proceed with the work as specified. Payment will be made according to the terms listed above.

Authorized Signature

Title

Print Name

Date

Legal Property Owner Name

Scheduling Contact

Mailing Address

Scheduling Contact Phone



Terms and Conditions

General Conditions

All surfaces to which material is to be applied shall be in a condition that is similar to the time at which the project was bid. Customer shall notify Ace in advance when the site will be ready for the work to be performed, and shall give free and unobstructed access so that the work to be performed hereunder can be commenced promptly, and that once begun, may be completed without delay. Customer agrees to pay Ace its reasonable charges for delays caused by Customer. Towing of vehicles, if necessary, shall be the responsibility of Customer.

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Customer grants permission to Ace to create photos or videos of the site for use in promotion of its business services.

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Warranty

The work proposed herein is covered by a 30 month warranty on workmanship. Normal wear and tear, abuse, accidental damage, and acts of God are excluded.

Disputes

If Customer objects to any portion of the work, Customer will so notify Ace within seven (7) calendar days, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice.

The parties hereby agree that, in any legal action arising from this Agreement, venue for the action may properly be placed in the county of the Ace office that issued this contract. The parties acknowledge that they are hereby voluntarily and knowingly relinquishing and waiving any rights they may have to establishing venue in any other county. This Agreement shall be in accordance with and governed by the laws of the state of Arizona. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

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July 9-11-12



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Proposal

3030 South 7th Street
Phoenix, AZ 85040-1163
Phone: (602) 243-4100

Paving • Concrete • Earthwork
Arizona California Nevada New Mexico Texas

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Raymond Rees - (480) 837-2003
16836 E Palisades Blvd
Fountain Hills, AZ 85268

Work To Be Performed At:

Four Peaks Park
14825 N Del Cambre Ave
Fountain Hills, AZ 85268

Proposal # Tow219-17b

July 31, 2012

**MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 10A-ACE-0316**

SPECIAL NOTE:

The terms and conditions of Mohave Educational Services Co-Op Bid, Contract Number 10A-ACE-0316 will prevail over any and all terms and conditions stated in the proposal.

Prices are valid until SEP 30 2012.

Sealing

\$2,627.70

BID SCOPE:

Thoroughly clean approximately **24,400 square feet** of existing pavement. Oil spillage areas will be treated with Poly Oil Seal spot primer; however the durability of these areas cannot be guaranteed unless prior repairs are made.

Caulk all major cracks (**1/4 inch and wider**) with a hot-applied, rubberized crack sealer, excluding areas with alligator cracking. Estimated crack sealer quantity is **50 gallons**. Written permission will be requested if quantities are expected to exceed this amount.

Apply sealer in **2 Coats**. Edge work adjacent to curbs, sidewalks, etc., will be done by hand in one coat.

This estimate is based on **1 mobilization**. Additional trips, if requested require repricing.

Towing charges, if necessary, will be the owner's responsibility.

Ace Asphalt uses SealMaster® pavement sealing products. These products are modified with recycled tire rubber and contain no cutbacks, solvents, or coal tar for environmental friendliness. We are proud to offer the following:

- " MasterSeal MTR: a clay-stabilized, mineral-filled asphalt emulsion seal coat designed to protect structurally sound pavements.
- " MasterSeal MTR-PLUS: a high-solids, mineral and polymer reinforced asphalt emulsion seal coat designed to repair and protect distressed pavements.
- " TRMSS: a clay-stabilized asphalt emulsion surface seal designed to protect asphalt pavements, slurry seal and chip seal surface treatments.

SealMaster® products meet or exceed all state and federal specifications.

Striping

\$679.01

Restripe all pavement markings to match existing layout including:

- **51 single parking stalls**
- **5 two color handicap stalls**
- **280 linear feet of hash-out striping**
- **255 each 4 inch stencils**



- 400 linear feet of painted curb

This price includes replacing existing stencils on the asphalt. Ace Asphalt is not responsible for making any site conditions or improvements ADA compliant unless directed by the customer to do so. If directed by the customer, Ace Asphalt will make the recommended changes and additional charges may apply. Ace Asphalt also recommends the use of a certified ADA consultant for site evaluations and recommendations as required by applicable Federal and State laws.

Our Commitment to the Environment:

Ace believes in employing sustainable practices that are both socially responsible and commercially sound. From material recycling strategies to pollution prevention initiatives, we are committed to minimizing our environmental impact while improving the well being of the communities we serve.



Respectfully Submitted,

Ron Erickson
Account Executive
Phone: (602) 304-4162
Fax: (602) 304-2776
Email: Ericksonr@aceasphalt.com

Subtotal:	\$3,306.71
Estimated Tax:	\$212.79
Proposal Total:	\$3,519.50

NOTE: Any purchase order issued with an aggregate total of more than \$50,000.00 will need to have a payment/performance bond issued for the work covered, per A.R.S. [R7-2-1111 (A,B,C)]. This charge will be 1.3% of the aggregate amount on the PO. For additional information, please contact Mike Jensen at 602-304-4023.

NOTE: When you decide to accept this proposal, please make your PO out directly to Ace Asphalt of Arizona, Inc., then fax your PO to Mohave Educational Services, Inc. at 928-718-3232 for verification of pricing and to Ace Asphalt at 602-304-2725. The Mohave contract number: 10A-ACE-0316, must appear on your PO. Once Mohave approves the PO for compliance, they will notify Ace Asphalt to proceed with the Work.

Sales Tax may vary based upon completion time of the project and any tax rate changes made by the state, city or county regulations.

TERMS: NET 30 DAYS AFTER COMPLETION OF WORK.

ACCEPTANCE: Ace Asphalt of Arizona, Inc., is authorized to proceed with the work as specified. Payment will be made according to the terms listed above.

Authorized Signature

Title

Print Name

Date

Legal Property Owner Name

Scheduling Contact

Mailing Address

Scheduling Contact Phone



Terms and Conditions

General Conditions

All surfaces to which material is to be applied shall be in a condition that is similar to the time at which the project was bid. Customer shall notify Ace in advance when the site will be ready for the work to be performed, and shall give free and unobstructed access so that the work to be performed hereunder can be commenced promptly, and that once begun, may be completed without delay. Customer agrees to pay Ace its reasonable charges for delays caused by Customer. Towing of vehicles, if necessary, shall be the responsibility of Customer.

Traffic control will be provided by Ace unless otherwise specified. It shall become the responsibility of Customer to maintain barricades and/or closures if required after Ace's personnel leave the site.

A water supply source shall be furnished by Customer for Ace's use on this project.

Ace does not assume responsibility for any utility lines such as water, electric, sprinkler, etc., which may lie within eighteen inches (18") of the surface. Layouts of locations must be furnished to Ace if such lines are known to exist. Failure to furnish information in this regard will cause Customer to carry responsibility in case of any damage and repairs to such lines.

Customer shall be represented by one spokesperson, who shall have the authority to accept work performed, authorize and sign for any additions or changes desired, and will be available for consultation with Ace's representative.

Customer grants permission to Ace to create photos or videos of the site for use in promotion of its business services.

Taxes are computed for the locality in which the work is performed at the time the project is invoiced. Taxes can be waived, by law, only upon receipt of an exemption certificate that has been properly executed by responsible party to this contract.

Indemnification

Ace maintains adequate insurances and shall indemnify and hold harmless Customer, Owner, and agents and employees of any of them from any claims, damages, losses and expenses arising out of or resulting from performance of the Work to the extent caused by the negligent acts or omissions of Ace or anyone for whose acts Ace may be liable.

Warranty

The work proposed herein is covered by a 30 month warranty on workmanship. Normal wear and tear, abuse, accidental damage, and acts of God are excluded.

Disputes

If Customer objects to any portion of the work, Customer will so notify Ace within seven (7) calendar days, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice.

The parties hereby agree that, in any legal action arising from this Agreement, venue for the action may properly be placed in the county of the Ace office that issued this contract. The parties acknowledge that they are hereby voluntarily and knowingly relinquishing and waiving any rights they may have to establishing venue in any other county. This Agreement shall be in accordance with and governed by the laws of the state of Arizona. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

Our Commitment to the Environment

Ace believes in employing sustainable practices that are both socially responsible and commercially sound. From material recycling strategies to pollution prevention initiatives, we are committed to minimizing our environmental impact while improving the well being of the communities we serve.

Confidentiality

The information in this document is privileged and confidential. No part of this document may be reproduced and/or distributed to anyone other than the recipient listed on this document without written permission from Ace.

EXHIBIT C
TO
CONSTRUCTION SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
ACE ASPHALT OF ARIZONA, INC.

[Performance Bond]

See following page.

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, Ace Asphalt of Arizona, Inc., an Arizona corporation (hereinafter called the "Principal"), as Principal, and _____, a corporation authorized to do business in the State of Arizona by the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, Arizona Revised Statutes, organized and existing under the laws of the State of _____, with its principal office in the City of _____, (hereinafter called the "Surety"), as Surety, are held and firmly bound unto the Town of Fountain Hills (hereinafter called the "Obligee") in the amount of Fifty-Six Thousand, Seven and No/100 Dollars (\$56,007.00), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Agreement with the Obligee, dated September ____, 2012, for parking lot repair, surface seal, slurry seal and striping services, which is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein (the "Agreement").

NOW, THEREFORE, the condition of this obligation is that if the principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions of the Agreement during the original term of the Agreement and any extension of the Agreement, with or without notice to the surety, and during the life of any guaranty required under the Agreement, and also performs and fulfills all of the undertakings, covenants, terms, and conditions of all duly authorized modifications of the Agreement that may hereafter be made, notice of which modifications to the surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect. The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by the court. The performance under this bond is limited to the services to be performed under the Agreement.

Witness our hands this ____ day of September, 2012.

"Principal"

Ace Asphalt of Arizona, Inc., an Arizona corporation

By: _____ Seal _____

"Surety"

By: _____ Seal _____

"Agency of Record"

By: _____

EXHIBIT D
TO
CONSTRUCTION SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
ACE ASPHALT OF ARIZONA, INC.

[Payment Bond]

See following page.

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, Ace Asphalt of Arizona, Inc., an Arizona corporation (hereinafter called the "Principal"), as Principal, and _____, a corporation authorized to do business in the State of Arizona by the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, Arizona Revised Statutes, organized and existing under the laws of the State of _____, with its principal office in the City of _____ (hereinafter called the "Surety"), as Surety, are held and firmly bound unto the Town of Fountain Hills (hereinafter called the "Obligee") in the amount of Fifty-Six Thousand, Seven and No/100 Dollars (\$56,007.00), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written agreement with the Obligee, dated September _____, 2012, for parking lot repair, surface seal, slurry seal and striping services, which is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein (the "Agreement").

NOW, THEREFORE, the condition of this obligation is that if the Principal promptly pays all monies due to all persons supplying labor or materials to the Principal or the Principal's subcontractors in the prosecution of the services provided in the Agreement, this obligation is void. Otherwise it remains in full force and effect. The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by the court.

Witness our hands this _____ day of September, 2012.

"Principal"

Ace Asphalt of Arizona, Inc., an Arizona corporation

By: _____ Seal _____

"Surety"

By: _____ Seal _____

"Agency of Record"

By: _____