# CITY OF ARCADIA

# CITY COUNCIL REGULAR MEETING AGENDA

**Tuesday, November 17, 2026, 7:00 P.M.**

**Location: City Council Chambers, 240 W. Huntington Drive**

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the City Clerk at (626) 574-5455. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting.

Pursuant to the City of Arcadia's Language Access Services Policy, limited-English proficient speakers who require translation services in order to participate in a meeting may request the use of a volunteer or professional translator by contacting the City Clerk's Office at (626) 574-5455 at least 72 hours prior to the meeting.

**How to Submit Public Comment:**

Members of the Public who wish to submit public comment may do so using one of the following methods. Generally, the allotted time is determined by the number of speakers, in accordance with the following format: **5** speakers or less – **5 minutes each**; between **6** and **20** speakers – **3 minutes each**; between **21** and **50** speakers – **2 minutes each**; and more than **50** speakers – **1 minute each**.

1. **In-Person:** Complete a Speaker Card, indicate the agenda item number and place it in the Public Comment Drop Box, or simply come to the podium when the Mayor asks for those who wish to speak.
2. **Remote Participation**: Click on the link or join using the Webinar/Meeting ID. To provide public comment, select the **"Raise Hand"** feature in Zoom during public comment.

   Web Link:
   https://us06web.zoom.us/j/82181334548?pwd=sk3icr9kXtsYSLO9y8yLM1FSXqY4Zh.1
   Webinar/Meeting ID: 389875

   A conference line has been established for public comment. To provide public comment, press ***9** to **"raise your hand"**.

   Conference Line: 1 (669) 444-9171
   Meeting ID: 821 8133 4548#
   Participant ID: Press the # symbol
   Meeting Passcode: 389875#

When it is your turn to speak, your microphone will be unmuted, and you will be asked to state your name for the record before providing your comments.

3. **Electronic Submissions:** Public Comment submitted electronically will not be read into the record at the posted meeting time but are forwarded to the City Council prior to the meeting for consideration. Your comments must be received at least 30 minutes prior to the posted meeting time. Please submit your comments electronically in the following manner:

   Online public comment form at ArcadiaCA.gov/comment.

   Via email to CityClerk@ArcadiaCA.gov.

**1. CALL TO ORDER**

**2. INVOCATION**

Reverend Eva Thai-Erwin, Church of the Good Shepherd

**3. PLEDGE OF ALLEGIANCE**

Cub Scout Pack 122

**4. ROLL CALL OF CITY COUNCIL MEMBERS**

Paul P. Cheng, Mayor
David Fu, Mayor Pro Tem
Dr. Michael Cao, Council Member
John Han, Council Member
Sharon Kwan, Council Member

**5. SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS**

**6. PRESENTATIONS**

a. Presentation of Mayor's Certificate of Commendation to Akanksha Pathiyil Biju for receiving the inaugural "Outstanding Achievement Award" from Arcadia High School.

**7. PUBLIC COMMENTS** (5-minute time limit each speaker)

Any person wishing to speak before the City Council may do so using one of the following methods. Generally, the allotted time is determined by the number of speakers, in accordance with the following format: **5** speakers or less – **5 minutes each**; between **6** and **20** speakers – **3 minutes each**; between **21** and **50** speakers – **2 minutes each**; and more than **50** speakers – **1 minute each**. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

1. **In-Person:** Complete a Speaker Card, indicate the agenda item number and place it in the Public Comment Drop Box, or simply come to the podium when the Mayor asks for those who wish to speak.
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   Meeting ID: 821 8133 4548#
   Participant ID: Press the # symbol
   Meeting Passcode: 389875#

## 8. CONSENT CALENDAR

a. Regular Meeting Minutes of October 20, 2026.
   CEQA: Not a Project
   Recommended Action: Approve

b. Resolution No. 7716 amending the Fiscal Year 2024-25 Capital Improvement Program Budget, authorizing a supplemental budget appropriation for the replacement of the motor control center and voltage conversion at Peck Well in the amount of $541,484, offset by a reduction in the Water Fund; and approve a contract with Pacific Hydrotech Corporation for the Replacement of the Motor Control Center and Voltage Conversion Project at Peck Well in the amount of $892,900, with a 10% contingency.
   CEQA: Exempt
   Recommended Action: Adopt and Approve

c. Software and Services Agreement with Sun Ridge Systems Inc. for the Computer Aided Dispatch and Records Management System in an amount not to exceed $1,024,242 for a five-year term.
   CEQA: Not a Project
   Recommended Action: Approve

d. Contract with All Source Company Building Group for the Arcadia Fire Station 106 Exterior Painting and Fascia Replacement Project in the amount of $157,023.90, with a 10% contingency.
   CEQA: Exempt
   Recommended Action: Approve

e. Purchase Order with Caterpillar, Inc. for the purchase of one new Caterpillar Model 250 Skid Steer Loader and one dump trailer in the amount of $155,210.14.
CEQA: Not a Project
Recommended Action: Approve

f. Purchase Order with Foothill Communications, Inc. for the purchase and programming of BKR9000 multi-band portable radios and accessories in the amount of $352,589.84.
CEQA: Not a Project
Recommended Action: Approve

g. Accept all work performed by MDJ Management, LLC for the City Hall Lawn Fence Installation Project as complete.
CEQA: Exempt
Recommended Action: Approve

**9. CITY MANAGER**

a. Report on Frontier telecommunications services in north Arcadia.
CEQA: Not a Project
Recommended Action: Receive and File

**10. AB 1234 REPORTS FROM MAYOR AND CITY COUNCIL *(limited to legally required reports).***

**11. REQUEST FOR FUTURE ITEMS**

**12. ADJOURNMENT**

The City Council will adjourn this meeting to Tuesday, December 1, 2026, at 7:00 p.m. in the City Council Chambers.

# Welcome to the Arcadia City Council Meeting!

The City Council encourages public participation, and invites you to share your views on City business.

**MEETINGS:** Regular Meetings of the City Council are held on the first and third Tuesday of each month at 7:00 p.m. in City Council Chambers. A full City Council agenda packet with all backup information is available at City Hall and on the City's website at www.ArcadiaCA.gov. Copies of individual Agenda Reports are available via email upon request (CityClerk@ArcadiaCA.gov). Documents distributed to a majority of the City Council after the posting of this agenda will be available for review at the Office of the City Clerk, 240 W. Huntington Drive, Arcadia, California. Live broadcasts and replays of the City Council Meetings are on cable television. Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice as previously described.

**PUBLIC PARTICIPATION:** Your participate-on is welcomed and invited at all City Council meetings. Time is reserved at each regular meeting for those in the audience who wish to address the City Council. The City requests that persons addressing the City Council refrain from making personal, slanderous, profane, or disruptive remarks. Any person wishing to speak before the City Council may do so using one of the following methods.

1. **In-Person:** Complete a Speaker Card, indicate the agenda item number and place it in the Public Comment Drop Box, or simply come to the podium when the Mayor asks for those who wish to speak.
2. **Remote Participation**: Click on the link or join using the Webinar/Meeting ID or call the established conference line.

**PUBLIC COMMENTS:** Should be presented during the time designated as "PUBLIC COMMENTS", for all matters on the agenda or not on the agenda. **By State law, the City Council may not discuss or vote on items not on the agenda. The matter may be referred to staff for appropriate action or response or will be placed on the agenda of a future meeting except for public hearing items.**

**PUBLIC HEARINGS AND APPEALS:** Are items scheduled for which public input is either required or desired. Separate and apart from the applicant (who may speak longer in the discretion of the City Council), the allotted speaking time is generally determined by the number of speakers, in accordance with the following format: **5** speakers or less – **5 minutes each**; between **6** and **20** speakers – **3 minutes each**; between **21** and **50** speakers – **2 minutes each**; and more than **50** speakers – **1 minute each**. The applicant may additionally submit rebuttal comments.

**AGENDA ITEMS:** The Agenda contains the regular order of business of the City Council. Items on the Agenda have generally been reviewed and investigated by the City Staff in advance of the meeting so that the City Council can be fully informed about a matter before making its decision.

**CONSENT CALENDAR:** Items listed on the Consent Calendar are considered to be routine by the City Council and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the City Council, Staff, or the public so requests. In this event, the item will be removed from the Consent Calendar and considered and acted on separately.

**DECORUM:** While members of the public are free to level criticism of City policies and the action(s) or proposed action(s) of the City Council or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including but not limited to, conduct that prevents other members of the audience from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting are expected to adhere to the City's policy barring harassment based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation, or age. The Chief of Police, or such member or members of the Police Department, shall serve as the Sergeant-at-Arms of the City Council meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official or a majority of the Councilmembers, for the purpose of maintaining order and decorum at the meeting. Any person who violates the order and decorum of the meeting may be placed under arrest and such person may be prosecuted under the provisions of Penal Code Section 403 or applicable Arcadia Municipal Code section.

**ARCADIA CITY COUNCIL**
**REGULAR MEETING MINUTES**
**TUESDAY, OCTOBER 20, 2026**

**1. CALL TO ORDER** – Mayor Cheng called the Regular Meeting to order at 7:00 p.m.

**2. INVOCATION** - Terrence Shay, Arcadia Police Department Chaplain

**3. PLEDGE OF ALLEGIANCE** – Terrence Shay, Arcadia Police Department Chaplain

**4. ROLL CALL OF CITY COUNCIL MEMBERS**

PRESENT: Cao, Han, Kwan, Fu, and Cheng
ABSENT: None

**5. SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS**

City Manager Lazzaretto introduced and welcomed Brandon Karmann as the City's new Police Chief.

**6. PRESENTATIONS**

a. Presentation of the 73rd Annual Arcadia Festival of Bands Proclamation.

b. Presentation of Mayor's Certificate of Commendation to Peter (Pete) L. Costantino for his support as a Little League Umpire for over 40 years.

**7. PUBLIC COMMENTS**

Yao Sheng participated remotely and asked questions regarding Council Member Kwan's involvement with a private energy company.

A Zoom user participated remotely and shared a recording from a previous City Council Meeting in which Council Member Cao congratulated former Mayor Eileen Wang.

John Kim participated remotely and questioned Council Candidate Steve Rhee's decision to run for District 5 after previously seeking election in District 4; and he expressed concerns regarding his motivations for changing districts.

Alpha Biz participated remotely and expressed concerns regarding political mailers circulated in District 5 containing negative allegations against Council Member Cao.

Tim Bard participated remotely and expressed concerns regarding negative political campaign messages; he emphasized the importance of accurate information and fairness regarding the allegations involving former Mayor Eileen Wang; and he referenced prior statements from City Manager Lazzaretto on the matter.

A member of AREAA Tri-County Chapter participated remotely and expressed support for Council Member Cao's reelection.

Steve Maclain participated remotely and expressed his disappointment regarding negative political mailers targeting Council Member Cao; and he emphasized the importance of electing public officials who promote unity rather than division in the community.

Burton Brink, Arcadia resident and District 2 Candidate, appeared and spoke about the importance of effective governance and leadership; and he encouraged residents to vote in the upcoming election.

Susan Luther appeared and expressed opposition to the proposed removal of 34 protected oak trees at Santa Anita Park for the LA28 Games equestrian cross-country course.

In response to Ms. Luther's public comment, City Manager Lazzaretto stated that the application for tree removals has been suspended to allow Santa Anita Park and LA28 to evaluate alternative design options.

Charisma Chen appeared and responded to public comments in support of Council Member Cao's reelection; she questioned Mayor Cheng's alleged connections to EDI Media and iCity News; and expressed concerns regarding the affiliations of certain City Council Members.

Debi Kats appeared and expressed opposition to the proposed removal of 34 protected oak trees at Santa Anita Park for the LA28 Games equestrian cross-country course.

Dom Tallerico, Arcadia resident, appeared and expressed concerns regarding an alleged lack of transparency in City operations; and he expressed his support for Council Member Kwan's reelection.

Steven Dai, Arcadia resident, appeared and expressed frustration regarding political mailers, negative statements, and misinformation directed toward certain Council Members.

Becca Fab appeared and expressed disappointment with certain Council Members, raised questions about EDI Media; and urged the City Council to respond to questions from the public.

Grace Lee, Arcadia resident and District 3 Candidate, appeared and spoke about her background as a teacher and minister; she emphasized the importance of service, integrity,

and contributing to the community; and she expressed her commitment to serving residents if elected to the City Council.

Diego Rubalcava–Alvarez, a volunteer with Creative Housing Options in Arcadia (CHOA), appeared and invited the community to the organization's Biannual Sharing Gathering event; and he provided information regarding the event.

Mayor Cheng responded to public comments regarding alleged ties between certain Council Members and the Chinese Communist Party (CCP); he stated that the circumstances involving former Mayor Eileen Wang were unforeseen; he clarified that he nor the City Council have ties to the CCP; and he encouraged the community to move forward.

Council Member Cao responded to public comments directed toward him; he referenced his military service; and he emphasized his commitment to democracy.

Mayor Pro Tem Fu addressed a personal matter involving April Verlato and his family following his mother's passing; he expressed concerns regarding statements allegedly made about him; and involving personal family matters in political discussions.

Council Member Kwan raised a point of order.

City Attorney Maurer requested that the discussion return to the agenda.

**8. CONSENT CALENDAR**

a. Regular Meeting Minutes of October 6, 2026.
CEQA: Not a Project
Recommended Action: Approve

b. Professional Services Agreement with Sladden Engineering for material testing services in the amount of $92,100.
CEQA: Exempt
Recommended Action: Approve

c. Contract with MDJ Management, LLC for the Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project in the amount of $79,704.87, with a 10% contingency.
CEQA: Exempt
Recommended Action: Approve

d. Contract with MDJ Management, LLC for the Library Trellis Repair Project in the amount of $82,110.89, with a 10% contingency.
CEQA: Exempt
Recommended Action: Approve

e. Agreement with TrueBill Solutions LLC for annual hosting and support services for utility billing software, in an amount not to exceed $362,974.
CEQA: Not a Project
Recommended Action: Approve

f. Accept all work performed by Ramona, Inc. for the Sewer Main Replacement Program as complete.
CEQA: Exempt
Recommended Action: Approve

g. Accept all work performed by Onyx Paving Company, Inc. for the First Avenue Arterial Pavement Rehabilitation Project as complete.
CEQA: Exempt
Recommended Action: Approve

It was moved by Mayor Pro Tem Fu, seconded by Council Member Han, and carried on a roll call vote to approve Consent Calendar Items 8.a through 8.g.

AYES: Fu, Han, Cao, Kwan, and Cheng
NOES: None
ABSENT: None

**9. CITY MANAGER**

a. Report on City Council Rules of Procedure and Decorum (Resolution No. 7652).
CEQA: Not a Project
Recommended Action: Receive and File

City Attorney Maurer presented the Staff Report.

Following City Council discussion, Mayor Pro Tem Fu and Council Members Cao and Han, supported calling the question to conclude discussion and proceed to a vote.

A motion was made by Mayor Pro Tem Fu, seconded by Council Member Cao, to maintain the current City Council Rules of Procedure and Decorum without revisions and to receive and file the report.

AYES: Fu, Cao, Han, and Cheng
NOES: Kwan
ABSENT: None

b. Discussion of Council Member Kwan's involvement with a private energy company.
CEQA: Not a Project

Recommended Action: No Staff Recommendation

During City Council discussion, Council Member Kwan provided information and responded to City Council questions regarding her role and involvement with a private energy company.

No action was taken by the City Council.

c. 6.6 Amp series street lighting update.
CEQA: Not a Project
Recommended Action: Receive and File

Assistant City Manager/Public Works Services Director Cranmer presented the Staff Report.

After discussion, a motion was made by Council Member Kwan, seconded by Council Member Han, and placed on a roll call vote to direct staff to further research and evaluate potential options for converting or replacing the existing lighting system.

AYES: Kwan, Han, Cao, Fu, and Cheng
NOES: None
ABSENT: None

## 10. AB 1234 REPORTS FROM MAYOR AND CITY COUNCIL *(limited to legally required reports).*

Mayor Pro Tem Fu reported that on October 10, he attended the Gilb Museum's 25th Anniversary event.

Council Members Cao, Han, and Kwan, and Mayor Cheng had nothing to report.

## 11. REQUEST FOR FUTURE ITEMS

Council Member Kwan requested City Council support to place an item on a future agenda to discuss the status and intended use of funds donated by the World Taiwanese Chambers of Commerce to the Arcadia Fire Department Foundation.

City Manager Lazzaretto explained that the funds were donated to a third party over which the City has no control.

City Attorney Maurer clarified that the matter was not City business and that it would not be appropriate to compel a Council Member to discuss matters involving a third party.

City Manager Lazzaretto further indicated that staff could provide an update on the proposed Fire Training Center and the status of its plans; however, any discussion regarding financing and funding were premature, as planning discussions were still ongoing.

Council Member Kwan's request for a future item did not receive any support.

Council Members Cao and Han, Mayor Pro Tem Fu, and Mayor Cheng had no requests for future items.

## 12. ADJOURNMENT

The City Council adjourned at 11:07 p.m. to Tuesday, November 17, 2026, at 6:00 p.m., in the City Council Chambers.

Linda Rodriguez
City Clerk

CITY OF ARCADIA

# STAFF REPORT

## PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director
By: Tiffany Lee, Principal Civil Engineer

**SUBJECT:** RESOLUTION NO. 7716 AMENDING THE FISCAL YEAR 2024-25 CAPITAL IMPROVEMENT PROGRAM BUDGET, AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR THE REPLACEMENT OF THE MOTOR CONTROL CENTER AND VOLTAGE CONVERSION AT PECK WELL IN THE AMOUNT OF $541,484, OFFSET BY A REDUCTION IN THE WATER FUND; AND APPROVE A CONTRACT WITH PACIFIC HYDROTECH CORPORATION FOR THE REPLACEMENT OF THE MOTOR CONTROL CENTER AND VOLTAGE CONVERSION PROJECT AT PECK WELL IN THE AMOUNT OF $892,900, WITH A 10% CONTINGENCY
**CEQA: Exempt**
**Recommendation: Adopt and Approve**

## SUMMARY

The Public Works Services Department ("PWSD") is responsible for the daily operation of City wells and the water distribution system. City wells are regularly inspected to ensure the wells are functioning properly and to identify any issues that require repair. The Fiscal Year 2024-25 Capital Improvement Program ("CIP") Budget provided for well inspection and rehabilitation of Peck Well and included the replacement of the motor control center and voltage conversion of Peck Well. To date, the City Council has authorized agreements for the design of the Motor Control Center and Voltage Conversion at Peck Well and for the inspection and rehabilitation of Peck Well. Following these two expenditures, $440,706 remains available in the CIP budget for the Replacement of the Motor Control Center and Voltage Conversion Project, which is essential to complete the maintenance of this critical water well.

To ensure the City is receiving the most competitive prices and quality service for this work, a formal bid process was conducted. Pacific Hydrotech Corporation submitted the lowest responsive bid. However, the total project cost exceeds the available project balance.

Therefore, it is recommended that the City Council adopt Resolution No. 7716 amending the Fiscal Year 2024-25 CIP Budget, authorizing a supplemental budget appropriation for the replacement of the motor control center and the voltage conversion at Peck Well in the amount of $541,484, offset by a reduction in the Water Fund. It is further recommended that the City Council authorize and direct the City Manager to execute a contract with Pacific Hydrotech Corporation for the Replacement of the Motor Control Center and Voltage Conversion Project at Peck Well in the amount of $892,900, with a 10% contingency.

## BACKGROUND

The City operates and maintains 10 groundwater wells that produce approximately 14,000 acre-feet of water annually. Regular inspection and maintenance are essential to preserve well efficiency, maximize production capacity, and reduce the risk of unexpected failures. City of Arcadia wells are inspected regularly to ensure they are functioning properly and to identify any issues requiring repair. Regular inspections and maintenance of Peck Well have revealed that the existing motor control center, installed in 1992, has reached the end of its useful life. Replacement parts for the existing equipment have become obsolete and are no longer readily available. Consequently, a failure of the motor control center could result in an extended shutdown of the well due to the unavailability of replacement parts. In addition, the motor at Peck Well currently operates at 2,400 volts, presenting significant electrical safety hazards, and requiring highly specialized and certified electrical personnel to perform work on the motor control center; a voltage conversion is also necessary.

With the PFAS treatment system that is to be installed at the site, an extended shutdown of Peck Well resulting from a motor control center failure could adversely affect the treatment system operations and jeopardize the City's ability to maintain continuous treatment. Peck Well plays a critical role in the City's water system, supplying more than 40% of the groundwater to Zone 4, in the southern portion of the City. Replacing the existing motor control center and converting the power supply

from 2,400 volts to 480 volts, three-phase power, is necessary to improve electrical safety, enhance system reliability, and ensure the well's long-term operability. These improvements will also help maintain the treatment system's design capacity and efficiency.

## DISCUSSION

A Notice Inviting Bids for the Replacement of the Motor Control Center and Voltage Conversion at Peck Well was published in accordance with City Council Resolution No. 7483, and bid packages were distributed to contractors that perform this type of work. On September 29, 2026, the City Clerk received two sealed bids with the following results:

| Bidder | Location | Bid Amount |
|---|---|---|
| Pacific Hydrotech Corporation | Murrieta, CA | $ 892,900 |
| Minako America Corporation | Gardena, CA | $ 1,688,700 |

Although the notice inviting bids was distributed to qualified contractors and published on the City's website, only two bids were received. Staff contacted contractors that received the notice to inquire about their decision not to submit bids; two firms indicated that they had too many projects underway and did not have enough staff to perform the work, and other firms contacted did not respond despite multiple outreach attempts.

The two bid documents received were reviewed for content and the contractor's background was also investigated. Based on the review, it has been determined that Pacific Hydrotech Corporation is the lowest responsive bidder for this work and is qualified to complete the project as defined in the bid documents. Pacific Hydrotech Corporation has successfully completed similar projects for the Cities of Thousand Oaks and Tustin, Suburban Water System, Golden State Water District, and Irvine Ranch Water District.

## ENVIRONMENTAL ANALYSIS

This project is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to Class 2, Section 15302(c), which applies to the replacement or reconstruction of an existing utility system and/or facilities involving negligible or no expansion of capacity. The replacement of an existing motor control center and voltage conversion at an existing potable water supply well qualifies for this categorical exemption.

## FISCAL IMPACT

Funds in the amount of $950,000 were budgeted in the Fiscal Year 2024-25 CIP for the Well Inspection and Rehabilitation Project and included the replacement of the motor control center and voltage conversion of Peck Well. The project funding consists of $600,000 in Water Funds and $350,000 in American Rescue Plan Act ("ARPA)" Funds.

On September 16, 2025, the City Council approved a Professional Services Agreement with Linkture Corp. for the design of the motor control center and voltage conversion at Peck Well, in the amount of $50,000. On August 18, 2026, the City Council approved a contract with General Pump Company, Inc. for the well inspection and rehabilitation of Peck Well in the amount of $417,540, plus a 10% contingency, for a total project amount of $459,294.

Following these two expenditures, $440,706 remains available in the CIP budget for the replacement of the Motor Control Center and Voltage Conversion Project. The total cost for the replacement of the Motor Control Center and Voltage Conversion Project is $892,900. With a 10% contingency, the total project cost is $982,190. After applying the remaining available CIP funding of $440,706, a supplemental budget appropriation of $541,484 is needed to provide sufficient funding to complete the replacement of the Motor Control Center and Voltage Conversion Project at Peck Well. Sufficient funds are available in the Water Fund to cover these additional costs.

The high project cost is primarily attributable to the current market costs of the specified electrical equipment and installation, particularly the switchboard/motor control center and associated power distribution work. The switchboard and motor

control center also have an estimated lead time of approximately 36–40 weeks, which reflects current supply-chain conditions and the specialized nature of the equipment. Additional factors contributing to the higher costs include specialized electrical equipment, prevailing-wage labor, installation and integration with the existing electrical system, and the complexity and coordination with SCE required to perform the work at an operating well facility.

## RECOMMENDATION

It is recommended that the City Council determine this project is exempt under the California Environmental Quality Act ("CEQA"); and adopt Resolution No. 7716 amending the Fiscal Year 2024-25 Capital Improvement Program Budget, authorizing a supplemental budget appropriation for the replacement of the motor control center and the voltage conversion at Peck Well in the amount of $541,484, offset by a reduction in the Water Fund. It is further recommended that the City Council authorize and direct the City Manager to execute a contract with Pacific Hydrotech Corporation for the Replacement of the Motor Control Center and Voltage Conversion Project at Peck Well in the amount of $892,900, with a 10% contingency.

Approved:

Dominic Lazzaretto
City Manager

Attachments: Resolution No. 7716
Exhibit "A"- Project Location Map
Proposed Contract

RESOLUTION NO. 7716

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING THE FISCAL YEAR 2024-25 CAPITAL IMPROVEMENT PROGRAM BUDGET, AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR THE REPLACEMENT OF THE MOTOR CONTROL CENTER AND VOLTAGE CONVERSION AT PECK WELL IN THE AMOUNT OF $541,484, OFFSET BY A REDUCTION IN THE WATER FUND

WHEREAS, as part of the Fiscal Year 2024-25 Capital Improvement Program Budget, $950,000 was budgeted for the Peck Well Inspection and Rehabilitation Project; and

WHEREAS, the replacement of the motor control center and voltage conversion of Peck Well was included as part of the Peck Well Inspection and Rehabilitation Project; and

WHEREAS, inspections and maintenance of Peck Well revealed that the existing motor control center, has reached the end of its useful life; and

WHEREAS, the well motor at Peck Well currently operates at 2,400 volts, presenting significant electrical safety hazards and requiring highly specialized, certified electrical personnel to perform work on the motor control center; and

WHEREAS, replacing the existing motor control center and converting the power supply from 2,400 volts to 480 volts, three-phase power, is necessary to improve electrical safety, enhance system reliability, and ensure the well's long-term operability; and

WHEREAS, the total cost of the Replacement of the Motor Control Center and Voltage Conversion at Peck Well is $892,900; and

WHEREAS, including the requested 10% contingency of $89,290, the total project cost for the Replacement of Motor Control Center and Voltage Conversion at Peck Well is $982,190; and

WHEREAS, funding in the amount of $440,706 is available in the Fiscal Year 2024-25 CIP budget for the Replacement of Motor Control Center and Voltage Conversion at Peck Well; and

WHEREAS, an amendment to the Fiscal Year 2024-25 Capital Improvement Program Budget authorizing a supplemental appropriation in the amount of $541,484 is needed for the Replacement of Motor Control Center and Voltage Conversion at Peck Well; and

WHEREAS, the supplemental budget appropriation will be offset by a reduction in the Water Fund; and

WHEREAS, the City Manager has certified that there are sufficient reserves available in the Water Fund.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, DOES FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The sum of Five Hundred Forty-One Thousand, Four Hundred Eighty-Four Dollars ($541,484) is hereby appropriated in the Capital Improvement

Program Budget for the forgoing purposes, offset with an equal reduction in the Water Fund.

SECTION 2. The City Clerk shall certify to the adoption of this Resolution.

Passed, approved and adopted this 17th day of November, 2026.

_____
Mayor of the City of Arcadia

ATTEST:

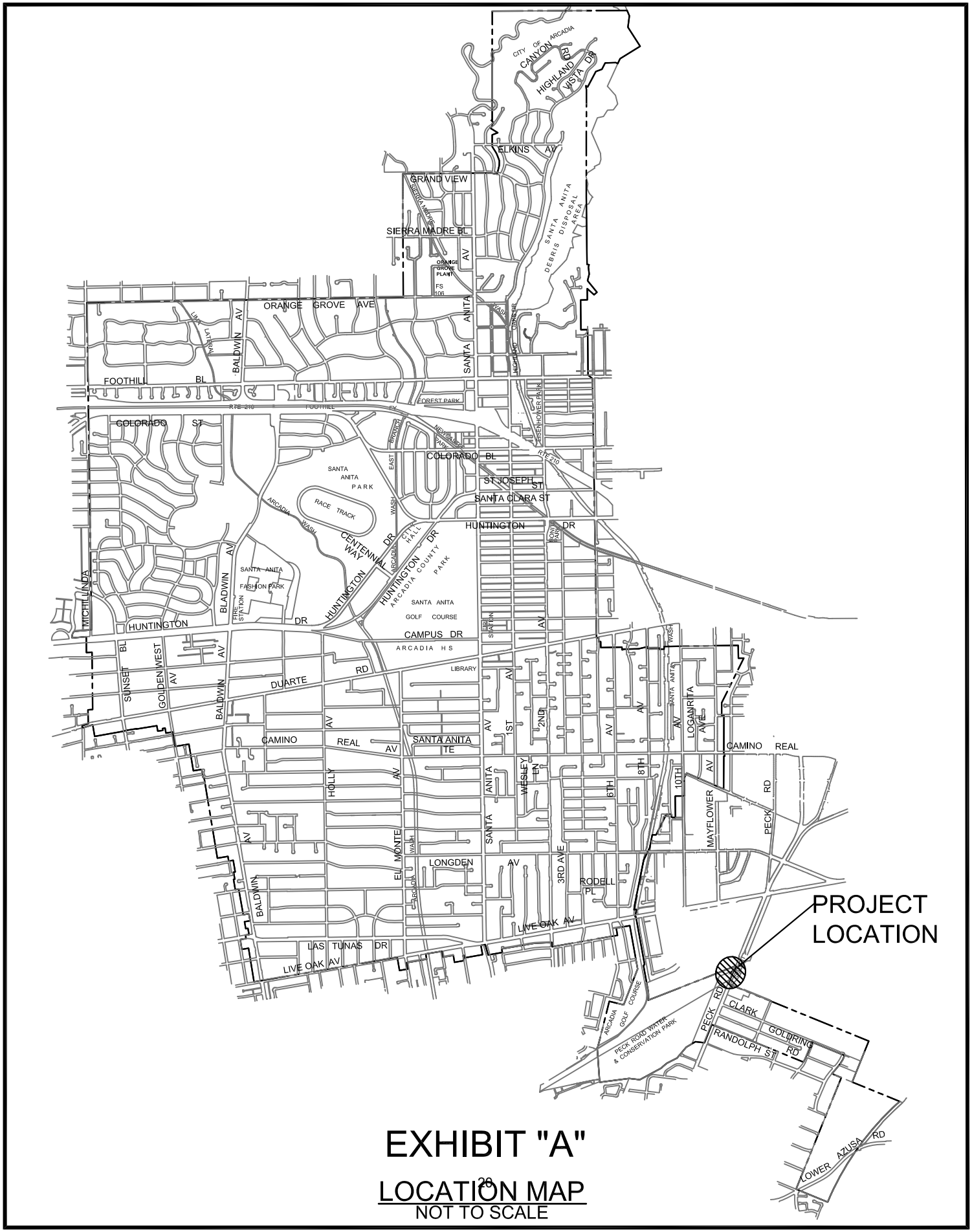
_____
City Clerk

APPROVED AS TO FORM:



_____
Michael J. Maurer
City Attorney

# Replacement of Motor Control Center and Voltage Conversion at Peck Well Project
# Project No.: 72863625




# EXHIBIT "A"

## LOCATION MAP

NOT TO SCALE

# CITY OF ARCADIA

# REPLACEMENT OF MOTOR CONTROL CENTER AND VOLTAGE CONVERSION AT PECK WELL
# PROJECT NO.: 72863625

**CONTRACT**

**BETWEEN**
**CITY OF ARCADIA**
**AND**
**PACIFIC HYDROTECH CORPORATION**

**CONTRACT FOR THE**
**CITY OF ARCADIA**

This CONTRACT, No. _____ is made and entered into this ____ day of _____, _____, by and between City of Arcadia, sometimes hereinafter called "City," and **PACIFIC HYDROTECH CORPORATION**, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

**A. SCOPE OF WORK.** The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

**Replacement of Motor Control Center and Voltage Conversion at Peck Well / Project No. 72863625**

The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

**B. TIME FOR COMPLETION.** Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within Sixty (60) calendar days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

**C. CONTRACT PRICE.** The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **EIGHT HUNDRED NINETY-TWO THOUSAND, NINE HUNDRED DOLLARS AND NO CENTS ($892,900.00)**. Payment shall be made as set forth in the General Conditions.

**D. LIQUIDATED DAMAGES.** In accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum set forth in Special Conditions, Article 1.11 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Article does not exclude recovery of other damages specified in the Contract Documents.

**E. COMPONENT PARTS OF THE CONTRACT.** The "Contract Documents" include the following:

Notice Inviting Bids
Instructions to Bidders
Bid Form
Bid Bond
Designation of Subcontractors
Information Required of Bidders
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor Registration Certification

Performance Bond
Payment (Labor and Materials) Bond
General Conditions
Special Conditions
Technical Specifications
Addenda
Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Approved and fully executed change orders
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. This Contract shall supersede any prior agreement of the parties.

**F. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.** Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

**G. INDEMNIFICATION.** Contractor shall provide indemnification and defense as set forth in the General Conditions.

**H. PREVAILING WAGES.** Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Administrative Office or may be obtained online at dir.ca.gov and which must be posted at the job site.

**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

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IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

**CITY OF ARCADIA**

By: _____
Dominic Lazzaretto
City Manager

*Attest:*

By: _____
City Clerk

*Approved as to Form:*

_____
Michael J. Maurer
City Attorney

**PACIFIC HYDROTECH CORPORATION**

By: _____
Signature

_____
Print Name and Title

By: _____
Signature

_____
Print Name and Title

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**(CONTRACTOR'S SIGNATURE MUST BE NOTARIZED AND CORPORATE SEAL AFFIXED)**

# Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On _____, 20___, before me, _____, Notary Public, personally

appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____

Signature of Notary Public

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**CAPACITY CLAIMED BY SIGNER**

☐ Individual
☐ Corporate Officer

_____
Title(s)

☐ Partner(s) ☐ Limited ☐ General

☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

**DESCRIPTION OF ATTACHED DOCUMENT**

_____
Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

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Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

**DESCRIPTION OF ATTACHED DOCUMENT**

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Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

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CITY OF ARCADIA

# STAFF REPORT

## POLICE DEPARTMENT

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Brandon Karmann, Police Chief
By: Amber Abeyta, Management Analyst

**SUBJECT:** SOFTWARE AND SERVICES AGREEMENT WITH SUN RIDGE SYSTEMS INC. FOR THE COMPUTER AIDED DISPATCH AND RECORDS MANAGEMENT SYSTEM IN AN AMOUNT NOT TO EXCEED $1,024,242 FOR A FIVE-YEAR TERM
**CEQA**: **Not a Project**
**Recommendation: Approve**

## SUMMARY

The Arcadia Police Department's Computer Aided Dispatch ("CAD") and Records Management System ("RMS") is no longer being supported by its vendor, Executive Information Services ("EIS"). In compliance with the City's procurement policy, and to promote a transparent and competitive process, a Request for Proposals was issued in July 2026 for a new CAD and RMS platform. Based on the proposals received, it is recommended that the City Council approve, authorize, and direct the City Manager to execute a Software and Services Agreement with Sun Ridge Systems Inc. for the Computer Aided Dispatch and Records Management System, in an amount not to exceed $1,024,242 for a five-year term.

## BACKGROUND

The CAD and RMS platform is a comprehensive public safety software program designed to facilitate call-taking, incident management, unit dispatching, report writing, records storage, and information sharing. The platform provides real-time situational awareness, resource tracking, mapping capabilities, analytics and secure data management to support field operations, investigations, and administrative functions. This system integrates with communications, mobile data systems, state

and federal databases, and other public safety technologies to improve operational efficiency, coordination, compliance, and service delivery. The CAD and RMS platform plays a vital role in facilitating the daily operations of the Police Department.

Since 2003, the City has maintained an agreement with EIS for CAD and RMS software. However, EIS has stopped supporting the current version used by the Police Department, recommending an upgrade to their new SmartCOP system. This transition involves significant changes, including system configuration, interface development, data conversion, testing, training, and deployment, making it akin to a complete system replacement. Consequently, the best approach was to issue a Request for Proposals ("RFP") to explore available CAD and RMS platforms that meet the Police Department's current and future needs.

## DISCUSSION

A total of four proposals were received in response to the RFP. One proposal from Hitech Systems Inc. did not meet the RFP criteria and was eliminated from further consideration, and the current provider EIS did not submit a proposal for unspecified reasons. A review committee evaluated and rated the submitted proposals based on the proposers' qualifications and references, system suitability, system requirements, computer hardware, installation and training, support services, and cost. The results of the proposal ratings, based on a maximum of 100 points, are outlined below along with their associated costs.

| Vendor | Score | Initial Cost Year 1 | Annual Cost Years 2 to 5 | Total Five- Year Cost |
|---|---|---|---|---|
| **Central Square Technologies** | 78 | $251,090 | $119,805<br>No annual increase<br>Total: $479,220 | $730,310 |
| **Versaterm Public Safety Inc.** | 80 | $530,450 | $120,420<br>5% annual increase (3% - 7% range)<br>Total: $544,977 | $1,075,427 |
| **Sun Ridge Systems Inc.** | 98 | $683,274 | $64,800<br>5% annual increase<br>Total: $293,261 | $976,535 |

The proposal submitted by Sun Ridge Systems Inc. ("Sun Ridge") achieved the highest score of 98 points. In addition to evaluating vendor proposals, each vendor provided a demonstration of their CAD and RMS platforms.

While not the lowest cost vendor, it was ultimately determined that Sun Ridge is the vendor that best fulfills the Police Department's current and future needs. Specifically, Sun Ridge outperformed other vendors due to several factors:

- **System Suitability**: Sun Ridge offers the most comprehensive and operationally efficient CAD and RMS platform tailored for each police department. After reviewing the system, it appears to seamlessly integrate with the Department's current workflows. The platform is favored by the Dispatch Division due to its built-in California Law Enforcement Telecommunications Systems functionality. It features customizable CAD screens for enhanced user experiences, flexible user workflows to accommodate various needs, mapping capabilities with customizable layers, and robust search functionalities for quick access to information. Moreover, this platform is designed to better support field personnel, enhance information accessibility, and align closely with the daily patrol workflows of the Police Department. While CentralSquare's system is modern and capable, it does not provide the ease of use or overall compatibility with current and future needs of the Department. For this reason, it was ranked the lowest among the proposals received.

- **Site License**: Sun Ridge offers a site license allowing the addition of users without extra software costs, unlike CentralSquare's user-based model and Versaterm's subscription bands based on authorized sworn users, potentially increasing annual costs if the Department exceeds its assigned users.

- **Integrations**: Sun Ridge includes essential integrations for $38,500 in their proposal, while CentralSquare may impose extra costs for changes, and Versaterm has fewer priced integrations with recurring fees.

- **Data Conversion**: Sun Ridge allocated $40,000 for a thorough data conversion process, while CentralSquare proposed a longer timeline and only acknowledged general integration capabilities, and Versaterm left costs uncertain.

- **Training**: Sun Ridge provides a thorough in-person training program for different Police Department workgroups. In contrast, CentralSquare's role-based training consists of shorter courses with some remote instruction. Versaterm includes training and configuration in its pricing but gives less specific information about class details.

As detailed in the table above, the cost proposals were divided into two distinct categories:

1. **Initial Costs**: This encompasses all components necessary for implementing the system and support for year one.

2. **Annual Costs**: This covers support, maintenance, and updates for years 2 to year 5.

Central Square Technologies (“Central Square”) annual costs will remain unchanged throughout the contract term. Versaterm Public Safety (“Versaterm”) has stated that annual costs may rise between 3% and 7% each year, with an estimated increase of 5% used for calculation purposes. Sun Ridge's annual costs include a 5% annual increase; however, given that their annual maintenance costs are significantly below the other proposals, Sun Ridge still offers the lowest annual cost.

The cloud-based systems from Central Square and Versaterm have annual subscription costs that can surpass initial infrastructure expenses. Over five years, CentralSquare's subscription may cost about $241,000 more than Sun Ridge's support, while Versaterm's could exceed $307,000, with a 5% annual increase. Versaterm's expenses will likely exceed the $300,000 infrastructure estimate in five years, while CentralSquare's will reach that threshold around year seven. This comparison highlights the difference between recurring fees and initial costs; however, a full comparison should also factor in implementation costs, including features and future hardware maintenance.

Sun Ridge is a software provider with 40 years of experience specializing in CAD, RMS, jail management, and related systems. Sun Ridge offers an on-premises CAD and RMS integrated software suite called “RIMS.” RIMS features extensive capabilities, provides user friendly software, has an outstanding reputation among public agencies, and delivers a cost-effective solution. In addition, an on-premises system is the preferred platform because it keeps the CAD and RMS servers and data within

the City's infrastructure, providing greater local control over connectivity, integrations, security, and availability.

## ENVIRONMENTAL ANALYSIS

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), based on Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that it will have no impact on the environment.

## FISCAL IMPACT

The initial cost outlined in the above table and listed in the proposal from Sun Ridge has increased by $47,707 due to applicable hardware sales tax and a new California sales tax for licensed software, which was enacted by Senate Bill 122 and will become effective beginning January 1, 2027. The new sales tax would impact all the proposals submitted. The revised total cost for the Sun Ridge CAD and RMS platform, which now includes the licensed software sales tax, totals $1,024,242 for a five-year term: $730,981 for system implementation and the first year of support; and $293,261 for annual support costs for years two through five. Refer to Attachment No. 1 for a detailed breakdown of the costs.

Sufficient funds for the CAD and RMS platform purchase, implementation, and first year support costs have been approved as part of the Fiscal Year 2026-27 Equipment Replacement budget. Future expenses for annual support for years two through five will be accounted for in the budgets for those specific years.

It is essential to recognize that implementing Sun Ridge Systems software for CAD and RMS will incur separate IT infrastructure costs. Updates to the IT infrastructure are necessary for improving the CAD and RMS platform. The IT Division is obtaining quotes for VMware licensing, compute resources, and storage solutions. The preliminary infrastructure cost estimate is around $250,000, with a $50,000 contingency, totaling approximately $300,000. This cost has been approved in the Fiscal Year 2026-27 Equipment Replacement Budget.

**RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a Software and Services Agreement with Sun Ridge Systems Inc. for the Computer Aided Dispatch and Records Management System, in an amount not to exceed $1,024,242 for a five-year term.

Approved:

Dominic Lazzaretto
City Manager

Attachment No. 1: Cost Breakdown
Attachment No. 2: Proposed Software and Services Agreement

## Attachment No. 1 – Contract Amount

| Item | Price |
|---|---|
| RIMS Computer-Aided Dispatch | $94,500 |
| RIMS Records Management Software | $115,500 |
| RIMS Mobile Computer and Mobile Mapping Software | $68,500 |
| iRIMS Law iOS / Android App Software | $22,000 |
| RIMS In Station Mapping Software | $32,000 |
| RIMS Property Room Bar Coding Software | $26,000 |
| RIMS Citizen RIMS Public Access Software | $11,000 |
| RIMS E911 Link Software | $13,000 |
| RIMS State Link to LA-JDIC Software (CLETS) | $16,000 |
| RIMS Text Link Software | $6,000 |
| RIMS Body Camera to AXON Link Software | $3,000 |
| RIMS AutoCite Link to Phoenix Group for Parking Software | $5,000 |
| RIMS to Peregrine DB Integration Software | $2,000 |
| RIMS to Flock CAD/RMS Data | $3,000 |
| RIMS to Flock Vehicle Alert Integration | $4,000 |
| RIMS to Skydio Drone Link Software | $8,000 |
| RIMS to Laserfiche Link Software | $2,500 |
| Worth Data Bar Coding Equipment | $1,700 |
| Data Conversion Services | $40,000 |
| System Installation Services | $19,400 |
| Training Services | $74,490 |
| Project Management Services | $50,884 |
| Annual Support and Updates - First Year | $64,800 |
| California Sales Tax – Bar Code Scanner | $187 |
| California Sales Tax – Licensed Software* | $47,520 |
| **CONTRACT AMOUNT** | **$730,981** |

**Year 2 to Year 5 Annual Support and Updates Cost at 5% Increase per year**

| Year 2<br>FY 2027-28 | Year 3<br>FY 2028-29 | Year 4<br>FY 2029-30 | Year 5<br>FY 2030-31 | **Year 2 to Year 5 Total Cost** |
|---|---|---|---|---|
| $68,040.00 | $71,442.00 | $75,014.10 | $78,764.81 | **$293,261** |

| | |
|---|---|
| **Five Year Contract Total** | **$1,024,242** |

*As required by SB122 which takes effect as of 1/1/27. How it is applied to all potentially taxable items are still being defined by the State of California, meaning this amount may be modified depending on those final definitions.

# SUN RIDGE SYSTEMS, INC.
# SOFTWARE AND SERVICES AGREEMENT

This Software and Services Agreement ("Agreement") is executed in duplicate as of _____, 2026, between Sun Ridge Systems, Inc., a California corporation ("Sun Ridge"), and the City of Arcadia, a political subdivision of the State of California ("the City") located at 240 West Huntington Drive, Arcadia, California, 91007.

**Section 1. Agreement.** That for and in consideration of payments and agreements hereinafter mentioned to be made and performed by the City, and under the conditions set forth in this Agreement, Sun Ridge agrees to provide computer software ("Software") and services ("Services") to the City as described in Exhibit A, Scope of Work, attached hereto and incorporated herein. The Software support and maintenance services to be provided by Sun Ridge as part of the Services are more specifically described in Exhibit C attached hereto and incorporated herein ("Software Support Services Agreement").

**Section 2. City Project Manager.** Sun Ridge shall work under the general direction of _____ in fulfilling this Agreement.

**Section 3. Scope of Work.** The project that is the subject of this Agreement shall consist of the delivery by Sun Ridge to the City of the Software and Services (the "Project") described in Exhibit A.

**Section 4. Payment Schedule.** In consideration for the Software and Services to be provided by Sun Ridge under this Agreement, the City agrees to pay Sun Ridge the contract amount ("Five-Year Contract Total") given in Exhibit B according to the following schedule ("Payment Schedule"):

| Milestone | Amount of Payment |
|---|---|
| Contract Signing | 25% of Contract Amount |
| Software Installation Complete | 25% of Contract Amount |
| Training Complete | 25% of Contract Amount |
| Final Acceptance | 25% of Contract Amount |
| | |
| Year 1 Anniversary of Go Live | Annual Support and Updates Cost Year 2 |
| Year 2 Anniversary of Go Live | Annual Support and Updates Cost Year 3 |
| Year 3 Anniversary of Go Live | Annual Support and Updates Cost Year 4 |
| Year 4 Anniversary of Go Live | Annual Support and Updates Cost Year 5 |

The City shall not be entitled to withhold or delay payments due to Sun Ridge pursuant to the above Payment Schedule due to delay in the delivery, installation, or testing of Software items described in Exhibit A where the delay is the result of action or inaction or breach of this Agreement by the City, its agents or employees or the action or inaction of a third party which is not within Sun Ridge's reasonable control.

**Section 5. Invoices.** Invoices shall be sent to:

_____

_____

_____

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Upon receipt of the invoice, the City shall verify that the invoice has been properly prepared and that the conditions of payment have been fulfilled. If the payment conditions have been fulfilled, the invoice shall be processed and paid by the City within thirty (30) days after the City's receipt thereof.

In addition to any other amounts for which City is liable under this Agreement, City agrees to pay to Sun Ridge a late charge equal to one percent (1%) of the amount due if City fails to pay Sun Ridge any amount that is due and owing pursuant to this Agreement within sixty (60) days after City's receipt of an invoice from Sun Ridge. Any invoiced amounts that are due and owing under this Agreement which City fails to pay to Sun Ridge within ninety (90) days after City's receipt of an invoice from Sun Ridge shall thereafter bear interest at the rate of twelve percent (12%) per annum or the highest interest rate allowed by applicable law, whichever is less.

**Section 6. Term of Agreement.** Unless terminated earlier in accordance with the provisions of this Agreement or applicable law, the term of this Agreement ("Term") shall be from the date shown on the first page of this Agreement through the end of Year 5 of Annual Support and Updates. During the Term, completion of the Project means the installation by Sun Ridge of all of the Software, the completion by Sun Ridge of all training and other Services, Year 1 of Annual Support and Updates and the payment by the City to Sun Ridge of the Contract Amount. The Project schedule is to be separately generated and agreed to between the parties. Notwithstanding the foregoing, the License described in Section 9 below will remain in effect until it is terminated pursuant to Section 9.

**Section 7. Warranty/Disclaimer of Liability.**

a. Sun Ridge warrants that upon delivery the Software substantially conforms to its Documentation and is free from defects that will materially impair its use. The City's sole and exclusive remedy for breach of this warranty will be repair or replacement of the Software. Sun Ridge will make reasonable efforts to correct errors in the Software, but does not warrant that the Software is error-free or will perform without interruption. The City has relied solely upon its own investigation and judgment in selecting the Software and not upon any representations or promises of Sun Ridge except as may be expressly stated in this Agreement.

b. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES PERTAINING TO THE SOFTWARE, EXPRESS OR IMPLIED, AND SUN RIDGE SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

c. IN NO EVENT WILL SUN RIDGE BE LIABLE FOR LOST BUSINESS, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, WHETHER FOR BREACH OF WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE) ARISING OUT OF THE QUALITY, CONDITION OR USE OF THE SOFTWARE OR ANY OTHER PART OF THE PRODUCT. IN NO EVENT WILL SUN RIDGE BE LIABLE FOR ANY AMOUNT WHICH EXCEEDS THE AMOUNT PAID BY THE CITY FOR THE PRODUCT.

**Section 8. Final Acceptance.** For thirty (30) days from the beginning of Agency's Operational Use of the Software or forty (40) days after the completion of installation and training by Sun Ridge, whichever comes first (the "Test Period"), Agency shall test the system for defects and anomalies. "Operational Use" is defined as the Agency's use of the Sun Ridge Software in the course of the Agency's daily business activities. During the Test Period, Sun Ridge shall address and attempt to resolve issues with the Software identified by Agency under the Software Support Services Agreement (Exhibit C). At the end of the Test Period, Agency shall accept or reject the Software as follows:

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a. If City determines that the Software is performing to its satisfaction it shall immediately provide written notice to Sun Ridge of final acceptance of the Software ("Final Acceptance Notice"), and upon receipt of a valid invoice from Sun Ridge, shall process and pay the final milestone of the Contract Amount including any additional outstanding milestone Payment Amounts. Any remaining issues with the Software shall be covered as part of the original cost of the system and handled as maintenance items under the Software Support Services Agreement (Exhibit C).

b. If City decides to not accept the Software, then it must so notify Sun Ridge in writing within five (5) calendar days after the end of the Test Period (a "Rejection Notice"). If a Rejection Notice is given, this Agreement shall be automatically terminated and all payments already made by City to Sun Ridge, less the cost of project management, installation, data conversion, and training services provided up to the date of termination shall be returned to City by Sun Ridge within thirty (30) days after receipt of the notice. The terms of Section 11 and all other provisions of this Agreement that expressly survive such termination shall apply.

c. If City fails to provide a Final Acceptance Notice or a Rejection Notice within five (5) calendar days after the end of the Test Period, then City's final acceptance of the Software shall be considered to have occurred and City and Sun Ridge shall proceed as described in section 8.a above.

**Section 9. Software License.** Subject to the terms, conditions, limitations and restrictions set forth in this Agreement, Sun Ridge grants to the City a nonexclusive and non-transferable license, effective upon the City's Final Acceptance of the Software pursuant to Section 8 above, to use the Software in connection with the City's normal and customary daily operations substantially as they exist as of the date of commencement of the Term as described below (the "License"). The City shall acquire no ownership or other rights in or to the Software except for the License granted hereunder, and title to the Software shall at all times remain with Sun Ridge.

a. The following additional terms, conditions and limitations apply to the License:

i. The City may use the Software only for the agency that is the subject of this Agreement. The CITY shall not permit any other agency to use the Software unless it has first obtained explicit written agreement from the Sun Ridge to do so;

ii. The City may make a copy of the Software for backup or modification purposes only in support of the City's authorized use of the Software hereunder as Sun Ridge has expressly authorized; and

iii. No one using the Software, and no one for whose benefit the Software is being used, shall sublicense, resell, distribute, market, provide or otherwise make available the Software or any part or copies thereof to any third party.

iv. The City shall not transfer, use, or export the Software in violation of any applicable laws, rules, or regulations of any government or governmental agency.

v. The City shall not use the Software to disrupt, disable, or otherwise harm the operations, software, hardware, equipment, and/or systems of a business, institution, or other entity, including, without limitation, exposing the business, institution, or other entity to any computer virus, trojan horse, or other harmful, disruptive, or unauthorized component.

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vi. The City shall not embed the Software in any third-party applications, unless expressly permitted under this Agreement or otherwise authorized in writing in advance by an authorized officer of Sun Ridge.

vii. The License granted under this Agreement shall apply only to the object code for the Software. No one using the Software, and no one for whose benefit the Software is being used, shall have the right to use or have access to the source code for the Software, and neither the City nor anyone using the Software pursuant to this License will modify, change, merge, adapt, translate, reverse engineer, decompile, disassemble or prepare derivative works based upon the Software.

viii. The City acknowledges that the Software and the Documentation constitute trade secrets of Sun Ridge. The City agrees to maintain the confidentiality of the Software and the Documentation, and shall take commercially reasonable steps to preserve that confidentiality pursuant to Section 12 of this Agreement.

b. The term of the License shall commence upon Final Acceptance of the Software by the City, and shall continue until the License is terminated as provided below.

i. Sun Ridge may immediately terminate the License in the event of any failure by the City to comply with the terms or conditions of this Agreement by giving written notice of such termination to the City. In the event the City has leased the Software from Sun Ridge, the License will terminate automatically upon termination of the lease. Upon such termination, the City shall immediately cease further use of the Software and will cause all copies of the Software to be destroyed or returned to Sun Ridge.

ii. The City may terminate the License at any time by giving written notice thereof to Sun Ridge and by destroying or returning to Sun Ridge all copies of the Software. The City acknowledges and agrees that any election by the City to terminate the License hereunder will not entitle the City to any refund of amounts paid or compensation of any kind from Sun Ridge.

iii. Upon any termination or expiration of the License, an authorized representative of the City shall certify in writing to Sun Ridge that all copies of the Software and the Documentation which were the subject of the License have either been destroyed or returned to Sun Ridge as required above.

iv. The provisions of Sections 7 and 11 through 13, inclusive, shall survive the expiration or termination of this Agreement.

c. Sun Ridge may, at its option, release updates to or new versions of the Software. If the City elects to obtain any update or new version of the Software, the use of such update or new version will be subject to the terms and conditions of this Agreement.

d. Except as expressly provided in this Agreement, Sun Ridge retains all intellectual property rights and other rights to the Software, Documentation (as defined below), and the source code for the Software.

**Section 10. Indemnity and Insurance.**

a. Sun Ridge agrees to indemnify, defend, and hold harmless the City and its officers, directors, shareholders, employees, and agents (the "City Indemnified Parties") from any and all claims, demands, liabilities, and costs, including attorney's fees ("Claims"), arising out of or relating to (i) any actual infringement of a third-party's intellectual property rights

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or (ii) the negligence or willful misconduct of any employee or agent of Sun Ridge occurring during or as a result of Sun Ridge's performance of its obligations hereunder, provided that Sun Ridge shall have no indemnity or other obligations to the City hereunder to the extent any such Claims arise from or are the result of the negligence or other fault of the City or its employees, agents or other contractors nor shall the foregoing indemnity and hold harmless obligations of Sun Ridge extend to or cover any Claims arising from or relating to claims of defects or errors in the Software or the City's use or inability to use the Software. This indemnity obligation shall survive the expiration, cancellation or termination of this Agreement. Notwithstanding the foregoing, the City expressly waives, releases, and agrees that neither Sun Ridge nor Sun Ridge's officers, directors, shareholders, employees, agents and affiliates shall have any liability for any individual's or entity's lost business, direct damages, incidental or consequential damages, or any other Claims arising out of or related to the use or implementation of the Software.

b. During the term of this Agreement, Sun Ridge shall comply with the following insurance requirements:

i. Workers' Compensation. Sun Ridge shall fully comply with the terms of the law of California concerning workers' compensation. Said compliance shall include, but not be limited to, maintaining in full force and effect one or more policies of insurance insuring against any liability Sun Ridge may have for workers' compensation. Said policy shall also include employer's liability coverage of $1,000,000 per accident for bodily injury or disease.

ii. General Liability Insurance. Sun Ridge shall obtain at its sole cost and keep in full force and effect during the term of this Agreement commercial general liability insurance in the amount of $1,000,000 per occurrence for bodily injury, and property damage personal injury; coverage includes products and completed operations,. Said insurance shall provide (1) that the City, its officers, and employees shall be included as additional insureds under the policy, and (2) that the policy shall operate as primary insurance, and non-contributory.

iii. Automobile Liability Insurance. Sun Ridge shall obtain at its sole cost and keep in full force and effect during the term of this Agreement business automobile liability insurance in the amount of $1,000,000 combined single limit per occurrence for bodily injury and property damage. Said insurance operate as primary insurance, and non-contributory.

iv. Certificates of Insurance. Sun Ridge shall file with City upon the execution of this Agreement, certificates of insurance which shall provide that no cancellation, major change in coverage, expiration, or nonrenewal will be made during the term of this agreement, without thirty (30) days written notice to the City prior to the effective date of such cancellation, or change in coverage.

**Section 11. Termination Rights.** Either party may terminate this Agreement upon material breach of any of the terms of this Agreement by the other Party, after first giving the other party written notice of such breach and thirty (30) days to cure. If the breaching party does not cure the breach within the allotted time, the Agreement will be terminated. Upon Termination, each party will return, delete, or destroy any copies, whether tangible or electronic, of Confidential Information obtained from the other party pursuant to this Agreement, including but not limited to any Documentation and any Confidential Information stored on any equipment that may be returned, and certify to the other party in writing within five (5) business days of the termination date that it has done so.

**Section 12. Confidential Information.** "Confidential Information" means any and all confidential information of a party to this Agreement that is not generally known to or by members of the public, including but not limited to businesses that compete with such a party, including but not limited to the Software and the Documentation pertaining thereto. Confidential Information

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shall not include information that is now or becomes part of the public domain, is required by applicable law to be disclosed, was already known by the receiving party at the time of disclosure, is independently developed by the receiving party without any use of Confidential Information, or is lawfully obtained from a third party. “Documentation” means those visually readable materials developed by or for Sun Ridge for use in connection with the Software, in either written or electronic form.

Each party agrees to protect the other party’s Confidential Information. Confidential Information will not be used or disclosed except as authorized by the providing party. Confidential Information will be disclosed to employees of the receiving party only on a “need to know” basis and only after such employees are informed of the confidential nature of the information and obligated to maintain confidentiality.

If a party or any party acting on its behalf is required to disclose by order of a court of competent jurisdiction, administrative agency or governmental body, or by subpoena, summons or other legal process, or by law, rule or regulation, or by applicable regulatory or professional standards to produce Confidential Information, that party shall promptly (and prior to such disclosure) notify the other party in writing of such demand or requirement whereupon the parties shall cooperate and take all reasonable acts (without significant cost or expense to the notifying party) to exhaust the legal avenues available to maintain the confidentiality of such Confidential Information, unless the party whose Confidential Information is at issue consents to the production and disclosure of such Confidential Information. In all events, only that portion of the Confidential Information specifically requested by the tribunal or person compelling such disclosure shall be provided and no interpretation or analysis of such data prepared for the purpose of such disclosure shall be disclosed unless approved the party whose Confidential Information is at issue or required by law.

**Section 13. General Terms.**

a. Governing Law. This Agreement will be construed by and enforced in accordance with the laws of the state of California.

b. Arbitration. If a dispute arises from or related to this Agreement or the breach of this Agreement and if such dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation to be held in Sacramento, California, under the Commercial Mediation Rules of the American Arbitration Association before resorting to arbitration. Thereafter, any unresolved controversy or claim arising from or relating to this Agreement, or breach of this Agreement, shall be settled in arbitration to be held in Sacramento, California. The arbitration will be governed by the Commercial Arbitration Rules of the American Arbitration Association, and the parties shall be allowed discovery in accordance with the California Code of Civil Procedure. If Sun Ridge and the City cannot jointly select a single arbitrator to determine the matter, one arbitrator shall be chosen by each of Sun Ridge and the City (or, if a party fails to make a choice, by the American Arbitration Association on behalf of such party) and the two arbitrators so chosen will select one additional arbitrator. The decision of the single arbitrator jointly selected by Sun Ridge and the City, or, if three arbitrators are selected, the decision of any two of them will be final and binding on the parties and the judgment of a court of competent jurisdiction may be entered on such decision. The prevailing party shall be entitled to recover reasonable fees and expenses resulting from any arbitration proceeding.

c. Severability. If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, such finding shall not affect the validity, legality, or enforceability of the remaining provisions.

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d. Assignment. Parties may not transfer, assign, or sublicense this Agreement, any license hereunder, or any of its rights or duties hereunder to any other person, site or corporation without the prior written consent of the other party. Any attempted transfer, assignment, or sublicense made without prior written consent shall be completely void.

e. Notice. Any notice requested or permitted to be given hereunder shall be sent prepaid, certified mail, return receipt requested, and shall be deemed to have been given on the third (3rd) business day after mailing to the other party as follows: to the City at the address indicated in the initial paragraph of this Agreement or to electronic mail address _____; to Sun Ridge Systems at P.O. Box 5071, El Dorado Hills, CA 95762, or electronic mail address Carolj@SunRidgeSystems.com. Notices may be given by electronic mail transmission to such address as may be specified by the party for such purpose and shall be deemed to have been given when transmitted to such address with confirmation of a successful transmission.

f. Independent Contractors. The parties to this Agreement shall constitute independent contractors. Nothing in this Agreement shall be construed as establishing any employment, partnership, joint venture or similar arrangement between the parties, and no party has any authority to commit any other party to any obligation to any other person or entity, unless expressly agreed to in writing signed by such party.

g. Force Majeure. Sun Ridge shall not be responsible for interruption of, interference with, diminution of, or suspension of any of its products or services, including performance failure, which are caused by strike, lockout, riot, epidemics, war, government regulation, fire, flood, natural disaster, acts of God, utility failures, losses or injuries arising directly or indirectly from criminal acts, negligent acts of others, malfunctions or inadequacies of equipment or service not directly within the control of Sun Ridge.

h. Authorization/Entire Agreement/Modification. This Agreement will be effective upon signing by the City and Sun Ridge. This Agreement is the complete and final Agreement of the parties relating to the subject of this Agreement and it replaces and supersedes any prior or contemporaneous oral or written understandings or agreements. No alteration or variation to the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

This Agreement has been executed by the parties hereto, from the date shown on the first page.

| | |
|---|---|
| SUN RIDGE SYSTEMS, INC. | CITY OF ARCADIA |
| By: _____ | By: _____ |
| Carol Gomes Jackson<br>Its: President | Its: |

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## Exhibit A Scope of Work

### Section 1 – Software Licenses

The City has purchased the following software licenses:

- RIMS Computer Aided Dispatch Software
- RIMS Records Management Software
- RIMS Mobile/Mobile Mapping Computer Software
- iRIMS Law Mobile App Software
- RIMS In-Station Mapping Software
- RIMS Property Room Bar Coding Software
- Citizen RIMS Public Access Software
- RIMS to Text Software

The City has purchased the following RIMS interface software:

- RIMS E911 Link
- RIMS State Link (CLETS) Software
- RIMS Body Worn Camera Link (AXON)
- RIMS AutoCite Link to Phoenix Group Parking Software
- RIMS Peregrine Database Integration Software
- RIMS to Flock CAD/RMS Data Link Software
- RIMS Flock Vehicle Alerting Integration Software
- RIMS to Skydio Drone Link Software
- RIMS to LaserFiche Link Software

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### Section 2 – Hardware/Equipment

The City is purchasing one (1) Worth Data Bar Code Scanner Unit

### Section 3 – Third-Party Software

Sun Ridge is providing no Third-Party software.

### Section 4 - Project Schedule

Upon execution of the Agreement, Sun Ridge and the City shall define a mutually agreed on project schedule.

### Section 5 - Installation

Sun Ridge will install all Sun Ridge provided Software on City provided servers and will provide instruction to the City staff on how to install the client workstation Software and Mobile/App Software. The City's servers and workstations (including desktop and laptop computers as well as Android and/or iOS devices) shall meet the minimum specifications set forth in Section 12. Access to the City supplied servers shall be via unattended remote access using a product called Bomgar by Beyond Trust, provided by Sun Ridge. As part of installation, Sun Ridge will set up a basic system backup process to local disks.

**Section 6 – Configuration**

Sun Ridge will provide the following sessions to the City's designated RIMS Administrators:

**RIMS Configuration and Setup**: Consists of up to 16 hours for CAD/RMS of configuration training, conducted via phone and/or remote access. The City's "RIMS Administrators" will be instructed on how to configure RIMS to most closely meet the desired operational procedures of the City. In some cases, the RIMS Administrators may find that modifying existing procedures may be desired in order to take full advantage of RIMS functionality. Discussions will include:

- Customization of drop-down menu choices for 200+ fields
- The City's dispatch operational decisions
- The City's records management operational decisions
- Paper flow vs paperless vs less paper for records
- Selection of case format type
- Review of data conversion processes and implementation, including reviewing data and starting data translations if converted data is available at the time the session is scheduled

**Section 7 – Street File (aka "Geofile") Load**

The City and Sun Ridge will work together to determine the best street file source. One "load" of this source file into RIMS is included in the scope. If the City determines that additional iterations of the street file are to be loaded (due to updates or corrections) or determines an alternative source for the street file is preferred, Sun Ridge may charge additional fees for the additional loading.

**Section 8 - Integration**

Sun Ridge will provide RIMS sided interfaces for all third-party software applications listed in Section 1 above. The City must coordinate with third-party vendors to complete and test their portion of the interface.

**Section 9 – Training**

Sun Ridge is providing "end user" training all of which will be conducted on-site at a City provided location(s). Training days are contiguous, including weekends. Class times are 0800 to no later than 1700. Sun Ridge will provide a training plan at least 30 days prior to the first training session, generally following the parameters and total number of classes set forth in the chart below but with the specifics mutually agreed upon by the Parties.

Sun Ridge will provide course materials/handouts in electronic format in advance of the training. A "session" is a repeat of the same class/material.

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**End User Training**

| Subject | Sessions Offered | Days Per Session | Total Days | Class Size |
|---|---|---|---|---|
| CAD/Dispatcher | 2 | 2 | 4 | No more than 1 student per workstation/10 students per session max |
| Officers/Mobile Training | 4 | 2 | 8 | No more than 2 students per workstation/20 students per session max |
| Records | 1 | 1 | 1 | 1 student per workstation (also must attend Day 1 of Officer Training) |
| Property Room | 1 | 1 | 1 | 1 student per workstation (also must attend Day 1 of Officer Training) |
| IT Go Live Prep | 1 | 1 | 1 | TBD |
| Admin Review | 1 | 1 | 1 | TBD |

In addition, the project includes 8 hours of Post Go Live Review and 16 hours of refresher training, conducted remotely, typically scheduled 3 – 6 months post go live.

**Section 10 - Go Live Support**

Three (3) Sun Ridge staff will be on site on the day of and the day after go live. Staff will be on site to answer questions and to address any system problems.

**Section 11 – Data Conversion**

Data conversion does not include establishing access between RIMS and the current EIS data. The City will obtain the full data set in SQL format from EIS and restore that data to the RIMS server. Sun Ridge will require at a minimum, two sets of data, one at the initial onset of the project and a second just prior to RIMS go live. Interim requests for data may also be required.

Once Sun Ridge receives access to the data, Sun Ridge will evaluate it to determine which items may be converted into RIMS. Please note that not all data may be available or suitable for conversion. As part of Sun Ridge's standard data conversion, we **attempt** to convert the following items. The following items are part of Sun Ridge's standard data conversion:

People:

- Person Name (including combining duplicates based on 6-way match)
- DOB
- Contact Information
- Description
- Identification Numbers

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- Officer Safety Notifications
- Log Entries for Connections to Cases
- Log Entries for Citations
- Log Entries for Field Contacts
- Person Photos (if stored in the RMS and NOT a separate database or system).

Arrests:

- Arrestee
- Date/Time
- Charges
- Counts
- Offense Level
- Disposition
- Booked/Cited Out.
- Arresting Officer ID
- Booking #

Vehicles:

- License (including combing duplicates based on 2-way match)
- License
- State
- Make
- Model
- Year
- Color
- Type
- Log Entries for Connections to Case
- Log Entries for Field Contacts
- Log Entries for Citations.

Cases:

- Location
- Date Reported
- Date Occurred
- Classification/Type
- Offenses
- Case Dispositions
- Date of Dispositions
- Officer ID
- Persons
- Vehicles
- Narratives
- Supplements.
- Attachments to cases to include the following file types: .doc (no imbedded photos), .pdf., .jpeg.

Accident Reports (if stored in EIS):

- Location
- Date Reported
- Date Occurred

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- Classification/Type
- Offenses
- Case Dispositions
- Date of Dispositions
- Persons
- Vehicles
- Narrative
- Supplements
- CHP 555 Form and Diagram as .pdf files as part of attachments process.

Warrants (if applicable):

- Person Name
- Warrant #
- Warrant Date
- Type
- Felony/Misdemeanor
- Reason
- Court
- Judge
- Case #
- Cite
- Docket
- Ref #
- Agency
- Charges
- Comment
- Bail Amount
- Served Date
- Returned Date
- Returned Reason
- Recalled Date
- Recalled Reason.

Property in Cases:

- Category
- Article
- Status
- Description
- Brand
- Model
- Item #
- Property Code
- Locations
- Value-stolen
- Recovered
- Damage
- Officer.

Premises:

- Common Place Name
- Address

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- Contract Person
- Contract Phone Number
- Alarm.

Streets (if electronic street file is available):

- Street Name
- Intersections (with block ranges).

Officer:

- Name
- ID

Users:

- Name
- ID

**Conversion of CAD data and third-party Property Room is not included**.

**Attachments stored in separate databases are not included.**

Data conversion is an iterative process and requires the City to review converted data as soon as it is loaded and report any errors found to Sun Ridge. The City must identify at least two people to be part of a data conversion review team. This data conversion review team shall promptly review the converted data once it is loaded into RIMS, identify any problems with the converted data, and report those problems to Sun Ridge in an organized manner.

Sun Ridge will then correct the reported errors, re-run the conversion, reload it onto your system and ask the data conversion review team to review the data again. The cycle is repeated as often as is necessary to ensure that the data conversion is as complete and correct as possible. To assist you with the review process, Sun Ridge will have trainers available via phone and remote access to guide the City. Sun Ridge staff are NOT responsible for reviewing or identifying errors in the converted data. They are responsible for facilitating the process with your staff. If during the course of data conversion Sun Ridge staff becomes aware of any error or defect in the data conversion process or the data itself, Sun Ridge staff will notify the City data conversion review team of such errors or defects. and if possible, will correct the identified error and reload it onto the City system.

In addition to the continued review of the data for the duration of the project via phone and remote access, there is one (1) day of on-site data conversion sessions with the Sun Ridge trainer and your staff prior to system cutover.

Our data conversion specialist will work with your technical staff to determine:

1) The best format with which to provide the extracted data to the conversion specialist
2) The best method for transferring that data to the conversion engineer; and,
3) The timing for the final extract, conversion, and load of data for go live.

The City is responsible for the following:

- Coordinate and schedule resources of the City to include IT staff and EIS



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**Section 12 - The City's Responsibilities**

The City is responsible for the following:

- Installation of all remaining client workstations
- Installation of all remaining mobile computers
- Installation of all remaining smartphone/tablet devices
- Coordinate and schedule resources of the City to include IT staff
- Identify RIMS Administrators
- Identify Data Conversion Review team (can be the same as RIMS Administrators)
- Provide data communications infrastructure (network, wireless, internet, intranet)
- Complete, submit and gain approval of updated DOJ CLETS application
- Coordinate testing of the CLETS Message Switch
- Complete CIBRS re-certification (if required by DOJ)
- Contact third party vendors, and any other required third-parties, and coordinate their schedules and costs they may charge the City to provide, install and test their portion of the interface to RIMS.
- Provide Geofile (aka "street file") source and build-out
- Ensure accuracy of the geofile
- Provide initial map source file
- Ensure all user-maintained configuration and data validation tables are completed prior to the start of training
- Provide training facilities and workstations (meeting minimum workstations requirements) and ensure access to RIMS training database from the training location(s)
- Training facilities must meet current Federal, State and local guidelines for health and safety, including those that may affect class size and physical configuration
- Make paper copies of class materials and handouts provided by Sun Ridge
- Schedule the City's staff into requisite classes
- Assume any costs for staff overtime or other expenses incurred to support training schedule
- The City will allow **unattended remote access** (during implementation) to Sun Ridge allowing the use of Bomgar by BeyondTrust remote access software so that Sun Ridge may meet its responsibilities under this Agreement
- Purchase a minimum of one (1) DYMO LabelWriter 550 Turbo Label Printer and minimum one (1) month supply of Dymo Labels # 30256 for Property Room
- The City will provide the following hardware meeting the following minimum specifications:
    - **Database Software:** Microsoft SQL Server software (Standard Edition)

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required to run the RIMS database.

- **Servers:** RIMS software supports a traditional hardware platform or a virtual platform. The hypervisor software products supported - VMWare, Hyper-V, and others. You will need one database server and one application server. The application server does not require as much disk or RAM as the database server.

- **Monitor Resolution: 1920 x 1080**

- **Minimum Specifications (If using existing PCs and servers)**

| Office Workstations | Database Servers |
|---|---|
| Microsoft Windows 10+ | Microsoft Windows Server 2016+ |
| 2+ Ghz Processor / i5+ | Microsoft SQL Server 2016+ |
| 8 GB+ RAM | Intel 2 GHz+ Processor |
| Any Size Disk Space | 16 GB+ RAM |
| | 3x Current System Database Size for Conversion |

- **Minimum Specifications (If purchasing new PCs and servers)**

| Office Workstations | Database Servers |
|---|---|
| Microsoft Windows 10+ | Microsoft Windows Server 2022+ |
| i7/i9 Processor | Microsoft SQL Server 2022+ |
| 16 GB+ RAM | i7, Xeon, or AMD Equivalent Processor |
| Any Size Disk Space | 32 GB+ RAM |
| | 3x Current System Database Size for Conversion |

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- **Mobile Computer Specifications:** RIMS Mobile Computer Software/OFR Software and RIMS Mobile Mapping run on Windows laptops or Windows tablets per the following minimum specifications:

  - **Recommended Specifications (If purchasing new Laptops/Tablets)**

| Laptops / Tablets |
|---|
| Microsoft Windows 10+ |
| i7/i9 Processor |
| 16 GB+ RAM |

| |
|---|
| Any Size Disk Space |

**Optional features for Mobile RIMS:** include support for touchscreens, locally connected GPS devices (COM-port Serial or network connection to the modem), NFC readers for YubiKeys (MFA), and Driver's License barcode scanning using enabled Getac tablets or DL scanners (Com-port Serial – AAMVA format – purchased separately by the City).

- **Phone and Tablet Devices:** The City must provide connectivity from the Phone or Tablet via the internet back to the City to reach the Application Server. The City must also provide a secure method to reach the Application Server, which can be done in various ways. Most agencies choose to use an agency-provided Virtual Private Network (VPN) or Net-Motion-type product that these devices support.

  **Supported Devices Include**:

| Android Devices | iOS Devices |
|---|---|
| Android v13+ | iOS v16+ |

- **FBI CJIS Requirements:** All workstations must comply with FBI CJIS policies, including Multi-Factor Authentication (MFA). MFA can be provided within the Sun Ridge Systems products, or the City can use its own solution. Sun Ridge only offers these two MFA possession solutions: Time-Based One-Time Password (TOTP) Authenticator and physical YubiKeys (purchased by the City). For mobile devices using Mobile RIMS or iRIMS, a Mobile Data Management (MDM) software product may be required, which Sun Ridge does not provide nor sell. The City is responsible for other FBI CJIS requirements, including virus protection, local firewalls, and VPNs.

- **Property Room Specifications:**
  - Provide a minimum of one (1) DYMO LabelWriter 550 Turbo Label Printer
  - Provide a minimum one (1) month supply of Dymo Labels # 30256 for Property Room

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## Exhibit B – Contract Amount

| Item | Price |
|---|---|
| RIMS Computer-Aided Dispatch | $94,500 |
| RIMS Records Management Software | $115,500 |
| RIMS Mobile Computer and Mobile Mapping Software | $68,500 |
| iRIMS Law iOS / Android App Software | $22,000 |
| RIMS In Station Mapping Software | $32,000 |
| RIMS Property Room Bar Coding Software | $26,000 |
| RIMS Citizen RIMS Public Access Software | $11,000 |
| RIMS E911 Link Software | $13,000 |
| RIMS State Link to LA-JDIC Software (CLETS) | $16,000 |
| RIMS Text Link Software | $6,000 |
| RIMS Body Camera to AXON Link Software | $3,000 |
| RIMS AutoCite Link to Phoenix Group for Parking Software | $5,000 |
| RIMS to Peregrine DB Integration Software | $2,000 |
| RIMS to Flock CAD/RMS Data | $3,000 |
| RIMS to Flock Vehicle Alert Integration | $4,000 |
| RIMS to Skydio Drone Link Software | $8,000 |
| RIMS to Laserfiche Link Software | $2,500 |
| Worth Data Bar Coding Equipment | $1,700 |
| Data Conversion Services | $40,000 |
| System Installation Services | $19,400 |
| Training Services | $74,490 |
| Project Management Services | $50,884 |
| Annual Support and Updates - First Year | $64,800 |
| California Sales Tax – Bar Code Scanner | $187 |
| California Sales Tax – Licensed Software* | $47,520 |
| **CONTRACT AMOUNT** | **$730,981** |

**Year 2 to Year 5 Annual Support and Updates Cost at 5% Increase per year**

| Year 2<br>FY 2028-29 | Year 3<br>FY 2029-30 | Year 4<br>FY 2030-31 | Year 5<br>FY 2031-32 | **Year 2 to Year 5 Total Cost** |
|---|---|---|---|---|
| $68,040.00 | $71,442.00 | $75,014.10 | $78,764.81 | **$293,261** |

| | |
|---|---|
| **Five Year Contract Total** | **$1,024,242** |

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*As required by SB122 which takes effect as of 1/1/27. How it is applied to all potentially taxable items are still being defined by the State of California, meaning this amount may be modified depending on those final definitions.

## Exhibit C – Support Services

This is a description of the software support, maintenance, and update/upgrade services to be provided by Sun Ridge Systems, Inc. ("SRS") to the City of Arcadia ("Licensee") as part of a Software Support Services Agreement ("Agreement"). This Agreement covers all RIMS public safety software (Software) licensed by the Licensee and is effective on the date of system cutover of the first RIMS product in production use.

Under this agreement SRS agrees to provide the following services to Licensee:

1. **Coverage Hours.** SRS will provide a toll-free phone number and dedicated email address for support purposes during normal service hours. *Normal service hours are defined as Monday-Friday, 8AM-5PM PST, except for New Year's Day, Martin Luther King Day, Presidents Day, Memorial Day, July 4th, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day ("common holidays").*

   However, for instances where the Licensee's system is completely inoperable due to an SRS software problem ("critical problems") preventing basic system operation, service will be available 24 hours, 7 days a week, common holidays included. Examples of critical problems include:

   - RIMS is down/not responding on multiple workstations
   - Cannot create a call for service (CAD Incident)
   - Cannot issue a case number
   - Unable to access NCIC
   - Other issues that will not allow the user to complete critical tasks

   Licensee will have taken reasonable measures prior to contacting SRS support during non-service hours including:

   - Verified that the issue is not related to just 1 workstation
   - Restarted the workstation in question
   - Contacted in-house IT support if the issue is related to network or server errors
   - Verified the issue is critical enough that it cannot wait until normal support hours

2. **SRS Response to reported problems**. SRS agrees to provide service and assistance as expeditiously as possible as follows:

   a. Most problems will be resolved with the initial phone call or email.

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b. For problems that cannot be immediately resolved, SRS will work to resolve the problem based on the severity of the problem *and* the urgency reported by Licensee.

- For critical problems, SRS personnel will work with Licensee until the situation is resolved.
- For problems that are not critical problems that have a lesser though continuing impact on operations of Licensee SRS will endeavor to provide a solution or workaround within 72 hours of the problem being reported to SRS by the Licensee.
- For other problems SRS may, at its discretion, either issue a near term "fix release" of the product or include the fix in the next scheduled product update.

3. **Licensee equipment and software responsibilities.** Licensee agrees to allow SRS to remotely connect to Licensee's system when a problem is reported. SRS uses BeyondTrust remote access software for secure installation and follow-on support services. BeyondTrust software provides superior security and does so over an ordinary internet connection via an SRS server that hosts a BeyondTrust security hardware device.

   If Licensee does not allow unattended access, the SRS response to a service request may be delayed until a responsible party of the Licensee allows access. Once remote access is obtained, SRS will examine data files, investigate reported problems, and provide updates and corrections as necessary.

4. **Provision of software updates.** SRS will provide all new enhanced and updated versions of software licensed to Licensee at no additional cost. This software will be provided with detailed installation instructions for installation by Licensee. If desired, Licensee may retain SRS to perform any installation at additional cost to be determined on a per case basis. Updates are distributed via download from the SRS ftp web site. SRS will not be obligated to provide service for release versions that are more than two annual release versions older than the current release.

5. **Term**. The term of the support period shall be one year from the date of system cutover and shall be annually renewed for another year upon payment of invoice. Payment for the year is due in advance the day the services begin. Non-payment of the support invoice within 60 days as shall be cause for terminating or suspending support services at the discretion of SRS.

6 **Termination.** Licensee may terminate this Support Services Agreement with or without cause upon ninety (90) days written notice to SRS. If terminated, Licensee is entitled to a prorated refund for the service days not consumed beginning on the last day of the month the written notice is received by SRS to the end of the remaining term of the Agreement.

7. **Limitations**. SRS agrees to provide support only for public safety application software provided by SRS. Other software used by Licensee (word processing, spreadsheet, etc.) is not included in this Agreement. PC and network operating system software and Microsoft SQL Server database system software is similarly not included, although SRS may assist Licensee in isolating problems to this software. (SRS reserves the right to charge for diagnostic services in the event it is

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determined that the reported issue is not attributable to RIMS.) Also specifically excluded is responsibility for administration, support, or maintenance of Licensee' server, computer network, operating systems, or database (Microsoft SQL Server).

Licensee may request that SRS provide support services outside the limitations of this Support Services Agreement. If SRS agrees to provide any requested additional support services, such support services will be provided at SRS's current rate and under terms and conditions that SRS may require.

This Agreement does not include equipment maintenance or assistance in diagnosing hardware problems including but not limited to PCs, printers, network, scanners, and other computer peripheral devices with the exception that SRS will assist Licensee in determining whether it is application software in nature.

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CITY OF ARCADIA

# STAFF REPORT

## PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director
By: Leonel Martin, Public Works Project Manager

**SUBJECT:** CONTRACT WITH ALL SOURCE COMPANY BUILDING GROUP FOR THE ARCADIA FIRE STATION 106 EXTERIOR PAINTING AND FASCIA REPLACEMENT PROJECT IN THE AMOUNT OF $157,023.90, WITH A 10% CONTINGENCY
**CEQA: Exempt**
**Recommendation: Approve**

## SUMMARY

The Public Works Services Department ("PWSD") is responsible for the maintenance and repair of City-owned facilities, including painting and other building maintenance improvements. The exterior paint at Arcadia Fire Station 106 has reached the end of its useful life and is exhibiting signs of wear and deterioration. Repainting the exterior of Fire Station 106 will maintain the building's appearance, protect exterior surfaces, and support the continued operation of the facility.

Staff utilized Sourcewell, a nationally recognized cooperative purchasing program, to procure the required paint materials and painting services. The use of a cooperative purchasing contract provides a competitive and efficient procurement method that is consistent with the City's purchasing policies and allows the City to obtain favorable pricing.

It is recommended that the City Council approve a contract with All Source Company Building Group, formerly known as All Source Coatings, Inc., for the Fire Station 106 Exterior Painting and Fascia Replacement Project in the amount of $157,023.90, with a 10% contingency for unforeseen conditions; and authorize and direct the City

Manager to execute the agreement and any related documents necessary to complete the project.

## BACKGROUND

The PWSD is responsible for the maintenance and repairs of all City facilities. The exterior gates, fascia, and stucco at Fire Station 106 are exhibiting signs of wear and deterioration. The exterior walls have become discolored and are experiencing weather degradation and other signs of normal wear and tear, resulting in a diminished appearance. The gates around the facility have also faded and the paint is cracked.

The Fiscal Year ("FY") 2025–26 Capital Improvement Program ("CIP") Budget provides for Exterior Painting and Fascia Replacement for Arcadia Fire Station 106. This work will improve the facility's appearance, preserve City assets, and maintain a professional environment for employees and the public.

## DISCUSSION

As part of this project, the entire building exterior will be power washed. The scope includes priming and painting the stucco eaves, as well as inspecting all fascia for necessary replacements prior to sanding, priming, and repainting. Additionally, the building's gutters will be cleaned and repainted, and all gates including the storage shed's roll-up gate, two pedestrian gates, two sliding gates, and the trash enclosure gates will be fully sanded and painted. The scope of work includes surface preparation, back-rolling, application of primer, and two finish coats of paint. All paint will be color-matched to the existing finishes to preserve the facility's aesthetic.

Utilizing Sourcewell, a national cooperative purchasing program, enables the City to streamline the procurement process at a lower cost than the traditional competitive bidding process. The California Government Code authorizes public agencies to participate in cooperative purchasing agreements, such as those established by Sourcewell, while remaining within the City's adopted rules and procedures for purchasing.

Sourcewell competitively awarded an indefinite delivery/indefinite quantity ("IDIQ") construction contract to All Source Company Building Group, formerly known as All Source Coatings, Inc., for painting and related construction services. The proposed

Fire Station 106 Exterior Painting and Fascia Replacement Project falls within the scope of this contract. A copy of the agreement between Sourcewell and All Source Company Building Group is attached to this report. The PWSD staff has reviewed Sourcewell's solicitation, procurement process, and contract documents, and has determined that they satisfy the City's procurement requirements. Utilizing the Sourcewell cooperative purchasing program will expedite project delivery, eliminate the need for a separate formal bidding process, and provide the City with competitively priced services that represent the best value for this project.

## ENVIRONMENTAL ANALYSIS

The proposed project is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301(a) (Class 1 – Existing Facilities). This exemption applies to the operation, repair, maintenance, or minor alteration of existing public facilities involving negligible or no expansion of existing use, including exterior repainting and similar maintenance activities.

## FISCAL IMPACT

Funds in the amount of $200,000 have been budgeted in the FY 2025–26 CIP for the Fire Station 106 Exterior Painting and Fascia Replacement Project. The total project cost is $157,023.90, and with a 10% construction contingency of $15,702.39, the total project budget would be $172,726.29, which is within the approved CIP budget.

## RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a contract with All Source Company Building Group for the Arcadia Fire Station 106 Exterior Painting and Fascia Replacement Project in the amount of $157,023.90, with a 10% contingency.

Approved:

Dominic Lazzaretto
City Manager

Attachments: Sourcewell Contract
Proposed Construction Contract

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# Indefinite Delivery-Indefinite Quantity Construction Contract

**Contract Number: CA-R9-GB-101723-ASC**

**Service Type: General Building**

This Indefinite Delivery-Indefinite Quantity Construction Contract (Contract) is between **Sourcewell**, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 and **All Source Coatings Inc., 10625 Scripps Ranch Blvd, Suite D, San Diego, California 92131** (Contractor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state and municipal governmental entities, K-12 and higher education entities, nonprofit entities, tribal governments, and other public entities located within the United States.

The Contractor desires to contract with Sourcewell to provide construction services to entities that access Sourcewell's indefinite delivery-indefinite quantity (IDIQ) construction contracts within the Service Region.

## I. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract, including the General Terms and Conditions incorporated by reference, is effective upon the later of December 6, 2023 or the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires **December 5, 2024**, unless it is terminated sooner pursuant to Article XX of the General Terms and Conditions, which are incorporated into this Contract by reference. This Contract allows up to five additional one-year extensions upon the request of Sourcewell and written agreement with Contractor. Sourcewell retains the right to consider additional extensions beyond six years as required under exceptional circumstances.

## II. REGION AND SERVICES

The Contractor's Region is: Region 9. The Contractor's IDIQ construction service type is: General Building. The Contractor **has** agreed to perform work outside the Region.

## III. ADJUSTMENT FACTORS

The Contractor will perform any or all Tasks in the Construction Task Catalog for the Unit Price appearing therein multiplied by the following Adjustment Factors. See the General Terms and Conditions for additional information.

A. **Normal Working Hours – Prevailing Wage Rate Projects**: Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 0.8900.

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B. **Other Than Normal Working Hours – Prevailing Wage Rate Projects**: Work performed from 4:00 p.m. to 7:00 a.m. Monday to Friday, and any time Saturday, Sunday and Holidays. The Contractor will perform Tasks during Other Than Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 0.8901.

C. **Secured Facilities/OSHPD Prevailing - Wage Rate Projects**: Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 0.8902.

D. **All Union Wage Projects**: Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 0.8903.

E. **Non pre-priced Adjustment Factor**: To be applied to Work determined not to be included in the CTC but within the general scope of the work: 0.8904.

## VI. AUTHORIZED REPRESENTATIVE

A. Sourcewell's Authorized Representative is its Chief Procurement Officer.

B. The Contractor's Authorized Representative is Jerry Zumbro. If the Contractor's Authorized Representative changes at any time during this Contract, Contractor must promptly notify Sourcewell in writing.

| Sourcewell | All Source Coatings Inc. |
|---|---|
| By: DocuSigned by: Jeremy Schwartz C0FD2A139D06489... | By: DocuSigned by: 9ED16ADDBA4A4F1... |
| Jeremy Schwartz | Jerry Zumbro |
| Title: Chief Procurement Officer | Title: President |
| Date: 12/1/2023 \| 9:21 AM CST | Date: 12/1/2023 \| 7:07 AM PST |

Docusign Envelope ID: BD09B052-3298-4C15-B118-DE90B0DC5502

# AMENDMENT #1
# TO
# CONTRACT # CA-R9-GB-101723-ASC

THIS AMENDMENT, effective upon the date of the last signature below, is by and between **Sourcewell** and **All Source Coatings Inc. (n/k/a All Source Company Building Group)** (Contractor).

Sourcewell awarded a contract to the Contractor to provide Indefinite Delivery-Indefinite Quantity Construction Contracts in the State of California to Sourcewell and its Participating Entities, effective December 6, 2023, through December 5, 2024 (Contract).

All Source Coatings Inc. changed its name to "All Source Company Building Group," and the Contractor has requested to modify the Contract to change its name. No other structural changes have taken place with the company.

As of the effective date of this Amendment, all references to "All Source Coatings Inc." in Contract # CA-R9-GB-101723-ASC will be replaced with "All Source Company Building Group (f/k/a All Source Tile Inc.)."

Except as amended, the Contract remains in full force and effect.

**Sourcewell**

Signed by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz, Chief Procurement Officer

Date: 8/28/2024 | 5:38 PM CDT

**All Source Company Building Group (f/k/a All Source Coatings Inc.)**

DocuSigned by:
By:
9ED16ADDBA4A4F1...
Jerry Zumbro, President

Date: 8/27/2024 | 1:23 PM PDT

Docusign Envelope ID: BD09B052-3298-4C15-B118-DE90B0DC5502

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# TO
# CONTRACT # CA-R9-GB-101723-ASC

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**Sourcewell**

Signed by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz, Chief Procurement Officer

Date: 8/28/2024 | 5:38 PM CDT

**All Source Company Building Group (f/k/a All Source Coatings Inc.)**

DocuSigned by:
By:
9ED16ADDBA4A4F1...
Jerry Zumbro, President

Date: 8/27/2024 | 1:23 PM PDT

Docusign Envelope ID: 02468D26-28B5-4976-A9ED-2F32FC3A0F64

# AGREEMENT TO
# MODIFY AND EXTEND
# SOURCEWELL CONTRACT #CA-R9-GB-101723-ASC

THIS AGREEMENT TO MODIFY AND EXTEND, Sourcewell Contract #CA-R9-GB-101723-ASC is effective upon the date of the last signature below.

Sourcewell and All Source Company Building Group fka All Source Coatings Inc. ("Contractor") have entered into an Indefinite Quantity Construction Contract, Contract Number CA-R9-GB-101723-ASC with an initial term ending December 5, 2024, and five bilateral options to extend for an additional one-year term ("Contract"). This contract has previously been extended by the parties for the term ending December 5, 2025. The parties agree to modify and extend the Contract as stated below.

CONTRACT MODIFICATION

The updated CTC will appear in the eGordian software upon receipt of the executed extension document.

Pursuant to the Contract, Contractor's Adjustment Factors remain fixed for the duration of the contract term and are unaffected by this modification.

EXERCISE OF OPTION: EXTENSION

Contractor and Sourcewell hereby desire and agree to extend the Contract, with the above modification, for the period of December 6, 2025 through December 5, 2026.

Sourcewell

Signed by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer

Date: 10/29/2025 | 12:13 PM CDT

All Source Company Building Group fka All Source Coatings Inc.

DocuSigned by:
By: 9ED16ADDBA4A4F1...
Jerry Zumbro
Title: President

Date: 10/29/2025 | 9:49 AM PDT

**CITY OF ARCADIA**
**CONSTRUCTION CONTRACT**
**FIRE STATION 106 EXTERIOR PAINTING AND FASCIA REPLACEMENT PROJECT**

## 1. PARTIES AND DATE.

This Contract is made and entered into this _____ day of _____, 2026 by and between the City of Arcadia, a public agency of the State of California ("City") and **All Source Company Building Group**, a California Corporation, with its principal place of business at **10625 Scripps Ranch Blvd, Suite D, San Diego, California 92131** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

## 2. RECITALS.

2.1 City. City is a public agency organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing **painting and construction** related construction services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. The following license classifications are required for this Project: **Class B.**

2.3 Project. City desires to engage Contractor to render such services for the **Fire Station 106 Exterior Painting and Fascia Replacement Project** ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, a performance bond, a payment bond, and all insurance documentation, as required by the Contract.

## 3. TERMS

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Services/Schedule (Exhibit "A")
- Plans and Specifications (Exhibit "B")
- Special Conditions (Exhibit "C")
- Contractor's Certificate Regarding Workers' Compensation (Exhibit "D")
- Public Works Contractor Registration Certification (Exhibit "E")
- Payment and Performance Bonds (Exhibit "F")
- Federal Requirements (Exhibit "G")
- Addenda

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- Change Orders executed by the City
- **Current** Edition of the Standard Specifications for Public Works Construction (The Greenbook), Excluding Sections 1-9
- Notice Inviting Bids, if any
- Instructions to Bidders, if any
- Contractor's Bid

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "B" attached hereto and incorporated herein by this reference. Special Conditions, if any, relating to the Work are described in Exhibit "C" attached hereto and incorporated herein by this reference.

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the City. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the City may direct the Contractor to proceed with the performance of the change on a time and materials basis.

3.2.2 Substitutions/"Or Equal". Pursuant to Public Contract Code Section 3400(b), the City may make a finding that designates certain products, things, or services by specific brand or trade name. Unless specifically designated in this Contract, whenever any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such Specifications shall be deemed to be used for the purpose of facilitating the description of the material, process or article desired and shall be deemed to be followed by the words "or equal."

Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified in this Contract. However, the City may have adopted certain uniform standards for certain materials, processes and articles. Contractor shall submit requests, together with substantiating data, for substitution of any "or equal" material, process or article no later than thirty-five (35) days after award of the Contract. To facilitate the construction schedule and sequencing, some requests may need to be submitted before thirty-five (35) days after award of Contract. Provisions regarding submission of "or equal" requests shall not in any way authorize an extension of time for performance of this Contract. If a proposed "or equal" substitution request is rejected, Contractor shall be responsible for providing the specified material, process or article. The burden of proof as to the equality of any material, process or article shall rest with Contractor.

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The City has the complete and sole discretion to determine if a material, process or article is an "or equal" material, process or article that may be substituted. Data required to substantiate requests for substitutions of an "or equal" material, process or article data shall include a signed affidavit from Contractor stating that, and describing how, the substituted "or equal" material, process or article is equivalent to that specified in every way except as listed on the affidavit. Substantiating data shall include any and all illustrations, specifications, and other relevant data including catalog information which describes the requested substituted "or equal" material, process or article, and substantiates that it is an "or equal" to the material, process or article. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted "or equal" material, process or article. Failure to submit all the required substantiating data, including the signed affidavit, to the City in a timely fashion will result in the rejection of the proposed substitution.

Contractor shall bear all of the City's costs associated with the review of substitution requests. Contractor shall be responsible for all costs related to a substituted "or equal" material, process or article. Contractor is directed to the Special Conditions (if any) to review any findings made pursuant to Public Contract Code section 3400.

3.3 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **One Hundred and Eighty-Five (185) calendar days**, beginning the effective date of the Notice to Proceed ("Contract Time"). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits "A" or "B" attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of **Two Thousand, Eight Hundred Dollars and No Cents ($2,800.00) per day** for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

3.4 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to

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perform the Work in a manner acceptable to the City, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.5 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.6 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **ONE HUNDRED FIFTY-SEVEN THOUSAND, TWENTY-THREE DOLLARS AND NINETY CENTS ($157,023.90)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

3.7.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. On or before the fifth (5th) day of each month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

3.7.3 Prompt Payment. City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. However, no progress payments will be made for Work not completed in accordance with this Contract. Contractor shall comply with all applicable laws, rules and regulations relating to the proper payment of its employees, subcontractors, suppliers or others.

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3.7.4 Contract Retentions. From each approved progress estimate, five percent (5%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retention shall be released and paid to Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.7.5 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.7.6 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.7.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract. Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

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3.7.8 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the Work governed by this Contract prior to final payment by City.

3.7.9 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720 et seq., and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $25,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Contract. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to $200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

3.7.10 Apprenticeable Crafts. If the Total Contract Price exceeds $35,000 and if Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor. The Contractor or any subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding $100 for each full calendar day of noncompliance, or such greater amount as provided by law.

3.7.11 Hours of Work. If the Total Contract Price exceeds $25,000, Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of $25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.7.12 Payroll Records. If the Total Contract Price exceeds $25,000, Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor in the manner provided in Labor Code section 1776. In the event of noncompliance with the requirements of this section, Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects such Contractor must comply with this section. Should noncompliance still be evident after such 10-day period, Contractor shall, as a penalty to City, forfeit not more than $100.00 for each calendar day or portion thereof, for each worker, until strict

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compliance is effectuated. The amount of the forfeiture is to be determined by the Labor Commissioner. A contractor who is found to have violated the provisions of law regarding wages on Public Works with the intent to defraud shall be ineligible to bid on Public Works contracts for a period of one to three years as determined by the Labor Commissioner. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due. The responsibility for compliance with this section is on Contractor. The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.7.13 Contractor and Subcontractor Registration. If the Total Contract Price exceeds $25,000, then pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

3.7.14 Labor Compliance; Stop Orders. If the Total Contract Price exceeds $25,000, Contractor acknowledges that it is aware that this Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be the Contractor's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Work, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.8 Performance of Work; Jobsite Obligations.

3.8.1 Water Quality Management and Compliance.

3.8.1.1 Water Quality Management and Compliance. Contractor shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Work including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); local ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the

DRAFT

discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

3.8.1.2 Compliance with the Statewide Construction General Permit. Contractor shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Contractor's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Contractor shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a "living document" that changes as necessary to meet the conditions and requirements of the job site as it progresses through difference phases of construction and is subject to different weather conditions. It shall be Contractor's sole responsibility to update the SWPPP as necessary to address conditions at the project site.

3.8.1.3 Other Water Quality Rules Regulations and Policies. Contractor shall comply with the lawful requirements of any applicable municipality, drainage City, or local agency regarding discharges of storm water to separate storm drain systems or other watercourses under their jurisdiction, including applicable requirements in municipal storm water management programs.

3.8.1.4 Cost of Compliance. Storm, surface, nuisance, or other waters may be encountered at various times during construction of The Work. Therefore, the Contractor, by submitting a Bid, hereby acknowledges that it has investigated the risk arising from such waters, has prepared its Bid accordingly, and assumes any and all risks and liabilities arising therefrom.

3.8.1.5 Liability for Non-Compliance. Failure to comply with the Permit is a violation of federal and state law. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to defend, indemnify and hold harmless the City and its officials, officers, employees, volunteers and agents for any alleged violations. In addition, City may seek damages from Contractor for any delay in completing the Work in accordance with the Contract, if such delay is caused by or related to Contractor's failure to comply with the Permit.

3.8.1.6 Reservation of Right to Defend. City reserves the right to defend any enforcement action brought against the City for Contractor's failure to comply with the Permit or any other relevant water quality law, regulation, or policy. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to be bound by, and to reimburse the City for the costs (including the City's attorney's fees) associated with, any settlement reached between the City and the relevant enforcement entity.

3.8.1.7 Training. In addition to the standard of performance requirements set forth in paragraph 3.4, Contractor warrants that all employees and subcontractors

DRAFT

shall have sufficient skill and experience to perform the Work assigned to them without impacting water quality in violation of the laws, regulations and policies described in paragraph 3.8.1. Contractor further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations and policies described in paragraph 3.8.1 as they may relate to the Work provided under this Agreement. Upon request, City will provide the Contractor with a list of training programs that meet the requirements of this paragraph.

3.8.2 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.8.3 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.8.4 Permits and Licenses. Contractor shall be responsible for securing City permits and licenses necessary to perform the Work described herein, including, but not limited to, any required business license. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's business license fee, if any. Any ineligible contractor or

DRAFT

subcontractor pursuant to Labor Code Sections 1777.1 and 1777.7 may not perform work on this Project.

3.8.5 Trenching Work. If the Total Contract Price exceeds $25,000 and if the Work governed by this Contract entails excavation of any trench or trenches five (5) feet or more in depth, Contractor shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Contractor shall submit for City's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

3.8.6 Hazardous Materials and Differing Conditions. As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.8.7 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

3.8.8 Air Quality. Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Although CARB limits and requirements are more broad, Contractor shall specifically be aware of their application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines or penalties imposed by CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.8.9 State Recycling Mandates. Contractor shall comply with State Recycling Mandates. Any recyclable materials/debris collected by the contractor that can be feasibly diverted via reuse or recycling must be hauled by the appropriate handler for reuse or recycling.

DRAFT

3.9 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which City may be authorized or directed by law to retain. Payment of retention proceeds due to Contractor shall be made in accordance with Section 7107 of the California Public Contract Code.

3.10 Claims; Government Code Claim Compliance.

3.10.1 Intent. Effective January 1, 1991, Section 20104 et seq., of the California Public Contract Code prescribes a process utilizing informal conferences, non-binding judicial supervised mediation, and judicial arbitration to resolve disputes on construction claims of $375,000 or less. Effective January 1, 2017, Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Section is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Section shall be construed to be consistent with said statutes.

3.10.2 Claims. For purposes of this Section, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than fourteen (14) days after a request for change has been denied in whole or in part or after any other event giving rise to the Claim. The Claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

3.10.3 Supporting Documentation. The Contractor shall submit all claims in the following format:

3.10.3.1 Summary of claim merit and price, reference Contract Document provisions pursuant to which the claim is made

3.10.3.2 List of documents relating to claim:

DRAFT

(A) Specifications

(B) Drawings

(C) Clarifications (Requests for Information)

(D) Schedules

(E) Other

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

3.10.3.7 If Contractor's claim is based in whole or in part on an allegation of errors or omissions in the Drawings or Specifications for the Project, Contractor shall provide a summary of the percentage of the claim subject to design errors or omissions and shall obtain a certificate of merit in support of the claim of design errors and omissions.

3.10.3.8 Cover letter and certification of validity of the claim, including any claims from subcontractors of any tier, in accordance with Government Code section 12650 et seq.

3.10.4 City's Response. Upon receipt of a claim pursuant to this Section, City shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the Contractor a written statement identifying what portion of the claim is disputed and what portion is undisputed. Any payment due on an undisputed portion of the claim will be processed and made within 60 days after the public entity issues its written statement.

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

3.10.4.2 Within 30 days of receipt of a claim, City may request in writing additional documentation supporting the claim or relating to defenses or claims City may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of City and the Contractor.

3.10.4.3 City's written response to the claim, as further documented, shall be submitted to the Contractor within 30 days (if the claim is less than $50,000, within 15 days)

DRAFT

after receipt of the further documentation, or within a period of time no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.

3.10.5 Meet and Confer. If the Contractor disputes City's written response, or City fails to respond within the time prescribed, the Contractor may so notify City, in writing, either within 15 days of receipt of City's response or within 15 days of City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, City shall schedule a meet and confer conference within 30 days for settlement of the dispute.

3.10.6 Mediation. Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, City shall provide the Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after City issues its written statement. Any disputed portion of the claim, as identified by the Contractor in writing, shall be submitted to nonbinding mediation, with City and the Contractor sharing the associated costs equally. City and Contractor shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing, unless the parties agree to select a mediator at a later time.

3.10.6.1 If the Parties cannot agree upon a mediator, each Party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator.

3.10.6.2 For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

3.10.6.3 Unless otherwise agreed to by City and the Contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

3.10.6.4 The mediation shall be held no earlier than the date the Contractor completes the Work or the date that the Contractor last performs Work, whichever is earlier. All unresolved claims shall be considered jointly in a single mediation, unless a new unrelated claim arises after mediation is completed.

3.10.7 Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, the Contractor must file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim

DRAFT

pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation.

3.10.8 Civil Actions. The following procedures are established for all civil actions filed to resolve claims subject to this Section:

3.10.8.1 Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the terms of these procedures.. The mediation process shall provide for the selection within 15 days by both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

3.10.8.2 If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1114.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

3.10.8.3 In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, (A) arbitrators shall, when possible, be experienced in construction law, and (B) any party appealing an arbitration award who does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party.

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City. A Government Code claim must be filed no earlier than the date the work is completed or the date the Contractor last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

3.10.10 Non-Waiver. City's failure to respond to a claim from the Contractor within the time periods described in this Section or to otherwise meet the time requirements of this Section shall result in the claim being deemed rejected in its entirety. City's failure to respond shall not waive City's rights to any subsequent procedures for the resolution of disputed claims.

DRAFT

3.11 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City. In the event of damage proximately caused by an Act of God, as defined by Section 7105 of the Public Contract Code, the City may terminate this Contract pursuant to Section 3.17.3; provided, however, that the City needs to provide Contractor with only one (1) day advanced written notice.

3.12 Indemnification.

3.12.1 Scope of Indemnity**.** To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Contractor's indemnity obligation shall not apply to liability for damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the City or the City's agents, servants, or independent contractors who are directly responsible to the City, or for defects in design furnished by those persons.

3.12.2 Additional Indemnity Obligations**.** Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse City and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and authorized volunteers.

3.13 Insurance.

3.13.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor

DRAFT

has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Contract for cause.

3.13.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Contract. Such insurance shall meet at least the following minimum levels of coverage:

3.13.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) General Liability: Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01) OR Insurance Services Office Owners and Contractors Protective Liability Coverage Form (CG 00 09 11 88) (coverage for operations of designated contractor); (2) Automobile Liability: Insurance Services Office Business Auto Coverage form number CA 00 01, code 1 (any auto); and (3) Workers' Compensation and Employer's Liability: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. Policies shall not contain exclusions contrary to this Contract.

3.13.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) General Liability: $5,000,000 per occurrence and $5,000,000 aggregate for bodily injury, personal injury and property damage; (2) Automobile Liability: $5,000,000 per accident for bodily injury and property damage; and (3) Workers' Compensation and Employer's Liability: Workers' compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of $1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

3.13.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements (amendments) on forms supplied or approved by the City to add the following provisions to the insurance policies:

3.13.3.1 General Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status using ISO endorsements CG20 10 10 01 plus CG20 37 10 01, or endorsements providing the exact same coverage, with respect to the Work or operations performed by or on behalf of Contractor, including materials, parts or equipment furnished in connection with such work. **Contractor may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable**; (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees,

DRAFT

agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it.

3.13.3.2 Automobile Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by Contractor or for which Contractor is responsible. **Contractor may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable.;** (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it in any way.

3.13.3.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees, agents and authorized volunteers for losses paid under the terms of the insurance policy which arise from work performed by Contractor.

3.13.3.4 All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its officials, employees, agents and authorized volunteers.

3.13.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its officials, employees, agents and authorized volunteers.

3.13.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, agents and authorized volunteers; or (2) the Contractor shall procure a bond or other financial guarantee acceptable to the City guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

DRAFT

3.13.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the City. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

3.13.7 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Contract on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the City. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.13.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the City, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the City in writing.

3.13.9 Reporting of Claims. Contractor shall report to the City, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Work under this Contract.

3.14 Bond Requirements.

3.14.1 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.2 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made

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under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. If Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.14.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.15 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.16 Employee/Labor Certifications.

3.16.1 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-

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insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "D" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.16.2 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.16.3 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subcontractors and sub-subcontractors to comply with the same.

3.17 General Provisions.

3.17.1 City's Representative. The City hereby designates the General Manager, or his or her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("'Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.17.3 Termination. This Contract may be terminated by City at any time, either with our without cause, by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, City may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset City's resulting damages, and may pursue any other

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available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

3.17.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision shall be binding upon Contractor.

3.17.5 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, Contractor hereby offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tender final payment to Contractor, without further acknowledgment by the Parties.

3.17.6 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

**CONTRACTOR:**

All Source Company Building Group
10625 Scripps Ranch Blvd, Suite D
San Diego, California 92131
Attn: Dan Lehmann, Project Manager

**CITY:**

City of Arcadia
240 West Huntington Drive
Arcadia, California 91066
Attn: Leo Martin, Project Manager

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.17.7 Time of Essence. Time is of the essence in the performance of this Contract.

3.17.8 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option, terminate and

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revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.17.9 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.17.10 Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Los Angeles, State of California.

3.17.11 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.17.12 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.17.13 [Reserved]

3.17.14 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

3.17.16.1 Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

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3.17.16.2 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

3.17.17 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.17.18 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.17.19 Non-Waiver. None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.17.20 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project or other projects.

**[SIGNATURES ON NEXT PAGE]**

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**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT**
**BETWEEN THE CITY OF ARCADIA**
**AND ALL SOURCE COMPANY BUILDING GROUP**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the _____ day of _____, 2026.

**CITY OF ARCADIA**

By: _____
Dominic Lazaretto
City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Michael J. Maurer
City Attorney

**ALL SOURCE COMPANY BUILDING GROUP**

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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**EXHIBIT "A"**

**SERVICES / SCHEDULE**

The project plan and proposal, **All Source Company Building Group EZIQC Contract No. CA-R9-GB-101723-ASC and Work Order No. 160569.00**, are incorporated into this Contract. (see Attachment "A").

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## Work Order Signature Document

**EZIQC Contract No.: CA-R9-GB-101723-ASC**

[X] **New Work Order** [ ] **Modify an Existing Work Order**

| | | | |
|---|---|---|---|
| Work Order Number.: | 160569.00 | Work Order Date: | 11/03/2026 |
| Work Order Title: | Arcadia Fire Station #106 Painting | | |
| Owner Name: | City of Arcadia Public Works Services Dept | Contractor Name: | All Source Coatings Inc |
| Contact: | Leonel Martin | Contact: | Dan Lehmann |
| Phone: | (626) 254-2707 | Phone: | 858-586-0903 |

**Work to be Performed**

Work to be performed as per the Final Detailed Scope of Work Attached and as per the terms and conditions of Sourcewell EZIQC Contract No CA-R9-GB-101723-ASC.

Brief Work Order Description:

**Time of Performance** Estimated Start Date:
Estimated Completion Date:

**Liquidated Damages** Will apply: [ ] Will not apply: [X]

**Work Order Firm Fixed Price: $157,023.90**

Owner Purchase Order Number:

**Approvals**

City of Arcadia Public Works Services Dept Date

All Source Coatings Inc Date

## Detailed Scope of Work

**To:** Dan Lehmann
All Source Coatings Inc
10625 Scripps Ranch Blvd, #D
San Diego, CA 92131
858-586-0903

**From:** Leonel Martin
City of Arcadia Public Works Services Department
11800 Goldring Rd.
Arcadia, CA 91066
(626) 254-2707

**Date Printed:** November 03, 2026

**Work Order Number:** 160569.00

**Work Order Title:** Arcadia Fire Station #106 Painting

**Brief Scope:**

| ☐ Preliminary | ☐ Revised | ☒ Final |
|---|---|---|

The following items detail the scope of work as discussed at the site. All requirements necessary to accomplish the items set forth below shall be considered part of this scope of work.

Power wash, prime and paint stucco eves throughout
Prep, prime and paint fascia and gutter throughout
Prep and paint (5) louvers
Prep and paint (1) roll up door
Prep and paint (2) man gates, (2) sliding gates and trash enclosure gates
Prep and paint man doors (2)
Replace wood fascia up to 300LF
Clean gutters through out
Lift equipment and scaffold for own work
Power wash entire building

Subject to the terms and conditions of ezIQC Contract **CA-R9-GB-101723-ASC**.

All Source Coatings Inc _____ Date _____

City of Arcadia Public Works Services Dept _____ Date _____

# Contractor's Price Proposal - Summary

**Date:** November 03, 2026

**Re:**

| | |
|---|---|
| IQC Master Contract #: | CA-R9-GB-101723-ASC |
| Work Order #: | 160569.00 |
| Owner PO #: | |
| Title: | Arcadia Fire Station #106 Painting |
| Contractor: | All Source Coatings Inc |
| Proposal Value: | $157,023.90 |

| | |
|---|---|
| **Section - 01** | **$65,176.57** |
| **Section - 06** | **$2,744.76** |
| **Section - 07** | **$2,260.74** |
| **Section - 09** | **$86,841.83** |
| **Proposal Total** | **$157,023.90** |

Thisl total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

**The Percentage of NPP on this Proposal: %**

# Contractor's Price Proposal - Detail

**Date:** November 03, 2026

**Re:**

| | |
|---|---|
| IQC Master Contract #: | CA-R9-GB-101723-ASC |
| Work Order #: | 160569.00 |
| Owner PO #: | |
| Title: | Arcadia Fire Station #106 Painting |
| Contractor: | All Source Coatings Inc |
| Proposal Value: | $157,023.90 |

| | Sect. | Item | Mod. | UOM | Description | Line Total |
|---|---|---|---|---|---|---|
| Labor | Equip. | Material | (Excludes) | | | |
| **Section - 01** | | | | | | |
| *1* | 01 22 16 | 00 0002 | | EA | Reimbursable FeesReimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt, invoice, or proof of payment shall be submitted with the Price Proposal. | $3,575.00 |
| | | | | Installation | Quantity 3,250.00 x Unit Price 1.00 x Factor 1.1000 = Total 3,575.00 | |
| | | | | used for bond | | |
| *2* | 01 22 16 | 00 0002 | | EA | Reimbursable FeesReimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt, invoice, or proof of payment shall be submitted with the Price Proposal. | -$14.71 |
| | | | | Installation | Quantity -14.71 x Unit Price 1.00 x Factor 1.0000 = Total -14.71 | |
| *3* | 01 22 23 | 00 0027 | | MO | 45' Engine Powered, Articulating (Up/Over) Boom Man Lift With Platform | $6,100.88 |
| | | | | Installation | Quantity 2.50 x Unit Price 2,741.97 x Factor 0.8900 = Total 6,100.88 | |
| | | | | used for lift equipment | | |
| *4* | 01 22 23 | 00 1604 | | WK | 6-1/2 Ton Capacity, 16' To 22' Bed, 4 x 2 Flat Bed Truck With Full-Time Truck Driver | $36,600.93 |
| | | | | Installation | Quantity 8.00 x Unit Price 5,140.58 x Factor 0.8900 = Total 36,600.93 | |
| | | | | used for hauling | | |
| *5* | 01 54 23 | 00 0005 | | CCF | Scaffolding With Bracing Accessories, Area Based On 3' Wide Sections, Per CCF / Month | $9,189.82 |
| | | | | Installation | Quantity 156.00 x Unit Price 66.19 x Factor 0.8900 = Total 9,189.82 | |
| | | | | used for scaffold | | |
| *6* | 01 54 23 | 00 0008 | | CCF | >20' To 40' Height Scaffolding Initial Erection And Final Dismantling, Per CCF Of Scaffolding And Accessories | $8,403.99 |
| | | | | Installation | Quantity 156.00 x Unit Price 60.53 x Factor 0.8900 = Total 8,403.99 | |
| | | | | used for scaffold | | |

**Work Order Number:** 160569.00
**Work Order Title:** Arcadia Fire Station #106 Painting

## Section - 01

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *7* | 01 71 13 00 0004 | EA | First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Tractor Trailer With Up To 53' BedIncludes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as bulldozers, motor scrapers, hydraulic excavators, gradalls, road graders, loader-backhoes, heavy-duty construction loaders, tractors, pavers, rollers, bridge finishers, straight mast construction forklifts, telescoping boom rough terrain construction forklifts, telescoping and articulating boom man lifts with >40' boom lengths, etc. | | | | | | | | $1,320.66 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 1.00 | x | 1,483.89 | x | 0.8900 | = | 1,320.66 | | |
| | | | used for equipment | | | | | | | | | |

**Subtotal for Section - 01** **$65,176.57**

## Section - 06

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *8* | 06 46 29 00 0006 | LF | 1" x 12" Pine Fascia Board | | | | | | | | | $2,744.76 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 300.00 | x | 7.41 | x | 0.8900 | = | 1,978.47 | | |
| | | | Demolition | 300.00 | x | 2.87 | x | 0.8900 | = | 766.29 | | |
| | | | used for fascia | | | | | | | | | |

**Subtotal for Section - 06** **$2,744.76**

## Section - 07

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *9* | 07 71 23 00 0350 | LF | Cleanout Roof Gutters And Downspouts | | | | | | | | | $2,260.74 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 1,512.00 | x | 1.68 | x | 0.8900 | = | 2,260.74 | | |
| | | | used for gutter cleaning | | | | | | | | | |

**Subtotal for Section - 07** **$2,260.74**

## Section - 09

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *10* | 09 01 20 91 0002 | SF | Up To 2 SF, Cut And Patch Hole In Gypsum Board To Match ExistingPer location. | | | | | | | | | $4,021.02 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 200.00 | x | 22.59 | x | 0.8900 | = | 4,021.02 | | |
| | | | used for patching | | | | | | | | | |
| *11* | 09 01 90 52 0003 | SF | Trisodium Phosphate (TSP), Clean Concrete, Stone Or Masonry Surfaces, Surface Preparation | | | | | | | | | $15,202.45 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 34,860.00 | x | 0.49 | x | 0.8900 | = | 15,202.45 | | |
| | | | used for prep | | | | | | | | | |
| *12* | 09 01 90 52 0008 | SF | 2,000 To 5,000 PSI Pressure Wash, Concrete, Stone And Masonry Surfaces, Surface Preparation | | | | | | | | | $18,925.49 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 34,860.00 | x | 0.61 | x | 0.8900 | = | 18,925.49 | | |
| | | | used for power washing | | | | | | | | | |
| *13* | 09 01 90 52 0021 | SF | Power Tool Cleaning, Metal Surfaces, Surface Preparation | | | | | | | | | $1,326.10 |
| | | | | Quantity | | Unit Price | | Factor | = | Total | | |
| | | | Installation | 1,000.00 | x | 1.49 | x | 0.8900 | = | 1,326.10 | | |
| | | | used for prep | | | | | | | | | |

**Work Order Number:** 160569.00
**Work Order Title:** Arcadia Fire Station #106 Painting

**Section - 09**

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *14* | 09 01 90 52 0055 | | SF | Citrus Strip, Single ApplicationsFor removal of up to 40 mils each application (average 5 layers at 8 mils per layer) dried latex and oil-based paint, varnish, lacquer, polyurethane and shellac from wood, metal, and masonry surfaces. Multiple applications may be necessary, refer to manufacturer recommendations | | | | | | | | $4,806.00 |
| | | | Installation | Quantity 4,500.00 | x | Unit Price 1.20 | x | Factor 0.8900 | = | Total 4,806.00 | | | |
| | | | used for prep | | | | | | | | | | |
| *15* | 09 91 13 00 0151 | | SF | 1 Coat Primer, Brush/Roller Work, Paint Exterior Drywall/Plaster Ceiling | | | | | | | | $5,181.55 |
| | | | Installation | Quantity 7,561.00 | x | Unit Price 0.77 | x | Factor 0.8900 | = | Total 5,181.55 | | | |
| | | | used for painting | | | | | | | | | | |
| *16* | 09 91 13 00 0151 | 0190 | MOD | For Orange Peel Finish, Add | | | | | | | | $672.93 |
| | | | Installation | Quantity 7,561.00 | x | Unit Price 0.10 | x | Factor 0.8900 | = | Total 672.93 | | | |
| *17* | 09 91 13 00 0151 | 0195 | MOD | For Work >20' To 30' Above Floor, AddApplied only to work area above 20'. | | | | | | | | $942.10 |
| | | | Installation | Quantity 7,561.00 | x | Unit Price 0.14 | x | Factor 0.8900 | = | Total 942.10 | | | |
| *18* | 09 91 13 00 0153 | | SF | 2 Coats Paint, Brush/Roller Work, Paint Exterior Drywall/Plaster Ceiling | | | | | | | | $10,699.57 |
| | | | Installation | Quantity 7,561.00 | x | Unit Price 1.59 | x | Factor 0.8900 | = | Total 10,699.57 | | | |
| | | | used for painting | | | | | | | | | | |
| *19* | 09 91 13 00 0153 | 0190 | MOD | For Orange Peel Finish, Add | | | | | | | | $1,413.15 |
| | | | Installation | Quantity 7,561.00 | x | Unit Price 0.21 | x | Factor 0.8900 | = | Total 1,413.15 | | | |
| *20* | 09 91 13 00 0153 | 0195 | MOD | For Work >20' To 30' Above Floor, AddApplied only to work area above 20'. | | | | | | | | $2,086.08 |
| | | | Installation | Quantity 7,561.00 | x | Unit Price 0.31 | x | Factor 0.8900 | = | Total 2,086.08 | | | |
| *21* | 09 91 13 00 0237 | | LF | 1 Coat Primer, Brush/Roller Work, Paint Exterior Metal Door Frame And Trim | | | | | | | | $37.22 |
| | | | Installation | Quantity 34.00 | x | Unit Price 1.23 | x | Factor 0.8900 | = | Total 37.22 | | | |
| | | | used for painting | | | | | | | | | | |
| *22* | 09 91 13 00 0239 | | LF | 2 Coats Paint, Brush/Roller Work, Paint Exterior Metal Door Frame And Trim | | | | | | | | $81.10 |
| | | | Installation | Quantity 34.00 | x | Unit Price 2.68 | x | Factor 0.8900 | = | Total 81.10 | | | |
| | | | used for painting | | | | | | | | | | |
| *23* | 09 91 13 00 0244 | | EA | 1 Coat Primer, Brush/Roller Work, Paint Exterior Metal DoorBoth faces | | | | | | | | $183.68 |
| | | | Installation | Quantity 2.00 | x | Unit Price 103.19 | x | Factor 0.8900 | = | Total 183.68 | | | |
| | | | used for painting | | | | | | | | | | |
| *24* | 09 91 13 00 0246 | | EA | 2 Coats Paint, Brush/Roller Work, Paint Exterior Metal DoorBoth faces | | | | | | | | $335.73 |
| | | | Installation | Quantity 2.00 | x | Unit Price 188.61 | x | Factor 0.8900 | = | Total 335.73 | | | |
| | | | used for painting | | | | | | | | | | |
| *25* | 09 91 13 00 0253 | | SF | 1 Coat Primer, Brush/Roller Work, Paint Exterior Metal Overhead, Sectional Door, Or Roll Up Door | | | | | | | | $280.88 |
| | | | Installation | Quantity 120.00 | x | Unit Price 2.63 | x | Factor 0.8900 | = | Total 280.88 | | | |
| | | | used for painting | | | | | | | | | | |

**Work Order Number:** 160569.00
**Work Order Title:** Arcadia Fire Station #106 Painting

**Section - 09**

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *26* | 09 91 13 00 0255 | | SF | 2 Coats Paint, Brush/Roller Work, Paint Exterior Metal Overhead, Section Door, Or Roll Up Door | | | | | | | | | $607.69 |
| | | | Installation | | Quantity 120.00 | x | Unit Price 5.69 | x | Factor 0.8900 | = | Total 607.69 | | |
| | | | used for painting | | | | | | | | | | |
| *27* | 09 91 13 00 0421 | | SF | 1 Coat Primer, Brush/Roller, Paint Picket Fence | | | | | | | | | $935.03 |
| | | | Installation | | Quantity 1,020.00 | x | Unit Price 1.03 | x | Factor 0.8900 | = | Total 935.03 | | |
| | | | used for painting | | | | | | | | | | |
| *28* | 09 91 13 00 0421 | 0241 | MOD | For Up To 100, Add | | | | | | | | | $626.38 |
| | | | Installation | | Quantity 1,020.00 | x | Unit Price 0.69 | x | Factor 0.8900 | = | Total 626.38 | | |
| *29* | 09 91 13 00 0422 | | SF | 1 Coat Paint, Brush/Roller, Paint Picket Fence | | | | | | | | | $935.03 |
| | | | Installation | | Quantity 1,020.00 | x | Unit Price 1.03 | x | Factor 0.8900 | = | Total 935.03 | | |
| | | | used for painting | | | | | | | | | | |
| *30* | 09 91 13 00 0422 | 0241 | MOD | For Up To 100, Add | | | | | | | | | $626.38 |
| | | | Installation | | Quantity 1,020.00 | x | Unit Price 0.69 | x | Factor 0.8900 | = | Total 626.38 | | |
| *31* | 09 91 13 00 0423 | | SF | Each Additional Coat, Brush/Roller, Paint Picket Fence | | | | | | | | | $671.77 |
| | | | Installation | | Quantity 1,020.00 | x | Unit Price 0.74 | x | Factor 0.8900 | = | Total 671.77 | | |
| | | | used for painting | | | | | | | | | | |
| *32* | 09 91 13 00 0423 | 0241 | MOD | For Up To 100, Add | | | | | | | | | $426.67 |
| | | | Installation | | Quantity 1,020.00 | x | Unit Price 0.47 | x | Factor 0.8900 | = | Total 426.67 | | |
| *33* | 09 91 13 00 0436 | | SF | 1 Coat Primer, Brush Work, Paint Shutter Or Blinds, Louvered Panel | | | | | | | | | $512.64 |
| | | | Installation | | Quantity 150.00 | x | Unit Price 3.84 | x | Factor 0.8900 | = | Total 512.64 | | |
| | | | used for painting | | | | | | | | | | |
| *34* | 09 91 13 00 0438 | | SF | 2 Coats Paint, Brush Work, Paint Shutter Or Blinds, Louvered Panel | | | | | | | | | $917.15 |
| | | | Installation | | Quantity 150.00 | x | Unit Price 6.87 | x | Factor 0.8900 | = | Total 917.15 | | |
| | | | used for painting | | | | | | | | | | |
| *35* | 09 91 13 00 0480 | | LF | 1 Coat Paint, Brush Work, Paint Exterior Gutter And Downspout | | | | | | | | | $2,496.45 |
| | | | Installation | | Quantity 1,500.00 | x | Unit Price 1.87 | x | Factor 0.8900 | = | Total 2,496.45 | | |
| | | | used for painting | | | | | | | | | | |
| *36* | 09 91 13 00 0480 | 0195 | MOD | For Work >20' To 30' Above Floor, AddApplied only to work area above 20'. | | | | | | | | | $520.65 |
| | | | Installation | | Quantity 1,500.00 | x | Unit Price 0.39 | x | Factor 0.8900 | = | Total 520.65 | | |
| *37* | 09 91 13 00 0481 | | LF | 2 Coats Paint, Brush Work, Paint Exterior Gutter And Downspout | | | | | | | | | $3,110.55 |
| | | | Installation | | Quantity 1,500.00 | x | Unit Price 2.33 | x | Factor 0.8900 | = | Total 3,110.55 | | |
| | | | used for painting | | | | | | | | | | |
| *38* | 09 91 13 00 0481 | 0195 | MOD | For Work >20' To 30' Above Floor, AddApplied only to work area above 20'. | | | | | | | | | $760.95 |
| | | | Installation | | Quantity 1,500.00 | x | Unit Price 0.57 | x | Factor 0.8900 | = | Total 760.95 | | |

## Contractor's Price Proposal - Detail Continues..

**Work Order Number:** 160569.00
**Work Order Title:** Arcadia Fire Station #106 Painting

**Section - 09**

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *39* | 09 | 91 | 13 | 00 0486 | | SF | 1 Coat Primer, Brush/Roller Work, Paint Exterior Wood Trim | | | | | | | $2,085.64 |
| | | | | | | | | Quantity | | Unit Price | | Factor | | Total |
| | | | | | | | Installation | 1,662.00 | x | 1.41 | x | 0.8900 | = | 2,085.64 |
| | | | | | | | used for painting | | | | | | | |
| *40* | 09 | 91 | 13 | 00 0486 | 0195 | MOD | For Work >20' To 30' Above Floor, AddApplied only to work area above 20'. | | | | | | | $369.80 |
| | | | | | | | | Quantity | | Unit Price | | Factor | | Total |
| | | | | | | | Installation | 1,662.00 | x | 0.25 | x | 0.8900 | = | 369.80 |
| *41* | 09 | 91 | 13 | 00 0488 | | SF | 2 Coats Paint, Brush/Roller Work, Paint Exterior Wood Trim | | | | | | | $4,304.41 |
| | | | | | | | | Quantity | | Unit Price | | Factor | | Total |
| | | | | | | | Installation | 1,662.00 | x | 2.91 | x | 0.8900 | = | 4,304.41 |
| | | | | | | | used for painting | | | | | | | |
| *42* | 09 | 91 | 13 | 00 0488 | 0195 | MOD | For Work >20' To 30' Above Floor, AddApplied only to work area above 20'. | | | | | | | $739.59 |
| | | | | | | | | Quantity | | Unit Price | | Factor | | Total |
| | | | | | | | Installation | 1,662.00 | x | 0.50 | x | 0.8900 | = | 739.59 |

**Subtotal for Section - 09** **$86,841.83**

**Proposal Total** **$157,023.90**

This total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

**The Percentage of NPP on this Proposal:** **%**

## Subcontractor Listing

**Date:** November 03, 2026

**Re:**

| | |
|---|---|
| IQC Master Contract #: | CA-R9-GB-101723-ASC |
| Work Order #: | 160569.00 |
| Owner PO #: | |
| Title: | Arcadia Fire Station #106 Painting |
| Contractor: | All Source Coatings Inc |
| Proposal Value: | $157,023.90 |

| Name of Contractor | Duties | Amount | % |
|---|---|---|---|
| All Source Company Building Group | Painting, logistics, management, bond | $157,023.90 | 100.00 |

**EXHIBIT "B"**

**PLANS AND SPECIFICATIONS**

All service and unit specifications are listed in Exhibit "A".

**EXHIBIT "C"**

**SPECIAL CONDITIONS**

## ARTICLE 1. BONDS

Within ten (10) calendar days from the date the Contractor is notified of award of the Contract, the Contractor shall deliver to the City four identical counterparts of the Performance Bond and Payment Bond on the forms supplied by the City and included as Exhibit "F" to the Contract. Failure to do so may, in the sole discretion of City, result in the forfeiture of Contractor's bid security. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the City. The Performance Bond and the Payment Bond shall be for one hundred percent (100%) of the Total Contract Price.

**EXHIBIT "D"**

**CERTIFICATION**
**LABOR CODE - SECTION 1861**

I, the undersigned Contractor, am aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

**All SOURCE COMPANY BUILDING GROUP**

By: _____
Signature

_____
Name (Print)

_____
Title (Print)

## EXHIBIT "E"

## PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. See http://www.dir.ca.gov/Public-Works/PublicWorks.html for additional information.

No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work.

Contractor hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a contractor with the Department of Industrial Relations.[1]

Name of Contractor:_____

DIR Registration Number:_____

DIR Registration Expiration:_____

Small Project Exemption: _____ Yes or _____ No

Unless Contractor is exempt pursuant to the small project exemption, Contractor further acknowledges:

- Contractor shall maintain a current DIR registration for the duration of the project.
- Contractor shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its contract with subcontractors and ensure that all subcontractors are registered at the time of bid opening and maintain registration status for the duration of the project.
- Failure to submit this form or comply with any of the above requirements may result in a finding that the bid is non-responsive.

Name of Contractor_____

Signature_____

Name and Title_____

Dated_____

[1] If the Project is exempt from the contractor registration requirements pursuant to the small project exemption under Labor Code Sections 1725.5 and 1771.1, please mark "Yes" in response to "Small Project Exemption."

## EXHIBIT “F”

## PAYMENT AND PERFORMANCE BONDS

**PERFORMANCE BOND**

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Arcadia (hereinafter referred to as "City") has awarded to **ALL SOURCE COMPANY BUILDING GROUP**, (hereinafter referred to as the "Contractor") an agreement for **Fire Station 106 Exterior Painting and Fascia Replacement Project / Contract No.** _____ (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of **ONE HUNDRED FIFTY-SEVEN THOUSAND, TWENTY-THREE DOLLARS AND NINETY CENTS ($157,023.90)**, said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship, Surety shall undertake and faithfully fulfill all such obligations. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

(1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or

(2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

(3) Permit the City to complete the Project in any manner consistent with local, California and federal law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__).

(Corporate Seal)

_____
Contractor/ Principal

By _____

Title _____

(Corporate Seal) _____ Surety

By _____
Attorney-in-Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

(Attach Attorney-in-Fact Certificate) Title _____

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, $_____.
(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety) _____
_____
_____

(Name and Address of Agent or Representative for service of process in California, if different from above) _____
_____
_____

(Telephone number of Surety and Agent or Representative for service of process in California)

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

# Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On _____, 20___, before me, _____, Notary Public, personally

appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____

Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**CAPACITY CLAIMED BY SIGNER**

☐ Individual
☐ Corporate Officer

_____
Title(s)

☐ Partner(s) ☐ Limited ☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

**DESCRIPTION OF ATTACHED DOCUMENT**

_____
Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

## PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Arcadia (hereinafter designated as the "City"), by action taken or a resolution passed **November 17, 2026** has awarded to **All Source Company Building Group** hereinafter designated as the "Principal," a contract for the work described as follows: **Fire Station 106 Exterior Painting and Fascia Replacement Project / Contract No.** _____ (the "Project"); and

WHEREAS, the work to be performed by the Principal is more particularly set forth in the Contract Documents for the Project dated _____ ("Contract Documents"), the terms and conditions of which are expressly incorporated by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City in the penal sum of **ONE HUNDRED FIFTY-SEVEN THOUSAND, TWENTY-THREE DOLLARS AND NINETY CENTS ($157,023.90)** lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or

agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned and the provisions of sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

(Corporate Seal)

_____
Contractor/ Principal

By _____

Title _____

_____
Surety

(Corporate Seal)

By _____
Attorney-in-Fact

Title _____

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

# Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On _____, 20___, before me, _____, Notary Public, personally

appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____

Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**CAPACITY CLAIMED BY SIGNER**

☐ Individual
☐ Corporate Officer

_____
Title(s)

☐ Partner(s) ☐ Limited ☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

**DESCRIPTION OF ATTACHED DOCUMENT**

_____
Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

## EXHIBIT “G”

## FEDERAL REQUIREMENTS

Not Applicable.

CITY OF ARCADIA

# STAFF REPORT

## PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director
By: Dave Thompson, Streets Superintendent

**SUBJECT:** PURCHASE ORDER WITH CATERPILLAR, INC. FOR THE PURCHASE OF ONE NEW CATERPILLAR MODEL 250 SKID STEER LOADER AND ONE DUMP TRAILER IN THE AMOUNT OF $155,210.14
**CEQA: Not a Project**
**Recommendation: Approve**

## SUMMARY

The Fiscal Year 2024-25 Equipment Replacement Budget provides for the purchase of one new skid steer loader and a related dump trailer for the Public Works Services Department ("PWSD"). The new skid steer loader will improve the Street Section's operational capabilities by supporting street and pavement maintenance, debris removal, and other routine maintenance activities. In addition, the dump trailer will facilitate the transportation of the skid steer loader to and from job sites. Utilizing Sourcewell, a national cooperative purchasing program, enables the City to streamline the process of procuring a new skid steer loader and dump trailer while receiving the best price possible.

It is recommended that the City Council approve a Purchase Order with Caterpillar, Inc. for the purchase of one new Caterpillar Model 250 Skid Steer Loader and one dump trailer in the amount of $155,210.14.

## BACKGROUND

The Fiscal Year 2024-25 Equipment Replacement Budget provides for the purchase of one new skid steer loader and an associated dump trailer for the Streets Section of the PWSD. The PWSD does not currently have a skid steer loader in its equipment

fleet. A skid steer loader is a small, highly maneuverable construction machine equipped with a front-mounted bucket that can scoop, lift, and move dirt, gravel, asphalt, and debris. Its compact size allows it to work in confined areas and along streets and sidewalks where larger equipment may be difficult to maneuver. The addition of a skid steer loader will enhance the PWSD's ability to perform street and pavement maintenance, remove illegally dumped materials and other debris, and complete routine maintenance activities more efficiently. The new dump trailer will be used to transport the skid steer loader to various work sites throughout the City and provide the ability to haul away collected debris, supporting more efficient and effective maintenance operations.




*Figure 1: Proposed Model 250 Skid Steer Loader*

## DISCUSSION

While several companies produce similar equipment, the PWSD has determined that the Caterpillar Model 250 Skid Steer Loader is the model that best meets the City's needs in terms of quality, performance, reliability, and pricing.

The new skid steer loader will be equipped with several specialized attachments to support a variety of maintenance and cleanup activities. A cold planer attachment will allow staff to grind or mill the top layer of asphalt pavement in preparation for repairs and resurfacing. A hydraulic hammer attachment will provide the ability to break up concrete, asphalt, and other hard surfaces during pavement repairs and demolition activities. An industrial-grade bucket with a bolt-on cutting edge will also allow staff to collect and move bulky debris, large rocks, downed tree limbs, and materials associated with illegal dumping. These attachments will expand the versatility of the skid steer loader, reduce the need for separate specialized equipment, and improve the ability to complete routine maintenance, pavement repairs, and debris removal activities in a timely and efficient manner.

A dump trailer will also be purchased to transport the skid steer loader to and from work sites throughout the City. In addition to transporting the equipment, the trailer will provide the PWSD with the ability to haul away collected materials and debris. These materials may include milled asphalt, broken concrete, downed tree limbs, illegally dumped trash, and other construction or maintenance debris. The combination of the skid steer loader, its specialized attachments, and the dump trailer will provide the Streets Section with greater operational flexibility and improve its capacity to respond to routine maintenance needs, pavement deterioration, and unsightly or hazardous debris throughout the City.

Utilizing Sourcewell, a national cooperative purchasing program, enables the City to streamline the procurement process for a Caterpillar Model 250 Skid Steer Loader and dump trailer at a lower cost than the traditional competitive bidding process. The California Government Code authorizes public agencies to participate in cooperative purchasing agreements, such as those established by Sourcewell, while remaining within the City's adopted rules and procedures for purchasing. Sourcewell awarded a contract to Caterpillar, Inc. for heavy construction equipment. A copy of the agreement between Sourcewell and Caterpillar, Inc. have been reviewed by the PWSD, and it has been determined to meet the City's procurement requirements.

## ENVIRONMENTAL ANALYSIS

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that it will have no impact on the environment.

## FISCAL IMPACT

The total cost for the Caterpillar Model 250 Skid Steer Loader and dump trailer is $155,210.14. The Fiscal Year 2024-25 Equipment Replacement Budget includes $155,400 for the purchase of a skid steer loader and dump trailer for the Streets Section. Therefore, sufficient funds are available for this purchase.

## RECOMMENDATION

It is recommended the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and approve a

Purchase Order with Caterpillar, Inc. for the purchase of one new Caterpillar Model 250 Skid Steer Loader and one dump trailer in the amount of $155,210.14.

Approved:



Dominic Lazzaretto
City Manager

Attachments: Caterpillar, Inc. Quote
Sourcewell Contract

198359-01

Oct 01, 2026

CITY OF ARCADIA
ACCOUNTS PAYABLE FINANCE
P O BOX 60021
ARCADIA, California 91066-6021

Attention: DAVE THOMPSON

Dear Sir,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

One (1) New Caterpillar Inc. Model: 250 Skid Steer Loader  including standard and optional equipment as listed below.

**Sourcewell #011723 - CAT**

We wish to thank you for the opportunity of quoting on your equipment needs. This quotation is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Leo Jasso
Machine Sales Representative

**One (1) New Caterpillar Inc. Model: 250 Skid Steer Loader including standard and optional equipment as listed below.**

**STANDARD EQUIPMENT**

**POWERTRAIN** -Cat C2.8T turbocharged diesel engine --Gross horsepower per ISO 14396 -74 hp (55 kW) --Glow plugs starting aid --Liquid cooled, direct injection -Air cleaner, dual element, radial seal -S-O-S sampling valve, hydraulic oil -Ecology drain - coolant -Filter, hydraulic supply, cartridge type -Filter, hydraulic return, cartridge type -Filter, canister type, engine oil -Filter, canister type, fuel -and water separator -Radiator / hydraulic oil -cooler (side-by-side) -Spring applied, hydraulically released, -parking brakes -Hydrostatic transmission -Four wheel chain drive -Lockable fuel cap -Auto engine idle -

**HYDRAULICS** -Selectable control pattern - ISO or H -Electro/hydraulic implement control -Electro/hydraulic hydrostatic -transmission control -Heavy duty flat faced quick disconnects -with integrated pressure release lever

**ELECTRICAL** -Work Tool Electrical Harness -Heavy duty battery --includes battery disconnect with -lockout feature -12 volt electrical system -85 ampere alternator -LED work lights -Auto reverse lights -Switch backlighting -Interior LED dome light -Backup alarm -Electrical outlet, beacon -Courtesy lighting, exterior -

**OPERATOR ENVIRONMENT** -Operator warning system indicators: --Air filter restriction --Alternator output --Armrest raised / operator out of seat --Engine coolant temperature --Engine oil pressure --Glow plug activation --Hydraulic supply filter restriction --Hydraulic oil temperature --Park brake engages --Engine emission system -(where applicable) -Control interlock system, when operator -leaves seat or armrest raised: --Hydraulic system disables --Hydrostatic transmission disables --Parking brake engages -ROPS cab, tilt up -FOPS, Level I -Color LCD monitor: --Creep speed control --Drive response adjustment --Implement response adjustment --Drive Power Priority adjustment --Language selection (x32) --Date, Time, Units, and brightness -settings --Multi-operator Anti-theft Security -System & Monitoring --Maintenance schedule and reminders --Event and Diagnostic Code monitoring --Smart Technology, enables use of -Smart Attachments -Gauges: fuel level, hour meter, -hydraulic temperature, battery -voltage, tachometer. -Rear View Camera -Cell Phone Storage Pocket -Cup Holder -Ergonomic contoured armrest -Independently adjustable, seat -mounted joystick controls. -Top and rear windows -Floormat -Headliner -Interior rear view mirror -Horn -Hand (dial) throttle, electronic -12 volt power port -Rear window breaker hammer

**FRAMES** -Lift linkage, vertical path -Chassis, one piece welded -Machine tie down points (9) -Removable panels for machine -frame cleanout -Support, lift arm -Steel rear and front bumpers, welded -Fuel fill, machine right hand side

**OTHER STANDARD EQUIPMENT** -Steel engine door with replaceable -louvers -Engine door - lockable -Extended life antifreeze (-37C, -34F) -Work tool attachment coupler -Hydraulic oil level sight gauge -Radiator coolant level sight gauge -Radiator expansion bottle -Cat ToughGuard TM hose -Hydraulic demand cooling fan

**MACHINE SPECIFICATIONS**

| | |
|---|---|
| 250 05A SKID STEER LOADER | 624-0668 |
| LANE 2 ORDER | 0P-9002 |
| CAB PACKAGE, ULTRA | 661-5333 |
| GUARDING / SEALING PKG, (HD1) | 586-0052 |
| HYDRAULICS, PERFORMANCE, (HP3) | 585-9684 |
| AXLES, STANDARD | 528-0197 |
| RIDE CONTROL | 585-9528 |
| STARTING PACKAGE, STANDARD | 652-2073 |
| FUEL, ELECTRIC PRIMING | 590-1211 |
| WORKLIGHTS,LED,FRONT/REAR/SIDE | 579-2311 |
| ROADING LIGHTS | 598-0448 |
| COMFORT PKG, ENCLOSED CAB,HVAC | 657-2194 |
| AIR CONDITIONING, R134A REF | 661-1437 |
| SEAT,AIR SUSPENSION,HEAT/VENT | 585-9588 |
| DOOR, CAB, POLYCARBONATE | 593-7244 |
| INTEGRATED RADIO | 651-8586 |
| SEAT BELT, 3" | 613-1925 |
| PACKAGE, TECHNOLOGY (T5) | 601-6604 |
| FAN, COOLING, DEMAND | 639-9499 |
| PRODUCT LINK, CELLULAR PLE643 | 579-2324 |
| QC, HYD DUAL SELF-LEVEL | 586-0032 |
| CERTIFICATION ARR, P65 | 643-7211 |
| INSTRUCTIONS, ANSI, USA | 585-9542 |
| SERIALIZED TECHNICAL MEDIA KIT | 421-8926 |
| POWERTRAIN, 2-SPEED | 585-9525 |
| HOSE GUIDE, ATTACHMENT | 640-5405 |
| PACKING, ROLL ON - ROLL OFF | 0P-0226 |
| KIT, WATER TANK, 47 US GAL | 610-5876 |
| KIT, FOPS, LEVEL 2 | 650-7628 |
| COLD PLANER, PC306 | 529-5790 |
| KIT, WATER SPRAY, PC3/PC4 | 206-2567 |
| HAMMER, B8 | 532-9108 |
| LINES, B4-B6-B8 HAMMER, SSL | 532-9264 |
| BRACKET, SSL, MD-LG | 532-9250 |
| TIRES, 10/16.5 CAT 8PR | 594-1395 |
| BUCKET-IND GR, 68", BOCE | 541-7660 |
| BUCKET-GP, 68", BOCE | 279-5369 |

| Base Model | | Part # | List Price |
|---|---|---|---|
| 250 | | | 89,332.00 |
| - | | - | |
| **Sub Total, Machine** | | | **89,332.00** |
| Min Member Disc | 21.0% | | (18,759.72) |
| Machine / Option Price | | | **70,572.28** |
| **Work Tools / Attachments** | | | |
| KIT, WATER TANK, 47 US GAL | | | 1,667.00 |
| KIT, FOPS, LEVEL 2 | | | 1,771.00 |
| COLD PLANER, PC306 | | | 26,319.00 |
| KIT, WATER SPRAY, PC3/PC4 | | | 542.00 |
| HAMMER, B8 | | | 11,125.00 |
| LINES, B4-B6-B8 HAMMER, SSL | | | 500.00 |
| BRACKET, SSL, MD-LG | | | 1,201.00 |
| TIRES, 10/16.5 CAT 8PR | | | 620.00 |
| BUCKET-IND GR, 68", BOCE | | | 6,597.00 |
| BUCKET-GP, 68", BOCE | | | 1,861.00 |
| **Sub Total** | | | **52,203.00** |
| Member Disc | 21.0% | | (10,962.63) |
| Work Tool / Attachments Price | | | **41,240.37** |
| **Customer Invoice** | | | |
| Machine / Option Price | | | **70,572.28** |
| Work Tool / Attachments Price | | | **41,240.37** |
| Pre-Tax Total | | | 111,812.65 |

| | |
|---|---|
| Pre-Prep Total | 111,812.65 |
| **Nondiscountable Items** | |
| Delivery | 350.00 |
| Manuals, (1) set CD/DVD | 1,200.00 |
| INSTALL AND TEST WATER SPRAY SYSTEM(703, 5612) | 571.76 |
| ASSEMBLE HAMMER ATTACHMENT(016, 6333) | 610.59 |
| INSTALL AND TEST HAMMER ATTACHMENT(703, 6333) | 412.94 |
| INSTALL AND TEST COLD PLANER(703, 6634) | 308.24 |
| PRE-DELIVER MACHINE(050, 7000) | 625.88 |
| PREP/ACTIVATE FOR SALE MACHINE(600, 7000) | 427.06 |
| INSTALL AND TEST CAB DOOR(703, 7308) | 598.82 |
| Towmaster T-14 HD Dumptrailer | 22,904.71 |
| **Total** | **139,822.65** |

**WARRANTY & COVERAGE**

Standard Warranty: 24 MONTHS / 2,000 HOURS FULL MACHINE

| | |
|---|---|
| SELL PRICE | $139,822.65 |
| **NET BALANCE DUE** | **$139,822.65** |
| ARCADIA TAX RATE AS OF OCTOBER 1 (11%) | $15,380.49 |
| TIRE FEE | $7.00 |
| **AFTER TAX BALANCE** | **$155,210.14** |

**PAYMENT TERMS**

**Cash Invoice Terms**

| |
|---|
| CASH WITH ORDER |
| $0.00 |

**F.O.B/TERMS:**
City Of Industry Machine

**Accepted by_____ on _____**

_____
**Signature**

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Sourcewell

# Solicitation Number: RFP # 011723

# CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and **Caterpillar Inc.**, 100 NE Adams Street, Peoria, IL 61629 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for **Heavy Construction Equipment with Related Attachments and Technology** from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

## 1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires April 14, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

## 2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.



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Pursuant to Section 10(b), Supplier will subcontract certain obligations under this Contract to its dealers. Only those dealers that sign a Participation Agreement with Supplier obligating them to comply with the terms of this Contract will be eligible to provide Equipment, Products, or Services as a subcontractor under this Contract. In the event there is no dealer who has entered into a Participation Agreement available to provide Equipment, Products, or Services to a Participating Entity, Supplier will be under no obligation to provide Equipment, Products, or Services to such Participating Entity under this Contract. Supplier will provide a copy of this Contract to its dealers that would normally service Participating Entities and invite such dealers to enter into a Participation Agreement as a subcontractor of Supplier under the terms of this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

## 3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the percentage list discount stated in the supplier's proposal.

Upon request made to a participating CAT dealer, from a Participating Entity identifying themselves as a Sourcewell member by providing their Sourcewell member number and contract number; formal quotes will list all costs, including all delivery expenses, such as freight and permits (when required).



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Alternatively, Participating Entities may choose to make their own transportation arrangements. In such case, there would be no delivery charges from the local participating Cat dealer.
Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.



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## 4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

## 5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities. Supplier may not enter into a contract with a U.S. Federal Government entity prior to obtaining necessary internal approvals and shall not be obligated to provide Equipment, Products or Services to any U.S. Federal Government entity under this Contract unless separately agreed in writing. Caterpillar may work with such parties and may agree to provide equipment or services under the Contract on a case-by-case basis.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities



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to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

## 6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Participating Dealers with payments made to the Participating Dealers. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier's Participating Dealer, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and Supplier's Participating Dealer or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.



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D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

## 7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

## 8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;



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- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

## 9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.



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## 10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid. Provided, however, that Supplier is permitted to subcontract certain of its rights and obligations to Supplier Participating Dealers for performance without Sourcewell's prior written consent.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

## 11. INDEMNITY AND HOLD HARMLESS

Intentionally omitted.

## 12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell



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under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

## 13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. Intentionally Deleted.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

## 14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

## 15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

## 16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

## 17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:



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1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

## 18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an “AM BEST” rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers’ Compensation and Employer’s Liability.*

Workers’ Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease



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2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.



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C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds. A Participating Dealer may name a Participating Entity as an additional insured on a case-by-case basis.

WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors.

D. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

## 19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier's Participating Dealers must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Participating Dealer conducts with Sourcewell and Participating Entities.

## 20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.



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Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

## 21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Intentionally omitted.

## 22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

**Sourcewell**

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer

Date: 5/5/2023 | 9:41 AM CDT

Approved:

DocuSigned by:
By: Chad Coauette
7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO

Date: 5/24/2023 | 12:16 PM CDT

**Caterpillar Inc.**

DocuSigned by:
By: Patrick Kearns
68A87926721B4E0...
Patrick Kearns
Title: Vice President Sales & Marketing, Construction Industries

Date: 5/24/2023 | 9:13 AM PDT



Caterpillar: Confidential Green

# RFP 011723 - Heavy Construction Equipment with Related Attachments and Technology

### Vendor Details

| | |
|---|---|
| Company Name: | Caterpillar Inc |
| Address: | 100 NE Adams St<br>Peoria, IL 61629 |
| Contact: | Sean Egel |
| Email: | egel_sean_j@cat.com |
| Phone: | 309-675-1399 |
| HST#: | |

### Submission Details

| | |
|---|---|
| Created On: | Tuesday November 15, 2022 14:22:18 |
| Submitted On: | Tuesday January 17, 2023 16:10:22 |
| Submitted By: | Sean Egel |
| Email: | egel_sean_j@cat.com |
| Transaction #: | aeaa61ae-0c73-4610-8208-b80e2e0b4448 |
| Submitter's IP Address: | 192.189.129.23 |

## Specifications

### Table 1: Proposer Identity & Authorized Representatives

**General Instructions** (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

| Line Item | Question | Response * | |
|---|---|---|---|
| 1 | Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier") | Caterpillar Inc. | * |
| 2 | Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal. | N/A | * |
| 3 | Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above. | N/A | * |
| 4 | Provide your CAGE code or Unique Entity Identifier (SAM): | 11083 | * |
| 5 | Proposer Physical Address: | 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 | * |
| 6 | Proposer website address (or addresses): | https://www.caterpillar.com/, https://www.cat.com/en_US.html | * |
| 7 | Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract): | Primary Contact: Patrick Kearns<br>Title: Vice President Sales & Marketing<br>Address: 100 NE Adams St, Peoria, IL 61629<br>Email: Kearns_Patrick@Cat.Com<br>Phone: (309) 675-5181 | * |
| 8 | Proposer's primary contact for this proposal (name, title, address, email address & phone): | Primary Contact: Sean Egel<br>Title: Governmental Sales Consultant<br>Address: 100 NE Adams St, Peoria, IL 61629<br>Email: Egel_Sean_J@Cat.Com<br>Phone: (309) 675-1399 | * |
| 9 | Proposer's other contacts for this proposal, if any (name, title, address, email address & phone): | Primary Contact: Marta Sevilla<br>Title: Governmental Marketing Manager<br>Address: 100 NE Adams St, Peoria, IL 61629<br>Email: Sevilla_Marta_E@Cat.com<br>Phone: (309) 578-1150 | |

### Table 2: Company Information and Financial Strength

| Line Item | Question | Response * | |
|---|---|---|---|

| | | | |
|---|---|---|---|
| 10 | Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services. | The history of Caterpillar is all about doing: creating, building, problem solving, innovating, testing, servicing and improving. We're proud of the ingenious machines that are part of our rich heritage. More importantly, we are proud of the people who founded and built the company one breakthrough at a time. Beginning with Benjamin Holt and C. L. Best, the people of Caterpillar have always been - and continue to be - extraordinary.<br><br>In 1925, when Holt and Best merged to form their new tractor company, they used the name so familiar to people around the world: Caterpillar. The Caterpillar Tractor Company is today known as Caterpillar Inc.<br><br>With 2021 sales and revenues of $51.0 billion, Caterpillar Inc. is the world's leading manufacturer of construction and mining equipment, off-highway diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives. For nearly 100 years, we've been helping customers build a better, more sustainable world and are committed and contributing to a reduced-carbon future. Our innovative products and services, backed by our global dealer network, provide exceptional value that helps customers succeed. Caterpillar does business on every continent, principally operating through three primary segments – Construction Industries, Resource Industries and Energy & Transportation – and providing financing and related services through our Financial Products segment.<br><br>Our Worldwide Code of Conduct, first published in 1974, defines what we stand for and believe in, documenting the uncompromisingly high ethical standards our company has upheld since its founding in 1925. The Code helps Caterpillar employees put our values and principles into action every day by providing detailed guidance on the behaviors and actions that support our values of Integrity, Excellence, Teamwork, Commitment and Sustainability.<br><br>Caterpillar's Code of Conduct that can be found at https://www.caterpillar.com/en/company/code-of-conduct.html | * |
| 11 | What are your company's expectations in the event of an award? | Caterpillar is honored to have served Sourcewell and its members who have purchased Cat® construction equipment, attachments (work tools), and electrical power generation products through Sourcewell since 2008. Furthermore, we are proud to have<br>earned the Sourcewell Legacy Award in 2019, and have recently been awarded contracts 060122-CAT and 092222-CAT.<br><br>Caterpillar's expectations in the event of an award would be to focus on customer needs and continued growth across all governmental segments. Sourcewell has built a strong reputation within the industry that has shown the importance of how this cooperative contract delivers upon customer needs. This contract will be a top factor in our go to market strategy within our strong Cat dealer network. If awarded, we will send out an email to our entire sales force, applicable to governmental, introducing the contract along with ways to train our salesforce, market, and grow the contract.<br><br>We look forward to the opportunity to further grow business and serve member needs together in this new Heavy Construction Equipment RFP opportunity. | * |
| 12 | Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. | Caterpillar Inc. is a publicly traded company, and as such, its financial information is updated quarterly and available at: https://investors.caterpillar.com/overview/default.aspx<br><br>Caterpillar's 2021 Annual Report provides details about our<br>financial position. Our SEC filing documents can be found at:<br>https://investors.caterpillar.com/financials/sec-filings/default.aspx. Both documents are included as attachments in our Financial Strength and Stability Documents.<br><br>As 2022 results are yet to be released, below you can find a summary of our full year 2021 financials.<br><br>In 2021 full year sales and revenues were $51B of which, North American sales were $22B. Operating profit was $6.9B with a profit per share of USD $11.83. Dividends paid per share of USD $4.28. | * |
| 13 | What is your US market share for the solutions that you are proposing? | Caterpillar is a significant contributor to the overall Heavy Equipment sector within the US and Canada. Market share information beyond what is made publicly available through our annual reports is considered confidential. | * |
| 14 | What is your Canadian market share for the solutions that you are proposing? | Caterpillar is a significant contributor to the overall Heavy Equipment sector within the US and Canada. Market share information beyond what is made publicly available through our annual reports is considered confidential. | * |
| 15 | Has your business ever petitioned for bankruptcy protection? If so, explain in detail. | No. | * |

| | | | |
|---|---|---|---|
| 16 | How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.<br>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?<br>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party? | Caterpillar is a world class manufacturer which distributes products through a vast and capable independent dealer network. Our dealers are strong independently owned companies and in North America alone our 47 dealers have a combined net worth of billions of dollars. Their large valuation is a competitive advantage because it allows them to have the infrastructure to support customers regardless of location, industry, fleet size, or application.<br><br>Another advantage of independently owned dealers is that they know their customers and market well. They tailor their services specifically to their customers' needs.<br><br>Although we will sign this contract as a manufacturer, our Cat dealers will be given the<br>opportunity to avail themselves of the opportunity presented by the contract and will execute all the transactions with governmental customers as they do today. This includes but is not limited to consultation, quoting, accepting payment, delivery, warranty support, parts sales, and service.<br><br>Caterpillar dealers heartily embrace the other Sourcewell contracts currently available to them (032119-CAT, 092222-CAT, 062320-CAT, 060122-CAT). They have all been trained on contract usage. In fact, the current Heavy Equipment contract is leveraged by<br>95% of our dealers in North America. Caterpillar offers specific discounts to Sourcewell members. By using any Sourcewell Contract, our dealers agree to honor those discounts. | * |
| 17 | If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP. | Caterpillar and its subsidiaries operate across the globe in a variety of markets that require Caterpillar to adhere to all locally mandated laws and regulations in order to do business. With regards to the territories covered by this RFP, Caterpillar will comply with applicable laws in order to do business in the territories described herein.<br><br>As an equipment manufacturer focused on quality, Caterpillar created the Caterpillar Quality Management System, which is a process-based, ISO 9001:2015 compliant quality management system used throughout Caterpillar to continually improve the quality of our products and services to meet customer, statutory, and regulatory requirements. It is registered with IRCA (International Register of Certificated Auditors) as Caterpillar Quality Management System CAT791A. | * |
| 18 | Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years. | N/A | * |

### Table 3: Industry Recognition & Marketplace Success

| Line Item | Question | Response * | |
|---|---|---|---|

| | | | |
|---|---|---|---|
| 19 | Describe any relevant industry awards or recognition that your company has received in the past five years | Please note: To list all the awards received in the past 5 years would unnecessarily lengthen our response. For brevity, we are highlighting some recognition received in 2020, 2021 and 2022. Also note there are many global awards.<br><br>Fortune Magazine #78 on the Fortune 500 2021<br>Fortune Magazine World's Most Admired Companies<br>World & North America Dow Jones Sustainability Index<br>Forbes Best Employers for diversity 2020 and 2021<br>#82 Best Global Brands- Interbrand 2021<br>The Wall Street Journal Best Managed Companies in 2020 and 2021<br>The Wall Street Journal World's Most Sustainably Managed Companies<br>Human Rights Campaign Foundation Corporate Equality Index<br>Dow Jones Sustainability Index (World and North America) 21 years World's Most Sustainably Managed Companies – The Wall Street Journal United Way World Wide's Global Corporate Leadership Program<br>U.S. President's Volunteer Service Award from Junior Achievement<br>Corporate Equality Index – Human Rights Campaign Foundation<br>CSR China Top 100 – the 4th CSR China Education Award (China) China CSR Excellence Award – China Philanthropy Times (China)<br>Corporate Social Responsibility Research Center of Southern Weekly (China)<br>Outstanding Contribution to Poverty Alleviation – China Foundation for Poverty Alleviation (China)<br>2020 Global 500 – Fortune Magazine<br>America's Most Responsible Companies 2020, 2021 & 2022 – Newsweek<br>Best-Managed Companies of 2020 & 2021 – The Wall Street Journal<br>Top Companies for Customer Satisfaction – The Wall Street Journal<br>The CEO Leaderboard: COVID-19 Reputation Rankings – SJR All-America Executive Team – Institutional Investor<br>Top 150 Global Licensors – Global License Best Global Brands Top 100 – Interbrand World's Most Valuable Brands 2020 – Forbes<br>2020 Best Places to Work for Disability Inclusion – Disability Equality Index<br>World's Best Employers 2020 – Forbes<br>Best Employers for Women 2020 – Forbes<br>America's Best Employers by State 2020 – Forbes<br>America's Best Employers for Diversity 2020 – Forbes<br>Best Employers for New Grads 2020 – Forbes<br>Global 2000 – Forbes 2020, 2021 & 2022<br>Best Employers for Veterans 2020 and 2021– Forbes<br>Top Veteran-Friendly Company – U.S. Veterans Magazine<br>#1 Great Place to Work – Great Place to Work Institute (Brazil)<br>#1 Great Place to Work in the Ag Business - Great Place to Work Institute (Brazil)<br>Chile's 20 Best Places in 2020 to Work for LGBTQ Equality, pwc Human Rights Campaign<br>Top of Mind Company "Industry category" (Piracicaba, Brazil)<br>Certification on Promoting Work-Life Balance in Hyogo Prefecture – Hyogo Work and Life Center (Japan)<br>Hyogo's Women's Success in Business Promotion Company – Hyogo Women Empowerment &<br>Promotion Center (Japan)<br>Hanada Award for WIN Akashi – Hyogo Women and Future Association (Japan)<br>Hyogo Childcare Supporting Company Award (Japan)<br>Science & Technology Industry Summit: Outstanding Contribution – The Economic Observer (China) | * |
| 20 | What percentage of your sales are to the governmental sector in the past three years | The governmental and educational sector is extremely important to Caterpillar. We have a dedicated team to support governmental customers and their specific needs. However, percentage of sales to governmental is considered confidential. | * |
| 21 | What percentage of your sales are to the education sector in the past three years | The governmental and educational sector is extremely important to Caterpillar. We have a dedicated team to support governmental customers, including the education sector, and their specific needs. However, percentage of sales to education is considered confidential. | * |
| 22 | List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years? | While Cat dealers would typically hold contracts with states and provinces, as an exception Caterpillar holds the state contract with Ohio and NY.<br>Additionally, we are contract holders with OMNIA and NASPO ValuePoint.<br><br>Just as we would never share Sourcewell sales information with other cooperatives, we also keep the sales volumes from other cooperatives confidential. | * |

| | | | |
|---|---|---|---|
| 23 | List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years? | Listed below are the current GSA contracts that Caterpillar holds:<br>SIN 333924 Utility Trucks and Tractors: 2020=$6,857,211 2021=$14,071,364<br>SIN 333120 Street Repair and Cleaning Equipment and Attachments: 2020=$0 / 2021=$143,837<br>SIN 335999 Power Distribution Equipment: 2020=$151,267.70 / 2021=$9,473.07<br>These contracts are used by Caterpillar, but we do not allow our dealers to use GSA contracts.<br><br>Final sales for the year 2022 have yet to be fully reported. | * |

### Table 4: References/Testimonials

**Line Item 24**. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

| Entity Name * | Contact Name * | Phone Number * | |
|---|---|---|---|
| Baltimore County, MD | Jamie Donahue | 410-952-6981 | * |
| Washington DC Fleet | Greg Harrelson | 202-437-3799 | * |
| Town of Scituate Mass. | Kevin Cafferty | 781-545-8732 | * |

### Table 5: Top Five Government or Education Customers

**Line Item 25.** Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

| Entity Name | Entity Type * | State / Province * | Scope of Work * | Size of Transactions * | Dollar Volume Past Three Years * | |
|---|---|---|---|---|---|---|
| Virginia Department of Transportation - Central | Government | Virginia - VA | State Department of Transportation for Virginia. Caterpillar requests that Sourcewell treat the information in this table as confidential. | Purchased 41 units. | $12,321,972 | * |
| State of Idaho | Government | Idaho - ID | State of Idaho. Caterpillar requests that Sourcewell treat the information in this table as confidential. | Purchased 39 units. | $10,304,218 | * |
| Alaska Department of Transportation | Government | Alaska - AK | State Department of Transportation for Alaska. Caterpillar requests that Sourcewell treat the information in this table as confidential. | Purchased 37 units. | $12,176,875 | * |
| Arkansas State | Government | Arkansas - AR | State of Arkansas. Caterpillar requests that Sourcewell treat the information in this table as confidential. | Purchased 28 units. | $10,053,000 | * |
| Suwannee County | Government | Florida - FL | A county local to Florida. Caterpillar requests that Sourcewell treat the information in this table as confidential. | Purchased 26 units. | $6,567,420 | * |

### Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

| Line Item | Question | Response * | |
|---|---|---|---|

| | | | |
|---|---|---|---|
| 26 | Sales force. | The Cat dealer salesforce is highly capable and trained in the construction industry. The Cat dealer salespeople are consultants to their customers and advise their customers on the best solutions for their application and job. As a manufacturer we request our dealers to follow strict training protocols to ensure our sales force remains current on all product updates. Specifically, as it relates to governmental sales, each dealer has one or more people named to be a key liaison between us as manufacturer and their dealer sales team. They're offered additional in depth training on Sourcewell and ensures that all contract terms are followed.<br><br>Caterpillar has Operational Excellence Programs that recognize dealers' excellence in marketing and sales processes and operations, among other areas of the business.<br><br>In North America, our dealers employ more than 53,000 people across the machine, energy, parts and service divisions. The dealer sales teams are supported by a network of Caterpillar professionals. Each dealer has in territory support of 5 to 8 Caterpillar sales/marketing employees. It is the responsibility of these people to ensure that the dealer and Caterpillar are working well together to constantly improve and to adapt to marketplace changes. Beyond the territory experts, the sales and marketing department at Caterpillar is staffed by more than 600 people whose mission is to focus on customer satisfaction. Even more are employed "behind-the scenes" to ensure industry leading product design, up to date product information, and maintaining the ease of doing business in an increasingly connected marketplace. | * |
| 27 | Dealer network or other distribution methods. | The Cat dealer network is key to the success of our company. Boasting over 160 dealers throughout 193 countries worldwide, the Cat dealer network is widely considered to be the best in industry. Within Canada and the United States, we have 47 dealers and more than 800 dealer owned locations that sell and rent equipment. Please refer to our directory listing of Cat dealer locations and our easy to view locations map in the attached "Additional Documents" zip file. Cat dealers are independently-owned. Each dealer has multiple branches and a mobile service fleet than can serve customers regardless of location. These are full physical locations our governmental customers can use.<br><br>Because of the size of Cat dealers, they are exceptionally capable to serve governmental customers. Dealers have trained specialists that cover many industries including heavy equipment.<br><br>Collectively, Cat dealers' large net worth permits them to stock a high volume of replacement parts - allowing governmental customers the fastest turnaround on parts availability and repair time. Cat dealers recognize the importance of governmental business to their overall success and they each have one or more governmental specialists whose job it is to serve governmental agencies well.<br><br>Please refer to the Cat dealer locations map included in "Additional Documents". Additionally, you can leverage https://www.cat.com/en_US/support/dealer-locator.html to locate dealers by location. | * |

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| 28 | Service force. | At Caterpillar we are very proud of the saying "The sales department sells the first machine; the service department sells every one after that." The Cat dealer network in North America collectively employs more than 20,000 factory trained technicians, parts experts, product support managers and other service-oriented staff. These subject matter experts are supported by the best repair shop equipment and materials. As machines and engines are constantly updated, so too are our service experts. We conduct product-specific training every week of the year. Technician shortage is an industry-wide concern, but because Cat dealers are large, long established companies, they can offer strong compensation and benefit packages that encourage the best people to seek employment and to retain them once hired. Caterpillar works very closely with dealers and through a program called "ThinkBIG", we are able to keep the pipeline of high quality employees full. ThinkBIG is a Caterpillar-specific instructional program that pays the student while they train to become a technician. It is a 2-year program with lab and classroom work, and a paid internship at a sponsoring Cat Dealer. As a result, the student will graduate with an accredited degree backed with over 2,000 hours of work experience.<br><br>In addition to the technicians and mechanics that work on the machines directly, each dealer has a service support staff that includes customer-facing consultants who are responsible for working with customers to set up maintenance and repair schedules to ensure the best possible up-time.<br><br>Collectively, service support staff makes up the bulk of each dealers' staff. Roughly half of their personnel investment goes to ensuring customer success via product support.<br><br>The dealer service teams are supported by a network of Caterpillar professionals. Each dealer has in territory support of 5 to 8 Caterpillar parts/service employees. It is the responsibility of these specialists to ensure that the dealer and Caterpillar are working well together to constantly improve and to adapt to marketplace changes. Beyond the territory experts, the service and support groups at Caterpillar are staffed by thousands of people whose mission is to focus on post-sale customer satisfaction. Even more are employed "behind-the-scenes" to ensure technical literature is up to date, service standards are adhere to and repair questions are answered quickly. We exceed our 95% 2-hour response rate target in responding to dealer service inquiries. | * |
| 29 | Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others. | Our simple order process has been and will continue to be well appreciated by Sourcewell and Sourcewell members:<br>1) When a member decides to purchase a new Cat machine, they simply include their Sourcewell member number on the Purchase Order they issue to the Cat dealer.<br>2) The Cat dealer then accepts the PO, issues the invoice, accepts payment and delivers the machine.<br>3) After the machine has been delivered, the dealer, as part of their normal process, includes the member number when filing their sales claims with Caterpillar.<br>4) At month's end, Caterpillar aggregates these reports and sends the sales information quarterly to Sourcewell along with the administrative fee.<br>IMPORTANT NOTE: Should a member wish to include additional terms and conditions to this contract, or to otherwise request a Participating Addendum, that agreement / PA should be executed between the member and Cat dealer directly. | * |

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| 30 | Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises. | We are proud that our reputation stands on having the best customer support in the industry. In fact, our capabilities are industry leading. In the event a customer ever has a problem or issue with a machine, their Cat dealer is empowered to resolve that issue locally. If the problem is a result of a defect in material or workmanship, within the standard warranty period, the local Cat dealer will work with Caterpillar to apply the appropriate warranty, and keep the customer informed. Every Cat dealer has a common detailed service process in place. Caterpillar supports and verifies that all the dealer service technicians are supplied with the tools and equipment needed to repair all Cat products.<br><br>Technicians have access to an electronic library of technical information including Service Letters, Technical Information Bulletins, System Operations, Troubleshooting and Disassembly and Assembly manuals. These manuals are provided for every Cat product. Each dealer also has one or more "Technical Communicators" who are dedicated to supporting the service technicians by acting as a liaison between the shop personnel and Caterpillar.<br><br>The service technicians also have a dealer support network (DSN) system with direct access to Caterpillar's Service Engineers. Caterpillar responds to more than 95% of all high priority tickets within one hour.<br><br>Caterpillar is got everything customers need to keep their Cat machines in top shape. Whether they want Genuine Cat parts, manuals and resources to do maintenance and repairs themselves, or prefer to have one of our expert dealer technicians do the work. We make it easy to keep their Cat equipment running.<br><br>Some of our service solutions include:<br><br>-Cat Fleet Management (Condition Monitoring) - Lowers the total cost of ownership of machine. By connecting your fleet, you will be able to: track the location of your assets, monitor & manage the fuel consumption, identify the operators who would need extra training, and plan & schedule your maintenance. All of which will maximize your uptime.<br><br>-Customer Value Agreements (CVA) - Customizable plans for your equipment new or used - to do more work with lower, more predictable costs. It's a convenient plan to get the most from your equipment throughout its life. Examples of CVAs may include but are not limited to: Maintenance CVAs, Component CVAs, and Machine CVAs.<br><br>-S•O•S SM Services - A fluid analysis program that provides results that you can trust including trend analysis that provides benefit to your machine and fleet.<br><br>-Cat Inspect - A digital way to perform checklists, pre-work inspections, annual inspections and PM checklists. All of which can be captured in the easy to use app. | * |
| 31 | Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States. | We are proud to serve all geographic areas and all Sourcewell member sectors within the United States to offer our complete products and services. Caterpillar has successfully and proudly utilized Sourcewell to sell machines in all 50 states.<br><br>Caterpillar's global reach and presence is unmatched in the industry, and we serve customers around the globe. Our manufacturing, marketing, logistics, services, research and development and related facilities, along with our dealer locations, total more than 500 locations worldwide. North America specifically is home to 47 factories and 10 parts distribution centers, which make up 40% of our global footprint! The Caterpillar parts network delivers 98% of the parts orders within 24 hours.<br><br>In addition to our facilities listed above, Cat Parts are available through the Cat dealer network in at different price points, including: Cat New, Cat General Duty and Cat Reman. The Cat dealer network also have the capability to provide dealer exchange components, dealer rebuilt components and used parts when available. Each dealer can match the appropriate parts offering to match the customers application and productivity. For example, Cat dealers offer Cat factory remanufactured parts (Cat reman) to follow the same quality, performance, and reliability as Cat new parts. This product line provides the same as new parts warranty, includes critical engineering changes, reduces waste, and protects the environment and saves critical repair time on machines. Cat reman also uses 100% Cat parts in the remanufacture process.<br><br>Our 1.4 million parts are available to order 24/7 on Parts.Cat.Com. | * |

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| 32 | Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada. | We are serve all geographic areas and all Canoe member sectors within Canada with our complete product and service offerings. In fact, we see the Canadian market as a significant growth opportunity for Canoe through Sourcewell contract usage. We have gained momentum with our current contract 032119-CAT in Canada.<br><br>Caterpillar's global reach and presence is unmatched in the industry, and we serve customers around the globe. Our manufacturing, marketing, logistics, services, research and development and related facilities, along with our dealer locations, total more than 500 locations worldwide. North America specifically is home to 47 factories and 10 parts distribution centers, which make up 40% of our global footprint! The Caterpillar parts network delivers 98% of the parts orders within 24 hours.<br><br>In addition to our facilities listed above, Cat Parts are available through the Cat dealer network in at different price points, including: Cat New, Cat General Duty and Cat Reman. The Cat dealer network also have the capability to provide dealer exchange components, dealer rebuilt components and used parts when available. Each dealer can match the appropriate parts offering to match the customers application and productivity. For example, Cat® dealers offer Cat® factory remanufactured parts (Cat reman) to follow the same quality, performance, and reliability as Cat new parts. This product line provides the same as new parts warranty, includes critical engineering changes, reduces waste, and protects the environment and saves critical repair time on machines. Cat reman also uses 100% Cat parts in the remanufacture process.<br><br>Our 1.4 million parts are available to order 24/7 on Parts.Cat.Com. | * |
| 33 | Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract. | We are proud to serve all geographic areas of the United States and Canada. | * |
| 34 | Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract? | We are proud to serve all Sourcewell Member sectors within the United States and Canada with our complete product and service offering through Sourcewell.<br><br>Caterpillar's cooperative purchasing contracts are non-exclusive; i.e. none of them restrict Caterpillar from promoting our Sourcewell contracts. | * |
| 35 | Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories. | There are no restrictions or limitations for sales to members in Hawaii, Alaska or U.S. Territories. | * |

## Table 7: Marketing Plan

| Line Item | Question | Response * | |
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| 36 | Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response. | Our current marketing strategy with Sourcewell contract 032119-CAT proves to be effective with year over year sales growth. Our primary strategy to promote this contract with participating entities is through our Cat dealers' sales force. We provide group and individual training to our dealer sales reps, focusing on benefits from selling through cooperative contracts vs bids. We proudly announce the award publicly through our multiple customer facing touchpoints which may include:<br><br>1) Press Release<br>2) Government Solutions Magazine (Caterpillar produced magazine distributed to governmental customers in the US and Canada)<br>3) Government Training & Safety Days (Government customer training events at Caterpillar facilities)<br>4) Announcement in our governmental customer e-newsletter<br>5) Feature on our governmental focused website: www.cat.com/governmental<br>6) Announcement on our social media channels (FB, Instagram, LinkedIn)<br>7) Display mentions at all governmental tradeshows we attend. (NACE Annual Conference, APWA Snow Show, Waste EXPO, GFX, NIGP Annual Forum & Products Expo, and APWA PWX & Annual Roadeo)<br>8) Update literature with the new contact information. (An updated version can be found within our attached marketing plan attachment.) | * |
| 37 | Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness. | Caterpillar and the Cat dealer network are leaders in using technologies to reach our customers.<br><br>- Focus on organic search and Search Engine Optimization (SEO) to help our customers digitally find our products and the information they need.<br><br>- Leverage Caterpillar's social media platforms (YouTube, Facebook, LinkedIn, Instagram, etc) and ability to target governmental segments.<br><br>- Leverage predictive data analytics (past purchase history and financing information) to recognize in advance when customers may be considering replacing machines they currently own.<br><br>- Leverage Deltek's GovWIN data in the US and Canada for governmental lead generation.<br><br>Caterpillar has a Customer Interaction Center available 24/7 who handles digital leads received from cat.com, social media, etc. Our team qualifies those leads and passes them on to our Cat Dealer network using the Salesforce platform (Customer Relationship Management system). We have processes that allows us to confirm our Cat dealers have reached out to those customers. | * |
| 38 | In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process? | Sourcewell is a well-respected contracting agency within the public procurement industry. It is important, in the event of an award, that our products and logos be included in Sourcewell marketing and website. We believe that the most important role that Sourcewell can play in marketing our contract and products, is to market themselves and promote contract purchasing across the industry.<br><br>In the event of an award, Caterpillar will put high priority in building awareness and enthusiasm within our dealer network and customer base to leverage the Sourcewell contract as our go to market strategy. | * |
| 39 | Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it. | We do offer a e-procurement ordering process for parts via parts.cat.com. We can also integrate into a variety of procurement systems for high volume customers.<br><br>Our wide machine portfolio and multiple configurations per machine model allows us to provide the best machine for the customer need. Our Cat dealers are trained to configure our equipment and advise the customer on the best machine and configuration for their application. Therefore, a consultative salesperson is integral in this process, and we do not use an e-procurement machine ordering process. | * |

## Table 8: Value-Added Attributes

| Line Item | Question | Response * | |
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| 40 | Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply. | All dealers offer basic operation, safety, and maintenance training with every sale. Should a customer desire more advanced training, such as productivity improvement or advanced repairs, each of our dealers can supply that training. Often there is a cost associated with that specific training and it would be negotiated between the dealer and the customer.<br><br>Caterpillar also offers training programs directly to customers in three areas: operation, safety and service. Members may access courses online, via CD's, or through instructor-led classes leading to operator certifications. The fees for these services vary depending on the depth of training desired. These high-level instruct-led courses can be conducted at one of our dedicated training facilities in the US or on a customer's local site using their own equipment.<br><br>Caterpillar also has a licensed supplier that offers Cat Simulators to teach operational techniques from real job sites. For more information visit: https://catsimulators.com/ | * |

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| 41 | Describe any technological advances that your proposed products or services offer. | Cat technology gives you the power to track, monitor, automate and manage all types of assets- from a single machine, engine, to an entire fleet. We even offer technologies that protect your people. Listed below are a few technology offerings (standard and optional) that are used throughout the world in our Cat equipment.<br><br>Next Generation Excavators:<br>Cat Vision Link - Delivering valuable data with connected machine.<br><br>Cat Payload - Precisely load targets every time for faster cycle times.<br><br>Cat Skid Steer and Compact Track Loaders:<br>Electronic Torque Management System - Helps maximize performance, minimize fuel consumption.<br><br>Sealed and Pressurized Cabs - Provides a cleaner, quieter work environment.<br><br>Cat Backhoe Loaders:<br>Selectable Power Management Modes - Saves fuel while maintaining machine performance.<br><br>Load-Sensing Hydraulic System - Provides excellent response for improved hoe and loader productivity and greater bucket breakout force.<br><br>Cat Tractors:<br>Stable Blade - Produces a smoother surface finish.<br><br>Autocarry - Automatic raising and lowering of blade to maximize pushing capacity and prevent excessive track slippage.<br><br>Cat Wheel Loaders:<br>Operator Assist - Helps the operator reduce tire slippage, automatic rimpull management and provides up to 10% better cycle time resulting in higher productivity.<br><br>Autodig - consistent high bucket fill factors delivers up to 10% more productivity.<br><br>Cat Off Highway Trucks:<br>Adaptive Economy Mode - Automatically optimizes fuel consumption without affecting productivity just pressing a button.<br><br>Truck Production Management System (TPMS) - Weighting system with side indicator lights showing the operator when they are on last pass and when the truck is fully loaded.<br><br>Cat Articulated Trucks:<br>Advanced Automatic Traction Control (AATC) - Technology that proactively applies inter- and cross-axle differential locks ‘on-the-go’ when needed without assistance from operator's interaction.<br><br>Cat Detect with Stability Assist - Warns the operator if machine is approaching a pre-set angle during operation, when driving and tipping.<br><br>Machine/Operator Safety Technology:<br>Machine Security System - Gives you control over who can operate your machines and when. Prevents theft.<br><br>Seat Belt Reminder - Cost effective safety upgrade that significantly improves operator safety.<br><br>Cat Detect for Personnel - Alert ground crews in close proximity to mobile equipment. Cat® Detect for Personnel sounds an immediate, unique alert that cuts through the white noise of engines, generators, cell phones and job site chatter to protect ground workers from equipment backing incidents.<br><br>Cat Command - Remote control in operations where an operator could be at safety risk.<br><br>Whether you're looking to add technology to your current machine, or want new ways to get more value out of the technology on your equipment, we have options for you. | * |

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| 42 | Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each. | Caterpillar shares the concerns of governments and the public about the risks of climate change and supports global efforts to mitigate its impact. We are committed to contributing to a reduced-carbon future.<br><br>We demonstrate this in many ways including through our significant progress in reducing greenhouse gas (GHG) emissions from our operations and our continued investment in new products, technologies and services.<br><br>Caterpillar is engineering a brighter future through:<br>- Product innovations<br>- Advanced technologies leveraging know-how and R&D<br>- Usage of renewable fuels and fluids<br>- Solutions to improve jobsite efficiency<br>- Maintenance solutions<br>- Manufacturing operations’ carbon efficiency<br><br>Caterpillar's long-standing commitment to sustainability inspires us to set and achieve meaningful environmental, social and governance (ESG) goals and develop innovative products, technologies and services to support our customers on their sustainability journey.<br><br>Caterpillar is fully committed to our customers’ success by not only the design and manufacture of durable, reliable, innovative and rebuildable construction equipment, but also through our extensive and unmatched dealer network that provides you the best service and support to keep your equipment running, regardless of the environment or challenges.<br><br>We consider this as we work toward a vision of a world in which people's basic needs - such as shelter, clean water, education, and reliable energy - are fulfilled. We provide work environments, products, services, and solutions that make productive and efficient use of resources as we strive to achieve our vision. We believe this commitment supports the enduring success of our customers, stockholders, dealers, and our people.<br><br>Caterpillar is a proud 20-year member of the Dow Jones Sustainability Indices, including both the World and<br>North America Indices. The annuals DJSI process follows a best-in-class approach, evaluating numerous corporate economic, environmental, and social performance factors.<br><br>For more on sustainability please visit our full report attached in the Financial and Stability attachment section. | * |
| 43 | Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors. | Plants certified with IDO 14001:2004 Environmental Management System include:<br>1) Anchor Coupling - Goldsboro NC, ISO 14001:2004- Sept 2018<br>2) Anchor Coupling - Menominee - ISO 14001: 2015 - Jan. 2021<br>3) Gen Sets - Newberry 0 ISO 14001:2004 - Nov. 2017<br>4) Mapleton - 14001:2004 self-certification issued Jan 2013<br>5) Reman Services - Corinth MS - ISO 14001-2015- Sept. 2021<br>6) Reman Services - Franklin - ISO 14001:2004-May 2017 | * |

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| 44 | Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response. | Caterpillar has long drawn on the diversity of its people as a source of innovation and competitive advantage. We are proud that our people come from across the globe, with diverse backgrounds, experiences and perspectives. Despite our differences – in geography, culture, language and business – we are one Caterpillar, one company united by these common principles with a shared commitment to the highest standards of conduct.<br><br>For example: Foley Equipment, a Cat® dealer, with territory primarily in Kansas and Missouri, is woman owned. In addition to Foley equipment, there are 31 other women in our North American dealer network who hold the titles of President, Vice President or Director.<br><br>One of the more recognized initiatives within Caterpillar's Global Supply Network Division is the Caterpillar Inc. Proprietary Information Supplier Diversity Program which spurs economic growth by increasing business opportunities to minority-owned, women-owned, veteran and service disabled veteran-owned, small disadvantaged businesses and those certified in HUBZones, all while ensuring expectations are met with regards to quality, velocity, capacity, and cost. Currently more than 37% of our direct and indirect purchasing is conducted with suppliers in these categories.<br><br>Caterpillar is a proud member of the National Minority Supplier Development Council (NMSDC). We also use the System for Aware Management (SAM), SBA, and NMSDC databases to locate SDB, VOSB, SDVOSB and HUBZone suppliers.<br><br>Supplier Diversity is discussed with Global Supply Network Division leadership during the Monthly Operating Results Review meetings. This in turn forces accountability for supplier inclusion by measuring drivers, such as the number of sourcing projects, which include Divers Suppliers and the values of the projects in which they participate. The goal is to create greater transparency to determine which teams are creating inclusive environments and which are not.<br><br>For more detail, please see our attached 2021 Global Diversity & Inclusion Report in the Additional Documents folder. | * |

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| 45 | What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities? | BEST OVERALL VALUE / LOWEST LIFE CYCLE COST:<br>Cat products deliver the best value for the money. While we rarely have the lowest initial purchase price, we are happy to demonstrate to customers that our machines offer the lowest overall owning and operating costs when factors such as fuel efficiency, repair frequency, productivity, and resale value are factored in. We believe that government agencies are tasked to be the best stewards of taxpayer funds and our products can prove that they are the best solution. Sourcewell members are in the best position to allow these discussions to take place in contrast to a local bid situation where the focus is often only on initial price.<br><br>CAT SAFETY SERVICES / SAFETY FEATURES:<br>In addition to the tangible, measurable aspects of the life cycle cost equation, we also bring our focus on safety to every product that we manufacture. Quantifying a human life or debilitating injury is impossible, but each machine has industry-leading features that strive to minimize the possibility for accidents.<br><br>In addition to built-in safety features, we also offer products and services that are unique in the industry.<br><br>Cat Safety Services include, but are not limited to, the following:<br>Safety Perception Survey - Used to establish a baseline safety-culture assessment by measuring employee perceptions and gaps in beliefs between management and employees on the front line across 20 Safety Culture Indicators.<br><br>Safety Leadership Assessment - Used to measure individual safety leadership capability around four domains of safety leadership.<br><br>Worksite Assessment - Compares onsite observations of safety practices and employee interview data to the documented processes and procedures.<br><br>Continuous Improvement Process - Involving all levels of the organization to generate engagement, involvement, and ownership in the safety improvement process.<br><br>Training - can be conducted with e-learning courses on http://safelyhome.cat.com, instructor-led training products or as Supplier-facilitated workshops. Topics available include, but are not limited to, safety culture, effective communication, supervisor safety training, recognition, etc.<br><br>Fleet Management & Services through Caterpillar Job Site Solutions:<br>We leverage the power of Caterpillar and our dealers by designing innovative solutions that solve customer problems and that have a positive impact on their bottom line. We approach each site differently, striving to deliver exactly what's needed — no more, no less. Every solution includes a unique mix of Caterpillar and dealer capabilities using industry best products, technology, services and expertise necessary to meet the customer's definition of success. The goal is to leave customers better off tomorrow than they are today.<br><br>Details on products and services are available at www.cat.com/safety. More information can be found in the additional document section. Pricing can be found in the pricing document section. | * |

## Table 9: Warranty

**Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.**

| Line Item | Question | Response * | |
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| 46 | Do your warranties cover all products, parts, and labor? | Caterpillar has extensive warranty coverage. Please see our warranty statements attached in the warranty information documents. | * |
| 47 | Do your warranties impose usage restrictions or other limitations that adversely affect coverage? | Please see applicable warranty statements in the attached documents. | * |
| 48 | Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs? | Caterpillar does not cover travel time and mileage. Dealer territories vary considerably from state to state as do their policies about travel time and mileage during the warranty period. | * |
| 49 | Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair? | One of our key differentiating strengths is our ability to service equipment regardless of where it is located. Please see applicable warranty statements in the attached documents. | * |
| 50 | Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer? | Warranty service for machines ordered from a Caterpillar facility are generally provided by Caterpillar and performed by Cat dealers. Some items, such as tires, are covered under their manufacturers' warranties. | * |
| 51 | What are your proposed exchange and return programs and policies? | Please see applicable warranty statements in the attached documents. | * |
| 52 | Describe any service contract options for the items included in your proposal. | We have a large variety of service contract options which can all be customized according to customer needs. Below are just two examples. More solutions are available and we encourage members and dealers to explore all options.<br><br>1) Equipment Protection Plans (EPP): After the initial warranty period ends, members may choose to purchase additional protection plans to reduce their exposure to unplanned costs. These policies are written based on months and hours of operation. There are four standard levels of coverage:<br>1) Powertrain<br>2) Powertrain + Hydraulics<br>3) Powertrain + Hydraulics + Technology<br>4) Premier<br><br>A description of all these options is included in the attached Equipment Protection Plans document. EPP can be purchased at the same time as the machine purchase, or anytime before the standard warranty expires.<br><br>2) Customer Value Agreements (CVA's):<br>A member may choose to enter into an agreement with their Cat dealer to perform routine maintenance and/or repairs. These contracts are customizable based on member needs.<br><br>The selling Cat dealer can take responsibility for some or all the required service and maintenance needs to allow the agency to gain efficiency by focusing on the performance demands more than maintenance. CVA's are a useful tool to manage expenses. CVAs can be purchased at the same time as the machine purchase, or anytime after. Cat Financial also offers CVAs, which can be performed by Cat dealers in the United States, and are particularly helpful for customers who move their machine fleet to multiple locations which may have different servicing Cat dealers. | * |

## Table 10: Payment Terms and Financing Options

| Line Item | Question | Response * | |
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| 53 | Describe your payment terms and accepted payment methods. | Cat dealers are independently owned businesses. As such their payment terms and accepted payment methods vary, but all will be stated on individual invoices. The most common terms are net 30. | * |
| 54 | Describe any leasing or financing options available for use by educational or governmental entities. | We offer both leasing and financing options to governmental members of Sourcewell at rates lower than available to the general public.<br><br>Caterpillar has its own financing arm, Cat Financial.<br>Cat Financial was founded in 1981 and serves Cat customers and dealers. With over 1,900 employees, Cat Financial is active in more than 40 countries covering more than 148,000 customers worldwide. Cat Financial offers you a complete solution for your acquisition needs:<br><br>- Equipment & Attachments<br>- Parts<br>- Service<br>- Rebuilds<br><br>Financial products are aligned and customized with the project and work site requirements such as operating lease, loan or finance lease. Find more information from Cat Financial here: https://www.cat.com/en_US/support/financing-protection.html | * |
| 55 | Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response. | Cat dealers are independently owned businesses. As such their standard transaction documents will vary. | * |
| 56 | Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process? | Because Cat dealers will be receiving payments directly from members, accepting P-card procurement will be at their discretion. Many dealers do accept this method without additional fees. Some have limitations on the amount that can be processed. | * |

## Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

| Line Item | Question | Response * | |
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| 57 | Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response. | We offer a deep list discount off the current Caterpillar machine and work tool list prices to all Sourcewell members. We have provided base machine list pricing in the document pricing section. Base machines must be properly configured with other mandatory and optional items from the price list before they are considered operational. For the execution of the agreement we will ask our Cat dealer and Sourcewell member to use the Caterpillar price list that is current at the time of the quote. Dealers, in consultation with the member, will configure the machine to the desired specifications and apply the stated list discount to that configured list price amount. Dealer and members should remember to factor in any expected price increases if a machine will be built to order. The pricing document, in the applicable pricing document attachment section, shows the list discount offered for each new machine. Additionally, we are pleased to offer a list discount of 15% off all products and consulting services under Cat Safety Services. | * |
| 58 | Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range. | Pricing in this proposal is a percentage discount from list on current machine and work tools list prices. Our discount range varies between 3 - 34% off of the list price depending on the product family or model. | * |
| 59 | Describe any quantity or volume discounts or rebate programs that you offer. | Our dealers are empowered to consider purchase order volume, repeat purchases, etc. They may offer members additional discounts and /or services at their discretion. | * |
| 60 | Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request. | Sourced goods / Open Market Items are available to members from Cat dealers. The prices for these good or services will represent fair marketing value and will be determined between the member and the selling dealer. We encourage our dealers and members to use these options as it facilitates complimentary products and streamlines the procurement process. Customers and dealers are responsible for including their Sourcewell member numbers on all documentation related to these purchases. Caterpillar Inc. is not a party to these sales and is exempted from including them in quarterly reports. For audits, inclusion of a customer's Sourcewell member number on the PO and /or invoice shall be deemed sufficient. | * |
| 61 | Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer. | Machines are unique in their requirements for preparation prior to use. Some may require local final assembly due to their large size others may have locally installed options (fire suppression, beacons, auto lube systems for example). When a dealer issues a quote for a machine, any dealer costs (like pre-delivery inspection, installation, set up, training, etc.) will be itemized separately and are not subject to the Caterpillar list discount for Sourcewell members. | * |
| 62 | If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program. | There is no additional cost to members who choose to pick up their machines from the Cat dealer. Dealers may charge fees for delivery to the Sourcewell member's location. | * |
| 63 | Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery. | Just as for members in the 48 contiguous states, there is no additional cost to members who choose to pick up their machine from their Cat dealer. Dealers may charge fees for delivery to the Sourcewell members' location. | * |
| 64 | Describe any unique distribution and/or delivery methods or options offered in your proposal. | Machines are large purchases and if there are unique Sourcewell member requirements our dealers will be happy to discuss on a case by case basis. | * |

## Table 12: Pricing Offered

| Line Item | The Pricing Offered in this Proposal is: * | Comments |
|---|---|---|
| 65 | b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments. | Caterpillar wants to provide the governmental customer the best list discount possible to allow them to be good stewards of tax-payers funds. We want our governmental customers to have the ability to choose which cooperative contract better fits their needs. |

## Table 13: Audit and Administrative Fee

| Line Item | Question | Response * | |
|---|---|---|---|
| 66 | Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. | We plan to continue our very robust process to ensure reporting speed, accuracy, and contract compliance. Caterpillar and our Cat dealers have very close and trusting relationships. Our dealers are long-established, and the current process (under contract #032119-CAT) is working well.<br>1) To ensure pricing accuracy, we maintain our current Sourcewell customer discount sheet on our dealer facing pricing pages. Dealers integrate these numbers automatically in their quoting software.<br>2) To ensure new machines and work tool sales are recorded properly, we use our post-sale credit system. In a nutshell, this means that we corporately support the pricing offered in this contract at a level below what's available to other customers. To receive this additional monetary support after the machine is delivered, dealers must supply the member's name, address, and member number. There is no additional burden or cost to our dealers to use the Sourcewell contract and this is part of the reason for their high engagement and our high reporting accuracy.<br>3) At month end, we gather the new machine and work tool sales data attributed to Sourcewell and aggregate it for our reporting.<br>4) After quarter end, we will send the quarterly sales report and administration fee payment to Sourcewell for all items that are subject to the administrative fee. | * |
| 67 | If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract. | We regularly track the % of sales that are sold using a cooperative contract. We will continue this practice if we are awarded a contract for RFP 011723. | * |
| 68 | Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.) | Per amendment #1 to Contract #032119-CAT, we will be pleased to offer an administrative fee of 0.33% of Caterpillar's list price for each piece of new equipment and serialized work tools purchased by Sourcewell's Participating Entities. Caterpillar will pay this fee and will not ask dealers or members to pay the fee. | * |

## Table 14A: Depth and Breadth of Offered Equipment Products and Services

| Line Item | Question | Response * | |
|---|---|---|---|
| 69 | Provide a detailed description of the equipment, products, and services that you are offering in your proposal. | The Cat equipment product line, consisting of more than 300 machines, sets the standard for our industry. We plan to help you meet your needs with our equipment, with our distribution and product support system, and the continual introduction and updating of products.<br><br>Caterpillar is pleased to offer a wide variety of products for Sourcewell members. Excluding paving products, equipment and services awarded on 060122-CAT these include:<br><br>- Cat Backhoe Loaders (9 models offered)<br><br>- Cat Compact Track Loader/Skid Steer Loader (14 models offered)<br><br>- Cat Track/Wheel Hydraulic Excavators (41 models offered)<br><br>- Cat Motor Graders (7 models offered)<br><br>- Cat Telehandlers (8 models offered)<br><br>- Cat Track Loaders (3 models offered)<br><br>- Cat Track/Wheel Dozers (15 models offered)<br><br>- Cat Wheel Loaders (19 models offered)<br><br>- Cat Wheel Tractor Scrapers (7 models offered)<br><br>- Cat Articulated Trucks (5 models offered)<br><br>- Cat Rigid Frame Trucks (2 models offered)<br><br>- Cat Material Handlers (3 models offered)<br><br>- Cat Landfill Compactors (3 models offered)<br><br>- Product offerings by model and discount can be found in the pricing attachment within the applicable proposal pricing section.<br><br>Services and support include:<br>- Cat Attachments (Worktools)<br>- Cat Technology<br>- Cat Safety Services<br>- Cat Job Site Solutions<br><br>- Product offerings by model and discount can be found in the pricing attachment within the applicable proposal pricing section.<br>- Services and support brochures can be found in the additional documents section by name of offering.<br><br>For more detailed information on each of these products/offerings see the following website: https://www.cat.com/en_US.html | * |
| 70 | Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services. | N/A | * |

### Table 148: Depth and 8readth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

| Line Item | Categor\ or T\pe | Offered | Comments |
|---|---|---|---|
| 71 | Wheeled, tracked, and backhoe loaders | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 7 | Motor Graders | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 73 | Wheeled and tracked excavators | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 74 | Bulldozers, compactors, scapers, articulated and rigid haulers | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 75 | Cranes | ( ) Yes (•) No | NIA |
| 76 | Accessories or attachments for the offering in #71-75 above | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 77 | Technology or services for the offering in #71-75 above | (•) Yes ( ) No | Manufactured or offered by Caterpillar. Offerings listed in applicable pricing attachment section. |

### Table 14C: Required Offering of Equipment

Indicate below if the proposer's proposal includes at least one (1) of the following listed types or classes of equipment. Provide additional comments in the text box provided, as necessary.

| Line Item | Categor\ or T\pe | Offered | Comments |
|---|---|---|---|
| 78 | Wheel loader with published net horsepower (HP) of at least 300 HP | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 79 | Wheeled or tracked excavator with a published net horsepower (HP) of at least 150 HP | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 80 | Motor Grader with a published maximum operating weight of at least 30,000 lbs. | (•) Yes ( ) No | Manufactured by Caterpillar. Offerings listed in applicable pricing attachment section. |
| 81 | Rough terrain, all terrain, crawler, floating, lattice, or telescopic crane with a published maximum lifting capacity of at least 300 tons and a published maximum boom length of at least 150 feet | ( ) Yes (•) No | NIA |

### Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

**Documents**

**Ensure your submission document(s) conforms to the following**:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - Machine Pricing.zip - Tuesday January 17, 2023 15:29:45
- Financial Strength and Stability - Fin Strength and Stability.zip - Tuesday January 17, 2023 10:31:16
- Marketing PlanISamples - Marketing Plan.pdf - Tuesday January 17, 2023 14:53:49
- WMBEIMBEISBE or Related Certificates (optional)
- Warranty Information - Warranty Combined.pdf - Monday January 16, 2023 10:36:31
- Standard Transaction Document Samples (optional)
- Upload Additional Document - Additional Documents.zip - Tuesday January 17, 2023 16:05:29

## Addenda, Terms and Conditions

### PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor’s objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the “Specially Designated Nationals and Blocked Persons” list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Sean Egel, Sales Support Consultant, Caterpillar Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

| File Name | I have reviewed the below addendum and attachments (if applicable) | Pages |
|---|---|---|
| **Addendum_5_Heavy_Construction_Equipment_RFP_011723**<br>Tue January 10 2023 08:47 AM | ☑ | 1 |
| **Addendum_4_Heavy_Construction_Equipment_RFP_011723**<br>Fri January 6 2023 09:51 AM | ☑ | 2 |
| **Addendum_3_Heavy_Construction_Equipment_RFP_011723**<br>Thu December 29 2022 12:33 PM | ☑ | 2 |
| **Addendum_2_Heavy_Construction_Equipment_RFP_011723**<br>Wed December 21 2022 01:49 PM | ☑ | 1 |
| **Addendum_1_Heavy_Construction_Equipment_RFP 011723**<br>Thu December 15 2022 09:27 AM | ☑ | 1 |

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# SOURCEWELL TRADEMARK LICENSE ADDENDUM

This Addendum is by and between **SOURCEWELL**, 202 – 12th Street NE, PO Box 219, Staples, Minnesota 56479 ("Sourcewell") and **Caterpillar Inc.**, having its principal place of business at 5212 N. O'Connor Blvd., Suite 1100, Irving, TX 75039, and offices at 100 NE Adams Street, Peoria, Illinois, 61629 ("Caterpillar" or "Vendor"). Sourcewell and Caterpillar may be referred to in this Agreement as a "Party" and collectively as the "Parties."

The Parties maintain a contractual relationship for Vendor to provide equipment, products, or services to Sourcewell's cooperative purchasing contracts as follows:

**Sourcewell Contract 011723 – CAT (Solicitation Number: 011723)**

Sourcewell and Vendor each own all right, title, and interest in their respective names, trademarks, service marks, related logos, and all other rights in the names, designs, likenesses and visual representations thereof ("Licensed Trademarks"), and desire to grant each other a royalty-free license to use certain Licensed Trademarks owned by the other Party under the terms and conditions set forth herein.

**ARTICLE I: GRANT OF LICENSE**

A. GRANT OF LICENSE. During the term of the Contract:

1. Sourcewell grants to Vendor a royalty-free, worldwide, non-exclusive right and license to use Sourcewell's Licensed Trademarks provided to Vendor by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Vendor.

2. Vendor grants to Sourcewell a royalty-free, worldwide (except for those jurisdictions that are prohibited by applicable Anti-Corruption and International Trade Laws), non-exclusive right and license to use Vendor's Licensed Trademarks provided to Sourcewell by Vendor in advertising and promotional materials for the purpose of marketing Vendor's relationship with Sourcewell.

"Anti-Corruption and International Trade Laws" means all statutes, regulations, rules, executive orders, supervisory requirements, directives, ordinances, circulars, opinions, interpretive letters, and official releases of or by any government, or any authority, department or agency thereof or self-regulatory organization related to bribery, fraud, corruption, or international trade.

3. The Parties agree that each is the owner of all rights, including without limitation common law rights and goodwill, in relation to their respective Licensed Trademarks, and that any goodwill derived from the use of Licensed Trademarks by the other Party shall inure to the owner of the respective Licensed Trademarks.

B. LIMITED RIGHT OF SUBLICENSE. The rights and licenses granted herein includes a limited right of each Party to grant sublicenses to its and their respective distributors, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Contract. Any sublicense granted will be subject to the terms and conditions of this Addendum. Each Party will be responsible for any breach of this Article by any of their respective sublicensees.

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C. USE; QUALITY CONTROL.

1. Neither Party may alter the other Party's Licensed Trademarks from the form provided by the other Party and must comply with the other Party's removal requests as to specific uses of its Licensed Trademarks.

2. Each Party agrees to use, and to cause its Permitted Sublicensees to use, the other Party's Licensed Trademarks only in good faith and in a dignified manner consistent with such Party's use of the Licensed Trademarks. Upon written notice to the breaching Party, the breaching Party or their Permitted Sublicensees have thirty (30) days of the date of the written notice to cure the breach or the license will be terminated.

3. Beyond what is permitted in this Addendum, neither Party will:

a. attempt to register, or register any trademark, service mark, symbol, logo, get-up or device which is confusingly similar to any of the other Party's Licensed Trademarks in any jurisdiction;

b. represent that it has any rights of any nature in the Licensed Trademarks other than those enjoyed under the terms of this Agreement;

c. use the other Party's trademarks, service marks or copyrights, translations thereof or marks similar thereto, as part of its corporate name, trade name or a d/b/a name, favicons, social media names/handles, email addresses, email extensions, or domain names without prior written approval from the other Party; or

d. use the other Party's trade names, trademarks, or service marks on any collateral business materials (e.g., business cards, letterhead, invoices, pens, notepads, fax cover sheets, etc.), unless otherwise approved in writing by the other Party.

**ARTICLE II: TERM, TERMINATION, AND MISCELLANEOUS.**

A. EFFECTIVE DATE. This Addendum is effective upon the date of the final signature below.

B. TERMINATION. Unless earlier terminated in accordance with this Article, this Addendum expires immediately upon the expiration or termination of the Contract.

1. *Termination for Convenience*. This Addendum may be terminated by either Party at any time upon ninety (90) days' prior written notice to the other Party.

2. *Termination for Breach*. This Addendum may be terminated by either Party upon a breach of the terms of this Addendum by the other Party, upon written notice of breach to the breaching Party, and only if such breach is not cured within thirty (30) days of the date of the written notice.

3. *Effect of Termination*. Upon the termination of this Addendum for any reason, each Party will have thirty (30) days to, and require its Permitted Sublicensees to, remove all Licensed Trademarks from signage, websites, and the like bearing the other Party's name or logo

(excepting Sourcewell's pre-printed catalog of vendors which may be used until the next printing). Vendor must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

4. Miscellaneous. The terms and conditions of this Addendum shall have no effect on the terms and conditions of any other trademark licenses signed by the Parties.

All other terms of the Contract remain in full force and effect, unless otherwise terminated.

SOURCEWELL

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...
Name: Jeremy Schwartz
Title: Director of Operations and Procurement/CPO
Date: 5/24/2023 | 2:45 PM CDT

Caterpillar Inc.

DocuSigned by:
By: Patrick Kearns
68A87926721B4E0...
Name: Patrick Kearns
Title: Vice President Sales & Marketing - North America
Date: 5/24/2023 | 12:48 PM PDT

CITY OF ARCADIA

# STAFF REPORT

## FIRE DEPARTMENT

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Chen Suen, Fire Chief
By: Travis Ring, Fire Captain

**SUBJECT:** PURCHASE ORDER WITH FOOTHILL COMMUNICATIONS, INC. FOR THE PURCHASE AND PROGRAMMING OF BKR9000 MULTI-BAND PORTABLE RADIOS AND ACCESSORIES IN THE AMOUNT OF $352,589.84
**CEQA: Not a Project**
**Recommendation: Approve**

## SUMMARY

The Fiscal Year 2026-27 Fire Communication and Technology Equipment Replacement Budget provides for the upgrade and modernization of tactical communication equipment in the Fire Department. After exploring possible purchasing options, it was determined that using Sourcewell, a national cooperative purchasing program, enables the City to streamline the procurement process and obtain the best available pricing.

It is recommended that the City Council approve a Purchase Order with Foothill Communications, Inc. for the purchase of 55 new BKR9000 multi-band portable radios, batteries, and accessories, in the amount of $352,589.84.

## BACKGROUND

The Arcadia Fire Department currently relies on BK Technologies KNG series portable radios for tactical on-scene communications and regional interoperability during emergency incidents, most notably in the wildland fire environment. These portable radios serve as a critical safety lifeline for firefighters, providing reliable, real-time voice communication between personnel operating on the fireground, command staff, incident commanders, and responding mutual-aid public safety agencies.

These communications are essential for coordinating firefighting operations, relaying emergency conditions, communicating changes in incident strategy, and requesting immediate assistance when personnel encounter hazardous or life-threatening situations. Reliable radio communications are fundamental to operational coordination, personnel safety, and effective emergency response.

The Department's existing fleet of BK Technologies KNG portable radios has been in service for over 15 years and has reached the end of its reliable service life. Continued reliance on older radio models presents increasing challenges, including declining battery performance and technological limitations that can affect multi-agency interoperability. Additionally, the KNG series is no longer sold by BK Technologies and replacement parts are becoming increasingly difficult to obtain.

Upgrading to the BKR9000 multi-band platform ensures reliable access to the Interagency Communications Interoperability ("ICI") System—the regional Land Mobile Radio ("LMR") network serving public safety agencies across Los Angeles County.

The BK Technologies BKR9000 platform addresses several key operational needs:

- **Multi-Band Interoperability:** Features VHF, UHF, and 700/800 MHz capabilities, enabling direct communication with regional mutual-aid partners, neighboring municipal fire departments, law enforcement, and county agencies, without carrying multiple radios.

- **Enhanced Fireground Safety:** Built for extreme environments with IP68 submersion protection, Gorilla Glass display, glove-friendly controls, and an expanded emergency notification button.

- **Audio Clarity & Noise Suppression:** Equipped with high-wattage audio output and dual-microphone noise cancellation to transmit clearly over ambient fireground noise

Ultimately, upgrading the Department's existing KNG portable radios to the BKR9000 platform represents a critical investment in the Department's long-term operational readiness and emergency response capabilities.

## DISCUSSION

The California Government Code authorizes public agencies to participate in cooperative purchasing agreements, such as those established by Sourcewell, while aligning with the City's adopted rules and procedures for purchasing. By utilizing this purchasing program, the City can streamline the procurement process and purchase equipment at a lower cost than traditional competitive bidding.

Sourcewell awarded a cooperative purchasing contract to BK Technologies, Inc., Contract No. 020625-BKT, effective through July 24, 2029, for specialized public safety communications equipment. Sourcewell also identifies authorized resellers and deals as a purchasing channel. Foothill Communications, Inc. is an authorized local distributor of BK Technologies products offered through the Sourcewell cooperative purchasing contract.

The Arcadia Fire Department has reviewed the contract and determined it meets all municipal procurement and equipment specification requirements. A copy of the cooperative purchasing agreement between Sourcewell and BK Technologies, Inc. is attached for reference.

## ENVIRONMENTAL ANALYSIS

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA") under Section 15061 (b)(3) of the CEQA Guidelines, as it can be seen with certainty that the action will have no significant effect on the environment.

## FISCAL IMPACT

The total cost for the purchase and programming for 55 radios and related equipment is $352,589.84, including sales tax. Sufficient funds have been allocated in the Fire Department's FY 2026-27 Fire Communication and Technology Equipment Replacement Budget for the upgrade and modernization of tactical communication equipment.

**RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and approve a Purchase Order with Foothill Communications, Inc. for the purchase and programming of BKR9000 multi-band portable radios and accessories in the amount of $352,589.84.

Approved:

Dominic Lazzaretto
City Manager

Attachments: BK Technologies, Inc. and Sourcewell Agreement
Foothill Communications, Inc. Quote

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



**MASTER AGREEMENT # 020625**
**CATEGORY: Public Safety Communications Technology and Hardware Solutions**
**SUPPLIER: BK Technologies, Inc.**

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and BK Technologies, Inc., 7100 Technology Drive, West Melbourne, FL 32904 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

## Article 1:
## General Terms

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.

2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.

3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.

4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about

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Sourcewell eligibility requirements and required documentation. Supplier will be responsible for ensuring sales are with Participating Entities.

5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on July 24, 2029, unless it is cancelled or extended as defined in this Agreement.

   a) **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.

   b) **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.

6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.

   1. **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP #020625 to Participating Entities. In Scope solutions include:

      Sourcewell is seeking proposals for Public Safety Communications Technology and Hardware Solutions, including communications technology and hardware designed or primarily intended for use by Public Safety agencies, such as:

      a. In-station Public Safety alerting or paging systems;
      b. Dispatch/control room consoles and associated integrated communications equipment;
      c. Wearable or portable communication devices, including biomonitoring wearables, alerting or paging systems;
      d. Connectivity and interoperability devices, hardware, and equipment for the connection of communication systems and endpoints, including:
         i. Satellite communications equipment;
         ii. Portable and deployable wireless hubs, routers, and networks;
         iii. Mesh networks and mesh radios;
         iv. Land mobile/broadband radios;
         v. Push to talk over Cellular (PoC) handsets; and,
         vi. High Power User Equipment (HPUE) for LTE; and,
      e. Airborne, marine, and underwater communication systems.

   2. Complimentary equipment, accessories, and services directly related to the offering of systems or solutions described in subsections 1. a. – e. above.

7) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

8) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



9) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.

10) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.

11) **Open Market.** Supplier's open market pricing process is included within its Proposal.

**12) Supplier Representations:**

i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.

ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.

iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

13) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.

14) **Debarment and Suspension.** Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.

15) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Section, all references to "federal" should be interpreted to mean the United

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.

i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

ii) **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must comply with all applicable Davis-Bacon Act provisions.

iii) **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies, materials, or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



by reference into this Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Agreement it will comply with applicable requirements as referenced above.

vi) **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

vii) **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

viii) **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

ix) **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

x) **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

xi) **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

xii) **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

xiii) **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Agreement or any purchase by an authorized user.

xv) **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. § 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Agreement or any purchase by a Participating Entity.

xvi) **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

xviii) **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

xix) **PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** To the extent applicable, Supplier certifies that during the term of this Agreement it will comply with applicable requirements of 2 C.F.R. § 200.216.

xx) **DOMESTIC PREFERENCES FOR PROCUREMENTS.** To the extent applicable, Supplier certifies that during the term of this Agreement, Supplier will comply with applicable requirements of 2 C.F.R. § 200.322.

## Article 2:
## Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

1) **Authorized Sellers**. Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.

2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
   - Identify the applicable Sourcewell Agreement number;
   - Clearly specify the requested change;
   - Provide sufficient detail to justify the requested change;
   - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
   - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions offered, even for those items where pricing remains unchanged.

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Agreement and will be incorporated by reference.

3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
    - Maintenance and management of this Agreement;
    - Timely response to all Sourcewell and Participating Entity inquiries; and
    - Participation in reviews with Sourcewell.

    Sourcewell's Authorized Representative is its Chief Procurement Officer.

4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.

6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

    The Report must contain the following fields:
    - Participating Entity Name (e.g., City of Staples Highway Department);
    - Participating Entity Physical Street Address;
    - Participating Entity City;
    - Participating Entity State/Province;
    - Participating Entity Zip/Postal Code;
    - Sourcewell Participating Entity Account Number;
    - Transaction Description;
    - Transaction Purchased Price;
    - Sourcewell Administrative Fee Applied; and
    - Date Transaction was invoiced/sale was recognized as revenue by Supplier.

    If collected by Supplier, the Report may include the following fields as available:
    - Participating Entity Contact Name;
    - Participating Entity Contact Email Address;
    - Participating Entity Contact Telephone Number;

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay a one percent (1%) Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.

8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.

9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.

11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.

12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.

13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.

14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.

16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.

17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**
    a) **During the term of this Agreement:**
        i) **Supplier Promotion.** Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

        ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

    b) **Limited Right of Sublicense.** The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

    c) **Use; Quality Control.**
        i) Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



ii) Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Each party may make written notice to the other regarding misuse under this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

d) **Termination.** Upon the termination of this Agreement for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

21) **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

a) **Commercial General Liability Insurance.** Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Agreement.

- $1,500,000 each occurrence Bodily Injury and Property Damage
- $1,500,000 Personal and Advertising Injury
- $2,000,000 aggregate for products liability-completed operations
- $2,000,000 general aggregate

b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

d) **Waiver of Subrogation.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Agreement or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

## Article 3:
## Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.

Docusign Envelope ID: D342104F-1145-477E-9055-510F618BA0A2



2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.

4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.

6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.

7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

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Sourcewell

Signed by:
Jeremy Schwartz
C0FD2A139D06489...

By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 7/23/2025 | 4:53 PM CDT

BK Technologies, Inc.

DocuSigned by:
Carolyn French
7EE4BC6FFC0749D...

By: _____

Carolyn French

Title: Contract Administrator

Date: 7/23/2025 | 1:22 PM EDT

# RFP 020625 - Public Safety Communications Technology and Hardware Solutions

### Vendor Details

| | |
|---|---|
| Company Name: | BK Technologies, Inc. |
| Does your company conduct business under any other name? If yes, please state: | (formerly RELM Wireless Corp) |
| Address: | 7100 Technology Drive<br>West Melbourne, FL 32904 |
| Contact: | Carolyn French |
| Email: | contracts@bktechnologies.com |
| Phone: | 321-237-1306 |
| HST#: | 59-3486297 |

### Submission Details

| | |
|---|---|
| Created On: | Wednesday December 18, 2024 14:17:11 |
| Submitted On: | Wednesday February 05, 2025 16:07:02 |
| Submitted By: | Carolyn French |
| Email: | contracts@bktechnologies.com |
| Transaction #: | faca1bf3-7115-43e5-b94f-fcb9b14289fb |
| Submitter's IP Address: | 147.243.183.37 |

## Specifications

### Table 1: Proposer Identity & Authorized Representatives (Not Scored)

**General Instructions** (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer's corporate organization affiliation.

| Line Item | Question | Response * | |
|---|---|---|---|
| 1 | Provide the legal name of the Proposer authorized to submit this Proposal. | BK Technologies, Inc. | * |
| 2 | In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N. | Y | * |
| 3 | Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell). | BK Technologies, Inc. | * |
| 4 | Provide your CAGE code or Unique Entity Identifier (SAM): | 8BAN1 / DETLJCBTUBM4 | * |
| 5 | Provide your NAICS code applicable to Solutions proposed. | 334220 | |
| 6 | Proposer Physical Address: | 7100 Technology Drive, West Melbourne, FL 32904 | * |
| 7 | Proposer website address (or addresses): | www.bktechnologies.com | * |
| 8 | Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer): | Carolyn French, Contract Administrator<br>7100 Technology Drive, West Melbourne, FL 32904<br>cfrench@bktechnologies.com / contracts@bktechnologies.com<br>321-237-1306 | * |
| 9 | Proposer's primary contact for this proposal (name, title, address, email address & phone): | Carolyn French, Contract Administrator<br>7100 Technology Drive, West Melbourne, FL 32904<br>cfrench@bktechnologies.com / contracts@bktechnologies.com<br>321-237-1306 | * |
| 10 | Proposer's other contacts for this proposal, if any (name, title, address, email address & phone): | Bob Scheiber, Regional Sales Manager<br>bscheiber@bktechnologies.com<br>507-456-8690<br>Mark Morgan, Area Sales Director – Western U.S.<br>mmorgan@bktechnologies.com<br>480-253-6018<br>Brandon Burns, Area Sales Director – Eastern U.S.<br>bburns@bktechnologies.com<br>615-306-0534 | * |

### Table 2A: Financial Viability and Marketplace Success (50 Points, applies to Table 2A and 2B)

| Line Item | Question | Response * | |
|---|---|---|---|

| | | | |
|---|---|---|---|
| 11 | Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions. | Our Mission & Guiding Principles<br>Our mission is deeply rooted in the critical communications industry for all military, first responders, and public safety heroes. Our four guiding principles: growth, tenacious commitment to quality, continuous improvement, and a keen focus on being customer-centric, continuously drive our efforts to be the best partner for our customers, investment for our shareholders, neighbor in our community and to provide an empowering work environment for our employees.<br><br>As an American manufacturer for over 70 years, BK Technologies® manufactures high-specification communications equipment of unsurpassed reliability and value for use by public safety professionals and government agencies. BK Technologies SaaS business focuses on new, innovative public safety smartphone services that will make the first responders safer or more productive. BK Technologies is honored to serve these heroes when every moment counts.<br><br>The Company maintains its headquarters in West Melbourne, Florida and can be contacted through its website at www.bktechnologies.com or directly at 1-800-821-2900. The Company's common stock trades on the NYSE American market under the symbol "BKTI" | * |
| 12 | What are your company's expectations in the event of an award? | BK Technologies will leverage the Sourcewell contract to assist all customers / participating entities to acquire BK products and services. | * |
| 13 | Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION. | Annual Reports for 2021 – 2023 are included in the attachments. | * |
| 14 | What is your US market share for the Solutions that you are proposing? | BK Technologies is a publicly traded company and our market share and detailed financial information can be found in our annual report or other financial documents. Investor Relations - BK Technologies - https://www.bktechnologies.com/investor-relations/ | * |
| 15 | What is your Canadian market share for the Solutions that you are proposing? | BK Technologies is a publicly traded company and our market share and detailed financial information can be found in our annual report or other financial documents. Investor Relations - BK Technologies - https://www.bktechnologies.com/investor-relations/ | * |
| 16 | Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation. | BK Technologies has not and does not have any bankruptcy proceedings. | * |
| 17 | How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b).<br>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?<br>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party? | BK Technologies is a manufacturer with an employed direct sales force that provides nationwide coverage. We enlist the assistance of our authorized dealer network to support us for sales and service. | * |
| 18 | If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP. | ISO 9001:2015<br>Federal Certification Commission (FCC)<br>National Interagency Fire Center (NIFC)<br>Department of Homeland Security (DHS) P25 CAP<br>National Institute of Standards and Technology (NIST) | * |

| | | | |
|---|---|---|---|
| 19 | Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation. | To our knowledge and records we have no debarments or suspensions.<br><br>We acknowledge the requirement to provide notice to Sourcewell of any such action. | * |
| 20 | Describe any relevant industry awards or recognition that your company has received in the past five years. | BK Technologies has been invited to speak at various Tradeshows across the country on our new products. | * |
| 21 | What percentage of your sales are to the governmental sector in the past three years? | An average of 44% of our sales are in the US Government sector. Additional information can be found in our Annual Reports at Investor Relations - BK Technologies - https://www.bktechnologies.com/investor-relations/. | * |
| 22 | What percentage of your sales are to the education sector in the past three years? | BK Technologies does not report on education as its own sector | * |
| 23 | List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years? | BK Technologies holds numerous state, nationwide and cooperative agreements such as NASPO-Public Safety Comm , HGAC – Buy, TIPS, North Carolina Sheriffs' Association (NCSA) - Technology Procurement Program, and Virginia Sheriff's Association (VSA). Our average annual bookings for the last 3 years were over $60M. We do not disclose publicly the sales by contract. | * |
| 24 | List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years? | BK Technologies holds a GSA contract. Our annual sales volume has significantly increased year over year for the past 3 years. We do not disclose publicly the sales by contract. | * |

### Table 2B: References/Testimonials

**Line Item 25**. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

| Entity Name * | Contact Name * | Phone Number * | |
|---|---|---|---|
| Alberta Health Services | Mr. Doug MacKintosh | 780-407-4480 | * |
| Department of Interior | Mr. Brandon Diemer | 208-387-5881 | * |
| US Forest Services | Colin Watts | 540-265-5171 | * |
| Florida Forestry | Charles Radcliff | 850-681-5927 | |

### Table 3: Ability to Sell and Deliver Solutions (150 Points)

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

| Line Item | Question | Response * | |
|---|---|---|---|
| 26 | Sales force. | BK Technologies employs a go to market team of over 30 people strategically located across the United States. We look forward to working with the Sourcewell team to support the participating entities. | * |
| 27 | Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods. | BK Technologies has an Authorized Dealer network of 124 dealers across the US and Canada. | * |
| 28 | Service force. | BK Technologies provides service support from our factory headquarters in Melbourne, FL. In addition, we utilize our authorized service center network to assist us. | * |

| | | |
|---|---|---|
| 29 | Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others. | Ordering<br>• BK Regional Sales Manager consults with customer on their needs and provides a solution via a written quote.<br>• Customers send a purchase order or contract to BK for processing.<br>• Orders are entered into the ERP system within 24 business hours of receipt, provided all necessary information is included. Should information be missing, Order Administration will verify with the Sales Representative and/or with the customer.<br>• Customer is provided a sales order acknowledgement and shipping notification via email.<br>• Overnight orders are given priority.<br>• E-commerce orders can be placed at www.bktstore.com for accessories. Payment by credit card only.<br>• Provided no supply chain delays, normal order delivery timeframe is 30 days after receipt of order.<br>• Order Administration Hours of Operation<br>o Monday-Friday 8:00 AM – 5:00 PM Eastern Time<br>• Order Administration department contact info:<br>o 1-800-821-2900<br>o orders@bktechnologies.com |
| 30 | Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises. | Our Customer Service & Technical Support Team is US based and consists of experienced, specialized technicians and customer service professionals with a gift for translating technical language into customer-friendly language. Many issues can be resolved in a short conversation with one of our Service Representatives.<br>BK Technologies Customer Service Department offers a wide variety of services.<br>• Customer Care Support<br>• Technical Support<br>• Factory Service Repairs<br>• Factory Tune and Clean program<br>• Contract Repair Services<br>• Field Service Support<br>• Programming Service<br>• Expedited Service Program<br>• Fast and Easy Repair Quotes<br>• Friendly Customer Service Administration<br>Repair Policy<br>It is the practice and policy of the Service Department to restore repaired products to original factory specifications whenever possible. Warranty items will be repaired or replaced at the discretion of the Customer Service Department.<br>To obtain factory repair, pack the Product carefully and include the factory service form (BK Technologies Factory Service Form 8-30-2024.pdf) describing the specific concern that has caused you to return it. For your protection, it is advisable to insure the parcel against loss or damage. The Product (with evidence of original installation or purchase) should be shipped or delivered to us at the address listed on the factory service form. Products received without the factory service form could be delayed.<br>BK Warranty Statement<br>• BK Technologies Warranty Statement is located on the BK Technologies web site<br>o BK Technologies - Service Portal (https://bktechnologies.com/service-portal/factory-service/warranty)<br>BK Technologies® Radio Warranty Identification<br>Warranty coverage for BK Technologies products are based on purchase date. Proof of purchase may be required for warranty repair.<br>Contact Customer Service for information on your radio's warranty status.<br>1. Customer Requirements<br>• Customers are required to fill out BK Technologies Factory Service Form for product returned to factory. Products received without the factory service form could be delayed.<br>• Customer's repair contract should include the required repair timeframe.<br>2. Service Management<br>• Standard factory repair turn-around time is approximately 30 business days for warranty and 30 business days for non-warranty products. This time frame may vary based on seasonal variations and volume of requests.<br>o Factory repair has an optional two-day expedited repair service program for an additional fee.<br>• Customer Service / Technical Support Hours of Operation<br>o Monday-Friday 8:00 AM – 5:00 PM Eastern Time<br>o Closed weekends and holidays<br>• Customer Service Contact Information<br>o 1.800.422.6281, Option 4<br>o Portable Two Way Radios \| Contact Us \| BK Technologies (https://www.bktechnologies.com/contact-us/)<br>o care@bktechnologies.com<br>• Technical Support Contact Information<br>o 1.800.422.6281, Option 2<br>o BK Technologies - Service Portal (https://bktechnologies.com/service-portal//contact)<br>o service@bktechnologies.com |

| | | | |
|---|---|---|---|
| | | • Customer Service Repair / Technical Support<br>o All serviced product information is stored in our ERP database. Our ERP database tracks number of calls and call handling times. Tickets are assigned to inquiries requiring further follow up.<br>The BK service representative will require the following information for Warranty Inquiries:<br>• Product serial number<br>• Order number<br>o BK service representatives can determine the following on a repair order at the initial contact:<br>• Current service status on your repair order<br>• Warranty or Non-Warranty Status of products<br>• Factory Service Turn-Around Time<br>o Response Times for inquiries:<br>By phone immediate unless further investigation is required.<br>By email within 4 business hours.<br>3. Service Level Measurement Metrics<br>• Repair Turn-Around Time – Goal of 30 days.<br>• Quality – Goal of no defects.<br>• Call Duration – Varies based on issue.<br>• Customer Care Ticket Resolution Time – Varies based on the issue. | |
| 31 | Describe your ability and willingness to provide your products and services to Sourcewell participating entities. | We are ready and able to provide our products and services to the Sourcewell participating entities. Several of our state customers are specifically requesting to use a Sourcewell contract for their purchases. | * |
| 32 | Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada. | We currently service customers in Canada and look forward to supporting more participating entities through the Sourcewell Contract. | * |
| 33 | Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement. | We can provide our products and services through the United States and Canada. | * |
| 34 | Identify any account type of Participating Entity which will not have full access to your Solutions if awarded an agreement, and the reasoning for this. | There are no restrictions for a participating entity. | * |
| 35 | Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories. | There are no specific requirements or restrictions for participating entities in Hawaii, Alaska and the US Territories. | * |
| 36 | Will Proposer extend terms of any awarded master agreement to nonprofit entities? | Yes, we will extend the contract to nonprofit entities. | * |

## Table 4: Marketing Plan (100 Points)

| Line Item | Question | Response * | |
|---|---|---|---|
| 37 | Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response. | BK Technologies plans on promoting products to the participating entities. Our dedicated Regional Sales Managers will promote and advertise within their territories to all customers and participating entities through social media platforms, email marketing campaigns and correspondence, state and regional tradeshows and through individual conversations with customers and participating entities. | * |
| 38 | Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness. | We will utilize social media (i.e. LinkedIn, Facebook, Twitter and Instagram), email campaigns, and tradeshows to promote the partnership. | * |
| 39 | In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process? | When BK Technologies is awarded a Sourcewell contract, we and our authorized dealer network will take advantage of our contract to simplify the buying process for Sourcewell participating entities. | * |
| 40 | Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it. | E-commerce orders can be placed at www.bktstore.com for accessories. Payment by credit card only. | * |

## Table 5A: Value-Added Attributes (100 Points, applies to Table 5A and 5B)

| Line Item | Question | Response * | |
|---|---|---|---|
| 41 | Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply. | FREE training webinar – available on our YouTube channel.<br>BK employs a team of field engineers who train our dealers and customers in the field. We provide annual recurring training for specific customers when needed. Costs vary. | * |
| 42 | Describe your proposed solutions integration and interoperability capabilities with other communication and technology components. | BK Technologies radios are approved for use on most Motorola, L3Harris, EF Johnson, and Tait P25 federal, provincial, state, regional and local trunked radio systems. All BK Technologies' radios are DHS CAP certified through TIA. Additionally, BK Technologies' software platforms are compatible with other vendors and protocols. | * |
| 43 | Describe any "green" initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each. | We are partnered with Call2Recycle for a battery recycling program. BK Technologies minimizes the use of printed literature. We utilize local recycling programs at our physical office locations. | * |
| 44 | Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors. | N/A | * |
| 45 | What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities? | BK Technologies has many unique capabilities in the LMR industry including:<br>• The BKR 9000 has an industry leading standard 5 year warranty.<br>• The ability to clone radio to radio including backward compatibility with legacy products.<br>• We believe we have the lowest total cost of ownership (TCO) in the industry which includes the lowest start up costs.<br>• Free software and firmware updates for life for our radio products.<br>• Support multiple product platforms with a single piece of software. | * |

## Table 5B: Value-Added Attributes

| Line Item | Question | Certification | Offered | Comment | |
|---|---|---|---|---|---|
| 46 | Select any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply. | | (•) Yes ( ) No | BK Technologies is a self-certified small business. | * |
| 47 | | Minority Business Enterprise (MBE) | (•) Yes ( ) No | BK Technologies' has authorized dealers that qualify for this category. | * |
| 48 | | Women Business Enterprise (WBE) | (•) Yes ( ) No | BK Technologies' has authorized dealers that qualify for this category. | * |
| 49 | | Disabled-Owned Business Enterprise (DOBE) | ( ) Yes (•) No | n/a | * |
| 50 | | Veteran-Owned Business Enterprise (VBE) | ( ) Yes (•) No | n/a | * |
| 51 | | Service-Disabled Veteran-Owned Business (SDVOB) | ( ) Yes (•) No | n/a | * |
| 52 | | Small Business Enterprise (SBE) | (•) Yes ( ) No | BK Technologies is a self-certified small business. | * |
| 53 | | Small Disadvantaged Business (SDB) | ( ) Yes (•) No | n/a | * |
| 54 | | Women-Owned Small Business (WOSB) | ( ) Yes (•) No | n/a | * |

## Table 6A: Pricing (400 Points, applies to Table 6A and 6B)

Provide detailed pricing information in the questions that follow below.

| Line Item | Question | Response * | |
|---|---|---|---|
| 55 | Describe your payment terms and accepted payment methods. | Payment Terms are Net 30 days. Forms of payment are check, electronic transfer, and credit cards. | * |
| 56 | Describe any leasing or financing options available for use by educational or governmental entities. | BK Technologies has several third party options for our customers to consider for lease purchases. | * |
| 57 | Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities. | RMA Form<br>Customer Service Form | * |
| 58 | Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process? | Yes, we accept P-cards at no additional cost. | * |

| | | | |
|---|---|---|---|
| 59 | Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response. | BK Technologies will provide a product-category discount pricing model. We will provide a 30% discount off BK Retail List Price on portable, mobile, base stations, repeaters, accessories, and Extended Warranties, with the exception of Software as a Service. No discount will be given to Software as a Service category.<br><br>Price Book is included with attachments. | * |
| 60 | Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range. | 30% discount off BK Retail List Price on portable, mobile, base stations, repeaters, accessories, and Extended Warranties<br>0% discount on and Software as a Service | * |
| 61 | Describe any quantity or volume discounts or rebate programs that you offer. | BK Technologies would consider a volume discount on a case by case basis and offers rebate programs that our subject to change at our discretion. | * |
| 62 | Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or "non-contracted items". For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request. | Third party equipment or services will be quoted upon request. | * |
| 63 | Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer. | We have included all components required for customer deployment. Dealer services can be customized depending on the customer’s requirements and would be quoted as required. | * |
| 64 | If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program. | Shipping and Freight is not included in the pricing provided in the catalog. This cost will be identified per order, such as:<br>• BK paid:<br>o Shipped on BK’s account via FOB-SHIP or FOB-DEST method.<br>• Customer paid:<br>o Shipped under BK’s various freight accounts, FOB-SHIP or FOB-DEST method.<br>• Customer Paid:<br>o Shipped on the customer’s Freight account, FOB-SHIP or FOB-DEST<br><br>Any freight charges are subject to variable rates. In addition, if going international, customs duties and tariff charges may apply which are only able to be estimated as they are border control fees by country and government agencies.<br><br>If shipping batteries, additional charges could apply if they must ship via air due to FAA and IATA regulations for transport of LI-ION batteries. | * |
| 65 | Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery. | See response to item 64. | * |
| 66 | Describe any unique distribution and/or delivery methods or options offered in your proposal. | We utilize FedEx and TFWII with great frequency to help ensure both cost and accuracy of shipments are at the forefront of our products being delivered to our customers. | * |
| 67 | Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing. | The Regional Sales Manager provides quotes based on the pricing provided in the award. As an additional verification, our order administration team checks the contract vehicle and pricing at time of order entry. We send the customer a sales order acknowledgement that defines the details of the order. We also implement a specific price list in our ERP system for the contract that would be used when entering orders. | * |
| 68 | If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement. | Contract Usage reports are generated, reviewed and transmitted on a quarterly basis or as required by the contract terms.<br><br>OTD/On-Time-Delivery Reports are pulled and measured daily, weekly, monthly, quarterly, and yearly.<br><br>Freight Invoices are reviewed weekly to ensure accuracy in the freight charges by carriers. | * |

| | | | |
|---|---|---|---|
| 69 | Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement. | A typical administrative fee is 0% - 1% of contract sales. | * |

### Table 6B: Pricing Offered

| Line Item | The Pricing Offered in this Proposal is: * | Comments | |
|---|---|---|---|
| 70 | The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies. | BK Technologies is offering comparable pricing to our other cooperative, state and local agency contracts. | * |

### Table 7A: Depth and Breadth of Offered Solutions (200 Points, applies to Table 7A and 7B)

| Line Item | Question | Response * | |
|---|---|---|---|
| 71 | Provide a detailed description of all the Solutions offered, including used Solutions if applicable, offered in the proposal. | BK Technologies is excited to offer our full portfolio of communications hardware & software, services, and accessories. All solutions are new and fully warrantied. These fall into the following categories:<br><br>BK Technologies Portable & Mobile Radios : This includes the BKR5000 & BKR9000 as well as our KNG-M series mobiles.<br><br>Base Stations & Repeaters: The base stations consist of the KNG-B series and Spectra radios. The repeaters include the RelayONE portable repeater and the Eclipse & Spectra series infrastructure models.<br><br>Dispatch & Interoperability Solutions: This includes both Bosch/ Telex & JPS dispatch & interoperability suites.<br><br>BK ONE Software Solutions Platform: BK ONE is an ever-expanding array of SaaS services that currently includes our innovative on-demand PoC voice service InteropONE. We also just recently launched our GPS Location Services architecture for phones, LTE modems, radios, and more with LocateONE.<br><br>Accessories & Warranty Options: BK is pleased to provide an assortment of audio, charging, and carrying solutions. We provide in-house warranty repairs at our HQ and have qualified repair technicians to provide technical support as needed. | * |
| 72 | Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services. | Dispatch/control room consoles and associated integrated communications equipment;<br><br>Connectivity and interoperability devices, hardware, and equipment for the connection of communication systems and endpoints, including:<br><br>Land mobile/broadband radios | * |

### Table 7B: Depth and Breadth of Offered Solutions

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

| Line Item | Category or Type | Offerings | Offered * | Comments | |
|---|---|---|---|---|---|
| 73 | In-station Public Safety alerting or paging systems; | | ○ Yes<br>◉ No | not offering | * |
| 74 | Dispatch/control room consoles and associated integrated communications equipment; | | ◉ Yes<br>○ No | Dispatch & Interoperability Solutions: This includes both Bosch/ Telex & JPS dispatch & interoperability suites. | * |

| | | | | | |
|---|---|---|---|---|---|
| 75 | Wearable or portable communication devices, including biomonitoring wearables, alerting or paging systems | | (•) Yes ( ) No | BK ONE Software Solutions Platform: BK ONE is an ever-expanding array of SaaS services that currently includes our innovative on-demand PoC voice service InteropONE. We also just recently launched our GPS Location Services architecture for phones, LTE modems, radios, and more with LocateONE. | * |
| 76 | Connectivity and interoperability devices, hardware, and equipment for the connection of communication systems and endpoints, including: | | (•) Yes ( ) No | BK Technologies Portable & Mobile Radios<br>Base Stations & Repeaters<br>BK ONE Software Solutions Platform<br>Accessories & Warranty Option | * |
| 77 | | Satellite communications equipment; | ( ) Yes (•) No | not offering | * |
| 78 | | Portable and deployable wireless hubs, routers, and networks | ( ) Yes (•) No | not offering | * |
| 79 | | Mesh networks and mesh radios | ( ) Yes (•) No | not offering | * |
| 80 | | Land mobile/broadband radios | (•) Yes ( ) No | BK Technologies Portable & Mobile Radios : This includes the BKR5000 & BKR9000 as well as our KNG-M series mobiles.<br><br>Base Stations & Repeaters: The base stations consist of the KNG-B series and Spectra radios. The repeaters include the RelayONE portable repeater and the Eclipse & Spectra series infrastructure models.<br><br>BK ONE Software Solutions Platform: BK ONE is an ever-expanding array of SaaS services that currently includes our innovative on-demand PoC voice service InteropONE. We also just recently launched our GPS Location Services architecture for phones, LTE modems, radios, and more with LocateONE.<br><br>Accessories & Warranty Options: BK is pleased to provide an assortment of audio, charging, and carrying solutions. We provide in-house warranty repairs at our HQ and have qualified repair technicians to provide technical support as needed. | * |
| 81 | | Push to Talk over Cellular (PoC) handsets | ( ) Yes (•) No | not offering | * |
| 82 | | High Power User Equipment (HPUE) for LTE | ( ) Yes (•) No | not offering | * |
| 83 | Airborne, marine, and underwater communication systems | | ( ) Yes (•) No | not offering | * |

**Exceptions to Terms, Conditions, or Specifications Form**

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

**Documents**

**Ensure your submission document(s) conforms to the following**:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - BK Technologies RFP 020625 Pricing.zip - Wednesday February 05, 2025 16:04:49
- Financial Strength and Stability - BK Technologies RFP 020625 Financial Strength & Stability.zip - Wednesday February 05, 2025 14:04:37
- Marketing Plan/Samples - BK Technologies RFP 020625 Marketing Samples.zip - Wednesday February 05, 2025 14:05:01
- WMBE/MBE/SBE or Related Certificates (optional)
- Standard Transaction Document Samples - BK Technologies RFP 020625 Standard Trans Doc Samples.zip - Wednesday February 05, 2025 14:05:17
- Requested Exceptions (optional)
- Upload Additional Document - BK Technologies RFP 020625 Cvrltr & WarrStmt.zip - Wednesday February 05, 2025 16:05:03

## Addenda, Terms and Conditions

**PROPOSER AFFIDAVIT OF COMPLIANCE**

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for award.

3. The Proposer certifies that:

(1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and

(3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.

5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.

6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.

7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

8. Proposer its employees, agents, and subcontractors are not:

1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Carolyn French, Contract Administrator, BK Technologies, Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

| File Name | I have reviewed the below addendum and attachments (if applicable) | Pages |
|---|---|---|
| **Addendum_12_Public_Safety_Communications_Eqpt_RFP_020625** Wed January 29 2025 03:10 PM | ☑ | 4 |
| **Addendum_12_Public_Safety_Communications_Eqpt_RFP_020625** Wed January 29 2025 03:09 PM | ☑ | 4 |
| **Addendum_11_Public_Safety_Communications_Eqpt_RFP_020625** Tue January 28 2025 01:37 PM | ☑ | 1 |
| **Addendum_10_Public_Safety_Communications_Eqpt_RFP_020625** Mon January 27 2025 04:19 PM | ☑ | 1 |
| **Addendum_9_Public_Safety_Communications_Eqpt_RFP_020625** Mon January 27 2025 10:15 AM | ☑ | 1 |
| **Addendum_8_Public_Safety_Communications_Eqpt_RFP_020625** Tue January 21 2025 09:01 AM | ☑ | 1 |
| **Addendum_7_Public_Safety_Communications_Eqpt_RFP_020625** Thu January 16 2025 03:36 PM | ☑ | 1 |
| **Addendum_6_Public_Safety_Communications_Eqpt_RFP_020625** Wed January 8 2025 11:08 AM | ☑ | 1 |
| **Addendum_5_Public_Safety_Communications_Eqpt_RFP_020625** Fri January 3 2025 03:19 PM | ☑ | 1 |
| **Addendum_4_Public_Safety_Communications_Eqpt_RFP_020625** Mon December 30 2024 04:32 PM | ☑ | 1 |
| **Addendum_3_Public_Safety_Communications_Eqpt_RFP_020625** Fri December 27 2024 09:56 AM | ☑ | 1 |
| **Addendum_2_Public_Safety_Communications_Eqpt_RFP_020625** Tue December 24 2024 01:46 PM | ☑ | 1 |
| **Addendum_1_Public_Safety_Communications_Eqpt_RFP_020625** Wed December 18 2024 08:04 AM | ☑ | 1 |

Foothill Communications
Two-Way Radio Specialist

Foothill Communications, Inc.
133 N. San Gabriel Blvd #206
Pasadena CA 91107
United States

# Quote
#EST11862
10/30/2026

**Bill To**

Arcadia Fire Department
710 South Santa Anita Ave.
Arcadia CA 91006
United States

**Ship To**

**TOTAL**

$352,589.84

**Expires: 11/30/2026**

| Sales Rep | Shipping Method |
|---|---|
| Kenji Luster<br>kenji@foothillcommunications.com | |

| No | Qty | Item | Tax | Rate | Amount |
|---|---|---|---|---|---|
| 1 | 55 | BK Technologies BKR9000-T3.5BC Portable Handheld Radio. Tier 3.5, All-Band Capable Hardware, 5000 Ch, Front and Top Display, Full Keypad, Black Housing, No Channel Stop, Includes Belt Clip, one Base Frequency, Wi-Fi, Bluetooth, GPS, DES, ADP, IP67/68 submersible, 5-Year Warranty. | Yes | $2,536.10 | $139,485.50 |
| 2 | 55 | BK Technologies BKR-BFU Option-No Charge, Base Freq UHF 380-520 MHz, 5000 Ch, 5 W, BKR 9000 | Yes | $0.00 | $0.00 |
| 3 | 55 | BK Technologies BKR-800 Option, Freq 700/800 MHz ,5000 Ch, 3 W, BKR 9000, Requires Either Dual-Band or All-Band Antenna | Yes | $0.00 | $0.00 |
| 4 | 55 | BK Technologies BKR-VHF Option, Freq VHF 136-174 MHz, 5000 Ch, 6 W, BKR 9000, Requires All-Band Antenna | Yes | $697.90 | $38,384.50 |
| 5 | 55 | BK Technologies BKR0893-148-E20 Antenna, All Band, 136-174 MHz, 380 - 520 MHz , 769-860 MHz, SMA | Yes | $126.00 | $6,930.00 |
| 6 | 55 | BK Technologies BKR0579 Option, Factory Install, P25 FDMA Trunking, BKR Series Portable Radios | Yes | $156.10 | $8,585.50 |
| 7 | 55 | BK Technologies BKRA0593 Option, Field Install, P25 TDMA Trunking (Requires BKR0579 FDMA), BKR Series Portable Radios | Yes | $417.20 | $22,946.00 |
| 8 | 55 | BK Technologies BKR0668 IP68 Rating for BKR9000 Radios | Yes | $112.00 | $6,160.00 |
| 9 | 55 | BK Technologies BKR0574 Option, Factory Install, AES FIPS140-2 Level 2 Encryption, BKR Series Portable Radios. Cannot be upgraded to BKR0575. | Yes | $373.10 | $20,520.50 |
| 10 | 55 | BK Technologies BKR0570 Option, Factory Install, Over The Air Rekeying (OTAR), (Trunking & Conventional), BKR Series Portable Radios | Yes | $389.20 | $21,406.00 |
| 11 | 55 | BK Technologies BKR0582 Option, Factory Install, Over The Air Programing (OTAP), Trunking, BKR Series Portable Radios | Yes | $161.00 | $8,855.00 |
| 12 | 75 | BK Technologies BKR0102 SURPASS™ Battery Pack, Li-Ion 4900 mAh, BKR 9000 | Yes | $206.50 | $15,487.50 |
| 13 | 55 | BK Technologies BKR0206 SURPASS™ Heavy-Duty Remote Speaker/ Microphone, High-Temp Rated, 3.5mm Audio Jack, IP68 Submersible, Prog. Toggle Switch, Emergency Button, High-Visibility Yellow Housing, BKR Series Portable Radios. | Yes | $464.10 | $25,525.50 |
| 14 | 3 | BK Technologies BKR0300-6 Multi Unit Charger for six BKR5000/BKR9000 radios/batteries | Yes | $1,080.00 | $3,240.00 |
| 15 | 1 | BK Technologies BKR0710 USB Programming cable for BKR radios | Yes | $122.50 | $122.50 |
| 16 | 1 | BK Technologies BKR0733-USB Software, Radio Editor, BKR0733, current version. x.x.xx, USB Drive, BKR/KNG | Yes | $0.00 | $0.00 |

Foothill Communications
Two-Way Radio Specialist

Foothill Communications, Inc.
133 N. San Gabriel Blvd #206
Pasadena CA 91107
United States

# Quote
#EST11862
10/30/2026

| | |
|---|---|
| **Subtotal** | $317,648.50 |
| **Tax Total (11%)** | $34,941.34 |
| **Total** | $352,589.84 |
| **Deposit** | $ |

Estimate Based On BK Technologies Sourcewell contract #020625-BKT
** DO NOT PAY – THIS IS AN ESTIMATE **
Equipment, hardware and materials covered by manufacturer's warranty if applicable. Orders over $25,000. may require a deposit.
Modifications or deviations from those prescribed above requiring additional cost will be performed only upon emailed/written direction and will incur charges over & above the estimate.
Cancellation of Service Calls within 24 business hours may be subject to a cancellation fee.
Delivery dates / completion of services is subject to strikes, accidents and vendor supply chains which are beyond our control.

**Authorized Signature:** _____ **P.O. #** _____

**Print Name:** _____ **Date:** _____

EST11862

CITY OF ARCADIA

# STAFF REPORT

## PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Public Works Services Director
By: Leonel Martin, Public Works Project Manager

**SUBJECT:** ACCEPT ALL WORK PERFORMED BY MDJ MANAGEMENT, LLC FOR THE CITY HALL LAWN FENCE INSTALLATION PROJECT AS COMPLETE
**CEQA: Exempt**
**Recommendation: Approve**

## SUMMARY

On April 7, 2026, the City Council approved a contract with MDJ Management, LLC in the amount of $125,236.16, with a 10% contingency for the City Hall Lawn Fence Installation Project. The terms and conditions of this project have been complied with, and the work has been performed to the satisfaction of the Project Manager for a total project cost of $137,231.57. This amount reflects the approved contract of $125,236.16, plus one change order totaling $11,995.41, or 9.6% more than the approved contract amount.

It is recommended that the City Council accept all work performed by MDJ Management, LLC, for the City Hall Lawn Fence Installation Project as complete and authorize the final payment to be made in accordance with the contract documents, subject to the retention of $6,261.81.

## BACKGROUND

The City of Arcadia frequently hosts events at the City Hall Lawn, including the Community Camp Out, Moon Festival, and Concerts and Movies in the Park. These events attract hundreds, and sometimes, thousands of attendees, making the City Hall Lawn a central gathering place for residents to connect, celebrate local culture, and engage in civic life. These events also support local businesses and strengthen

community identity by activating a prominent public space along Huntington Drive, making the Civic Center more vibrant and welcoming.

The City Hall Lawn is located along Huntington Drive, a high-traffic roadway that carries a significant volume of daily drivers. Community events held at the City Hall Lawn regularly attract families, children, and large crowds. To provide a safe and comfortable experience for event attendees and users of the City Hall Lawn, the Public Works Services Department ("PWSD") would install temporary K-rail barriers along the roadway during events. The barriers created a protective buffer between the lawn and passing vehicles, and helped define clear event boundaries. The temporary installation of K-rail barriers for community events at City Hall Lawn from May 2025 through October 2025 was approximately $35,000, which included the installation, removal, and rental costs, but not the staff time required to coordinate delivery, placement, and removal of the barriers. Installing a permanent fence along the Huntington Drive side of the City Hall Lawn was necessary to provide a lasting safety barrier for event attendees and reduce the ongoing costs of installing and removing barriers each year.

## DISCUSSION

On April 7, 2026, the City Council approved a contract with MDJ Management, LLC, for the City Hall Lawn Fence Installation Project. As part of this project, approximately 660 linear feet of four-foot-tall wrought iron fencing was installed along the Huntington Drive side of the lawn. The custom-designed wrought iron fence features a bronze powder-coat finish to complement the appearance of the City Hall Lawn area.

After the fence was installed, staff found that the new fence obstructed visibility for vehicles exiting the northeast Police Department parking lot. To resolve this, the contract scope was adjusted to reinstall the fence at an angle rather than along the grass edge. A complete summary of the project change order is provided below.

| CCO | Description | Amount |
|---|---|---|
| 1. | Reconfigure 70 linear feet of wrought iron fencing | $11,995.41 |

All terms and conditions of the contract have been complied with, and the work has been performed to the satisfaction of the Project Manager. MDJ Management, LLC completed the work as defined in the project plans and specifications, in an efficient and timely manner.

## ENVIRONMENTAL ANALYSIS

The Project is considered a Class 1 Exemption as defined in Section 15301(a) "Existing Facilities" projects of the California Environmental Quality Act ("CEQA"), which exempts projects consisting of the minor alteration of existing public structures.

## FISCAL IMPACT

This project was not budgeted as part of the Capital Improvement Program Budget; therefore, a budget appropriation from the Capital Outlay Fund in the amount of $137,759.78 was requested and approved by the City Council on April 7, 2026. The total cost for the City Hall Lawn Fence Installation Project is $137,231.57. This amount reflects the approved contract of $125,236.16, plus a change order totaling $11,995.41, or 9.6% more than the approved contract amount. The total cost is within the budget appropriation provided for the project.

## RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act ("CEQA"); and accept all work performed by MDJ Management, LLC, for the City Hall Lawn Fence Installation Project as complete and authorize the final payment to be made in accordance with the contract documents, subject to the retention of $6,261.81.

Approved:

Dominic Lazzaretto
City Manager

CITY OF ARCADIA

# STAFF REPORT

## OFFICE OF THE CITY MANAGER

**DATE:** November 17, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Dominic Lazzaretto, City Manager
By: Justine Bruno, Deputy City Manager

**SUBJECT:** REPORT ON FRONTIER TELECOMMUNICATIONS SERVICES IN NORTH ARCADIA
**CEQA: Not a Project**
**Recommendation: Receive and File**

## SUMMARY

Telecommunications services are available in the City of Arcadia through numerous private businesses, with bundled internet and phone services offered through the primary providers of AT&T, Spectrum, and Frontier (now a Verizon company). Over the past several months, Frontier wireline customers in north Arcadia have experienced prolonged phone and internet outages. Additionally, cellular phone service in north Arcadia is challenging, with many households relying on wireline services for consistent connectivity.

At the October 6, 2026, City Council meeting, Mayor Pro Tem Fu, with support from Council Members Cao and Han, requested that City staff investigate and explore options to address the multi-month service interruptions Frontier customers in north Arcadia have been experiencing. This item fulfills that request and provides the City Council with an overview of the challenges and opportunities facing telecommunication providers in Arcadia. It is recommended that the City Council receive and file this report on Frontier telecommunication services in north Arcadia.

## BACKGROUND

Telephone service providers have long operated under a statewide statutory framework that curtails nearly all local franchising. While cities preserve some

oversight ability for impacts to public rights-of-way, most telephone companies in California are insulated from any local regulation or recourse. In 2006, the Digital Infrastructure and Video Competition Act ("DIVCA") was passed, which eliminated all local franchising for cable and video services, transferring industry oversight authority to the California Public Utilities Commission ("CPUC"). While DIVCA was intended to streamline the deployment of video and broadband internet services throughout the state, a resulting consequence was the end of local franchising for these services. When franchising was transferred away from the local level, municipalities lost most of their leverage to set standards and demand certain service levels, up time, and responsiveness through a contractual agreement with cable and internet providers.

During the October 6 City Council Meeting, Mayor Pro Tem Fu requested City Council support to review the ongoing telephone service interruptions affecting hundreds of Frontier customers in north Arcadia. Council Members Cao and Han concurred with Mayor Pro Tem Fu's request to investigate the matter and explore options to address the service disruptions with Frontier.

## DISCUSSION

Arcadia residents continue to report reliability and quality concerns with cellular service in north Arcadia. As such, many residents in north Arcadia rely on wireline services to stay connected and receive vital phone and internet services. Whether it is to call for life-saving services, receive emergency alerts, connect essential devices, or to conduct business from home or simply to keep in touch with family and friends, quality telecommunications are fundamental for all Arcadia residents and businesses.

Staff reached out to Frontier Communications staff to inquire about service disruptions. The Frontier staff indicated that the issues currently being experienced relate to the conversion to the Verizon system as well as due to copper thefts. For many telecommunications and utility providers, disruptions to wired services have been a widespread challenge across Los Angeles County and throughout California. For example, in August 2025, 60 feet of AT&T's underground copper was cut and stolen from Santa Anita Avenue and Huntington Drive, disrupting Arcadia's 911 calls. Patches and temporary fixes had to be put in place, but the overall work took several

weeks to fully complete. A similar situation happened just this week in Glendale, which affected the entire Verdugo Fire Dispatch system.

To curtail the pervasive and detrimental metal thefts throughout the state, California's lawmakers passed Assembly Bill 476 and 1941, which both target different aspects of copper theft, including copper resellers as well as increasing penalties for those connected to organized metal theft.

For copper thefts and the resulting disruptions to wireline customers, it is recommended that the Arcadia Police Department and telecommunications providers like Frontier partner to help reduce metal thefts within the City. Through regular briefings and outreach, both parties may be able to work towards the shared goal of reducing metal thefts in Arcadia by identifying areas for surveillance or extra police patrols, receiving detailed reports of thefts and damages, and collaborating to better understand current trends.

As it relates to general connectivity issues and service reliability, the City would need to present its concerns to the California Public Utilities Commission through their Formal Complaint process. While this process is more suited for individual customers, parties submitting a complaint must first demonstrate efforts to resolve the matter informally with the service provider. As such, the City would need to engage in a multi-step process before bringing forward the concerns of its residents regarding a telecommunications provider. Should there be any interest in pursuing this matter further, filing a complaint with the CPUC remains one of the few remaining options available to the City.

## ENVIRONMENTAL ANALYSIS

Receiving this report does not constitute a project under the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that it will not have an impact on the environment.

## FISCAL IMPACT

There is no known fiscal impact associated with receiving this report. Any advocacy efforts or outreach to the CPUC could be handled within existing budgets.

**RECOMMENDATION**

It is recommended that the City Council determine that this action is not considered a project under the California Environmental Quality Act ("CEQA"); and receive and file this report.