

**COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
ACE ASPHALT OF ARIZONA, INC.**

THIS COOPERATIVE PURCHASING AGREEMENT (this "Agreement") is entered into as of August 18, 2016, 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. 14Y-ACE-0317, dated March 17, 2015, as amended by that Extension of Contract dated February 3, 2016, and that letter agreement dated September 9, 2015 (collectively, the "Mohave Contract"), for the Contractor to provide asphalt paving. A copy of the Mohave Contract is attached hereto as Exhibit A and incorporated herein by reference, to the extent not inconsistent with this Agreement.

B. The Town is permitted, pursuant to Section 3-3-27 of the Town Code, to make purchases under the Mohave Contract, at its discretion and with the agreement of the awarded Contractor, and the Mohave Contract permits its cooperative use by other public entities, including the Town.

C. The Town and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Mohave Contract and this Agreement, (ii) establishing the terms and conditions by which the Contractor may provide the Town with asphalt paving, as more particularly set forth in Section 2 below (the "Materials and Services") and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and 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 until March 16, 2017 (the "Initial Term"), unless terminated as otherwise provided in this Agreement or the Mohave Contract. After the expiration of the Initial Term, this Agreement may be renewed for one successive one-year term (a "Renewal Term") if (i) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for renewal in the subsequent year, (ii) the term of the Mohave Contract has not expired or has been extended, (iii) at least 30 days prior to the end of the then-current term of this Agreement, the Contractor requests, in writing, to extend this Agreement for

an additional one-year term and (iv) the Town approves the additional one-year term in writing (including any price adjustments approved as part of the Mohave Contract), as evidenced by the Town Manager's signature thereon, which approval may be withheld by the Town for any reason. The Contractor's failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the Contractor, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

2. Scope of Work. Contractor shall provide to the Town the Materials and Services under the terms and conditions of the Mohave Contract and as more particularly set forth in the Proposals attached hereto as Exhibit B and incorporated herein by reference.

3. Inspection; Acceptance. All Materials and Services are subject to final inspection and acceptance by the Town. Materials failing to conform to the requirements of this Agreement and/or the Mohave Contract will be held at Contractor's risk. Upon discovery of non-conforming Materials or Services, the Town may elect to do any or all of the following by written notice to the Contractor: (i) waive the non-conformance; (ii) stop the work immediately; or (iii) bring Materials or Service into compliance and withhold the cost of same from any payments due to the Contractor.

4. Compensation. The Town shall pay Contractor an aggregate amount not to exceed \$88,000.00, of which \$10,000.00 is an owner's contingency which shall be utilized at the Town's sole discretion, for the Materials and Services at the unit rates set forth in the Mohave Contract and as more particularly set forth in the Proposals.

5. Payments. The Town shall pay the Contractor monthly, based upon acceptance and delivery of Materials and/or Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the Mohave Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of materials delivered, time expended and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the Mohave Contract will be subject to rejection and may be returned.

6. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 7 below, Contractor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of 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 (i) 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 (ii) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 7 below. To the extent necessary for the

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 Section. 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 Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

7. 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 subcontractors' 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.

8. Conflict of Interest. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

9. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.

10. Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. Contractor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this section.

11. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, the Proposals, the Mohave Contract and invoices, the documents shall govern in the order listed herein. Notwithstanding the foregoing, and in

conformity with Section 2 above, unauthorized exceptions, conditions, limitations or provisions in conflict with the terms of this Agreement or the Mohave Contract (collectively, the “Unauthorized Conditions”), other than the Town’s project-specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the Town of any work order or invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the Mohave Contract shall not alter such terms and conditions or relieve Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

12. Rights and Privileges. To the extent provided under the Mohave Contract, the Town shall be afforded all of the rights and privileges afforded to Mohave and shall be “Mohave” (as defined in the Mohave Contract) for the purposes of the portions of the Mohave Contract that are incorporated herein by reference.

13. Indemnification; Insurance. In addition to and in no way limiting the provisions set forth in Section 12 above, the Town shall be afforded all of the insurance coverage and indemnifications afforded to Mohave to the extent provided under the Mohave Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the Town under this Agreement including, but not limited to, the Contractor’s obligation to provide the indemnification and insurance. In any event, 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.

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 (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (iii) 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: Grady E. Miller, Town Manager

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

If to Contractor: Ace Asphalt of Arizona, Inc.
3030 South 7th Street
Phoenix, Arizona 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 (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) 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.

[SIGNATURES ON FOLLOWING PAGES]

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



Grady E. Miller, Town Manager

ATTEST:

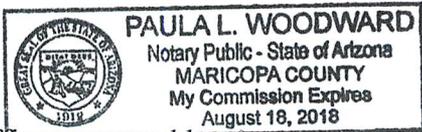


Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On August 22, 2016, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.



(Affix notary seal here)



Notary Public

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

"Contractor"

ACE ASPHALT OF ARIZONA, INC.,
an Arizona corporation

By: _____

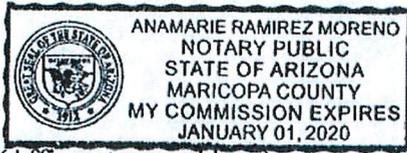
Name: MELVIN FROST

Title: CFO

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On 11-13-16, 2016, before me personally appeared Melvin S. Frost, the CFO of ACE ASPHALT OF ARIZONA, INC., an Arizona corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above document on behalf of the corporation.



(Affix notary seal here)

ARS
Notary Public



2/3/2016

Extension of Contract (Page 1 of 3)

Gloria Contreras
Ace Asphalt of Arizona, Inc.
3030 South 7th Street
Phoenix, AZ 85040

RE: Contract # 14Y-ACE-0317 Extension Agreement made by and between Ace Asphalt of Arizona, Inc. and Mohave Educational Services Cooperative (Mohave).

In accordance with its terms, Mohave desires to extend contract 14Y-ACE-0317 for a period of one (1) year, beginning 3/17/2016. The extension shall be under the same terms and conditions contained therein.

Please indicate your desire to extend by completing the appropriate information below and on the following pages. If the contract is extended, Ace Asphalt of Arizona, Inc. agrees to provide products or prices as per 14Y-1217.

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

Signature  Title DIRECTOR OF SALES/PUBLIC WORKS
Typed/Printed Name MIKE JENSEN Date 2/16/16

Please check the information below.

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

Remit to: Ace Asphalt of Arizona, Inc.
Accounts Receivable
PO Box 677450
Dallas, TX 75267-7450

Member Contact: Mike Jensen
Contract Administrator: Gloria Contreras
Phone Number: 602-304-4023
Fax Number: 602-304-2773

If both pages of this notice are not received at Mohave's Kingman office on or before 3/17/2016, orders may be held without processing. Email or Fax completed extension to contracts@mesc.org or (928) 718-3238

To terminate contract 14Y-ACE-0317 effective 3/17/2016, 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 3)

Pricing Update

We list your contract as utilizing Fixed. Please confirm the following regarding pricing under your contract:

Our contract utilized firm-fixed pricing. We agree to hold the current prices until the next contract renewal date of 03/17/2017.

Our contract utilized percentage off MSRP/Retail pricing. The current price lists/catalogs are still applicable.

We will provide new price lists/catalog by _____ (Insert Date)

Remember that your firm cannot quote any new products contained in pricing submitted with your contract renewal until it has been reviewed and approved by your Contract Specialist. Current contract pricing will remain in effect until new pricing has been reviewed and approved.

Vendor Logo

Currently, we have the following logo on our website for our members to view:



If you wish to revise or update the information, keep the following key points in mind:

- *What file types are acceptable?* Vector point files are highly recommended (such as .ai or .eps files). If you don't have access to a vector file, a large hi-resolution (approx. 150-300 dpi) JPEG, TIFF, BITMAP, GIF or PNG file will work. Having a high dpi will help keep images looking sharp if we need to resize the logo.
- *What file size is recommended?* There is no limitation to the logo file size.

Vendor Benefits Description

Currently, we have the following information on our website detailing the benefits of your contract for our members to view:

Extension of Contract

(Page 3 of 3)

Vendor Benefits Description (continued)

If you wish to revise or update the information, keep the following key points in mind:

- The description should be 150-200 words that explain the benefits that your company can provide to our members through your Mohave contract.
- This description should give a brief overview for members who may be accessing information about your contract via our Product Vendor Finder.
- Please note that Mohave reserves the right to revise or modify the information provided either for content or length.

Email any information corrections, or additional information to contracts@mesc.org. If you have any questions, contact your Contract Specialist either via email nancy@mesc.org or phone <<csInfo::csphone>>.



Mohave Contract
14Y-ACE-0317

Ace Asphalt of Arizona, Inc.
Via Email

9/9/15

Agreement to amend the special terms and conditions to allow a one-time price adjustment

Mohave Educational Services Cooperative, Inc. (Mohave) desires to allow a one-time price adjustment due to recent changes in the transaction privilege tax process for contractors. In order to do so, it is necessary to modify the special terms and conditions of contract 14Y-ACE-0317. It is understood that the following terms and conditions found in IFB 14Y-1217 are temporarily suspended to allow a one-time price adjustment. Once the price files and supporting documentation are reviewed and accepted by Mohave, it is understood that the terms and conditions below will revert to their original intent regarding the modification of pricing under your contract.

Special Terms and Conditions (suspended portions highlighted in Italics for emphasis):

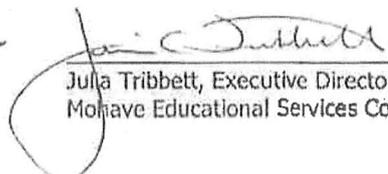
9.6 Fixed prices: Fixed price bids shall include prices for any and all items. *Fixed prices shall be firm until each anniversary date of the contract, unless there is an occurrence of one or more allowable economic price adjustment contingencies outlined in the bid. If allowable price adjustment contingencies occur, contract vendor 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 contract vendor that was out of contract vendor's control.*

9.7 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.*

This agreement shall be effective 9/9/15. Signature below indicates agreement to modifications as listed above.


Wayne Bell, President
Ace Asphalt of Arizona, Inc.

Dated 9/10/15


Julia Tribbett, Executive Director
Mohave Educational Services Cooperative, Inc.

Dated 9/10/15

Ron O'Connor - CFO



NOTIFICATION OF AWARD LETTER

February 5, 2015

Sent this day via email to bellw@aceasphalt.com

Attention: Wayne Bell, President
Ace Asphalt of Arizona, Inc.
3030 S. 7th Street
Phoenix, AZ 85040

Congratulations, Ace Asphalt of Arizona, Inc.'s response has been awarded a contract under IFB 14Y-1217. Attached is a copy of the contract signature page. Important notes and action items regarding the award are listed on the following pages. **Some action items contain important deadlines noted in bold font. Be sure to meet the requests and/or requirements on or before the deadlines noted.**

Your organization is bound by the terms of this contract; **only items specifically requested in this solicitation and awarded 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. In the event you receive a purchase order from a member that does not contain the "MESC REVIEWED" stamp, it should be faxed to (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 "MESC Reviewed" purchase order.

We highly recommend having your staff review our vendor information pages at (<http://www.mesc.org/resources-brochures>) 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 nancy@mesc.org.

Your contract number is 14Y-ACE-0317 and will take effect on March 17, 2015.

If you have any questions regarding your new contract, please call me at (928) 718-3228. We look forward to working with you and your company in the future.

Nancy L. Colbaugh, CPPB
Contracts Specialist

Offer and Acceptance Form

Place after Tab 1a

IFB 14Y-1217 Asphalt Paving

To Mohave Educational Services Cooperative, Inc.:

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

Federal Employer Identification Number 86-0419478

Company Name Ace Asphalt of Arizona, Inc.

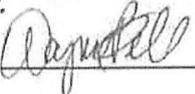
Address 3030 South 7th Street City Phoenix State AZ Zip 85040

Telephone Number 602-304-4100 Fax 602-304-2773

Printed Name Wayne Bell Title President

Primary Email bellw@aceasphalt.com Alternate email wayne@aceasphalt.com

Note: The primary email address will be used for all communication from Mohave regarding your response to this solicitation. Provide an alternate email address that will be used **only** if the primary email address is not valid.

Authorized Signature 

The offer and acceptance form should be submitted with a 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.

Acceptance of Offer and Contract Award (Mohave Only)

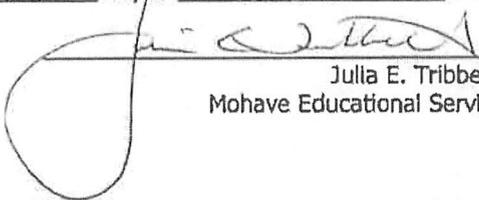
Your Bid is Hereby Accepted:

As contract vendor, 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, and amendments.

This Contract shall be referred to as Contract Number 14Y-ACE-0317

Awarded this 4th day of February 2015.

This contract shall be effective this 17 day of March 2015.


Julia E. Tribbett, Executive Director
Mohave Educational Services Cooperative, Inc.

14Y-ACE-0317 Table of Contents

Ace Asphalt of Arizona, Inc. Response to IFB 14Y-1217

Tab 1A – Signed Offer and Acceptance Form	See document 6. 14YACE0317 Award, Extensions and Amendments.
Tab 1B – Amendments	No amendments were issued for this IFB.
Tab 1C – General Terms & Conditions and Standard Terms & Conditions for Construction	2
Tab 1D – Special Terms and Conditions	24
Tab 1E – Scope of Work/Services	34
Tab 1F – Original Bid Bond/Alternate Bid Security and Bonding Capacity	52
Tab 2A – Method of Approach and Qualifications and Experience	56
Tab 2B – Certificate of Insurance	Please call Mohave for information.
Tab 2C – Financial Information.....	All financial information is kept confidential and has been removed.
Tab 3A – Price Proposals	See document 7. 14YACE0317 Pricing Summary.
Tab 3B – Mobilization, Travel Charges and Pricing Methodology	92
Tab 3C – Additional Pricing Information.....	94
Tab 4A – Primary Contract Documents, Support and Maintenance Information	96
Tab 4B – Sample Supplemental or End-User Agreement(s)	100
Tab 5 – Additional Information	Please call Mohave for information.

Click section title to be taken directly to that section.

3/31/14 EH

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1c

**General Terms and Conditions and Standard Terms and
Conditions for Construction**

General Terms and Conditions

Place after Tab 1c

1. **CANCELLATION**

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

1.2. Cancellation for conflict of interest: Mohave may cancel this contract pursuant to ARS § 38-511 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. Members shall incur no penalty or further obligation if the contract is cancelled for conflict of interest. A written notice of cancellation shall be sent to the contract vendor and the effective date of cancellation shall be the date specified within the written notice of cancellation.

1.3. 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. Contract vendor shall be entitled to receive just and equitable compensation in accordance with applicable contract pricing for authorized work in progress, authorized work completed and materials accepted before the effective date of the cancellation.

1.4. Cancellation for non-performance or contract vendor deficiency: Mohave may terminate any contract if members have not used the contract, or if purchase volume is determined to be "low volume" in any 12-month period. Mohave reserves the right to cancel the whole or any part of this contract due to failure by contract vendor to carry out any obligation, term or condition of the contract. Mohave may issue a written deficiency notice to contract vendor for acting or failing to act in any of the following:

- Failing to comply with the accepted terms and conditions of the contract;
- 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 contract vendor will not or cannot perform the requirements of the contract
- Failing to provide required performance bonds;
- Performing work or providing services under the contract prior to receiving a Mohave reviewed member purchase order for such work.

Upon receipt of a written deficiency notice, contract vendor shall have ten (10) days to provide a satisfactory response to Mohave to adequately address all issues of concern. Failure to adequately address all issues of concern may result in contract cancellation. Upon cancellation under this clause, all goods, materials and work paid for by the member, along with documents, data and reports prepared by contract vendor under the contract shall become the property of the member.

1.5. 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 contract 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.

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

1.7. Continuation of performance: Contract vendor 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.

1.8. Gratuities: Mohave shall cancel this contract if it is found that gratuities in the form of entertainment, gifts or otherwise, were offered or given by contract vendor or any agent or representative of contract vendor, to any employee of Mohave or member with a view toward securing a contract or with respect to the performance of this contract. Paying the expenses of normal business meals shall be in accordance with each member's policy regarding gratuities. Samples of software, equipment or hardware provided to Mohave for demonstration or evaluation are not considered gratuities.

2. CERTIFICATION

By signing the Offer and Acceptance Form (page 61 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 anticompetitive practices. Neither signatory nor any person on his behalf has 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 Title 32, Chapter 10 (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; and ARS Title 41, Chapter 9, Article 4).
- 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 contract vendor by Mohave.
- If awarded a contract, bidder shall 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 staff and other individuals eligible to receive services shall 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, ARS § 41-4401, and ARS § 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.

3. CONFIRMATION

If an apparent mistake in a bid, relevant to the award determination is discovered after opening and before award, Mohave shall contact the bidder for written confirmation of the bid. If bidder fails to act, the bidder shall be considered non-responsive.

Mohave may contact a bidder to confirm our understanding of the bid. Such contact shall be prior to award. Mohave shall obtain written confirmation from the bidder and shall retain the confirmation in the procurement file.

4. CONFIDENTIAL INFORMATION

4.1. Confidential information request: If bidder believes that its bid contains confidential trade secrets or other proprietary data not to be disclosed, 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 provide their determination in writing whether the information shall be withheld. If Mohave determines to disclose the information, Mohave shall inform bidder in writing of such determination. Requests to deem the entire bid as confidential will not be considered.

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

4.3. 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.

5. COOPERATIVE PURCHASING

5.1. 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 members. Any contract that prohibits sales from being made to specific types of members (for example, state agencies or local government units) may not be considered. Sales without restriction to any members are preferred.

5.2. Cooperative purchasing agreements: Cooperative Purchasing Agreements between Mohave and its members have been established under Arizona procurement rules and code for use of contracts.

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

6. ESTIMATED QUANTITIES

Mohave anticipates considerable activity resulting from this solicitation. An estimate of purchases is provided in the Scope of Work (page 4) of the requested materials or services. However, no commitment of any kind is made concerning quantities to be acquired. Mohave does not guarantee usage. Usage depends on the actual needs of members and marketing by contract vendor.

7. EVALUATION and AWARD

7.1. 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 ranking of bids. It is Mohave's intent to award a complete line of products, when possible and advantageous.

7.2. Deviations and exceptions to requirements: All requested exceptions/deviations must be clearly explained. 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.

7.3. 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.

7.4. Multiple award: To assure that our contracts meet the requirements of all members, Mohave may award multiple contracts. Bidder should consider this fact 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 multiple award is necessary and is advantageous to Mohave members. A multiple award shall be limited to the least number of contracts necessary to meet the requirements of the using agencies. Mohave shall make the sole determination of the least number of contracts required to meet the need. Mohave's basis for determining whether to award multiple contracts shall be based upon considerations for the large number of members, diverse types of members, location of members throughout Arizona and members' past usage of similar contracts.

Criteria for selecting vendors for multiple contracts shall be based upon considerations for members' experience with existing products and systems, brand continuity for parts replacement and future expansion, contract vendor'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/or other relevant criteria.

7.5. 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.

7.6. Past performance information: Past Performance Information (PPI) is relevant information regarding a contract vendor's actions under previously awarded contracts to public agencies. It includes contract vendor'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.

7.7. 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.

7.8. 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.

8. FEDERAL and STATE REQUIREMENTS

8.1. Affordable Care Act requirements: Contract vendor understands and agrees that it shall be solely responsible for compliance with the Patient Protection and Affordable Care Act, Public Law 111-148 and the Health Care Education Reconciliation Act, Public Law 111-152 (collectively the Affordable Care Act "ACA"). Contract vendor shall bear sole responsibility for providing health care benefits for its employees who provide services to the member as required by state or federal law." Add to the State and Federal section.

8.2. Compliance with federal and state requirements: Contract vendor 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, the Copeland "Anti-Kickback" Act, the Housing and Urban Development Act of 1968, the Equal Opportunity Employment requirements as amended by Executive Order. In such projects, contract vendor 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, contract vendor must submit weekly payroll records to the member. Contract vendor must keep records for three years and allow the federal grantor agency access to these records, upon demand. Contract vendor 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, contract vendor agrees to comply with the administrative requirements for grants and cooperative agreements to state, local and federally recognized Indian tribal government contract provisions.

The forms listed below are incorporated by reference into this solicitation and any resultant contract.

- HUD-5369, Instructions to Bidders for Contracts, Public and Indian Housing Programs
- HUD-5369-A, Representations, Certifications, and Other Statements of Bidders, Public and Indian Housing Programs
- HUD-5369-B, Instructions to Offerors Non-Construction
- HUD-5369-C, Certifications and Representations of Offerors Non-Construction Contract
- HUD-5370, General Conditions of the Contract for Construction
- HUD-5370-C1, General Conditions for Non-Construction Contracts Section 1 (With or Without Maintenance Work)
- HUD-5370-C2, General Conditions for Non-Construction Contracts Section 1 (With Maintenance Work)

For federally funded projects only, the requirements of an applicable form shall supersede conflicting requirements in this solicitation. The forms may be accessed via HUDClips (<http://www.hud.gov>).

8.3. Compliance with workforce requirements: Pursuant to ARS § 41-4401, contract vendor 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://e-verify.uscis.gov/enroll/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 contract vendor or subcontract employee who works under this contract to ensure compliance with the warranty above.

8.4. Contract vendor employee work eligibility: By entering into the contract, contract vendor warrants compliance with ARS § 41-4401, ARS § 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 contract vendor 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 contract vendor 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 contract vendor. All costs necessary for compliance are the responsibility of the contract vendor.

8.5. Davis-Bacon wage decisions: For federally funded projects subject to the Davis-Bacon Act, the member shall specify the applicable Davis-Bacon wage decision, prior to the contract vendor providing a firm price quotation for the proposed project. The wage decision shall be identified by the WD Number, modification number, and date of the wage decision. Davis-Bacon wage decisions may be accessed via www.wdol.gov or by requesting a copy from the member.

8.6. Non-compliance: All federally assisted contracts to members that exceed \$10,000 may be terminated by the federal grantee for noncompliance by contract vendor. 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.

8.7. 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.

8.8. Terrorism country divestments: In accordance with ARS § 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, contract vendor warrants compliance with the Export Administration Act.

9. 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 (e.g. fire, flood, snow, earthquakes, tornadoes, violent winds, hail storms); acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; 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.

10. INDEMNIFICATION

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

10.2. Modification by member: Contract vendor 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 contract vendor. However, one member's action will not preclude contract vendor's obligation to others not having modified their equipment or software.

10.3. Patent and copyright indemnification: To the extent permitted by law, contract vendor 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 contract vendor of any claim for which it may be liable under this paragraph.

11. LICENSES

Contract vendor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by contract vendor. Contract vendor 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 contract vendor whose license(s) expire, lapse, are suspended or terminated.

12. OFFER ACCEPTANCE PERIOD/WITHDRAWAL

12.1. Late bids: Except as authorized by Arizona procurement rules and code, late bids shall not be considered. Bidder shall be responsible for all shipping costs when requesting the return of a late bid.

12.2. Withdrawal of bid: A bidder may withdraw a bid in writing at any time before bid opening if the withdrawal is received before the bid due date and time at the location designated in the invitation for bids for receipt of bids. After the opening time and date, bids may not be withdrawn, except as allowed by Arizona procurement rules and code.

13. ORDERING CYCLE

- 13.1. Acceptance of orders:** This contract is for the sole use of Mohave and its members. All quotations provided to members must be based on prices in the contract and include the correct Mohave contract number. Contract vendor 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. Mohave may require the contract vendor to reject any purchase orders received from members based on this contract that may not comply with Mohave's rules, processes or standards.
- 13.2. Audit of contract activity:** Mohave will audit some of the purchases made under this contract. The contract vendor 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.
- 13.3. Contract vendor contacts:** Contract vendor agrees to assign only one contact person for each of the following: accounting, audit, contract administration, escalation, main member contact, open order/status report, 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.
- 13.4. Open order and status reports:** Mohave will send contract vendor open order and status reports on a periodic basis. Contract vendor agrees to reply to information requests in a timely fashion.
- 13.5. 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. Any such orders must be in the possession of Mohave within a reasonable amount of time.
- 13.6. 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.
- 13.7. Quotations:** Quotations with no end date are considered invalid after sixty (60) days from the issue date.

14. OVERVIEW

- 14.1. Advertising:** Bidder shall not advertise or publish information concerning this solicitation prior to an award being announced by Mohave. After award, contract vendor(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.
- 14.2. Modification of contract:** An awarded contract may be amended for a variety of reasons. Contract modifications will be issued as deemed necessary by Mohave to address contractual issues that may arise.
- 14.3. 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.
- 14.4. 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.
- 14.5. 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.

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

14.7. Audit rights: In accordance with applicable Arizona law, contract vendor's and subcontractor's books and records related to this contract may be audited at a reasonable time and place, for five years after completion of the contract.

14.8. Availability of funds: Member fund availability is unknown to Mohave at the time this solicitation was issued. Use of any contract awarded by Mohave will be conditioned upon the availability of member funds.

14.9. 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.

14.10. 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.

14.11. 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.

14.12. Contract claims or controversies: The requirements of the Arizona procurement rules and 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 contract 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.

14.13. Contract placed on hold: Mohave shall have the ability to place a contract on hold, if it is deemed necessary to address ongoing problems with an awarded contract. Details of the decision to place the contract on hold shall be provided in a written deficiency notice. A reasonable amount of time shall be provided to contract vendor to address issues in the written deficiency notice.

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

14.15. Eligible agencies: Any contract awarded from this solicitation shall be available to 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 430 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.

14.16. Novation: If contract vendor 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 contract vendor.

14.17. 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. Scope of work and specifications
4. Attachments and exhibits
5. Documents referenced or included in the solicitation

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

14.19. Relationship of the parties: Vendors receiving contracts under this solicitation are independent contractors. Any party to the contract shall not be deemed to be the employee of another party to the contract.

14.20. Removal from prospective bidders list: Any bidder submitting a perfunctory bid with no serious intent of being accepted may be removed from Mohave's prospective bidders list. Any vendor not responding to two (2) consecutive Invitations for Bid for similar procurements may be removed from the prospective 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 prospective bidders list.

14.21. 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.

14.22. 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.

15. PAYMENT

15.1. Billing: All invoices shall list the applicable member purchase order number and Mohave contract number. Contract vendor will invoice members directly. All transactions are payable in U.S. currency only.

15.2. Contacting member about payment: Contract vendor 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.

15.3. Contract vendor invoice: Contract 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.

Mohave's administration fee is included in the invoice amount paid by the member. Contract vendor shall remit administration fee to Mohave monthly. Administration fee shall be calculated at .0099 of the subtotal amount. The Mohave administration fee shall not be calculated on ancillary charges (e.g. performance bonds, shipping, transaction privilege tax, transportation charges, mileage, lodging, meals and incidental expenses (M&IE), permits, etc.).

15.4. Contract vendor payment: Member shall issue payment to contract vendor after receipt of invoice.

15.5. Correct billing: Contract products/services may not be invoiced greater than the purchase order. If incorrect invoices are discovered, contract vendor must correct invoices resulting in excess charges, no matter the cause of the error. Any excess payment must be returned to member within the time allowed by law, 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, contract vendor may invoice at the current contract price.

15.6. Credit hold: Contract vendor agrees to advise Mohave's Procurement Manager of a member(s) being placed on credit hold, within five (5) days of the action.

15.7. Payment time: Payment terms are net thirty (30) days from receipt of contract vendor's invoice.

15.8. Progress payments: Members may make progress payments under the following conditions: 1) Member and contract vendor 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.

15.9. 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 and before they are offered to members.

15.10. Reporting and payment of administration fees to Mohave: The contract vendor agrees to provide a 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, invoice dates and credit/return information for all invoices paid in the prior month. Payment and report are due as per a schedule agreed upon by Mohave and contract vendor. The initial due date shall be the 10th, 15th, 20th, 25th 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 contract vendor will provide notice of no activity. A sample reconciliation report will be made available upon award of contract.

Make Mohave administration fees payable to Mohave Educational Services Coop., Inc. Payments shall be mailed to:
625 E. Beale St.
Kingman, AZ 86401

16. PREPARATION OF BID and BID FORMAT

16.1. Modification of bid: A bidder may modify a bid in writing at any time before bid opening if the modification is received before the bid due date and time at the location designated in the invitation for bids for receipt of bids.

16.2. 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. Electronic or faxed bids shall not be considered.

16.3. 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.

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

17. PRODUCT LINES

17.1. 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.

17.2. New products/services: New products and/or services that meet the scope of work may be added to the contract. Contract vendor 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 and/or services 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. New products/services must be submitted and approved by Mohave, prior to being offered to member. Mohave may reject any additions without cause.

18. PROTESTS

Protests shall be filed with Julia E. Tribbett, the Executive Director of Mohave (the District Representative), and shall be resolved in accordance with Arizona Procurement rules and code, ARS, Title 41, Chapter 23, Article 9 and State Board Rules R7-2-1001 through R7-2-1196. *A protest must be in writing and must be filed with the Executive Director of Mohave at 625 E. Beale Street, Kingman, Arizona, 86401.* Protests based upon alleged improprieties in a solicitation shall be filed before the due date and time for responses to the solicitation. The interested party shall file the protest within ten (10) days after Mohave makes the procurement file available for public inspection. A protest filed on the tenth day must be received by 5:00 pm, local AZ time. The interested party may file a written request for an extension. The written request shall be filed before the time limit specified above and shall set forth good cause as to the specific action or inaction of Mohave that resulted in the interested party being unable to file the protest before the time limit specified above.

A protest shall be in writing and shall include the following information:

- The name, address and telephone number of the interested party;
- The signature of the interested party or the interested party's 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;
- 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 along with the costs for the hearing.

19. 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 breach of the contract.

20. SAFETY STANDARDS

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

21. SHIPPING

21.1. 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.

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

21.3. Shipping charges: Prices that include shipping to any location in Arizona, delivered to the specific receiving point identified in the purchase order, are preferred. If shipping is charged, it shall be that member is not charged more than the actual invoiced amount for shipping, and is prepaid by the contract vendor (PP&A). It is the member's responsibility to confirm shipping charges under the contract.

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

22. 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.

23. TAXES

23.1. Federal Excise Tax: Most members are exempt from paying Federal Excise Tax.

23.2. Payment of taxes: Member is responsible for payment of all taxes listed on the invoice. Contract vendor is responsible for collecting such taxes and shall forward all taxes to the proper revenue office.

23.3. 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.

23.4. Property taxes: Arizona public agencies may not pay state property taxes. (Arizona Constitution, Article 9, Section 2)

23.5. Reservation or tribal tax: If goods or services are subject to reservation or tribal tax, contract vendor shall include such taxes as a separate item on the original invoice to the member.

23.6. Transaction Privilege Tax (Sales Tax): Most members are taxable. Transaction Privilege Taxes in Arizona may 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. Contract vendor is responsible for charging taxes correctly.

23.7. Taxes on construction: Contract vendors 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 contract vendor is considered a prime contractor by R-15-602 (C, 1, a). Transaction privilege taxes on contracting shall be separately stated on invoices.

Standard Terms and Conditions for Construction

Place after Tab 1c

1. BID SECURITY

- 1.1. Amount of bid security:** All bidders for a contract under this IFB shall include acceptable bid security in the amount of **\$100,000** with the submission of their bid.
- 1.2. Bid security requirement:** School procurement rules [R7-2-1102 (A)] and as applicable in ARS § 34-222 and 41-2573, 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."
- 1.3. 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 [R7-2-1102 (B, C), ARS § 34-222 and 41-2573]. Bid security may be provided using the form found in the primary contract document pages of this IFB, with the principal being the prime contractor and the Obligee being Mohave Educational Services Cooperative, Inc. An agent of your licensed bonding agency shall sign the letter. If the original letter is not signed and/or has conflicting information, it shall render your bid nonresponsive.

2. CHANGE ORDERS

- 2.1. Adherence to specifications and drawings:** The contract vendor shall follow the requirements of all specifications and drawings as closely as actual construction and work of contract vendors 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.
- 2.2. Change order requirement:** Member and contract vendor shall establish a procedure for identifying and approving changes to the work. Member shall notify Mohave of any change that revises the cost of the project. Contract vendor shall not begin the revised work prior to receipt of the Mohave reviewed member change order.

Contract vendor agrees to follow all applicable rules and regulations for any change orders, including R7-2-1005 and as applicable in ARS § 41-2552.

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

- 2.3. 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 contract vendor, shall be borne by the contract vendor, and the contract vendor shall not be entitled to reimbursement for such costs.

3. CONSTRUCTION CONTRACTS

- 3.1. 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.
- 3.2. 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 contract vendor by the member.

3.3. Member delays: As required by ARS § 15-213 (D), the contract vendor will negotiate with member for the recovery of damages related to expenses incurred by the contract vendor for a delay for which the member is responsible, which is unreasonable under the circumstances and which is 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.

3.4. Construction contract requirement: In any contract between the contract vendor and a member based on this contract, the terms and conditions of this contract will prevail. In any contract between the member and the contract vendor, 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 contract vendor will acquire and pay for all permits and approvals from local, county, state and federal offices needed to accomplish the work. Contract vendor shall be entitled to direct reimbursement for the cost of such permits.

3.5. Form of construction contracts: A contract between the member and the contract vendor 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.

3.6. Member representative: All formal contact between the contract vendor and/or contract vendor's personnel and the member shall be processed through the member representative. The member shall designate the member representative at the time of purchase.

3.7. 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 member to assume control before the completion, this needs to be defined. Both parties must agree on the definition of what constitutes final acceptance. Upon completion of the project, the worksite shall be left in a condition equal to or better than before the project.

3.8. 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 and 34-227)

3.9. Work performed by the member: Work to be performed by the member must be clearly described and agreed upon prior to project start up.

4. CONSTRUCTION SCHEDULE

4.1. Schedule adjustment: The member retains the right to extend the schedule of work or to suspend the work, and to direct the contract vendor to resume work when appropriate. The agreement must describe an equitable adjustment for added costs caused by any suspension. Any increases will be invoiced per approved contract pricing as allowed in the agreement.

4.2. Schedule requirement: A schedule for performance of work that can be met without planned overtime is the responsibility of the contract vendor.

4.3. 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 member shall not incur additional expense for upsized crews, nor overtime costs, which might be necessary for the contract vendor to complete the project on schedule.

5. COORDINATION

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

5.2. Coordination with other vendors: The contract vendor shall coordinate with other contractors.

5.3. Interruption of other work: The contract vendor 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.

6. DELIVERY OF CONSTRUCTION MATERIALS:

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

6.2. Delivery requirement: The contract vendor will deliver materials in sufficient quantity to allow for continuity of work. Delivery will be coordinated with the member's representative.

6.3. Precautions: The contract vendor 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.

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

7. INSURANCE

7.1. Course of Construction Insurance: Upon request from member, contract vendor 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.

7.2. Deductibles: Contract vendor shall pay the deductibles required by the insurance provided under this agreement.

7.3. Indemnification: During the life of the contract, contract vendor 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. Contract vendor further agrees to waive any right of recovery against Mohave and/or its members for damage to the property of contract vendor, 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.

7.4. 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, contract vendor must be willing to provide, upon request, identical certification of insurance to any member using this contract. Upon request, contract vendor shall provide member with a certificate of insurance naming the 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 member has received written notice, evidenced by a return receipt of a registered or certified letter, of the proposed action.

7.5. Scope of Insurance: Contract vendor's insurance shall provide adequate protection for contract vendor and contract vendor's subcontractors, respectively, against damage claims which may arise from operations under this contract, whether such operations are 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.

8. LABOR PRACTICES

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

8.2. Labor requirements: The method and manner of performance must be stated: employees of the contract vendor are not employees of the member; the level of competency of the personnel will be subject to approval by the member; the contract vendor 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 contract vendor 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.

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

8.4. Removal of Employee or Representative: The member shall have the right to require the contract vendor to remove from the project any employee or representative of the contract vendor, its subcontractors or suppliers that the member may deem incompetent, careless, insubordinate, or otherwise unacceptable.

8.5. Supervision: The contract vendor 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.

9. LIQUIDATED DAMAGES

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

10. MEMBER COSTS

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

11. PERFORMANCE AND PAYMENT BONDS

11.1. Issuing performance and payment bonds: Upon execution of a contract between a member and the contract vendor, performance and payment bonds shall be provided to the member as required in ARS § 34-222, 34-223, 28-6923, 41-2574, or R7-2-1103 (A, B, C, D), as applicable. The contract vendor agrees to notify the member in writing of this requirement before accepting any work orders.

The contract vendor will supply Mohave with a copy of the bonds upon request. If the contract vendor fails to deliver any required performance or payment bond, the contract with Mohave may be cancelled.

Members who elect to waive these bonds must indicate their decision, in writing, to Mohave. For members who are required to obtain performance and payment bonds per the above requirements, contract vendor agrees to provide these bonds to the member.

11.2. 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 contract vendor 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 contract vendor for the performance of the work provided in the contract.

11.3. 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 contract vendor shall be executed by a surety company authorized to do business in Arizona.

12. PROGRESS PAYMENTS

12.1. Progress Payments on Construction: R7-2-1105 allows for progress payments if the contract vendor agrees to adhere to ARS § 41-2577 (B) (D) (F) and as applicable in ARS § 34-221. All progress payments must be invoiced to the member; it is the responsibility of the member to review and approve any estimates of work completed. If the 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 R7-2-1105 (A). In such cases, the bidder agrees to hold Mohave harmless for any deficiency of payment.

Progress payments may be made to the contract vendor on the basis of a duly certified and approved estimate of work performed during the preceding month. The contract vendor 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.

12.2. Schedule of payments: Once all bonds are in place, the contract vendor 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 member. The bidder may extend any due date to avoid the requirement to pay interest in R7-2-1105 (D) and ARS § 41-2577 (E) and as applicable in ARS § 34-221.

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

12.3. Subcontractor notification: A subcontractor to the prime contractor may request, in writing, that member notify the subcontractor in writing within five (5) days from payment of each progress payment made to the prime contractor [R7-2-1105 (C) and ARS § 41-2577 (C) and as applicable in ARS § 34-221]. Upon request, the prime contractor must provide Mohave or the members with a contact name, title, company name, mailing address and fax number for all subcontractors and suppliers that are covered by a payment bond.

13. PROJECT ADVERTISING

The contract vendor must agree that the member reserves the right to release information about the project and that any advertising of the project by the contract vendor must be approved by the member.

14. PROJECT COMPLETION

14.1. Project documents: Upon completion of the work, the contract vendor 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.

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

15. PUBLIC WORKS

15.1. Preservation: The contract vendor 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.

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

15.3. Residency requirement: ARS § 34-302 states 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 contract vendor to comply with these laws, when applicable.

15.4. Restoration: The contract vendor 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 contract vendor's expense, and is not subject to reimbursement by the member.

15.5. 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).

16. RETENTION

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

When fifty (50) percent of the work is completed, one half of the amount retained shall be paid to the contract vendor if the contract vendor 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.

16.2. Substitute security: If the member and the contract vendor agree to a substitute security, the agreement must be in full compliance with R7-2-1104 (D, E, F, G), or 41-2576 as applicable to the purchasing member. If a substitute security is agreed to, the contract vendor 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, or the member in relationship to the security assigned.

17. RULES, REGULATIONS AND CODES

17.1. Certification of personnel regarding renovations, repair, and painting: Personnel performing renovations, repair, and painting activities that disturb lead-based paint in target housing and child-occupied facilities constructed before 1978, shall comply with Part II, Environmental Protection Agency, 40 CFR Part 745, Lead; Renovation, Repair, and Painting program; Lead Hazard Information Pamphlet (<http://www.epa.gov/>).

17.2. 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 contract vendor must inform the member of the situation. The contract vendor will not construct any device or produce any condition that intentionally violates a fire or safety code or safety standard.

17.3. Hazard notification: Contract vendor must advise member whenever work is expected to be hazardous.

17.4. Liens/serial numbers: All materials 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.

18. SUITS FOR NONPAYMENT OR NONPERFORMANCE

All suits for nonpayment or nonperformance shall be filed as allowed in R7-2-1103 (F).

19. 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 provided by the Corporate and Financial Affairs Division of the Arizona Department of Insurance (www.id.state.az.us).

20. WARRANTY/MAINTENANCE CONTRACTS

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

20.2. Warranty work: The contract vendor shall perform all warranty work and remain available to the member should continued service be required after warranty obligations are met.

21. WORKSITE

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

21.2. Site conditions: The condition of the site before start up shall be agreed upon between the member and the contract vendor and shall be written into the contract.

21.3. Stored Materials: Upon prior written agreement between the contract vendor 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 shall be provided to member prior to payment. Such materials shall be stored and protected in a secure location, and be insured for their full value by the contract vendor against loss and damage. Contract vendor 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 shall also be clearly identified as property of member and be separated from other materials. Member shall 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 contract vendor's responsibility to protect all materials and equipment. The contract vendor 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.

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1c

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

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

Place after Tab 1c

Signature on Page 61 certifies complete acceptance of the General Terms and Conditions and the Standard Terms and Conditions 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 the Standard Terms and Conditions for Construction:

- We take no exceptions/deviations to the General Terms and Conditions and the Standard Terms and Conditions for Construction.

(Note: If nothing is listed below, it is understood that no exceptions/deviations are taken.)

- We take the following exceptions/deviations to the General Terms and Conditions and the Standard Terms and Conditions for Construction. All exceptions/deviations shall be clearly explained. Reference the corresponding general terms and conditions and/or Standard Terms and Conditions for Construction that you are taking exceptions/deviations to. Clearly state if you are adding additional terms and conditions to the General Terms and Conditions and the Standard Terms and Conditions for Construction. Provide details on your exceptions/deviations below:

(Note: All requested exceptions/deviations must be clearly explained. Reference the specific terms and conditions that you are taking exceptions/deviations to, detail any proposed substitute terms and conditions, and clearly demonstrate how Mohave and its membership will be better served by the substituted terms and conditions. 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.)

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1d

Special Terms and Conditions

Special Terms and Conditions

Place after Tab 1d

The following Special Terms and Conditions are in addition to the applicable General Terms and Conditions and Standard Terms and Conditions for Construction that appear on pages 41-59. Please review them and complete the *Special Terms and Conditions Specifications Acceptance Form* (page 40).

1. DELIVERY

- 1.1. **Default in one installment to constitute total breach:** Contract vendor 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 contract vendor delivers nonconforming materials to any member under this contract.
- 1.2. **Defective goods:** Contract vendor agrees to pay for return shipment of goods that arrive in a defective or non-operable condition. Contract vendor shall arrange for return shipment of damaged or defective goods.
- 1.3. **Delivery time:** Failure to deliver any order within the time frame specified on the purchase order may result in cancellation of that purchase order.
- 1.4. **Improper delivery:** If the goods or tender of delivery fall 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.
- 1.5. **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%) shall not be allowed. Contract vendor may waive restocking fees. Shipping charges on returns must be identified. Restocking and return shipping charges shall be identified on the price workbook.

2. FORM OF CONTRACT

- 2.1. **Contract vendor contract documents:** Mohave will review proposed contract vendor contract documents. Contract vendor's contract documents shall not become part of Mohave's contract with contract vendor unless, and until, an authorized representative of Mohave reviews and approves them. If a firm submitting a bid requires member to sign an additional agreement, a copy of the proposed agreement shall be included with the bid.
- 2.2. **Form of contract:** The form of contract for this solicitation shall be the Invitation For Bid, the awarded bid(s), and properly issued member purchase orders referencing the requirements of the Invitation For Bid.
- 2.3. **Parol evidence:** The contract represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.

3. INSTALLATION

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

4. INSURANCE

- 4.1. **Liability insurance:** Prior to commencing services under this contract, contract vendor shall procure and maintain during the life of this agreement, comprehensive public liability insurance, to include automobile liability, providing limits of an aggregate amount of not less than \$2,000,000. Evidence of the required insurance shall be provided by means of a current certificate of insurance with the coverage as stated above, with your bid. Before any orders are processed under an awarded contract, contract vendor shall provide a certificate that names Mohave as the certificate holder. **Place after Tab 2b.**

In addition, contract vendor must be willing to provide, upon request, identical certification of insurance to any member using this contract.

4.2. 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 workers' compensation insurance, which waives all subrogation rights against the prime contractor and member.

4.3. Workers' compensation insurance: Contract vendor shall also procure and maintain during the life of this agreement, workers' compensation insurance for all of contract vendor'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.

5. MAINTENANCE FACILITIES AND SUPPORT

It is preferred that each contract vendor should have maintenance facilities and a maintenance support system available for servicing products throughout Arizona, or the regions specified in their offer. 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, or specific regions within the state for regional offers. It is preferred that maintenance services are available within 24 hours. Maintenance facilities must have sufficient parts inventory to provide quality service on products sold to members.

6. MEMBER AGREEMENTS

Some members may request the addition of specific requirements that would apply to products and services purchased under an awarded contract. These additional requirements shall be addressed through the use of an additional member agreement. In any agreement between the contract vendor and a member based on this contract, the terms and conditions of this contract shall prevail. Contract vendor and member must agree to all provisions in any additional agreements. If agreement requirements result in additional costs to the contract vendor, the contract vendor shall be entitled to direct reimbursement for these costs, in addition and separate from approved contract pricing. A copy of the additional member agreement shall accompany the member purchase order.

7. BID ACCEPTANCE PERIOD

A bid submitted in response to this solicitation shall be valid and irrevocable for one hundred twenty (120) days after opening time and date.

8. OVERVIEW

8.1. Bidder qualifications: It is preferred that the bidder has extensive knowledge and at least three (3) years experience with the product and 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.

8.2. Bid Bond: Bidder shall provide an original bid bond or alternate bid security in the amount of **\$100,000. Place after Tab 1f.** Note: Bid security as a percentage of the bid value (e.g., - 10% of contract award) is not acceptable.

8.3. Bonding Capacity: The required minimum single job bonding capacity for this contract shall be \$425,000. Provide a letter from your bonding agency describing your current bonding capacity (single and aggregate levels) and how much bonding capacity will be available for this contract. An agent of your licensed bonding agency shall sign the letter. If the original letter is not signed and/or has conflicting information, it shall render your bid nonresponsive. **Place letter from bonding agency after Tab 1f.**

8.4. Order cycle overview:

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

9. PRICING

- 9.1. Administration fee:** Mohave's 1% administration fee shall be included in bidder's contract price. Contract vendor shall not add the administration fee to approved contract prices. The value of trade-ins or rebates shall not affect the amount of administration fee paid to Mohave.
- 9.2. Application of pricing:** In Mohave's purchase order review process, the date Mohave receives a member purchase order or the date of a valid contract vendor's quote will generally be used to determine the contract pricing that is in effect for that order. The date Mohave receives a member purchase order will only be used to determine the contract pricing that is in effect for an order when a contract vendor's quote does not exist or is invalid. However, other factors may apply.
- 9.3. Basis for pricing:** 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 described in *Tab 3c*. 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.
- 9.4. Decimal places:** Pricing shall use a maximum of three (3) decimal places, unless specified otherwise.
- 9.5. Effect of price:** No contract shall be awarded solely on the basis of price.
- 9.6. Fixed prices:** Fixed price bids shall include prices for any and all items. Fixed prices shall be firm until each anniversary date of the contract, unless there is an occurrence of one or more allowable economic price adjustment contingencies outlined in the bid. If allowable price adjustment contingencies occur, contract vendor 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 contract vendor that was out of contract vendor's control.
- 9.7. 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.
- 9.8. Market basket:** If bidder is providing an alternative product in the Market Basket, bidder must provide specifications for those products. *White papers are not specifications and are not acceptable.*
- 9.9. Overcharges by antitrust violations:** Mohave maintains that overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, contract vendor assigns to member any and all claims for such overcharges as to the goods or services used to fulfill the contract.

9.10. Price reduction and adjustment: Price reduction may be offered at any time during a 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.

9.11. Price workbook: All bidders must complete the 14Y-1217 Asphalt Paving Workbook titled "14Y Asphalt Paving WB.xls". Provide a CD, USB, or similar electronic media device with the completed workbook in your response. Paper copies of the workbook are required. Failure to complete and submit the 14Y-1217 Asphalt Paving Workbook shall render your bid nonresponsive. *Place after Tab 3a.* If awarded a contract, all future pricing updates shall be based on the electronic workbook, or similar approved format.

9.12. Reimbursement for transportation, mileage, lodging, meals and incidental expenses (M&IE): Contract vendor may charge for transportation, mileage, lodging and M&IE costs for employees that are required to travel to perform services at member site under this contract. 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 member.

9.13. Travel time, mobilization, or trip charges: Contract vendor 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 Arizona under this contract. Mobilization or trip charges are charges for the movement of equipment to the jobsite. 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.

9.14. Special pricing offers: Special pricing offers (e.g., volume discounts) must apply to all Mohave orders of similar size and scope. Special pricing limited to a single member is not acceptable. Mohave must approve special pricing before it is offered to any member.

10. 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.

11. SITE REQUIREMENTS

11.1. Cleanup: Contract vendor shall clean up and remove all debris resulting from their work as required or directed by member. Upon completion of the work, the premises shall be left in good repair and unobstructed condition.

11.2. Contract vendor employee fingerprinting: Contract vendor and its employees or subcontractors 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 ARS § 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 contract vendor, subcontractor or individual employee as determined by the 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."*

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

11.3. Onsite Contract Vendor Responsibilities: The contract vendor is responsible for ensuring that all onsite work performed under this contract meets or exceeds the OSHA standards, and is responsible for ensuring safe work performance of employees and subcontract vendors.

Contract vendor and its employees or subcontractors shall report accidents and incidents immediately to the member's responsible staff or its administration. The contract vendor is responsible for providing and obtaining appropriate medical and emergency assistance and notifying fire and law enforcement agencies, when necessary. Except for rescue and emergency measures, the scene of the accident or incident shall not be disturbed, and the operation shall not resume until authorized by the member's responsible staff or administration. The contract vendor must assist and cooperate fully with the investigation of the accident/incident and ensure availability of all information, personnel and data pertinent to the investigation.

For preemptive purposes, contract vendor and its employees or subcontractors shall immediately report to the member's responsible staff or administration all areas of concern that could potentially lead to accident or injury.

11.4. Registered sex offender restrictions: For work to be performed at an Arizona school, contract vendor 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. Contract vendor 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.

11.5. Safety measures: Contract vendor shall take all reasonable precautions for safety on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Contract vendor 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.

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

11.7. Stored materials: Upon prior written agreement between the contract vendor 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 contract vendor against loss and damage. Additionally, if stored offsite, the materials must also be clearly identified as property of 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 contract vendor's responsibility to protect all materials and equipment. The contract vendor 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.

12. SUBCONTRACTORS

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

12.2. Entering subcontracts: Subcontracts shall incorporate by reference the terms and conditions of the Mohave contract.

12.3. Prime contractor: Contract vendor will be considered a prime contractor and not a subcontractor. Neither Mohave nor the member will establish a contractual relationship with subcontractors.

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

12.5. Subcontractor payment: Contract vendor agrees to pay subcontractors within seven days after receipt of payment from member, as required in Arizona procurement rules and code. If contract vendor receives any interest monies for delay of payment from member, contract vendor will pay subcontractor the correct proportion of interest paid. Complaints by subcontractor may be resolved as described in Arizona procurement rules and code. Failure to pay subcontractor for work faithfully performed and properly invoiced may result in the suspension or cancellation of this contract.

12.6. Use of subcontractors: Labor used to perform work under the contract shall permit the work to be carried on harmoniously and without delay, and that will not cause any disturbance, interference or delay to the progress of the project (e.g. engaging in strike, work stoppage, picketing, ceasing work due to a labor dispute). Subcontractor shall not employ anyone whose employment may be objected to by prime contractor, member or Mohave.

13. TERM OF CONTRACT AND EXTENSION

13.1. 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 effective date of contract award. By mutual written agreement between Mohave and contract vendor, the contract may be extended for up to four (4) consecutive additional 12-month periods, beginning immediately after expiration of the prior term. However, no contract extension exists unless and until contract vendor is so notified by Mohave.

13.2. Contract extension: Conditions for contract extension may 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 contract requirements, and continued competitive prices for the materials and services provided under the contract.

13.3. 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.

14. WARRANTY/QUALITY GUARANTEE

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

14.2. 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 contract vendor by member.

14.3. Quality: Unless otherwise specified, contract vendor warrants that for one (1) year after acceptance of the equipment or materials by member, they shall be:

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

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

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1d

Special Terms and Conditions Acceptance Form

Special Terms and Conditions Acceptance Form

Place after Tab 1d

Signature on Page 61 certifies complete acceptance of the Special Terms and Conditions 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:

- We take no exceptions/deviations to the Special Terms and Conditions.**

(Note: If nothing is listed below, it is understood that no exceptions/deviations are taken.)

- We take the following exceptions/deviations to the Special Terms and Conditions. All exceptions/deviations shall be clearly explained. Reference the corresponding Special Terms and Conditions that you are taking exceptions/deviations to. Clearly state if you are adding additional terms and conditions to the Special Terms and Conditions. Provide details on your exceptions/deviations below:**

(Note: All requested exceptions/deviations must be clearly explained. Reference the specific special terms and conditions that you are taking exceptions/deviations to, detail any proposed substitute special terms and conditions, and clearly demonstrate how Mohave and its membership will be better served by the substituted special terms and conditions. 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.)

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1e

Scope of Work

Scope of Work

Place after Tab 1e

1. DESCRIPTION

In order to gain economies of scale, Mohave is formally soliciting statewide sources of asphalt paving and ancillary concrete work as specified within this Invitation for Bid. The majority of the work under this contract shall be for asphalt paving; only firms that provide asphalt paving shall be considered for award. Concrete work including, but not be limited to: curbs, gutters, sidewalks, alley entrances, or driveways, is allowed in conjunction with asphalt paving work. Concrete work may be subcontracted.

These products/services are requested for Mohave's membership of over 430 public agencies. Contracts, in whole or in part, shall be awarded to bidder, or bidders, for an initial one (1) year term and four (4) consecutive one-year extension options.

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. Specifications are not intended to be exclusive or to restrict competition. 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 holds Mohave's current contract for the specified products and services. Activity under the contract from 7/1/13 through 6/30/14 was \$2,311,116, and year to date activity (as of the publication date of this IFB) is \$1,694,143. 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 discount and pricing schedule shall apply regardless of the volume of business under the contract.

2. ESTIMATED TIMELINE OF EVENTS

Mohave has developed the following estimated timeline of events related to this formal solicitation. All dates are subject to change as required and at the sole discretion of Mohave.

EVENT	ESTIMATED DATE
Invitation for Bids Issued	November 14, 2014
Pre-bid Conference Held	December 3, 2014 at 10:30 a.m. (local AZ time) Audio Only Pre-bid conference will be held utilizing <i>WebEx</i> telephone conferencing. Please contact Mohave for reservation details.
Deadline for Questions	December 10, 2014 at 5:00 p.m. (local AZ time)
Published IFB Due Date and Time	December 17, 2014 3:00 p.m. (local AZ time) 625 East Beale Street, Kingman, AZ 86401
Public Opening of Bids	December 17, 2014 at 3:00 p.m. (local AZ time)
Notice of Intent to Award (<i>estimated date only</i>)	February 16, 2015
Execution of Contract(s) (<i>estimated date only</i>)	March 17, 2015

3. SUBMISSION OF BIDS

3.1 Bids should provide straightforward, concise information that satisfies the requirements. Expensive bindings and/or color displays are not necessary. Emphasis should be placed on conformity to the specifications and terms and conditions, as well as the completeness and clarity of the submittal content.

3.2 The bidder must submit a bid following information detailed in the *IFB Instructions to Bidder and Checklist*.

4. CONTRACT TYPE

The term contract shall be fixed price with indefinite quantities.

5. AWARD CRITERIA

The award criteria for this solicitation are as follows:

Award(s) shall be made to the lowest responsive and responsible bidder(s) whose bid(s) conform to all material respects to the requirements and evaluation criteria below.

1) Pricing Information: Discount summary, electronic workbook and/or pricing documents, mobilization and travel charges, volume discount, bond methodology, contingencies for economic adjustments;

2) Offer and Acceptance, Terms and Conditions, Scope of Work and Specification Documents: Offer and Acceptance, amendments (if any), acceptance of General and Special Terms and Conditions, Standard Terms and Conditions for Construction, Scope of Work, Specifications with exceptions/deviations noted, bid bond/alternate security, bonding capacity;

3) Required Information: Complete response to the Method of Approach and Qualification and Experience pages, references (past performance information), certificate of insurance, company financials;

4) Primary Contract Documents: Completed primary contract documents, support and maintenance information, sample supplemental agreements;

5) Additional Information: Checklist form, descriptive literature and supporting printed data.

References and definitions used for specifications and in the solicitation: (acronyms used in the solicitation are noted in bold font below):

American Association of State Highway and Transportation Officials (**AASHTO**):

www.transportation.org

American with Disabilities Act (**ADA**): www.ada.gov

Arizona Department of Transportation (**ADOT**): www.azdot.gov

ASTM International (**ASTM**): <http://www.astm.org/>

International Slurry Surfacing Association (**ISSA**): www.slurry.org

Maricopa Association of Governments (**MAG**): www.mag.maricopa.gov

Occupational Safety and Health Administration (**OSHA**) www.osha.gov

Pima Association of Government (**PAG**) www.pagnet.org

Portland Cement Association (**PCA**): www.cement.org

Specifications

Place after Tab 1e

SPECIFICATIONS

Compliance with specifications: The fact that a manufacturer, supplier or bidder chooses not to produce or supply equipment, supplies and/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: 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. Your exceptions/deviations must be clearly explained. Reference the specification that you are taking exceptions/deviations to, detail any proposed substitute language, and clearly demonstrate how Mohave and its membership will be better served by the language. 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. Details for exceptions/deviations will be listed by specification number on the *Scope of Work and Specifications Acceptance Form*.

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 describe the standard of quality, performance, and other characteristics needed to meet member requirements. Use of the name of a manufacturer, brand, make or catalog number is not intended to limit or restrict competition, nor does it restrict bidder from the submission of equivalent brands. However, Mohave reserves the right to decide whether alternatives to the identified manufacturer and brand are equal to the materials and equipment described in the solicitation. Mohave will be the sole judge on the question of equal quality, and Mohave's decision shall be final.

Requirement	Comply	Deviate*
1.1 General Requirements		
1.1.01 If the contract vendor uses subcontractors for asphalt or concrete work, the contract vendor shall guarantee that all work and materials used meet the specifications and requirements of an awarded contract. Any work that fails to meet specifications and requirements of this contract shall be brought up to specifications at no additional cost to member, and in a reasonable time frame.	x	
1.1.02 Contract vendor and member shall agree to the scope of work, in writing and signed by both parties, which shall describe but not be 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 shall provide a copy of this signed agreement to Mohave, if requested.	x	
1.1.03 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/or recommendations of the manufacturer of the product to be applied.	x	
1.1.04 All work in Maricopa and Pima Counties shall conform to current applicable standards, specifications and code for those counties. Work performed in other counties shall conform to any other current applicable standards, specifications and code.	x	

1.1.05	Contract vendor shall observe all current applicable safety regulations as required by OSHA or governing agency(ies) with jurisdiction over the project.	x	
1.1.06	Hours allowed to work on project shall be established by member. Weekend work shall be permitted as long as contract vendor submits this request to member and member approves request.	x	
1.1.07	Contract vendor shall provide a performance guarantee for full-depth asphalt pavement for two (2) years. All other asphalt work shall be guaranteed for a period of one (1) year.	x	
1.1.08	Contract vendor shall provide a performance guarantee for cement concrete work for two (2) years.	x	
1.1.09	All concrete used shall comply with the current standard ASTM specifications for PCA.	x	
1.1.10	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 or left over product according to current applicable federal, state and local disposal regulations from job site.	x	
1.1.11	Contract vendor shall supply all Safety Data Sheets (SDS) forms required for compliance with OSHA safety and health standards. This includes any products containing asphalt, artificial asphalt, asphalt rock or bituminous rock, amlesite, 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.	x	
1.2 General Requirements for Asphalt			
1.2.01	All water shall be potable and compatible with the slurry mix.	x	
1.2.02	Slurry seal shall be applied according to manufacturer's recommendation.	x	
1.2.03	Contract vendor shall oversee segregation of aggregate in storage and handling is prevented. If segregation occurs, materials shall be handled in a manner to correct segregation.	x	
1.2.04	No sealant shall be applied until area to be sealed has been cleaned and prepared. Contract vendor shall use suitable methods to protect sealant from all types of traffic until new surface has cured sufficiently to support traffic.	x	
1.2.05	Contract vendor shall clean all sidewalks, driveways and other surfaces adjacent to work area of 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 or outdoor carpeting.	x	
1.2.06	In final cleanup, contract vendor shall replace any materials disturbed as a 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.	x	
1.2.07	Contract vendor shall provide portable restrooms for construction employees or subcontractors.	x	
1.2.08	Contract vendor shall use Reclaimed Asphalt Pavement, Recycled Asphalt Concrete, Hot Mix and Hot In-Place Recycling, as much as possible. Current applicable specifications of MAG and PAG shall be used, or other current applicable specifications as appropriate for other counties or jurisdictions.	x	
1.3 Existing Asphalt Pavement and Crack Sealant Requirements			
1.3.01	If routing is required, the contract vendor shall routed cracks to 1/2" by 1/2" before sealant is applied.	x	

1.3.02	Prior to sealing, the contract vendor shall have all qualifying cracks cleaned by blowing with compressed air blowing at 150 CFM or more, until clean. If weeds or grass is present, growths shall be removed and the crack cleaned. Application of any necessary sterilant by the contract vendor is not allowed.	x	
1.3.03	Prior to application of any surface treatment, the contract vendor shall apply a crack sealant that meets or exceeds ASTM standards, 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 slow moving vehicle or pedestrian traffic or for local conditions.	x	
1.3.04	Sealant shall be heated to manufacturer's recommended temperatures. Sealant shall not be applied to wet cracks. Material applied shall have a softening point of not less than 208° and a viscosity of greater than 2500 cps.	x	
1.3.05	The contract vendor shall use a double boiler melter 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.	x	
1.3.06	The contract vendor shall slightly overfill cracks and then level with a squeegee leaving a 1" band on both sides of the sealed crack. If high temperature or local traffic increase the possibility of pick up by foot or tire traffic, a fine mesh sand or ash blotting material shall be placed over filled cracks.	x	
1.3.07	Crack sealer shall be cured according to manufacturer's instructions.	x	
1.4	Existing Asphalt Pavement and Asphalt Surface Patching Requirements		
1.4.01	When skin patching is required, the contract vendor shall power sweep and clear the area 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 shall be protected by suitable methods.	x	
1.4.02	Asphalt material used shall be 3/8" maximum size aggregate and 5.5% to 6% asphalt by total weight. If conditions warrant, a hot-mixed sand seal may be used. When patching an existing waterway such as a gutter, sand seal shall be used.	x	
1.4.03	Contract vendor shall treat entire area to be patched with a coat of primer tack extending about one foot beyond distressed area, or industry recommended standard.	x	
1.4.04	Contract vendor shall mark location of edges with a chalk line or marking paint to ensure even edges. Patches shall be installed with straight even edges. Any ragged, raveled, or uneven edges shall be corrected.	x	
1.4.05	Contract vendor shall apply patching material to a depth of not more than 1" 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.	x	
1.4.06	Contract vendor shall roll and compact with a 3-5 ton static roller, if the 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.	x	
1.4.07	Contract vendor shall allow skin patches sufficient time to cure before application of any surface treatment.	x	

1.4.08	If a patch is installed when ambient temperature is between 32° - 50°, the contract vendor shall coat the patch with an asphalt-based emulsion to retard raveling.	x	
1.4.09	Contract vendor shall apply materials in such a manner as to restore areas to their original elevations and grades when possible to allow for proper drainage.	x	
1.5	Existing Asphalt Pavement and Full Depth Asphalt Surface Patching Requirements		
1.5.01	Contract vendor shall recompact subgrade and asphalt base course (ABC) to ASTM D698 (clay soils) or ASTM D1557 (aggregate bases, sandy soils and sand) standards. Should subgrade be water saturated or inadequate, material shall be removed and replaced with new ABC and compacted to at least 95% of maximum density.	x	
1.5.02	Asphalt material used for full depth asphalt patching shall meet all material specifications for E-3/8", D-1/2", or C-3/4".	x	
1.5.03	New asphalt material shall be 1/4" to 3/8" above existing pavement before compaction or to current industry standard.	x	
1.5.04	Contract vendor shall 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.	x	
1.5.05	Contract vendor shall allow patched areas sufficient time to cure before application of a surface treatment, usually at least 30 days.	x	
1.5.06	Contract vendor shall have sufficient barricades and warnings to protect and prevent pedestrians and vehicles from entering the work area.	x	
1.6	Existing Asphalt Pavement and Cationic Type II Requirements		
1.6.01	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.	x	
1.6.02	Bituminous materials and mineral aggregates shall be as specified in sections of the standards and specifications as distributed by MAG and PAG, or other current applicable standards and specifications as appropriate for other counties or jurisdictions.	x	
1.6.03	Cationic slurry seal shall be a Type II as outlined by ASTM, AASHTO, ISSA or local governing agencies, and meet all current applicable specifications for aggregate and mineral filler, emulsified asphalt and application.	x	
1.6.04	After the initial slurry seal, the contract vendor shall check the surface for cracks and holes. If cracks are found, the surface shall be sealed before the second slurry coat.	x	
1.6.05	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.	x	
1.6.06	Contract vendor shall use slurry-mixing equipment for a continuous flow.	x	
1.6.07	ISSA recommended standards shall be used to check calibration of equipment, if a machine manufacturer's instructions are 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.	x	
1.6.08	Slurry spreading boxes used by the contract vendor shall have squeegees in the front and back. Any type of drag pulled behind spreader box shall not be stiffened by hardened slurry.	x	

1.6.09	If requested by the member, a test strip shall be performed. Slurry mixtures placed in testing area shall conform in design mix to what shall 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: $\pm 1\%$ for asphalt content; $\pm 4\%$ 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.	x	
1.6.10	Prior to sealing condition of the surface, contract vendor shall follow recommended industry standards. All loose material shall have been removed; silt spots and oil spots shall be cleaned. If water is used, cracks shall be allowed sufficient time to dry. Manholes, valve boxes, drop inlets shall be protected by suitable methods.	x	
1.6.11	The contract vendor shall pre-wet surface area 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 shall vary according to the surface texture, temperature, humidity and dryness of the pavement.	x	
1.6.12	Slurry mixture shall be of desired consistency upon leaving mixer, which should not require additional materials added to the mixture. 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.	x	
1.6.13	Contract vendor shall leave no streaks caused by oversized aggregate in the finished surface. Member may stop the work if the situation warrants.	x	
1.6.14	Slurry mixture shall possess sufficient stability so that premature breaking of slurry seal in spreader box does not occur.	x	
1.6.15	For areas that cannot be reached with slurry seal machine, the contract vendor shall use hand squeegees to provide complete and uniform coverage. Handwork area shall be dampened prior to application. Handworked areas shall have same type of finished look as machine work. Handwork shall be completed while machine is applying slurry.	x	
1.6.16	If rolling is necessary in areas of slow turning traffic, 9-wheel pneumatic 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.	x	
1.6.17	Contract vendor shall ensure straight lines along curbs and shoulders to provide an acceptable appearance. Slurry runoff shall not be permitted. Excessive buildup, uncovered areas of unsightly appearance shall not be permitted on longitudinal or transverse joints. Contract vendor shall use 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 shall be permitted as the last pass of any paved area.	x	
1.6.18	All areas, such as manhole covers, walkways and gutters shall have slurry seal removed. Debris shall be removed daily and deposited in a legal landfill.	x	

1.6.19	Slurry seal shall be measured and invoiced by square yards/or square foot, or weight of aggregate and weight of emulsion used on work completed. If invoiced by the weight of aggregate and emulsion, contract vendor shall submit 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. Place pricing in Tab 3.	x	
1.6.20	Contract vendor may separately price extensive pre-project work that is completed 30 or more days prior to application of slurry seal. Place pricing in Tab 3.	x	
1.6.21	Additional cost of painted parking symbols, after application has cured, may be offered. Place pricing in Tab 3.	x	
1.7 Asphalt Emulsion Seal Coat Material Requirements			
1.7.01	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) per gallon and mechanically agitated. Where material has silica or other mineral additives added by the manufacturer, no additional silica would be required. When a second coat of sealer is required, second coat shall contain same amount of silica as the first coat. Contract vendor shall supply the manufacturer's guaranteed material specification sheet indicating such silica has been added, if requested by the member. 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.	x	
1.7.02	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. Other counties or jurisdictions, which do not use MAG and PAG standards and specifications for public works construction, shall use current applicable standards as applicable to their requirements. Unless other codes have a more stringent standard, specifications above and below shall be followed in all parts of the state, or any other current applicable code.	x	
1.7.03	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.	x	
1.8 Existing Asphalt Pavement and Fog Sealant Requirements			
1.8.01	Pavement shall be in good condition with only fine cracking and little raveling of fine aggregate and ordinary wear and tear for fog sealant application.	x	
1.8.02	Contract vendor shall apply a light application of slow-setting emulsified asphalt diluted with water that shall be used to renew old asphalt surfaces and to seal small cracks and surface voids.	x	
1.8.03	Contract vendor shall dilute the emulsion with an equal amount of water and sprayed at rates that meet manufacturer's specifications or current applicable industry standards.	x	
1.8.04	When applying emulsified asphalt to a parking lot, contract vendor shall arrange alternative parking with the member during construction and curing period.	x	

1.8.05	Contract vendor shall exercise caution 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 and curbing.	x	
1.8.06	When the contract vendor uses a distributor spray bar, height of bar shall be no more than necessary for adequate coverage.	x	
1.8.07	In localized areas where extensive fuel spillage is likely, contract vendor shall use commercially available sealers that are impervious to petroleum solvents.	x	
1.9	Application of New Asphalt Pavement Structure - General Requirements for Parking Areas, Driveways, Sidewalks, Playgrounds, and Golf Cart and Bicycle Paths		
1.9.01	Contract vendor shall provide asphalt pavement for bicycle, running and golf cart paths, playgrounds and sidewalks.	x	
1.9.02	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 aesthetics.	x	
1.9.03	Contract vendor shall remove debris, vegetation, or other perishable materials from job site, except for trees or shrubs designated by member for preservation.	x	
1.9.04	Contract vendor shall be responsible for securing any necessary permits for waste removal, dust control and for providing a dumpster, if needed.	x	
1.9.05	Contract vendor shall remove any material in a soft spot and replace with a material that shall be equal to or better than best subgrade material on-site. If subgrade does not meet standards, repairs shall be with ABC.	x	
1.9.06	If the contract vendor cannot use a self-propelled paver or spread box in areas of 1000 square yards or less, work shall be done by hand.	x	
1.9.07	Contract vendor shall rigidly support wood or steel forms to assure correct grade and cross section.	x	
1.9.08	Contract vendor shall perform handwork to avoid segregation of mix.	x	
1.9.09	Contract vendor shall remove any lumps that do not break down.	x	
1.9.10	Contract vendor shall start rolling as soon as hot mix material can be compacted without displacement.	x	
1.9.11	Contract vendor shall continue the rolling until thoroughly compacted and all rolling marks have disappeared.	x	
1.9.12	For areas too small for a roller, contract vendor shall use vibrating plate compactor or hand tamper to achieve compaction.	x	
1.9.13	Contract vendor shall place paving mixture directly on prepared subgrade to give smooth, durable and economical surfaces that resist high unit loads. (Asphalt mixes specified by members may be used in place of specified mixes if they have a history of satisfactory performance.)	x	
1.9.14	Contract vendor shall prepare subgrade for overlying pavement for 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.	x	
1.9.15	Contract vendor shall use a minimum of 2" thickness of asphalt pavement for bicycle paths or sidewalks, or as specified by member.	x	
1.9.16	Recommended width for a bicycle path is 8". 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.	x	
1.9.17	Recommended width for a golf cart pavement is a minimum width of 5", or as specified by member.	x	

1.9.18	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. Three inches of full-depth asphalt base shall be placed first and topped by a 1" to 1.5" asphalt surface course.	x	
1.9.19	If requested by member, sidewalks may be given surface color or texture by application of special materials. A minimum of 4" of hot mix asphalt pavement shall be used, a 3" full-depth asphalt base shall be placed first and topped with a 1" to 1½" asphalt surface course.	x	
1.10 Pavement Texturing Requirements			
1.10.01	Contract vendor may provide street pavement texturing.	x	
1.10.02	Contract vendor shall use an authorized applicator to prepare drawings and documents for all projects.	x	
1.10.03	Contract vendor shall imprint pattern according to specifications of patent holding company.	x	
1.10.04	Contract vendor shall keep the asphalt that has been laid hot according to the manufacturer's instructions and weather conditions prior to imprinting.	x	
1.10.05	Basic imprint patterns offered shall include, but not be limited to: offset brick, soldier course, herringbone and a decorative arch.	x	
1.10.06	Contract vendor shall use an acrylic water-based color coating fortified with epoxy to increase adhesion and abrasion resistance to surface, according to the manufacturer's instructions.	x	
1.10.07	Contract vendor shall use spray application for color coat and then backroll.	x	
1.10.08	Contract vendor may apply color coat using rollers and/or brushes in smaller areas.	x	
1.10.09	Contract vendor shall apply color coating at a minimum rate of 100 square feet per gallon.	x	
1.10.10	Contract vendor shall apply color compound and hardener comprised of integrally colored cement with a modified acrylic latex surface over imprinted asphalt.	x	
1.10.12	Contract vendor shall apply coating at a minimum coverage rate to 75 square feet per gallon.	x	
1.10.13	Contract vendor may apply a high performance additive to the hot mix asphalt to achieve level of stability required for imprinting.	x	
1.11 Asphalt Concrete Fabric Overlay Requirements			
1.11.01	Contract vendor shall use paving fabrics that 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.	x	
1.11.02	Contract vendor shall clean the pavement of dust, dirt, vegetation and moisture. Potholes shall be filled prior to application of fabric.	x	
1.11.03	Contract vendor shall use the amount of PG 64-16 or approved binder AC-20 required to saturate paving fabric, 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" wider than width of paving fabric.	x	

1.11.04	Contract vendor shall place geo-textile fabrics 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 broom 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.	x	
1.11.05	Contract vendor shall apply a minimum asphalt thickness of 1-1/2" of hot-mix asphalt on top of paving fabric.	x	
1.12 Parking Lot and Roadway Striping Requirements			
1.12.01	Traffic striping paint for use on asphalt concrete roadways, parking lots, driveways, and playgrounds shall use products for each applicable application for painting of centerlines and edge lines, crosswalks, stop lines, parking spaces, traffic aisles, and traffic control marks.	x	
1.12.02	Contract vendor shall use paint that conforms to requirements of current federal specifications for traffic fine paints and specifications for the highway division of ADOT.	x	
1.12.03	Contract vendor shall prepare areas to be painted to be free of dirt, loose paint, oil, grease and shall be dry.	x	
1.12.04	Contract vendor shall thoroughly mix traffic paint prior to application and it shall be homogeneous, free of contaminants and of a consistency suitable for intended use.	x	
1.12.05	Contract vendor shall apply paint to a 15 mm wet thickness in 4" width striping, and shall include two separate coats or per member's specifications. All striping shall be protected from traffic until thoroughly dry.	x	
1.13 Preventive Maintenance Requirements			
1.13.01	Contract vendor may provide preventive maintenance (early detection and repair of minor defects, before major corrective action is necessary), as requested by the member.	x	
1.13.02	When these inspections reveal minor defects, contract vendor shall provide recommendation to prevent deterioration into pavement failures requiring major maintenance expenditures.	x	
1.13.03	Contract vendor shall use full-depth asphalt patching to repair all types of localized pavement distress that extend below roadway surface by removing failed area and replacing it with fresh asphalt mix.	x	
1.13.04	Contract vendor shall use hot mix asphalt that is a controlled hot mixture of well-graded, high quality aggregate and asphalt cement.	x	
1.13.05	Contract vendor shall use materials mixed at a high temperature and shall be laid and compacted before mix temperature drops below 185°F.	x	
1.13.06	When using a pavement saw or pneumatic hammer, contract vendor shall cut outline of the patch, extending at least 1' outside of the distressed area. Outline shall be square or rectangular with two sides at right angles to direction of traffic.	x	
1.13.07	Contract vendor shall 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.	x	
1.13.08	Contract vendor shall ensure that the faces of the excavation are straight and vertical.	x	
1.13.09	Contract vendor shall trim and compact subgrade.	x	
1.13.10	Contract vendor shall apply a tack coat to vertical faces of the excavation.	x	
1.13.11	Contract vendor shall backfill with asphalt mixture.	x	

1.13.12	Contract vendor shall shovel mixture directly from truck into prepared excavation.	x	
1.13.13	Contract vendor shall place shovel-full against edges of hole first (rather than in center and then raking to edges). Hot mix asphalt shall be placed in deep lifts providing greater heat retention of thicker layers to facilitate compaction.	x	
1.13.14	Contract vendor shall spread product to avoid segregation of mixture and 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.	x	
1.13.15	Contract vendor shall use an amount of mixture sufficient to ensure that after compaction, patch surface shall not be below that of adjacent pavement.	x	
1.13.16	Contract vendor shall check vertical alignment and smoothness of patch with a straightedge or string line.	x	
1.14 Optional Services			
1.14.01	Contract vendor may provide ultra thin micro seal bonded wear course using aggregated materials in accordance with AASHTO and ASTM specifications. Asphalt binder shall be in accordance with MAG and PAG specification, or other current applicable specification as appropriate for other counties or jurisdictions.	x	
1.14.02	Contract vendor may provide polymer modified asphalt chip seal in accordance with AASHTO specifications and industry standards.	x	
1.15 Concrete Curb, Gutter, Sidewalk, Sidewalk Ramp, Driveways and Alley Entrance Requirements			
1.15.01	Concrete work shall only be provided if ancillary to an asphalt project.	x	
1.15.02	Contract vendor shall provide concrete that is Class B unless otherwise noted, or requested by member. Concrete shall conform to the requirements of current MAG and PAG specification, or other current applicable requirements as appropriate for other counties or jurisdictions.	x	
1.15.03	Contract vendor shall use expansion joint filler, which complies with current applicable MAG and PAG specification, or other current applicable specifications as appropriate for other counties or jurisdictions.	x	
1.15.04	Contract vendor shall use detectable warnings that conform to the current applicable ADA Accessibility Guidelines. Detectable warnings shall contrast visually with adjoining surfaces. Visual contrast shall be obtained by using 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 member prior to installation.	x	
1.15.05	Contract vendor shall cut concrete according to the current MAG and PAG specification, or other current applicable specifications as appropriate for other counties or jurisdictions for existing pavements and concrete, which are joined by new construction.	x	

<p>1.15.06 Contract vendor shall construct and compact the subgrade true to grades. All soft or unsuitable material shall be removed to a depth of not less than 6" 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. 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 abut 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" per foot where sidewalks are concerned.</p>	<p>x</p>	
<p>1.15.07 Contract vendor shall construct concrete curbs, gutters and sidewalks 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 those 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 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 is flush to the surface and the coarse aggregate is below the concrete surface.</p>	<p>x</p>	
<p>1.15.08 Unless otherwise specified, contract vendor shall install expansion joints 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'. Expansion joints shall be constructed in a straight line, vertical plane and perpendicular to the longitudinal line of the sidewalk, curb and gutter, or single curb, 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 the sidewalk, to the curb and gutter or single curb. Expansion joints shall be constructed to the full depth and width of the concrete and extend 1" into the subgrade with the top of the expansion joint material ¼" below the top surface. Expansion joint material shall be secured in place prior to placement of concrete.</p>	<p>x</p>	
<p>1.15.09 Unless otherwise specified, contract vendor shall install all expansion joints against newly placed concrete, sawcut or other smooth surfaces. Expansion joints shall comply with the current applicable MAG and PAG specification, or other current applicable specifications as appropriate for other counties or jurisdictions.</p>	<p>x</p>	

<p>1.15.10 Unless otherwise specified, contract vendor shall construct contraction joints 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.</p>	<p>x</p>	
<p>1.15.11 Contract vendor shall test the face, top, back, and flow line of the curb and gutter with a 10-foot straightedge or curve template, longitudinally along the surface. Unless otherwise specified, any deviation in excess of 1/4" shall be corrected at no additional cost to the member.</p>	<p>x</p>	
<p>1.15.12 Contract vendor shall test the surface of concrete sidewalk or sidewalk ramp with a 5-foot straightedge. Unless otherwise specified, any deviation in excess of 1/8" shall be corrected at no additional cost to the member.</p>	<p>x</p>	
<p>1.15.13 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, 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", or on the adjacent asphalt pavement, the defect or defects shall be corrected in a manner acceptable to the member without additional cost.</p>	<p>x</p>	
<p>1.15.14 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 specification, or other current applicable specifications as appropriate for other counties or jurisdictions. 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" in height.</p>	<p>x</p>	

1.15.15 Contract vendor shall locate the detectable warning surface so that the edge nearest the curb line is 6" minimum and 8" 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" 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 4". 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" between the thickened and normal depth sections of sidewalk.

x

1.15.16 Unless otherwise specified, the contract vendor shall backfill behind the curbs, sidewalk or sidewalk ramps to the lines and grades shown on the plans.

x

***Exceptions/deviations must be listed on the *Scope of Work and Specifications Acceptance Form*. List the specification number for each exception/deviation.**

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1e

Scope of Work and Specifications Acceptance Form

Scope of Work and Specifications Acceptance Form

Place after Tab 1e

Signature on page 61 certifies complete acceptance of the 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 Scope of Work and Specifications:

- We take no exceptions/deviations to the Scope of Work and Specifications.**

(Note: If nothing is listed below, it is understood that no exceptions/deviations are taken.)

- We take the following exceptions/deviations to the Scope of Work and Specifications. All exceptions/deviations shall be clearly explained. Reference the corresponding Scope of Work or Specifications that you are taking exceptions/deviations to. Provide details on your exceptions/deviations below:**

(Note: All requested exceptions/deviations must be clearly explained. Reference the specific language that you are taking exceptions/deviations to, detail any proposed substitute language, and clearly demonstrate how Mohave and its membership will be better served by the substituted language. 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.)

**Offer and Acceptance, Terms and Conditions, Scope of Work
and Specifications Documents**

Tab 1f

Bid Bond/Current Bonding Capacity

Bid Bond

Place after Tab If

KNOW ALL MEN BY THESE PRESENTS:

THAT, Ace Asphalt of Arizona, Inc
(hereinafter called Principal), as Principal, and Liberty Mutual Insurance Company
a corporation organized and existing under the laws of the State of MA, with its principal office
in the city of Boston, (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 \$100,000 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 Asphalt Paving, Invitation for Bid 14Y-1217

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 5th day of December, 2014.

Ace Asphalt of Arizona, Inc
PRINCIPAL SEAL


BY RON O'CONNOR - CFO

Liberty Mutual Insurance Company
SURETY SEAL


BY Andrea T Windish, Attorney-in-Fact

Lovitt & Touché
AGENCY OF RECORD

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 6414764

American Fire and Casualty Company
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Amy D. Scott; Andrea T. Windish; Charles A. Touche; Daniel L. Walsh; Frances Farnsworth; Joseph C. Dhuey; Saralyn Seymour; Tina K. Nierenberg; Tina Marie Berger

all of the city of Tucson state of AZ each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 13th day of January, 2014.



American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 13th day of January, 2014, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Teresa Pastella
Notary Public
1100 Chestnut Street, Suite 200
Plymouth Meeting, Pennsylvania 19380
My Commission Expires: October 23, 2017

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 5th day of December, 2014.



By: Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, letter of credit, currency rate, interest rate or equal value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.



Lovitt & Touché INC.
INSURANCE & BONDS

December 4, 2014

Mohave Educational Services Cooperative Inc
ATTN: Contracts Dept
625 East Beale Street
Kingman AZ 86401

**RE: Ace Asphalt of Arizona, Inc.
Bonding Capacity Letter**

Dear Sir/Madam:

We have been asked to provide a letter indicating the bonding program currently available to Ace Asphalt of Arizona, Inc. Ace Asphalt of Arizona, Inc. is a highly valued client of our agency. They have demonstrated the ability to perform contracts -- large and small asphalt paving and ancillary concrete work. We are confident they would not enter into any contract for which they were not qualified by reason of their experience, organization or financial responsibility.

We are proud to say that Ace Asphalt of Arizona, Inc. is one of the finest contractors bonded by Liberty Mutual Insurance Company located in Boston, Massachusetts. In the current AM Best Rating Guide, Liberty Mutual Insurance Company is rated A (Excellent) with a Financial Size Category of XV (\$2 Billion or greater).

It is our understanding that Ace Asphalt of Arizona, Inc. desires to become prequalified to work with your company. We have previously reviewed single performance and payment bonds for them on contracts in excess of \$3 million and a total backlog capacity of \$15 million. There is approximately \$15 million in bonding capacity available.

Upon proper application by Ace Asphalt of Arizona, Inc., 100% Performance and Payment Bonds will be given full consideration. It is understood that approval of bonds are subject to receipt and review of acceptable contract terms and conditions, acceptable bond forms, adequate financing as well as other underwriting conditions, which may exist at the time of the request. Any request for bonds is a matter solely between Ace Asphalt of Arizona, Inc., the surety, and us. Therefore, neither we nor the surety assume liability to any third party, or to you, if for any reason we do not execute said bonds.

We hope this provides the information you need. If you have any questions on this matter, please do not hesitate to contact us.

Sincerely,

Andrea T Windish
Surety Supervisor

Supplemental Information – Method of Approach

Place after Tab 2a

Bidder shall respond to each item below. The information will be used to assist Mohave in evaluating the method of approach that a bidder would take regarding specific issues under an awarded contract. 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. Prepare an Executive Summary that provides a short narrative description of what you are offering for this contract. *See Attached*
2. Bidder shall provide a project plan that describes how the bidder intends to implement the plan to Mohave and its members. This information will include, but not be limited to: *See Attached*
 - Account team structure and role which includes, but is not limited to description of sales contact process, account team support, and periodic account review processes;
 - Communication process with Mohave and its members; and
 - Any other value-added services that may benefit members.
3. Indicate how you will ensure your sales staff does not sell products or services that are not on contract or will not meet the public need. *See Attached.*

Indicate if your bid is regional or statewide: Regional _____ Statewide x

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

Are there any limitations to the types of members that you will provide services to? If so, indicate what those limitations are.

N/A

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 96 %

Northern Arizona 2 %

Southern Arizona 2 %

If you are awarded a contract with Mohave, which area(s) of the state will your sales force target?

Ace Asphalt serves the entire state. With facilities in Phoenix, Tucson and a presence in Flagstaff, we are equipped to provide services all across Arizona. We also have 3 satellite offices located in Nevada, New Mexico and Texas to provide services for areas such as Kingman and Ganado. We understand that the different Geographic areas across the state have many business and cultural diversities. That's why it's important for us to approach each area of the state with an open mind in order to discover the real possibilities of what opportunities we most

likely will have prior to commitment. It also allows us to clearly define each area through research and networking which increases our chances of being successful in any area and in closing projects. Our long standing presence, dedication to quality management and commitment to customer service has solidified our position as the recognized market leader for our services in Arizona. Our success in this market has increasingly driven our capacity to add new products and services as well as strengthen our existing ones. This growth, combined with our marketing and events strategy, equips us to better serve the State as a whole.

If a Mohave member in a geographic area of Arizona that is 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?

Ace Asphalt is capable of handling all of our core services in-house for all regions of the state. In some remote areas of the state - and possibly sovereign nations - we will utilize the services of local subcontractors and labor in an effort to financially benefit the customer. These services may include; utilities and milling. We will also use local material suppliers and equipment rental providers to offer the best price possible to the customer. The amount of work we would subcontract to complete a project is also dependent on the resources available to the local area nearest to the project site. Subcontractors must meet the qualifications of becoming an approved vendor prior to doing business with Ace. They must have a current contractors license, insurance and need to adhere to the government hiring standards.

Supplemental Information – Method of Approach

Tab 2a

1) Executive Summary



Executive Summary

December 17th, 2014

Mohave Educational Services Cooperative
625 East Beale Street
Kingman, AZ 86401

Ace Asphalt of Arizona, Inc. is pleased to be able to provide for your consideration, a complete proposal package under the terms and conditions of IFB 15Y-1217.

The intent of the response within the following pages is to show you that we are the most competitive, responsible, and responsive bidder for these services.

We have been in business since 1966, and have operated as Ace Asphalt of Arizona, Inc. since 1981. Ace has expanded and currently provides service with offices across Arizona, New Mexico, Nevada, and Texas. Our purpose is simple: to be the most sought-after contractor for the services we provide. To accomplish this, we must be reliable, responsive, and results-driven.

We're proud to have been recognized by the following organizations for our quality of work, safe track record and industry leadership:

- Inc. Magazine – Top 5,000 Fastest Growing Companies in the U.S.
- Ranking Arizona: The Best of Arizona Business – Top 10 Heavy Construction Company, 2003-2013
- McGraw-Hill's Southwest Contractor Magazine – Top Paving, Excavation & Coating Contractor in the Southwest
- Arizona Corporate Excellence - Top 50 Private Companies in the state; well as one of the Top 25 Fastest Growing in the state:

At public and private facilities alike, every dollar is precious and must be stretched as far as possible. Since the Great Recession, Ace has worked hard to become even more focused on innovative means of improving productivity. In order to allow Ace as much control as possible over productivity on jobs and therefore the best possible pricing opportunity for Mohave customers, we propose to divide the State of Arizona into 26 different zones, or price centers. In our experience, we believe this geographic alignment of zones represents the most optimal distance between suppliers and customers (existing and potential) in order to provide the most competitive and high quality service available.

Ace carries a strong tradition of fiscal responsibility. Our credit is excellent, our payments to vendors on time or early, and our ability to manage through difficult economic times tested in the last 45+ in business years is unshaken.

The contracting business is a haven for poor communication, broken promises, 90% or less project completion, and generally poor service. We have realized over our years in business that there must be

continuous investments made into our service delivery and teams in order to ensure a consistent quality experience time and time again. Examples of investments Ace has made that will specifically benefit Mohave customers include:

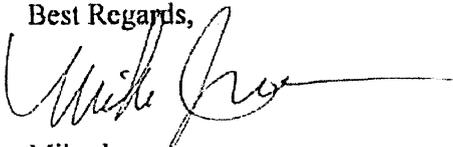
- a) A full-time Information Technology team dedicated to improvements in service delivery processes, including computer applications written to support the administration of the current Mohave contract.
- b) An Account team dedicated to leading Mohave sales, service, and support.
- c) A Marketing team with a strategy and tactics in place to improve Mohave membership and sales through this contract via education and brand awareness.
- d) New service development made available through the Mohave contract at our lowest price offered (see included information for new services proposed for this submission)..
- e) Exclusive warranty program offered only to Mohave customers.

Ace is a strong believer in education and community involvement: for our team members in the form of new hire and ongoing training; for our customers in the form of regular delivery of industry news, articles, and product information; for the broader community in the form of various outreach and community involvement projects.

Construction has an important role to play in conserving our precious natural resources for future use. At Ace, we take this responsibility seriously. The investments we have made – and continue to make – in conservation efforts pay dividends time and time again in the form of (a) direct cost savings over time that can be passed along to customers, (b) a decreasing of our carbon footprint as a company, and (c) indirectly to provide leadership in our industry for others to compete for and even exceed.

On behalf of our 400+ employees at Ace Asphalt of Arizona, Inc., I thank you for the opportunity to have serviced the Mohave contract in the past, and hope you will find after reviewing the information contained in this package, that we are once again the most competitive, responsive, and responsible contractor to service the Mohave contract for services in the future.

Best Regards,



Mike Jensen
Public Works Manager
jensenm@aceasphalt.com
602-304-4023

Supplemental Information – Method of Approach

Tab 2a

2) Project Plan



Supplemental Information – Method of Approach

2) Project Plan

Account Team Structure

Ace Asphalt believes in a whole team concept. This concept ensures that everyone within the team itself works to get the job done. This implies that the team has all the core development skills along with the advanced necessary skills to produce each project on a timely, efficient basis. Each team member has a specific role to fill and a specific task to work toward a common goal with other team members to get the job done.

Sales Contact Process

Ace Asphalt participates in multiple trade shows and networking mixers that target the public works industry. Time at these events will be spent encouraging new membership and driving governmental agencies to use Ace Asphalt for asphalt and related construction services under the Mohave contract. Trade shows give us the opportunity to meet face to face with existing or potential clients and answer any questions regarding the Mohave contract. As the approved vendor, Mohave signage and handout materials are created and integrated into our existing booth layout. We are an active member of the Arizona Association of School Business Officials (AASBO) and Arizona School Boards Association (ASBA). We maintain membership in professional organizations relating to our Arizona schools and municipalities to provide continuing relationship building and development of our staff.

Ace Asphalt has a data base with over 65,000 accounts. In this system we have developed a custom, proprietary software program specifically developed for our Public Works accounts. When preparing a bid for a Mohave member, this system will extract information from our database to populate the contractual language associated with the Terms and Agreement of the Mohave Contract.

Account Team Support

Our Public Works department has managed the Mohave contract since its inception. The staff works with the Mohave staff and members to ensure all legal contractual requirements are met. Ace Asphalt has developed procedures in our daily work flow specifically for Mohave contracts. Our Public Works staff has been fully trained in all areas of the contract including, educating qualified potential customers on the benefits and value of utilizing Mohave, pricing, fees, purchase orders, and scheduling projects. Mohave members are flagged in our sales data base to ensure Mohave pricing is offered. All public agencies are offered the use of the Mohave contract on all bid opportunities.

At Ace, we also employ a full time Marketing team to manage over 100 events, advertising campaigns, promotions throughout the year with the dual goals of education and solicitation at the forefront. Public works as a market segment is a top area of focus, and one of which have been able to measure solid improvements in campaign and event response rates over the past

few years in spite of the economy. This is an encouraging sign that even if the economic conditions continue to be weak overall, opportunities are still available to grow our market share in the Public Works market. Below are some of our Marketing Departments objectives:

Primary Marketing Objectives for Ace Asphalt/Mohave Relationship:

- Increase membership to Mohave
- Encourage governmental clients to use the Mohave contract for asphalt work as an alternative to bidding out the project
- Publicize benefits i.e. simplified purchasing, meets state procurement laws, cost savings
- Be the experts on the Mohave contract to field all questions and sell its services

In 2010 we established a fully staffed call-center for out-bound lead generation calling. These lead generalist employees are fully trained on all Public Works accounts along with a full understanding of how co-operative JOC contracts are utilized.

Account Review Process

Quarterly accounting audits/reviews are performed on closed/completed Mohave projects by our Controller. Twice yearly we have an outside Auditing firm audit random records. This is to ensure Mohave and Ace Asphalts policies and internal processes are in compliance. Typically areas audited include: quality management, project management, financials, job costs, budgets, invoicing, and adherence to contracts. These reviews are performed to ascertain the validity and reliability of information as well as to provide an assessment of our systems internal control.

We also perform monthly quality reviews to verify conformance Ace has set to required processes and to assess how successful these processes have been implemented and adhered to. Ace deems these reviews necessary to provide evidence concerning reduction and elimination of problem areas, and use these as a hands-on management tool for achieving continual improvement within our company. We also use this to highlight areas of good practice and provide evidence of conformance. In this way we share the information also enhancing continual improvement.

Because we hold the current award for the Mohave Paving contract we utilize the Mohave monthly reports to monitor all of our purchase orders for compliance.

Communication Process with Mohave and its Members

The importance of effective communication is immeasurable in our business. It is an absolute must, because it commonly accounts for the difference between success and failure or profit and loss in our business. Effective communication is critical in managing our current Mohave contract. With our members we utilize various methods of marketing, brand management, customer relations, advertising, public relations, event management and personal and technical communication. We believe face-to-face communication helps establish a personal connection and will service our customers immediately. We use email, telephone and fax as this is the business method of every day communications.



In 2013 we implemented a Voice over IP (VOIP) phone system. The VOIP allows us to out pulse local numbers in outer markets for a local presence. It allows better reporting capabilities to monitor phone activities. The VOIP system tracks all incoming and outgoing calls. This system also allows all voice mail messages to be transcribed and delivered to the person called via email. Ace employees all have access to their email on their cell phones as well as their desk top computer. This method will ensure messages are responded to in a timely manner.

Our Account Executives are the direct contacts for bid requests. When meeting our members on-site for a bid, they utilize an iPad to document and track all notes and measurements regarding the parking lot site including contact information and any questions and concerns from the member.

Ace's Public Works department handles all Mohave Purchase Orders, Reports and Contracts. Each employee has the respective Mohave employees direct phone number and email to contact regarding any Mohave matter.

Value-Added Services



Fully staffed IT department: Our Customer Relationship Management System (CRM) is a blend of a client based and a customized web-based platform. Ace has a fully staffed IT department with software developers that have developed and written a proprietary pricing program specifically for Mohave bids. This system allows our Account Executive to input all his measuring numbers and scope of work into this system which will automatically pull the current approved Mohave prices for each respective scope of work. They also have access to Agtek Estimating Stations for digital takeoff of dirt work and paving needs. As the estimator starts to assemble his work order, production budgets are produced covering the manpower and materials needed for the production managers. All projects are carefully entered into the database for production so that as each day passes and the foreman's daily report is entered, a running total is kept. All supervisors and dirt/paving crews are equipped with GPS lasers to ensure that the grades provide for proper drainage. Ace Asphalt is proud to staff a complete IT department with software engineers designing programs to track and schedule our workflows from start to finish. We are confident that our state of the art software programs control scheduling, costs and production to benefit our customer's requests.

Past Performance: Ace Asphalt's Public Works division has extensive hands-on experience with the Mohave Contract. For 14 years, we have had the honor of award of the paving contract. Ace has developed specific guidelines for scheduling, pricing, accounting and production of Mohave awarded projects.

For more than 45 years, Ace Asphalt has earned a solid reputation as being a reliable authority on the construction, renovation and preservation of parking lots and other paved surfaces. As one of the largest companies of its kind in the Southwest, we have served thousands of business and Public Works customers and have completed over 50,000 projects.



Our experience over the years has taught us the intricacies of proper bidding procedures. We understand that the priority for any Public Sector project is getting value for the tax payer. As an alternative to the difficult hard bid process, we promote the procurement process as a value

added service and Mohave as an independent party to monitor the objectivity of the procurement process as well as a pact to comply with all its provisions. We also market the benefits of the Mohave contract to the educational sector through our active involvement and support of such organizations as AASBO and ASBA.



Mohave/Ace Asphalt Marketing Strategy

Overview

Ace Asphalt employs a full time Marketing team of three to manage over 100 events, advertising campaigns, and promotions throughout the year with the dual goals of education and solicitation at the forefront. Public works as a market segment is a top area of focus, and one of which have been able to measure solid improvements in campaign and event response rates over the past few years in spite of a deteriorating economy. This is encouraging sign that even if economic conditions continue to be weak overall, opportunities are still available to grow our market share in the Public Works market.

Primary Marketing Objectives for Ace Asphalt/Mohave Relationship:

- Increase membership to Mohave
- Encourage governmental clients to use the Mohave contract for asphalt work as an alternative to bidding out the project
- Publicize benefits i.e. simplified purchasing, meets state procurement laws, cost savings
- Be the experts on the Mohave contract to field all questions and sell its services

New Services

The following new services have been offered in the past few years specifically targeting Public Works.

Roadway Striping & Traffic Control : Staples of our services, but only recently available through the Mohave Contract to customers. Also included as an additional service in our current Mohave bid response.

Tire Rubber Modified Surface Seal: A solution typically used and recommended on roadwork that replaces surface oils, securing loose aggregates and preventing damage caused by oxidation, weather, and traffic.

The following Asphalt maintenance services are in final stages of preparation for inclusion in the Mohave contract.

Polymer Modified Masterseal – Ready to Use: An exciting new service offered to Mohave customers for this contract submittal. This is a highly competitive alternative to high density mineral bond product (HA5). See additional service specifications included in this submittal for details.

Micro-Surfacing: A new Ace service offering targeted to combat pavement deterioration specifically for our Public Works clients and their roadway applications. This service launch is planned for public works clients in the first half of 2015.

Events & Trade Shows

Ace Asphalt participates in multiple trade shows and networking mixers that target the public works industry. Time at these events will be spent encouraging new membership and driving governmental agencies to use Ace Asphalt for asphalt and related construction services under the Mohave contract. Trade shows give us the opportunity to meet face to face with existing or potential clients and answer any questions regarding the Mohave contract. As the approved vendor, Mohave signage and handout materials are created and integrated into our existing booth layout. In 2014 Ace Asphalt attended over 14 tradeshow in the public works industry.



Interactive Strategy

In the last 6 months, Ace completed a re-design and launch of our website at www.aceasphalt.com, which includes a page and links dedicated to the education of visitors about the value of using Mohave for their purchasing needs, as well as a link to the Mohave site. While the launch is finished, the work on the Ace interactive strategy has just begun.

More and more, people are searching the internet for answers and interaction. At the same time, it is becoming more and more challenging to find solid information from reliable sources. A simple search on the term "Arizona Contractor Services" nets a result of over 8,000,000 pages! The Public Works market is no exception.

Organizations must address the challenge of a market crowded by messages by providing relevant information online worth seeking in order to help answer the questions most commonly posed by those who go online to research before they make purchase decisions. So, while our website is a critical step in providing information that in our research customers find most relevant today, it is not the end. These days, a website without sincere efforts at search engine optimization strategies and targeting is one without much of an audience.

Efforts to identify new online trends that people are searching on related to our industry, where they are beginning their search, new services, and new methods of solving their needs, must be ongoing. This includes the need for cooperative purchasing solutions.

Should Ace be awarded the Mohave contract, it is our intention to continue the strategy that has already been started... provide relevant, factual information about the value of using Mohave Cooperative Services and Ace Asphalt, and use our website as a dynamic platform to attract interested visitors. We have the tools, in house marketing team, and expertise to develop ongoing content and information that Publics Works customers are searching for today and tomorrow.



Ad Campaigns & Direct Mail

Ace has had consistent, measurable, success in co-branding our current "Approved Mohave Vendor" status in various periodicals, industry publications, and mailers targeting facilities managers and other public works decision makers. These "ads" can be traditional, or through articles written and tailored to a specific topic, such as the benefits of utilizing a cooperative service for purchasing. Over the past few years, our ads and articles on Public Works & Asphalt have been featured in well over 50 different regular publications, and send out 4000 or more mailers annually.

While effective for consumer based businesses, we do not believe mailers sent with lists of names and addresses purchased through a variety of sources consistently get in front of core business decision makers, and typically provide stale, outdated names and addresses. We have developed a proprietary method of identifying and updating key personnel within Public Works who are most likely to be decision makers or influencers. It is these folks who need to hear the message of the great value of Mohave and the services Ace has to offer, as well as other information relevant in our industry. We plan to continue and even increase our focus in this area should we be awarded the Mohave contract.

Additional Events and Charity Work

Throughout the year Ace Asphalt supports several golf tournaments, food drives, and other charity related events that can directly benefit schools and the local community. These are additional events that allow us to support the community we live in and network with buyers that can directly benefit from using the Mohave contract. School business officials are always in attendance and provide a great opportunity to meet and greet to show our support.



Supplemental Information – Method of Approach

Tab 2a

3) Selling Contractual Services Only



Supplemental Information – Method of Approach

3) Selling Contractual Services Only

Our Public Works department has managed the Mohave contract since its inception. Our staff has worked with the Mohave staff and members to ensure all contractual needs are met. Ace Asphalt has developed procedures in our daily work flow specifically for Mohave contracts. The Public Works staff has been fully trained in all areas of the contract including, educating qualified potential customers on the benefits and value of utilizing Mohave, pricing, fees, purchase orders, and scheduling projects. Mohave members are flagged in our sales data base to ensure Mohave pricing is offered. All employees in the sales and production departments are aware that our Public Works department handles all schools, Mohave members and Public Agencies. (See Key Personnel) All Mohave members are offered the use of the Mohave contract on all bid opportunities.

Ace Asphalt has developed a relationship with Mohave to ensure all vendor legal requirements are met. Ace Asphalt has participated in several of Mohave's vendor and training conferences. We are an active member of the Arizona Association of School Business Officials (AASBO) and Arizona School Boards Association (ASBA). We maintain membership in professional organizations relating to our Arizona schools to provide continuing relationship building and development of our staff.

Supplemental Information – Qualifications and Experience

Tab 2

Supplemental Information – Qualifications and Experience

Place after Tab 2a (except as noted below)

Bidder shall respond to each item below. The information will be used to assist Mohave in evaluating the qualifications and experience of the bidder. 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 experience of the key people who will support this contract.
3. Provide a current letter from your financial institution indicating the range of credit available to your firm, (e.g., "credit in the low nine figures" or "credit line exceeding five figures"). Provide a current 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 current 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. All financial information will be kept confidential. **Place after Tab 2c.**

4. Indicate if your firm would qualify as a minority owned business. To qualify for ownership as a minority owned business, at least 51% of the firm's ownership must be held by a person, or persons, of a particular group (e.g., Woman owned, Hispanic owned, Native American owned, etc.). Proof of ownership is evidenced by the transaction privilege tax license or business privilege license for sole proprietorship; business privilege license **and** written partnership agreement for partnerships; or the Articles of Incorporation, Corporate By-laws **and** stock certificates for corporations. *NOTE: This information is used for reporting purposes only and is not a factor in evaluation.*
5. Include information regarding your authorization to submit a bid for the specified product/services and that you can provide the product/services if awarded a contract. Indicate if you are a bona fide supplier for the product/services in the bid or if you are a manufacturer of the product/services in the bid.
6. Provide a letter of reference from three (3) different Arizona public agencies where work has been successfully accomplished/products and have been sold in the past five (5) years, for specific goods/services related to this solicitation. If you cannot provide three (3) Arizona public agency letters of reference, provide other public agency references. Include the reference letters in your response. Reference letters sent directly to Mohave on your behalf cannot be accepted. The letters of reference should provide the following information:
 - Organization's name and location
 - Organization's representative and contact information (phone and email address)
 - A brief description of the work, when and where the work was performed
 - Any specific issues that may be pertinent regarding the work performed
 - Letters shall be properly dated, signed and on organization's letterhead

Supplemental Information – Qualifications and Experience

Tab 2a

1) History of Ace Asphalt/ Company Philosophy of Doing Business



About Ace Asphalt A Brief History

In the Beginning...

In 1966, a small company called Parking Stripes, Inc. was started in Wisconsin by John Drexler. As sales grew, the company expanded to include seal coating and asphalt patching. This expansion resulted in the creation of a new company called Asphalt Maintenance and Parking Stripes, Inc. In 1979, a satellite office was opened in Madison, Wisconsin. As both companies grew, sales that year totaled \$1.5 million.

New Horizons

Seeking greater opportunities, the local operations were sold to the existing management, and in 1981, Ace Asphalt of Arizona, Inc. was formed in the rapidly developing Sunbelt State of Arizona. Ace Asphalt quickly developed a niche by seeking out opportunities and by emphasizing quality service in an industry that had never focused on the customer. In 1987, Ace Asphalt of Tucson was established and is now a dominant parking lot construction firm in southern Arizona. In 1989, the company added earthwork and grading for new commercial construction projects to its repertoire.

By the end of 1994, Ace Asphalt had become the largest private (non highway) grading, paving, and pavement maintenance company in the State of Arizona and among the largest in the United States.

Carrying the Tradition Forward

Today, Ace Asphalt is setting the standard in our industry for quality customer service through our reliability, responsiveness, and results. Our motto "We're on it" is a staple in our everyday work ethic. As the undisputed leader in the Arizona marketplace, we pave or resurface over 180 million square feet per year.

Services performed range from small parking lot repairs to major new site developments. A few notable projects include the Chrysler, Volvo and Volkswagen proving grounds, the Westin Kierland Resort, Phoenix International Raceway, Cabela's, and Westgate City Center.

Ace Asphalt is proud to be the sole award of the Mohave Educational Cooperative Services contract servicing all of Arizona for the past 14 years. We have sold over 30 million dollars of asphalt and concrete services to Arizona Schools, Municipalities, Federal and State agencies utilizing this co-operative contract.

Our client base of thousands of customers continues to expand and includes Fortune 500 companies, municipalities, school districts, major developers and property management companies.



Philosophy for Doing Business

Description

Ace Asphalt is committed to giving its customers the highest level of quality and service. We do not compromise on quality which keeps our standards high. We continue to thrive and adapt to an ever-changing marketplace, and continue to remain rooted in our humble beginnings as a proud company committed to putting our customers first.

Our clients expect us to be constantly improving our systems. Without nonstop innovation, we would be out of business. Without constant upgrading we would not be able to give our staff the latest and most advanced methods in the industry.

To that end, we embody the following guidelines by which all of our customers must be treated. This is not to be taken as a suggestion, but rather a requirement and commitment that all Ace Asphalt employees must follow as a condition of continued employment.

Our Commitment

1. Every customer is given one point of contact within our organization. This point of contact is designated as the sales person or project manager for each job. In our day-to-day business dealings, we recognize that multiple employees within our organization must have contact with customers. In order to minimize confusion, the customer will be clearly informed at the start of each project who their primary Point of Contact is. This means that any question they have must be fielded by the Primary Contact, who then must seek out the appropriate answers to the customer's request, and personally see that the issue gets resolved.
2. We put our Customers first and strive to secure their loyalty through top quality service.
3. We strive to provide "just a little bit extra" in everything we do for our customers. Exceeding expectations is not difficult when we are focused on this commitment. Our goal is to give our customers everything they paid for—and more.
4. At every opportunity during the course of a project, we strive to learn if the customer's expectations are being met, and hopefully exceeded. This is accomplished by simply taking the time to ask "How are we doing?"
5. At the completion of each job, the superintendent is responsible to ensure that the job is clean and presentable, and that barricades are removed or neatly stacked.
6. We call every customer at the completion of every project, asking to make sure that every detail was completed to their satisfaction. This responsibility belongs to the designated point of contact.
7. We never leave a customer unhappy about something. It is worth great expense, even if we're not in the wrong, to make a situation right. Because it costs 5 times as much to gain a new customer as it does to keep one, it is worth significant expense not to lose a customer.
8. On a monthly basis we survey 30% of our customers on a random basis to measure their level of satisfaction with us. These results are part of our company goals and incentive plans.
9. Our Executive Staff will personally call and attempt to meet with our top 30 customers each year
10. On a quarterly basis, we will distribute information to all of our employees on how to properly treat our customers. A minimum of 8 hours of Customer Care training is required annually for all associates who have regular contact with customers.
11. Our incentive plans are tied to and dependent upon excellent service.
12. We value our Employees and seek to help them achieve their full potential.
13. We embrace Professionalism and seek Excellence in everything we do.

Supplemental Information – Qualifications and Experience

Tab 2a

2) Company Headquarters Information.



Supplemental Information – Qualifications and Experience

2) Company Information

COMPANY HEADQUARTERS:

Phoenix Office: 3030 South 7th Street, Phoenix, AZ 85040
Arizona Phoenix Corporate Office: 602-243-4100
www.aceasphalt.com

Established in Phoenix Arizona since 1966 – 48 Years of Servicing the Valley

Primary Contact: Mike Jensen, Public Works Manager

Direct: 602-304-4023

Email: jensenm@aceasphalt.com

Fax: 602-304-2725

Mobile: 602-697-6596

Staff: Ron Erickson	Sr. Project Estimator	602-304-4162	ericksonr@aceasphalt.com
Gloria Contreras	Public Works Coordinator	602-304-4016	gloriac@aceasphalt.com

BRANCH OFFICE LOCATIONS:

Flagstaff Office: P.O. Box 30338 Flagstaff, AZ 86003
877-922-3929

Tucson Office: 4030 E. Michigan, Tucson, AZ 85714
520-747-7700 Office
520-747-7481 Fax

SERVICES OFFERED IN HOUSE:

Asphalt/Concrete Saw Cutting	Hot Rubber Crack Fill
Asphalt Surface Patch	Asphalt Emulsion Seal Coat
Asphalt Full Depth Repair	Type II Cationic Slurry Seal
Asphalt Overlays	Striping
Asphalt Fabric Overlays	Street Print Textured
Asphalt Pulverize, Grade & Pave	Limited New Construction
Concrete Curb & Gutter	Concrete Approaches
Concrete Valley Gutter	Concrete Sidewalks
Concrete Pads	Concrete Basketball Courts

Coating for Basketball, Tennis and Racquet Ball Courts

LICENSES HELD: ROC090990A General ROC166913 C-13

Wayne Bell

Vice President of Sales & Marketing



Wayne Bell joined Ace Asphalt as Vice President of Sales and Marketing in May, 2005. Wayne was named President in 2014. With over 20 years of sales and marketing leadership experience, he effectively stepped into the role of President, thus ushering in a new era of leadership for the company.

Prior to joining Ace, Wayne was Vice President of Sales and Marketing at Pac-West Telecomm, Inc., a California-based communications company. Prior to Pac-West, he was Vice President of Marketing and Channel Development for @Link Networks, a broadband communications provider. Other positions Bell has served include Senior Director of Product Marketing at ICG Telecom, Director of Local Network Operations at U.S. West Communications, and Regional Management of sales teams for telecom test equipment manufacturers.

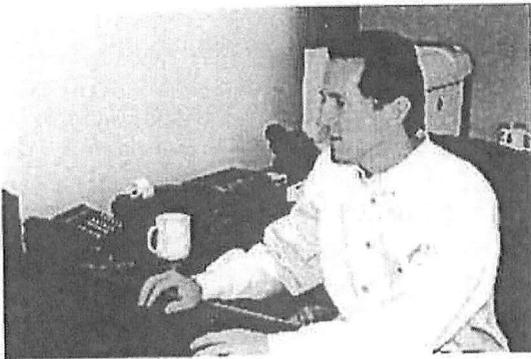
Wayne delivers a strategy that aligns our lines of business from ground breaking earthwork, to long-term partnerships with our customers for a lifetime relationship of their asphalt maintenance needs. He also brings a responsive and dynamic leadership style that will continue to strengthen our customer relationships that have stood the test of time, as well as enable our ability to scale with our customers into the future.

Wayne holds a Bachelor of Science degree in Business Administration from the University of New Mexico, a Masters in Business Administration from the University of Denver, and Executive coursework at Stanford University.



Ron O'Connor

Chief Financial Officer



Ron O'Connor came to Ace Asphalt as Chief Financial Officer in May 2013. He serves as the administrator to the accounting department, efficiently maintains the finances of the company by providing management with timely financial information on a continual basis, and maintains excellent banking/insurance relationships for the company. He also provides responsible cash management, prepares the company's required tax filings and resolves any tax audits that may arise.

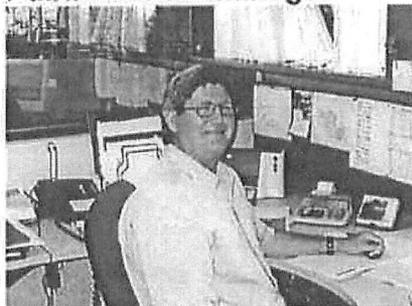
Ron has been an accounting professional for over 32 years. He has over 26 years of experience as a Controller/Chief Financial Officer primarily in the construction, service, and manufacturing industries. He also served the public sector as the former Deputy City Controller for the City of Phoenix Finance Department. Ron has strong experience with private equity, public offerings, acquisitions and turn-around situations. He is accomplished in financial and strategic planning, streamlining and operational improvements.

Ron graduated with a Bachelor of Arts Degree in Accountancy from the University of Northern Iowa, 1981. He became a Certified Public Accountant shortly after graduation.

KEY PERSONNEL TO SUPPORT THIS CONTRACT:

Sales Division

Public Works Manager



Mike Jensen

Mike Jensen is the Public Works Manager for Ace Asphalt and brings over 40 years of industry experience to the table. He has been with Ace Asphalt for over 19 years. Before that, Mike owned his own general construction company. He has a great deal of experience in every aspect of construction. Mike manages all Public Works operations for Arizona and has managed the Mohave Contract since 2002.

Senior Account Executive



Ron Erickson

Ron is our Senior Account Executive in Public Works, working for Ace for 10 years. He brings more than twenty years of sales, service and sales administration experience to Ace Asphalt. He has a Bachelor of Science Degree from Northern State University in Aberdeen South Dakota. Ron has successfully closed projects in excess of \$15 million utilizing JOC and Co-operative contracts with school districts and with city and state municipalities in 2007-2014. Ron has 8 years experience with Mohave Contracts.

PRODUCTION STAFF

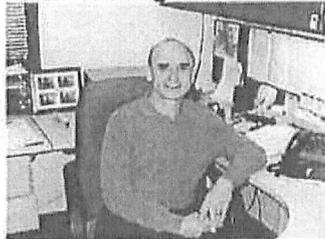
Production Manager



Tom Tuttle

Tom is the Production General Manager and oversees all phases of asphalt and sealing operations. Tom has over 30 years of construction experience that range from being a licensed contractor to working for Ace for the last 25 years. Tom works closely with not only the production crews but also with the Sales division to ensure all job costs are accurately projected. Backed by strong credentials and a proven history of on-time, on-budget high quality project completions.

Scheduling Division Manager



Larry Carlson

With 32 years of industry experience, all at Ace Asphalt, Larry Carlson is a true asset to the organization and its customers. Larry is Ace's Scheduling Division Manager. He is responsible for coordinating all projects with clients from inception to completion. Larry establishes timelines, costs, and coordinates pricing. He also reviews all project job budgets to ensure time and materials are accurately allocated.

General Superintendent



Glen Riforgiate

Glen comes to Ace Asphalt with over 30 years experience in the asphalt industry. Glen came to work for Ace Asphalt in 2001. His knowledge and expertise in the industry has been paramount in achieving customer expectations.



Harry Danish

Harry is our coatings General Superintendent and oversees the operations of all Aces' sealing crews. Harry has worked in asphalt construction for over 35 years, the last 20 years at Ace. He was the recipient of the Ace Asphalt Presidents Award because of his attention to customer needs and willingness to go the extra mile for both fellow employees and customers.

General Superintendent



Russ Welch

Russ is the asphalt General Superintendent whose extensive experience allows him to often deal with special asphalt projects. His dedication and commitment to quality work and outstanding performances earned him the prestigious Ace Chairman's Award this year. Russ has worked in multiple aspects of asphalt construction for the past 24 years with Ace Asphalt.

Paving Superintendent



Dale Williams

Dale is also an asphalt paving Superintendent who deals primarily with special paving projects. Dale has worked for Ace Asphalt for the last ten years and was a heavy paving foreman previous to that. He has over 22 years of experience in the industry.

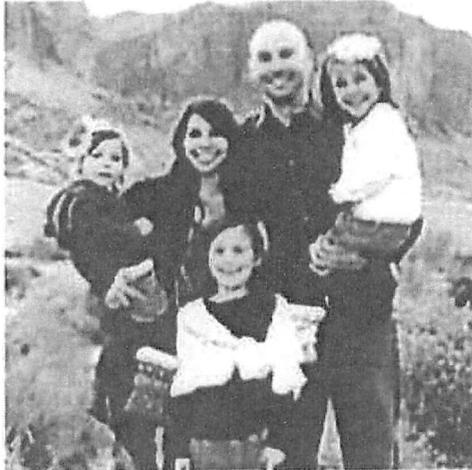
General Manager



Scott Phillips, MBA, PMP

Scott comes to Ace with 15 years' experience in the Construction industry. He has a degree in Civil Engineering and graduated from Northwood University School of Management. Scott manages the Project Managers as well as our New Construction Division. Scott monitors all job and material costs for all heavy projects.

Director of Construction/Estimating



Robert Howard

Robert has been with Ace for 14 years. He manages the new construction, heavy maintenance and maintenance concrete bid flow for all of Arizona, Texas, Nevada, and the New Mexico markets. Robert is instrumental in managing all incoming requests for bids to maintain efficiency, job costs and quality bids. He also oversees Ace's procedures, estimating practices and software utilization.

Supplemental Information – Qualifications and Experience

Tab 2a

4) Minority Business N/A

Supplemental Information – Qualifications and Experience

Tab 2a

5) Authorization to Sell the Services Offered

IMPORTANT NOTICE
YOU MUST:

- REPORT DISSOCIATION OF QUALIFYING PARTY IN WRITING WITHIN 16 DAYS.
[SEE A.R.S. § 32-1154(A)(19) AND § 32-1151.01]
- REPORT A CHANGE OF ADDRESS IN WRITING WITHIN 30 DAYS.
[SEE A.R.S. § 32-1151(B)(1)]
- REPORT ANY TRANSFER OF OWNERSHIP OF 50% OR MORE IMMEDIATELY.
[SEE A.R.S. § 32-1151.01]
- REPORT ANY CHANGE OF LEGAL ENTITY SUCH AS ANY CHANGE IN THE OWNERSHIP IN SOLE PROPRIETORSHIP OR CHANGE OF A PARTNER IN A PARTNERSHIP OR THE CREATION OF A NEW CORPORATE ENTITY.
[SEE RULE R-4-9-110]

ACE Asphalt Of Arizona Inc

3030 S 7th St
Phoenix, AZ 85040-1163

THIS IS YOUR IDENTIFICATION CARD
DO NOT DESTROY



LICENSE EFFECTIVE THROUGH: 08/31/2015
STATE OF ARIZONA
Registrar of Contractors CERTIFIES THAT
ACE Asphalt Of Arizona Inc



CONTRACTORS LICENSE NO 90990 CLASS A
General Engineering

THIS CARD MUST BE
PRESENTED UPON DEMAND

William A. Mundell
DIRECTOR, ARIZONA REGISTRAR OF CONTRACTORS

IMPORTANT NOTICE
YOU MUST:

- REPORT DISSOCIATION OF QUALIFYING PARTY IN WRITING WITHIN 16 DAYS.
[SEE A.R.S. § 32-1154(A)(19) AND § 32-1151.01]
- REPORT A CHANGE OF ADDRESS IN WRITING WITHIN 30 DAYS.
[SEE A.R.S. § 32-1151(B)(1)]
- REPORT ANY TRANSFER OF OWNERSHIP OF 50% OR MORE IMMEDIATELY.
[SEE A.R.S. § 32-1151.01]
- REPORT ANY CHANGE OF LEGAL ENTITY SUCH AS ANY CHANGE IN THE OWNERSHIP IN SOLE PROPRIETORSHIP OR CHANGE OF A PARTNER IN A PARTNERSHIP OR THE CREATION OF A NEW CORPORATE ENTITY.
[SEE RULE R-4-9-110]

ACE Asphalt Of Arizona Inc

3030 S 7th St
Phoenix, AZ 85040-1163

THIS IS YOUR IDENTIFICATION CARD
DO NOT DESTROY



LICENSE EFFECTIVE THROUGH: 08/31/2015
STATE OF ARIZONA
Registrar of Contractors CERTIFIES THAT
ACE Asphalt Of Arizona Inc



CONTRACTORS LICENSE NO 90990 CLASS A
General Engineering

THIS CARD MUST BE
PRESENTED UPON DEMAND

William A. Mundell
DIRECTOR, ARIZONA REGISTRAR OF CONTRACTORS

IMPORTANT NOTICE
YOU MUST:

- REPORT DISSOCIATION OF QUALIFYING PARTY IN WRITING WITHIN 16 DAYS.
[SEE A.R.S. § 32-1154(A)(19) AND § 32-1151.01]
- REPORT A CHANGE OF ADDRESS IN WRITING WITHIN 30 DAYS.
[SEE A.R.S. § 32-1151(B)(1)]
- REPORT ANY TRANSFER OF OWNERSHIP OF 50% OR MORE IMMEDIATELY.
[SEE A.R.S. § 32-1151.01]
- REPORT ANY CHANGE OF LEGAL ENTITY SUCH AS ANY CHANGE IN THE OWNERSHIP IN SOLE PROPRIETORSHIP OR CHANGE OF A PARTNER IN A PARTNERSHIP OR THE CREATION OF A NEW CORPORATE ENTITY.
[SEE RULE R-4-9-110]

ACE Asphalt Of Arizona Inc

3030 S 7th St
Phoenix, AZ 85040-1163

THIS IS YOUR IDENTIFICATION CARD
DO NOT DESTROY



LICENSE EFFECTIVE THROUGH: 08/31/2015
STATE OF ARIZONA
Registrar of Contractors CERTIFIES THAT
ACE Asphalt Of Arizona Inc



CONTRACTORS LICENSE NO 90990 CLASS A
General Engineering

THIS CARD MUST BE
PRESENTED UPON DEMAND

William A. Mundell
DIRECTOR, ARIZONA REGISTRAR OF CONTRACTORS



ARIZONA DEPARTMENT OF REVENUE
 LICENSE & REGISTRATION SECTION
 1800 WEST MONROE
 PHOENIX, ARIZONA 85007-2850

MUST BE
 DISPLAYED IN A
 CONSPICUOUS PLACE

TRANSACTION PRIVILEGE TAX LICENSE
 -NOT TRANSFERABLE-

THIS LICENSE IS ISSUED TO THE BUSINESS NAMED BELOW FOR THE ADDRESS SHOWN. LICENSES, BY LAW, MAY NOT BE TRANSFERRED FROM ONE PERSON TO ANOTHER NOR CAN THEY BE TRANSFERRED FROM ONE LOCATION TO ANOTHER. ARIZONA LAW REQUIRES LICENSEES TO NOTIFY THE DEPARTMENT OF REVENUE IF THERE IS A CHANGE IN BUSINESS NAME, TRADE NAME, LOCATION, MAILING ADDRESS OR OWNERSHIP. IN ADDITION, WHEN BUSINESS IS DISCONTINUED OR BUSINESS LOCATION CHANGES AND A NEW LICENSE IS ISSUED, THIS LICENSE MUST BE RETURNED TO THE ARIZONA DEPARTMENT OF REVENUE.

THE LICENSEE LISTED BELOW IS LICENSED TO CONDUCT BUSINESS UPON THE CONDITION THAT TAXES ARE PAID TO THE ARIZONA DEPARTMENT OF REVENUE AS ACCRUED UNDER PROVISIONS OF ARS TITLE 42, CHAPTER 5, ARTICLE 1.

ISSUED
 TO

ACE ASPHALT OF AZ INC
 C/O CONTROLLER
 3030 S 7TH ST
 PHOENIX

AZ 850401163

07-250121-R

ALL communications
 and Reports MUST
 REFER to this
 LICENSE NO.

015 BUSINESS CODE

01-01-1981

EFFECTIVE DATE

---- (DBA) ACE ASPHALT OF AZ INC
 ---- 3030 S 7TH ST
 ---- PHOENIX

AZ 85040

(REISSUE)

12-20-2002

PRINT DATE

Supplemental Information – Qualifications and Experience

Tab 2a

6) Reference Letters



December 8, 2014

Mohave Educational Services Cooperative

625 E. Beale Street

Kingman, Arizona 86401

Mesa Unified School District #4 is recommending that Ace Asphalt of Arizona, Inc. continue as an authorized vendor for the Mohave Educational Services Cooperative. Prior to use of the Mohave Contract, Ace Asphalt was under an exclusive multi-year contract with Mesa Schools and performed all asphalt work within the District. Ace Asphalt has provided complete and outstanding asphalt construction, service and repair over the past twenty years at Mesa Public School facilities.

Ron Erickson has managed the MPS account for the past years. He is quite knowledgeable of the asphalt industry, very professional and proficient in his management of the MPS account. Ron is sensitive to the critical needs and deadlines on MPS projects and always adjusts to assure the requirements of the District are satisfied. During the past 10 years I have worked with Mr. Erickson regarding asphalt maintenance projects. During this time Ace has been a very competent vendor and a pleasure to work with. I am looking forward to this continued working relationship.

It is the opinion of Mesa Schools that all projects performed by Ace Asphalt crews have been successful and they have enhance the environment and performance of the District. MPS looks forward to working with Ace Asphalt in the future through continued use of the Mohave Contract. As a representative of Mesa Public Schools, I appreciate the dedication and efforts of Ron Erickson and the Ace Asphalt field crews.

Thank you for your consideration of this request.

Carlos Prater

Grounds Services, Supervisor

MPS Operations

555 S. Lewis Street

Mesa, Arizona 85210-8523

Phone: 480-472-6016

Cell: 602-799-3050

Fax: 480-472-6090



CARTWRIGHT SCHOOL DISTRICT NO. 83

3401 N. 67th Avenue Phoenix, AZ 85033 (623) 691-4000 www.csd83.org
Learning for all. Every child, every school, every day.

Dr. Jacob A. Chávez
Superintendent

Dr. LeeAnn Aguilar Lawlor
Assistant Superintendent
Educational Services

Dr. Edward Murphy
Assistant Superintendent
Human Resources

Zeak Ojeh, CPA, MBA
Assistant Superintendent
Financial & Auxiliary Services

Dr. Rebecca M. Osuna
Assistant Superintendent
Administrative Services

December 4, 2014

Re: Letter of Recommendation

From: Larry Maloney, Director of Buildings & Operations


To Mohave Educational Services Cooperative:

It is with a great deal of pleasure that I have the opportunity to recommend ACE Asphalt without any hesitations to anyone requiring their services.

Cartwright School District #83 has had a long running working relationship with ACE Asphalt on both maintenance and new construction projects. These projects include but are not limited to – bus lanes, parking repaving, concrete driveways, striping, etc.

To date, Cartwright School District #83 has used ACE Asphalt on over 60 projects. Every one of these projects was done with Ron Erickson and all projects were successful. Ron's professionalism and quick response time has allowed Cartwright School District #83 to meet our budget on every project.

During the summer of 2009, ACE Asphalt did a project that required a joint venture between Cartwright School District #83 and the City of Phoenix. Performance and budgets from both governmental agencies needed to be coordinated to make this a successful project. ACE and Ron performed in a professional manner and the project was a complete success.

We have just recently completed the remodeling of one of our properties that will now be our new District Office Complex. ACE and Ron were called upon at the last minute to replace existing asphalt that was not in the existing scope. There was approximately 130,000 square feet of paving that had to be either pulverized or removed and replaced. All of this had to be completed in a very tight time frame so that the District could move in. All was completed on time thanks to ACE and Ron Erickson for the quick response and coordination.

It is truly a pleasure to recommend Ron Erickson and ACE Asphalt. They have earned my highest recommendation without hesitation.



Public Works Department
Streets Division
13430 W Westgate Dr
Surprise, Arizona 85374
Office: 623.222.6000
Fax: 623.222.6001

December 3, 2014
Tony DeLaCruz
Street Manager, Public Works Department
City of Surprise AZ

It is with great pleasure that I recommend ACE Asphalt. I have worked with ACE for eight years. My name is Tony Delacruz; I am the Streets Manager for the City of Surprise, Arizona. One of my tasks is to coordinate the annual pavement preservation program. This includes the selection of contractors to perform surface treatments, overlays, Crack Seal and localized repairs.

ACE Asphalt has performed Slurry Seal, Seal Coat and localized repairs for the city of Surprise within the last five year. Their work is excellent and the staff at ACE has always displayed a high degree of integrity, responsibility, and customer service. They are definitely a leader in the asphalt world.

They are also most dependable team players. Their good judgment and mature outlook ensure a logical and practical approach to their endeavors.

I am happy to give ACE my wholehearted endorsement.

A handwritten signature in black ink, appearing to read "Tony DeLaCruz", with a long horizontal flourish extending to the right.

Sincerely,
Tony DeLaCruz
Public Works Streets Manager
antonio.delacruz@surpriseaz.gov

Pricing Information

Tab 3b

***Mobilization and Travel Description, Volume Discount
Description and Bond Methodology***

Place after Tab 3b

Mobilization and Travel Description

If mobilization and/or travel rates 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 Special Terms and Conditions.)

Mobilization: Ace Asphalt has broken the state into varied service and pricing zones. The cost for each zone is derived by calculating the number of laborers necessary for a given phase of work and the assumed time it will take to mobilize laborers and equipment from our operations center to any given site throughout the state. These costs include fuel, transportation and equipment hauling.

Per diem: When crews are outside of a 50 mile radius of our operations center and require overnight lodging, we reserve the option to add per diem charges to specific jobs. This per diem will cover the necessary costs of food, incidental expenses and lodging for each crew member for a given work phase. Per diem charges will not be assessed on a project outside of the 50 mile radius if crews or laborers return to our operations center.

Volume Discount Description

Provide a description as to how your volume discounts (if offered) will be managed under an awarded contract.

When offered and approved by Mohave, volume discounts will be applied to the approved phase automatically when all the criteria is met. When a phase is discounted, this item will be itemized on our proposal showing the discount. Any taxes will be applied respectively.

Pricing strategy is an important element of our marketing campaigns. More than any other element, pricing strategy directly impacts the amount of profit we make. When we choose a pricing discount it will be to help us enhance our reputation and is useful for driving sales on a short term period. We typically label this as a Promotional Item for a short-term period.

Bond Methodology Description

Provide detailed information explaining the methodology to be used when bonds are applied to projects. Describe in detail the method your surety company requires you use (e.g., bonds are applied before sales tax is applied, bonds are applied after sales tax is applied, etc.) Mohave will use this information to verify that your firm is consistently charging bonds in the same manner under an awarded contract.

As required under ARS Article 10, R7-2-1079, A-1, as applicable, in any single project with an aggregate total of \$100,000.00 or greater will require a payment and performance bond of 100% of the project. Ace will issue a payment and performance bond based on the total amount of the Purchase Order/Contract. This bond includes tax. If a change order is issued for an additional amount, the applicable additional bond amount will be added as a line item including taxes on the change order. Below is an example of how the bonds are calculated:

Purchase Order total amount (including taxes):	\$120,000.00
Bond 1.3% of total	\$1,560.00

Pricing Information

Tab 3c

Contingencies for Economic Adjustments

Place after Tab 3c

Contingencies for Economic Adjustments Description

Outline any contingencies for economic adjustments. (See **Basis for Pricing** in the General Terms and Conditions.)

See Below

Under required conditions specified in Specific Terms and Conditions, Section 9. "Pricing", we will base any requests for increases in fixed prices using the criteria below:

- Actual costs of labor and or materials, and/or
- Cost indexes for labor and or materials

These price adjustment requests will include all fixed prices impacted (specifically, changes to unit prices and/or coefficients* listed in our price book), and will be based on increases and/or decreases in specified costs of material required to perform services under the agreement.

*Coefficient (defined) = Ace Asphalt's price adjustment to the unit price in a job order contract.

In a genuine interest to our members, we propose to periodically offer promotional discounts on one or more services to obtain business. We propose to provide criteria for guidance when offering any promotional discounts to members which will include the following:

- Appropriateness of the offer: The areas impacted by the promotion and time frame for its use.
- Appeal: The value of the offer and the benefits it would provide to members.
- Value: Why the promotion represents good value for the members.

Primary Contract Documents

Tab 4a

**Primary Contract Documents and Support and Maintenance
Information**

Evaluation Requirements – Primary Contract Documents

Place after Tab 4a

1. Provide Arizona Transaction Privilege (sales) Tax License Number: 07-25121-R

Do you collect city, county and/or other local sales tax in Arizona? Yes x 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 (e.g. ship-to-rate). *We use the construction tax rate based on the respective zip code of the site.

2. 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. Additionally, it is Mohave's assertion that a statewide contract available to over 430 public 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 x No

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

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

Name of licensee	Classification	Number
Contractors License	A	ROC090990
Contractors License	C13	ROC166913

4. Contact information for purchase orders:

Physical Address 3030 South 7th Street, Phoenix, AZ 85040

Email Address jensenm@aceasphalt.com

Fax 602-304-2773

Attention of Mike Jensen

*Actually R-13 Asphalt Paving
NC 12/20/10*

5. Sales support by region:

Name	Region served	Phone
Ron Erickson	Phoenix Metro, Northern	602-697-6749
Tom Franks	Tucson Metro, Southern	520-207-4314
Mike Jensen	All Arizona	602-304-4023

6. Will you offer members a quick pay discount if payment is made within 10 or 20 days?

Yes x No If Yes, what is the discount for 10 days? 1% 20 days? .50%

7. What is your general website (Internet) address? www.aceasphalt.com

8. Contacts for Mohave:

Main Mohave representative contact: Mike Jensen

(Shall be the main point of contact for members and be responsible for member information requests.)

Title Public Works Manager Email address jensenm@aceasphalt.com

Phone number 602-304-4023 Fax 602-304-2773

Contract Administrator contact: Gloria Contreras

(Shall be the main point of contact for Mohave Procurement/Contract Specialists. Shall be responsible for handling information requests from the Mohave specialists.)

Title Public Works Coordinator Email address gloriac@aceasphalt.com

Phone number 602-304-4016 Fax 602-304-2773

Accounting contact: Gloria Contreras

(Shall be the main point of contact for Mohave Accounting Manager.)

Title Public Works Coordinator Email address gloriac@aceasphalt.com

Phone number 602-304-4016 Fax 602-304-2773

Open Order Report/Status Report contact: Gloria Contreras

(Shall be the main point of contact regarding open orders.)

Title Public Works Coordinator Email address gloriac@aceasphalt.com

Phone number 602-304-4016 Fax 602-304-2773

Audit contact: Gloria Contreras

(Shall be the main point of contact for Mohave Audit Specialists.)

Title Public Works Coordinator Email address gloriac@aceasphalt.com

Phone number 602-304-4023 Fax 602-304-2773

Reconciliation contact: Anamarie Moreno

(Shall be the main point of contact for the reconciliation report for Mohave Accounting Specialists.)

Title Accounts Receivable Clerk Email address morenoa@aceasphalt.com

Phone number 602-304-4024 Fax 602-304-2657

Escalation contact: Mike Jensen

(Shall be the main point of contact when an issue needs to be escalated above the main contact and/or contract administrator for the bid/contract. This contact shall be a different individual than those named for the contacts listed above.)

Title Public Works Manager Email address jensenm@aceasphalt.com

Phone number 602-304-4023 Fax 602-304-2773

9. **Payment remittance address** PO Box 877450

Attn: Ace Asphalt of Arizona, Inc.

City Dallas State TX ZIP 75267-7450

Telephone (Invoice questions) 602-304-4016 FAX 602-304-2773

Place after Tab 4a

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

Yes, the following is applicable to our offer. (If yes, please provide the information below.)

No, the following is not applicable to our offer.

Do you provide warranty and maintenance for the items in the bid? Yes No

If not, 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. Additionally, provide a contact person and phone number for warranty and maintenance service. If there is more than one facility, provide the names and addresses for all facilities. Attach a list if necessary.

Ace Asphalt of Arizona, Inc. 3030 South 7th Street, Phoenix, AZ 85040

Mike Jensen 602-304-4023 Phoenix Metro/Northern Area

Tom Franks 520-207-4314 Tucson Metro/Southern Area

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

Mike Jensen 602-304-4023 Ron Erickson 602-304-4162

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

Phoenix Metro/Northern area - 10 Tucson Metro/Southern area - 5 (this does not include our production staff)

What is your service response time for metropolitan areas (e.g., Phoenix, Tucson) and rural areas?

Phoenix Metro area within 24 hours/Northern area 48 hours Tucson Metro/Southern area 24 hours

Describe the steps a member should take to activate a warranty, if any. Every member that has a contract with Ace receives a written contract/proposal indicating all applicable steps and phone contact information to take if a warranty issue should arise.

Do you offer extended warranty or maintenance service plans? Yes No

If yes, provide a summary of the plans here and/or copies of the plans after this page. Include pricing for extended warranty or maintenance service plans in your price schedule. **(Tab 3a.)** Place any supplemental end-user agreements forms, which include terms and conditions and/or member signature after **Tab 4b.**

Ace Asphalt has extended its warranty on specific services from 12 months to 30 months at no additional cost to the member. The extended warranty is detailed under Tab 3a.

Primary Contract Documents

Tab 4b

Sample Supplemental/End User Agreement



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:
Mesa Unified School District
Carlos Prater - (480) 472-6016
63 E Main St
Mesa, AZ 85201

Work To Be Performed At:
Las Sendas Elementary School
3120 N Red Mtn
72
Mesa, AZ 85207-1068

Proposal # Mes715-2cf
November 20, 2014

**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 _____.

Asphalt Repair

\$662.72

BID SCOPE:

REMOVE & REPLACE AREAS:

Excavate, and remove severely deteriorated asphalt totaling up to 80 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 in 1 mobilization



Proposal
... continued

Mesa Unified School District

Mes715-2cf
November 20, 2014

Respectfully Submitted,

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

Subtotal:	\$662.72
Estimated Tax:	\$34.68
Proposal Total:	\$697.40

NOTE: According to Arizona Law, any purchase order issued with an aggregate total over \$100,000.00 will need to have a payment and performance bond issued for 100% of the work performed. 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

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

[Proposals]

See following pages.



We're on it.®

Paving • Concrete • Earthwork
Arizona Nevada New Mexico Texas

Proposal

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

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Paul Mood - (602) 816-5157
16705 E Avenue of the Fountains
Fountain Hills, AZ 85268

Work To Be Performed At:

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

Proposal # Tow269-7b9

May 27, 2016

**MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 14Y-ACE-0317**

Prices are valid until 6/30/16.

Polymer Modified Slurry Seal (Type II): South Lot #1

\$6,898.91

BID SCOPE:

Thoroughly clean approximately 2,839 square yards of existing pavement surface.

Clean existing cracks with compressed air to clean all major cracks (1/4 inch and wider) and sweep up spoils. Calk 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 55 gallons. Written permission will be requested if quantities are expected to exceed this amount.

Apply a MAG Type II CATIONIC polymer modified slurry seal at the rate of 15-18 pounds per square yard.

This operation will be done in 1 mobilization(s). Additional trips, if requested, require re-pricing.

Please Note: Slurry seal does not compare cosmetically to an 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, inconsistency in appearance, 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.

Polymer modifications to Slurry Seal improve binder cohesion and abrasion resistance, lessening the impact of raveling and scuffing especially in tight parking lot or cul-de-sac areas.

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.

Striping: South Lot #1

\$759.07

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.

Polymer Modified Slurry Seal (Type II): Central Lot #2**\$7,983.16**

Thoroughly clean approximately 3,440 square yards of existing pavement surface.

Clean existing cracks with compressed air to clean all major cracks (1/4 inch and wider) and sweep up spoils. Calk 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 55 gallons. Written permission will be requested if quantities are expected to exceed this amount.

Apply a MAG Type II CATIONIC polymer modified slurry seal at the rate of 15-18 pounds per square yard.

This operation will be done in 1 mobilization(s). Additional trips, if requested, require re-pricing.

Please Note: Slurry seal does not compare cosmetically to an 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, inconsistency in appearance, 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.

Polymer modifications to Slurry Seal improve binder cohesion and abrasion resistance, lessening the impact of raveling and scuffing especially in tight parking lot or cul-de-sac areas.

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.

Striping: Central Lot #2**\$907.60**

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.

Polymer Modified Slurry Seal (Type II): North Lot #3**\$6,050.04**

Thoroughly clean approximately 2,904 square yards of existing pavement surface.

Clean existing cracks with compressed air to clean all major cracks (1/4 inch and wider) and sweep up spoils. Calk 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 a MAG Type II CATIONIC polymer modified slurry seal at the rate of 15-18 pounds per square yard.

Proposal assumes that this lot will be completed at the same time as the Central or South Lot. Additional trips, if requested, require re-pricing.

Please Note: Slurry seal does not compare cosmetically to an 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, inconsistency in appearance, 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.

Polymer modifications to Slurry Seal improve binder cohesion and abrasion resistance, lessening the impact of raveling and scuffing especially in tight parking lot or cul-de-sac areas.

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.

Striping: North Lot #3

\$1,103.19

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.



Proposal
... continued

Town of Fountain Hills

Tow269-7b9
May 27, 2016

Respectfully Submitted,

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

Subtotal:	\$23,701.97
Estimated Tax:	\$0.00
Proposal Total:	\$23,701.97

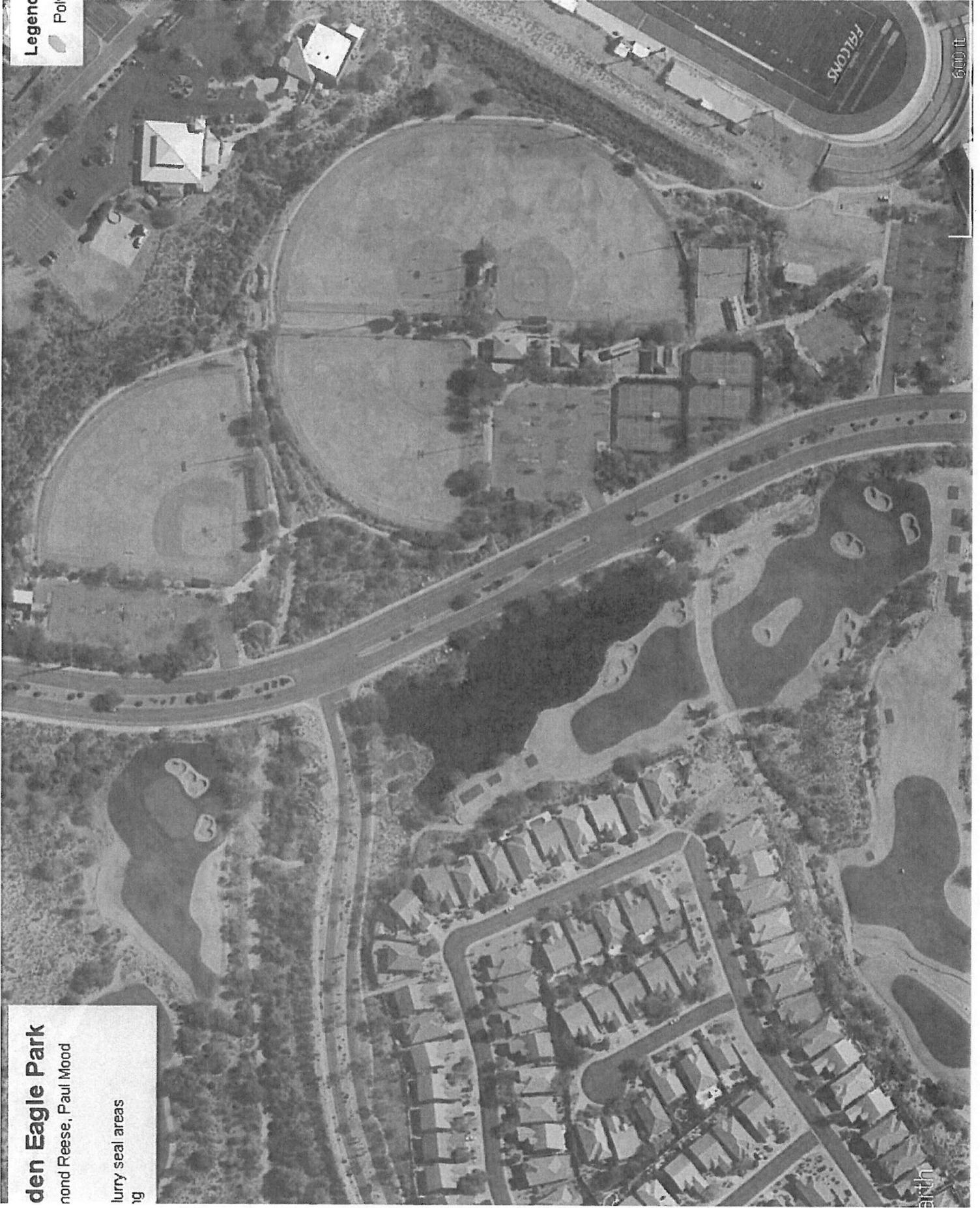
den Eagle Park

mond Reese, Paul Mood

lurry seal areas
19

Legend

Pol



airth



We're on it.

Paving • Concrete • Earthwork
Arizona Nevada New Mexico Texas

Proposal

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

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Paul Mood - (602) 816-5157
16705 E Avenue of the Fountains
Fountain Hills, AZ 85268

Work To Be Performed At:

Sunset Kiwanis Activity Center
16957 E Kiwanis Dr
Fountain Hills, AZ 85268-4065

Proposal # Tow274-2cf

May 20, 2016

**MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 14Y-ACE-0317**

Prices are valid until 6/30/16.

Edge Milling

\$2,591.33

BID SCOPE:

Edge mill approximately 374 linear feet of existing pavement (2' wide) to enable the new pavement to match into existing concrete surfaces at entries and curb & gutter.

Paving

\$14,007.32

Sawcut and remove 7 linear feet of existing pavement along edges where horizontal surfaces must be matched with the new pavement overlay.

Clean as needed approximately 13,414 square feet of existing pavement.

Apply a tack coat of SS-1h for adhesion.

Pave with hot asphalt, and compact to an average finished depth of 1.5 inches with steel drum rollers.

Proposal includes 1 mobilization, additional move-ins require re-pricing.

Work performed on weekends may incur an additional charge.

NOTES:

Ace Asphalt assumes no responsibility for pre-existing subgrade deficiencies.

Asphalt overlays generally do not improve the drainage properties of the existing pavement, and may obstruct runoff from other sources. Reflective cracking will occur due to movements of original underlying asphalt.

Ace is not responsible for drainage on projects with less than 1% fall. Ace is not responsible for subgrade deficiencies. Ace is not responsible for damage to underground utilities not located by owner prior to start of our work. Site is to be unobstructed prior to start of Ace work.

Exclusions (except as noted above):

Testing, engineering, permits, sterilants and utility adjustments.



Striping

\$314.09

Restripe all pavement markings to match existing layout including:

- 34 single parking stalls
- 3 two color handicap stalls
- 220 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.



Proposal
... continued

Town of Fountain Hills

Tow274-2cf
May 20, 2016

Respectfully Submitted,

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

Subtotal:	\$16,912.74
Estimated Tax:	\$0.00
Proposal Total:	\$16,912.74

Project: Sunset Kiwanis

Contractors: Donald Reese, Paul Mood

- Perimeter mill and pave area (1.5" depth)
- Edge mill areas
- Edge area (remove & replace)
- Grading

Legend

● Pot



earth

100 ft



We're on it.®

Paving • Concrete • Earthwork
Arizona Nevada New Mexico Texas

Proposal

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

www.aceasphalt.com

Submitted To:

Town of Fountain Hills
Paul Mood - (602) 816-5157
16705 E Avenue of the Fountains
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 # Tow271-007

May 27, 2016

**MOHAVE EDUCATIONAL SERVICE CO-OP BID:
CONTRACT NUMBER: 14Y-ACE-0317**

Prices are valid until 6/30/16.

Sealing: PD Lot

\$3,058.39

BID SCOPE:

Thoroughly clean approximately 33,360 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.

Clean existing cracks with compressed air to clean all major cracks (1/4 inch and wider) and sweep up spoils. Calk 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 35 gallons. Written permission will be requested if quantities are expected to exceed this amount.

Apply MasterSeal MTR 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.

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

Striping: PD Lot

\$1,707.99

Restripe all pavement markings to match existing layout including:

- 71 single parking stalls
- 3 two color handicap stalls
- 630 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 recommendations as required by applicable Federal and State laws.

Sealing: Community Center

\$7,377.17

Thoroughly clean approximately 88,310 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.

Clean existing cracks with compressed air to clean all major cracks (1/4 inch and wider) and sweep up spoils. Calk 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 90 gallons. Written permission will be requested if quantities are expected to exceed this amount.

Apply MasterSeal MTR 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.

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

Striping: Community Center Lot

\$3,175.69

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 recommendations as required by applicable Federal and State laws.

Polymer Modified Slurry Seal (Type II): Museum & Library Lot

\$18,594.44

Thoroughly clean approximately 8,948 square yards of existing pavement surface.

Clean existing cracks with compressed air to clean all major cracks (1/4 inch and wider) and sweep up spoils. Calk 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 105 gallons. Written permission will be requested if quantities are expected to exceed this amount.

Apply a MAG Type II CATIONIC polymer modified slurry seal at the rate of 15-18 pounds per square yard.

This operation will be done in 1 mobilization(s). Additional trips, if requested, require re-pricing.



Please Note: Slurry seal does not compare cosmetically to an 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, inconsistency in appearance, 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.

Polymer modifications to Slurry Seal improve binder cohesion and abrasion resistance, lessening the impact of raveling and scuffing especially in tight parking lot or cul-de-sac areas.

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.

Striping: Museum & Library Lot

\$2,955.09

Restripe all pavement markings to match existing layout including:

- 160 single parking stalls
- 4 two color handicap stalls
- 2,100 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.



Proposal
... continued

Town of Fountain Hills

Tow271-007
May 27, 2016

Respectfully Submitted,

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

Subtotal:	\$36,868.77
Estimated Tax:	\$0.00
Proposal Total:	\$36,868.77

Intain Hills Civic Center

David Reese, Paul Mood

rack seal and seal coat areas
ack seal and slurry seal areas
sting



Fountain Hills Branch Library

North

South