CONTRACT AWARD	STATE OF ALASKA HQ, STATE EQUIPMENT FLEET (Contracting Authority) 2200 E. 42nd Avenue Anchorage, Alaska 99508	CONTRACT AWARD NUMBER **CA1823-13**

ORDERING DEPARTMENT: HEADQUARTERS, STATE EQUIPMENT FLEET 2200 E. 42ND AVENUE ANCHORAGE, ALASKA 99508 (907) 269-0793 PHONE / (907) 269-0801 FAX	**DATE OF CONTRACT:** JUNE 25, 2013 **DATE INITIAL CONTRACT BEGINS:** JUNE 25, 2013 **DATE INTIAL CONTRACT ENDS:** JUNE 25, 2014
CONTRACTOR: EZ-LINER INDUSTRIES **ADDRESS:** PO BOX 140 ORANGE CITY, IA 51041 **CONTACT NAME:** STEVE SMIT **PHONE NUMBER:** 530-314-9171 **E-MAIL:** STEVE.SMIT@EZLINER.COM	**NUMBER & PERIOD OF RENEWALS:** (2) 1 YEAR RENEWALS **RENEWALS EXPIRE (MO/YR):** JUNE 25, 2016 **ISSUED IN ACCORDANCE WITH BID # SEF-** 1823 **DATED:** AUGUST 26, 2004 **ESTIMATED VALUE OF INITAL TERM:** $300,000.00

SEND INVOICES IN DUPLICATE TO: STATE EQUIPMENT FLEET, 2200 E. 42ND AVENUE, ANCHORAGE AK 99508

THIS ORDER CONSTITUTES A BINDING COMMITMENT BETWEEN THE STATE AND THE CONTRACTOR LISTED HEREON. UNAUTHORIZED MODIFICATION WITHOUT THE EXPRESSED PRIOR APPROVAL OF THE CONTRACTING AUTHORITY WILL RESULT IN A FINANCIAL OBLIGATION ON THE CONTRACTOR AND/OR UNAUTHORIZED STATE PERSONNEL MAKING THE CHANGE.

DESCRIPTION

CONTRACT TO PURCHASE

EZ-LINER MODEL AL120 SELF-CONTINED PALLETIZED SLIDE IN PAINT STRIPING UNIT

EZ-LINER MODEL AL120 SELF-CONTINED PALLETIZED PAINT STRIPING UNIT FOR FLATBEDS

POLE GUN WITH TWO WHEEL CARRIAGE AND 25 FOOT HIGH PRESSURE HOSE

TRAINING ON EZ-LINER AL120 UNITS

SPARE PARTS KIT

CONTRACTING OFFICER
ABBY BRESHEARS
PHONE: 907-269-0786

SECTION I - SPECIAL TERMS AND CONDITIONS
SECTION II - STANDARD TERMS AND CONDITIONS
SECTION III - SPECIFICATIONS
SECTION IV - CONTRACT PRICE SCHEDULE

CONTRACTING AUTHORITY NAME & TITLE	SIGNATURE
ABBY BRESHEARS, CONTRACTING OFFICER II	Abby Breshears
CONTRACTOR AUTHORITY NAME & TITLE	SIGNATURE
Dave Van Gorp, Vice President	Dave

IMPORTANT 1. Contract award number and ordering department name must appear on all invoices and documents relating to this order.
2. The State is registered for tax free transactions under Chapter 32, IRS Code Registration No. 92-601165. Items are for the exclusive use of the State and not for resale.

CONTRACT INTENT: Non Mandatory contract for Self-Contained Palletized Road Paint Striping Units

1.1 Contract Period: One (1) year with two (2) possible one (1) year extentions

1.2 Quantities: Up to 20 over the life of the contract with 3 to be purchased immediately

1.3 Location of Use: Various locations throughout Alaska

1.4 Warranty locations: Anchorage and Fairbanks at a minimum.

1.5 In addition to the State of Alaska requirements, the Municipality of Anchorage and other Alaska political subdivisions may cooperatively purchase from the resulting contract.

1.5.1 At no time may the contractor change the terms and conditions, alter the price to another entity, which differs from the contractual price, nor charge undisclosed administrative fees to allow cooperative purchasing.

2.0 DELIVERY:

2.1 **Pre-delivery service:** Prior to delivery, each vehicle, piece of equipment or attachment shall be serviced and inspected by the dealer or his agent. Inspection must include the following (as applicable to the type of equipment):

2.1.1 Dealer and vehicle identification.

2.1.2 Check-off of service and inspection performed including a list of all fluids including type weight and specification that are in the equipment as delivered for all fluid compartments.

2.1.3 The vehicle's crankcase, differential and transmission, and other fluid compartments shall be filled to the manufacturer's recommended capacity.

2.1.4 Fuel tank shall be filled to at least register a minimum ¼ full on the fuel gauge, unless restricted by the commercial carrier, when the vehicle arrives at the delivery location.

2.1.5 The vehicle shall be clean and free from defects when delivered and should be ready for immediate and continued use upon delivery.

2.1.6 Units delivered in an incomplete state, or which have deficiencies per the specification, are subject to the damage charges as noted in paragraph 4.0 below.

2.2 **Inspections:**

2.2.1 The State's inspection of all materials and equipment upon delivery is for the sole purpose of identification. Such inspection shall not be construed as final or as acceptance of the materials or equipment if materials or equipment do not conform to Contract requirements. If there are any apparent defects in the materials or equipment at the time of delivery, the State will promptly notify the Contractor thereof. Without limiting any other rights of the State, The State at its option, may require the Contractor to:

2.2.1.1 repair or replace at contractor's expense, any or all of the damaged goods,

2.2.1.2 refund the price of any or all of the damaged goods, or

2.2.1.3 accept the return of any or all of the damaged goods.

2.2.2 Costs of remedying all defects, indirect and consequential costs of correcting same, and/or removing or replacing any or all of the defective materials or equipment will be charged against the bidder.

2.3 **Acceptance:**

2.3.1 Units will not be considered "Accepted" until all deficiencies have been corrected. This includes item 2.5 Line Sheets/Bill of Materials and 8.0 Publications.

2.4 **Delivery Receipt:**

2.4.1 A delivery receipt will be required. The receipt must be filled out by the vendor, and acknowledged by state receiving personnel by signature and date of actual receipt of equipment. One copy of this delivery receipt is to be given to the state-receiving agency.

2.4.2 Vendors are cautioned and advised that such delivery forms or other receiving type documents will not in any way be construed to mean the state has formally and fully accepted unit(s) referenced thereon as complete and meeting every specification set forth. Only the Contracting Officer or designee may sign warranty documentation.

2.5 **Line Sheets/Bill of Materials::**

2.5.1 It is required at the time of delivery that the successful bidder provides a comprehensive listing of all components used to assemble the unit.

2.5.2 This includes any components installed by the manufacturer or any subcontractor or the successful bidder.

2.5.3 Information will include at a minimum, when available, make, model serial number on items such as engines, transmissions, axles, tires, bodies, etc. The listings will be specific to each piece of equipment and will be provided on an individual CD for each unit delivered.

2.5.4 A minimum of one (1) CD per unit are to be provided and marked with the make, model, and last main numbers of the units serial number or State PO number.

3.0 F.O.B. POINT:

3.1 The F.O.B. point is as listed in Section IV, Bid Schedule. Ownership of and title will remain with the contractor until delivery is complete to final destination and accepted by the State. Equipment is not to be driven on the Alcan Highway without prior written approval from the contracting officer.

3.2 The cost of shipping and delivery for orders beyond the limits of Seattle/Tacoma dock will be handled as follows. The contractor will prepay the shipping and delivery charges to any destination named by the State in its order. The contractor will charge-back those shipping and delivery charges to the State as a separate line item on the State's invoice.

3.3 All shipping charges over $100 must be documented by a copy of the actual shipping invoice and received with the invoice charge to the State.

3.4 Shipping must be consolidated for the best possible price. Shipping items separately must be pre-approved by the Contracting Officer PRIOR to shipment. For example, GP Bucket or Spare Tire not being shipped with host unit must be pre-approved.

4.0 DAMAGES FOR LATE DELIVERY AND NON-CONFORMING GOODS:

4.1 Time is of the essence in this contract. The Bidder is expected to deliver goods that conform in all material respects to the contract specifications on or before the date provided therein, as may be amended by written agreement of the parties.

4.2 In the event that the equipment is delivered late or does not conform to the contract specifications, the State shall be entitled to offset against the Contract Price, as liquidated damages and not as a penalty, an amount equal to the cost of renting like equipment, multiplied by the number of calendar days elapsing between the delivery date provided in the bid schedule and the delivery date to the State. In the case of equipment in this this class, that daily rental fee is determined to be $108.31. The number of days for which liquidated damages shall apply shall include, in the case of non-conforming goods, the time reasonably necessary for the State to perform inspection.

4.3 These liquidated damages represent a reasonable estimate of amounts necessary to compensate the State for loss of use of the goods during the period in which the goods would have been available to the State if conforming goods had been timely delivered.

5.0 EQUIPMENT RELIABILITY:

5.1 Reliability of equipment is of paramount importance to the State. It is the policy of SEF to require minimum levels of reliability from owned or leased equipment for it to be considered acceptable. Equipment offered for this bid must be capable of meeting the acceptable reliability standard stated below.

5.2 Acceptable Reliability: The State will monitor equipment reliability. Acceptable reliability for this contract is achieved when a machine achieves or maintains a Reliability Ratio (RR) equal to or exceeding the following:

5.2.1 .90 (90 percent) PR during any consecutive 12-months (365 days) during the warranty period.

5.2.2 .75 (75 percent) PR per operational month (recognizing operational as subject to weather and being defined by calendar days) during the consecutive 12-month period.

5.2.3 PR below the state percentages do not meet minimum reliability requirements for state owned equipment.

5.3 **Machine Failure and Downtime:**

5.3.1 **Machine Failure** is any and all loss of capability to perform fully, as specified, which is not attributed to **Conditioned Failure**. Machine Failure resulting in the unit being out of service is defined as **Downtime**.

5.3.2 **Conditioned Failure** is any Machine Failure attributable to accident, operator abuse or other external cause not attributable to a defect in the machine itself.

5.3.3 **Downtime** is the actual number of days or fractions of days that the equipment is in a state of Machine Failure. Downtime does not count time used for scheduled maintenance (including preventative maintenance and scheduled major overhauls), time lost for repair maintenance and scheduled major overhauls, time lost for repair of damage as a result of operator abuse or machine misapplication; or time lost as a result of accident or an act of God. Downtime includes:

5.3.3.1 Actual shop hours (and/or field repair hours) required to return unit to full operational status following machine failure, including trouble-shooting, repair, necessary replacement of parts, and necessary adjustments, plus

5.3.3.2 Time lost waiting for parts and/or vendor assistance. "Waiting downtime" also applies if need for parts/assistance is discovered during routine maintenance and return to service is deemed counterproductive. In this case, "waiting time" clock begins with notice of need to vendor. Allowance may be considered in "waiting time" calculations if arrival of parts/assistance is delayed by transportation shutdown, to include verifiable transportation scheduling difficulties such as infrequent flights as long as all reasonable alternatives have been exhausted. Parts and assistance are to be provided by the quickest means reasonably possible to avoid unnecessary delays and downtime.

5.3.4 **Out of Service Report (OSR):** Downtime resulting from machine failure is the actual number of hours a machine is out of service as recorded on the OSR or in the Equipment Maintenance Management System (EMS).

5.3.4.1 The State will record all downtime on an OSR or EMS work order, which will be originated for each occurrence of downtime. The document will show the date and time a unit went down, the location where the machine was based, the reason the machine is down, date and time the vendor was notified (if applicable), the date and time the machine was returned to service, and the total hours of downtime.

5.3.4.1.1 The Contract Manager will finalize and approve the OSR or EMS work order. Both are available for contractor review.

5.3.5 **Reporting Downtime**: The Contracting Officer will maintain documentation of all Downtime, and shall send copies of such documentation to the contractor.

5.3.6 **Calculation of Reliability Ratio**: RR is the mathematical ration of operated time (uptime) to out of service time (downtime). The RR will be calculated according to the following formula:

$$\mathbf{RR} = \frac{\textbf{Days in a Month – Days Out of Service*}}{\textbf{Days in a Month **}} = \frac{\textbf{DM - DO}}{\textbf{DM}}$$

Note * : Fractional Days apply, i.e., a unit is out of service 8 hours in a 24 hour period equals 1/3 or .33% of a day.

Note **: A day is allocated as 24 consecutive hours from 12:00 AM to 12:00 PM.

Example: 30 days DM with 2 days and 8 hours DT would result in:

$$RR = \frac{30 - 2.33}{30} = .92$$

5.3.7 **Unacceptable Reliability**: If an item of equipment fails to perform at an acceptable level of reliability during the warranty period, the Contracting Officer will notify the contractor and request immediate remedy. Failure to remedy the piece of equipment within 30 days for failure will result in a breach of contract and the immediate return of the equipment and reimbursement of the **Guaranteed Value** (V) of the unit:

Original Cost of the unit less (-) Freight = $_____ (V)

Guaranteed Value (V) less (-) the **Cost of Operation** as listed in the Equipment Rental Rate Blue Book value or comparable equipment or the current Federal Fixed Usage Rate for the Class for the State of Alaska (a, b or c per hour) times (X) the number of hours used = _____(DV).

a. Example: Cost of a single unit, less freight = $150,000. The hourly cost is $150.00 per hour. The unit was used 150 hours prior to failing the acceptable reliability. The contractor guarantees the unit's worth at $127,500.00.

5.3.8 Prior to return, the State will correct all reasonable cosmetic deficiencies (such as **excessive** rust) and those deficiencies that are directly related to damage due to accidents, misuse of equipment or failure to operate or maintain equipment as prescribed by the vendor/manufacturer, prior to public auction.

5.3.9 The tires will be serviceable with at least 50% remaining thread.

5.3.10 Oil samples, as per manufacturer's service manual recommendations, will be taken by State of Alaska maintenance personnel on the engine, transmission, differentials and hydraulics.

5.3.11 In the case of dispute, at the expense of the State, a qualified agent from Northern Adjusters, Inc. or another professionally recognized appraiser may be commissioned for an independent claim appraisal. Such appraisal shall be binding upon the State and the contractor.

6.0 WARRANTY:

6.1 **Standard Warranty Package:** Unless otherwise stipulated by this ITB, the successful bidder will provide a one-year (12-month) warranty.

6.1.1 Full (100%) Parts and Labor Warranty Coverage of all components for 12 months (year one), from the date the unit is placed in service at the assigned location.

6.1.2 Full (100%) Warranty Coverage includes all cost of labor, parts, freight, lubricants, miscellaneous cost, etc., to place the unit in like-new condition.

6.1.3 Should the manufacturer's standard warranty exceed the minimum State warranty requirements, the manufacturer's warranty will run in conjunction with and enhance the State's warranty, then continue for the remainder of its term.

6.1.4 For clarification, warranty does not apply to normal wear and tear or maintenance items, accident damages, misuse of equipment or failure to operate or maintain equipment as prescribed by vendor/manufacturer.

6.1.5 Warranty on Attachments: Same as Standard Warranty Package.

6.1.6 In-Service Date: Warranty on vehicles not placed in service immediately upon receipt because of time lag to construct body components and/or installation of special equipment, or due to seasonal usage or other delay, shall be warranted from the date the vehicle is placed in service. The receiving agency shall notify the vendor/manufacturer in writing of the actual "in service" date. Notification of the requirement for delayed warranty will be provided on delivery orders whenever possible.

6.2 **Warranty Claims:**

6.2.1 Warranty will be provided at the unit's assigned (in-service) location. Because of the remote location of some equipment it is not always practical to deliver equipment to authorized warranty repair facilities. In these cases, the vendor may perform warranty work at the state's location or, the State of Alaska, at its discretion, reserves the right to perform the warranty work and be reimbursed by the vendor. If travel is required by State personnel to perform the work, actual costs will be used for reimbursement.

6.2.2 The State of Alaska has established a warranty procedure whereby the vendor is to be notified via letter, email, or fax, that warranty work needs to be performed. If time is of the essence, a telephone call confirmed by one of the above written procedures may be utilized.

6.2.3 The vendor must notify the state within 24 hours of verbal or written notification that it will begin to perform the warranty work at the equipment location.

6.2.4 The State may, at its discretion, proceed to make warranty repairs with its own work force in the case of emergency situation or to preclude excessive downtime (greater than 24 hours). The State will require a PO to perform the warranty work.

6.2.5 Failure to notify the State that the vendor intends to begin to perform warranty is considered a contractual breach.

6.2.6 The vendor will be invoiced for required warranty work performed by the state. Warranty work performed by the state will be charged at the current SEF shop labor rate at the time of the repair. Actual repair time will be used.

6.3 **Warranty Performed by Vendor:**

6.3.1 The State will reimburse travel costs not reimbursed by the manufacturer for travel to and from the bidder's closest warranty service center within the State of Alaska to the location of the equipment under warranty. Travel costs will be billed as follows

6.3.1.1 Mileage Charge: Mileage will only be reimbursed for travel within Alaska at the rate allowable by the IRS.

6.3.1.2 Meals are paid at actual and charges must be accompanied by receipts and are not to exceed the State authorized $60.00 per day.

6.3.1.3 Transportation, such as airfare, shall be reimbursed at actual and all charges are to be accompanied by a receipt/copy of the coach ticket.

6.3.1.4 Lodging shall be reimbursed at actual and shall not exceed $150.00 per night unless no other lodging is available. Requests for reimbursement must be accompanied by a receipt.

6.3.2 Travel will only be reimbursed for time in Alaska.

6.3.3 After hours, weekend and holiday travel must be approved by the contracting officer to be considered for reimbursement. The State will not pay for weather delays.

6.4 **Authorized Warranty (Contractor/Bidder):**

6.4.1 Contractor (bidder) must have Authorized Warranty Dealer that has all required licenses, facilities and factory certified and trained personnel necessary to perform the warranty servicing and repair work.

(*) Bob's Services

2009 Spar Avenue

Anchorage, AK 99501

(907)276-3221

6.4.2 The ultimate responsibility for warranty lies with the contractor (bidder).

6.4.3 The State reserves the right to inspect the warranty facility and diagnostic equipment prior to issuing the Notice of Intent to Award a contract.

6.5 **Factory Recall**

6.5.1 Nationwide factory recall or product update programs are the responsibility of the vendor and/or manufacturer. The State will attempt to bring affected equipment to an authorized repair facility. However, because of the remoteness of some equipment this is not always practicable or economical. In such cases, factory recall and modification work will be handled the same as warranty work. Factory recall notices sent to the state should, in addition to serial number, include model, year, and dealer.

7.0 REPAIR ORDERS AND DOCUMENTATION:

7.1 Any work performed by the contractor or approved subcontractor, whether warranty or any other work on a piece of equipment purchased under this ITB, will require a copy of the repair order, any invoices showing parts and commodities including oils and types used.

8.0 PUBLICATIONS:

8.1 Paper publications are to be received by the State at the time of delivery. Delivery will not be considered complete until the publications for each unit have been received by the State of Alaska. Note: Publications, when required, will be ordered on the same Purchase Order as the unit itself.

8.1.1 All paper manuals are to be pre-assembled in factory binders prior to delivery.

8.1.2 Electronic publications may be requested.

8.2 **Service Manuals:**

8.2.1 Complete set(s) to include applicable information covering prime unit and attachments:

8.2.2 Body, chassis, and electrical

8.2.3 Engine, transmission, and differential(s) (service and rebuild)

8.2.4 Electrical and vacuum troubleshooting

8.2.5 Wiring diagrams

8.2.6 Service specifications

8.2.7 Engine/emission diagnosis

8.3 **Parts Manuals:**

8.3.1 Complete set(s) including all updates. If updates are not provided during the warranty period, the State may order them from the manufacturer and bill the contractor for the full cost, including shipping.

8.3.2 Parts manuals are to be customized by serial number.

8.4 **Operator's Manuals:** Complete set(s) to include prime unit and attachments.

8.5 **Quantities:** As per Section IV – Bid Price Schedule.

8.6 **Service Bulletins, Etc.:** The successful bidder must provide appropriate service bulletins, technical support bulletins, service letters, product support bulletins, and/or any other information type notifications that are sent out to the vendor or used by the manufacturer in the maintenance and report of the vehicle, equipment or attachments being provided. The intent of this clause is that the State of Alaska be provided notification of any and all changes or improvement's that may affect the maintenance, reliability, longevity, and safety of our equipment.

9.0 STATEMENT OF ORIGIN: The bidder will be required to furnish a Manufacturer's Statement of Origin for Automotive or Non-Automotive rolling stock for each unit. All such documents shall be delivered with the invoice to:

DOT&PF, HQ State Equipment Fleet
2200 E. 42nd Avenue Room #318
Anchorage, Alaska 99508

WEIGHT VERIFICATION SLIPS: If required in the Bid Price Schedule, a weight scale ticket of the completed unit will be included with the Statement of Origin.

10.0 PRICE:

10.1 **Price Guarantee:** The Contractor is responsible to maintain prices under the contract firm for 180 days after bid opening. All price increases or decreases must remain firm for the following 180 days.

10.2 **NO RETROACTIVE PRICE INCREASES WILL BE ACCEPTED.**

10.3 Price adjustments, increases or decreases, for subsequent orders, may be made by providing the Contracting Officer satisfactory evidence that all of the following conditions exist:

10.3.1 The increase is a result of the increased cost at the manufacturer's level and not costs under the contractor's control, and that;

10.3.1.1 The increase will not produce a higher profit margin for the contractor than that on the original contract, and that;

10.3.1.2 The increase affects only the item(s) that are clearly identified by the contractor.

10.3.1.3 Satisfactory forms of the evidence of the above facts may include a certified invoice from the manufacturer, or an affidavit from an independent professional price-tracking firm that is recognized by the industry as reputable and knowledgeable. The contractor must be able to show the difference between the prior year's price and the current difference in the price being requested.

10.4 **Price Decreases:** During the period of the contract, the Contractor must pass on to the state all price decreases, such as fleet rebates. A Contractor's failure to adhere strictly and faithfully to this clause will be considered a material breach of contract. The state reserves the right to cancel the contract if the contractor fails to properly perform the duties set out herein.

10.5 **Manufacturer's Rebate (Incentives):**

10.5.1 In any circumstance during or prior to completion of the contract, whereupon the State of Alaska becomes eligible to receive a rebate for any vehicle purchased under this contract, it shall be the BIDDER'S responsibility to inform the Contracting officer in writing and to advise the procedures for obtaining such rebates.

11.0 REPLACEMENT PARTS AND REPAIRS:

11.1 This contract encompasses a full parts and labor contract for manufacturer parts and repairs for the entire warranty period.

11.2 The State of Alaska shall expect the dealer or manufacturer to provide replacement wear parts at their authorized warranty facilities for the entire warranty period within seven (7) days of order. All other parts must be available within ten (10) working days.

11.3 Back order procedures: Back orders are acceptable; however, the ordering shop shall be appraised at time of original orders as to the expected delay in delivery.

11.4 Warranty: All products supplied by the contractor shall be warranted against defects in materials and workmanship for a minimum of 90 days, commencing at the time of installation as long as the installation is within 12 months of purchase. The cost of any defective product and the labor required to replace the defective product shall be the obligation of the contractor.

11.4.1 If the manufacturer's warranty exceeds the stated warranty then manufacturer's warranty supersedes.

11.4.2 Parts Return: Within 12 months of the invoice date, the State is to be allowed to return new parts with full refund, less actual shipping charges. **Cores returned within 12 months of original invoice date will receive full core credit**. Returned parts will be in new, resalable condition. Refund will be in the form of a credit/invoice credited to the SOA account with the vendor.

11.4.3 Invoicing: Full description of item is required on all invoices, packing lists and billings.

1.0 ACCESSORIES: When accessories are supplied, they must be certified to be compatible with the rest of the equipment. Certification will be written evidence satisfactory to the State that the accessories are compatible. The bidder's failure to supply this evidence within the time required by the State will cause the State to consider the bid non-responsive and reject the bid.

2.0 ADDITIONS OR DELETIONS: The State reserves the right to add or delete items, agencies or locations as determined to be in the best interest of the State. Added items, agencies or locations will be related to those on contract and will not represent a significant increase or decrease in size or scope of the contract. Such additions or deletions will be documented via mutual agreement, will be at prices consistent with the original bid price margins, and will be evidenced by issuance of a written contract change notice from the Contracting officer.

3.0 ALTERATIONS: The contractor must obtain the written approval from the contracting officer prior to making any alterations to the specifications contained in this ITB. The State will not pay for alterations that are not approved in advance and in writing by the contracting officer.

4.0 AMENDMENTS: Contract terms shall not be waived, altered, modified, supplemented or amended without prior written approval of the Contracting officer.

5.0 ASSIGNMENT(S): Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the State of Alaska, Department of Administration, Division of General Services. Bids that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.

6.0 BILLING INSTRUCTIONS: Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.

7.0 BRAND AND MODEL OFFERED: Unless otherwise specified, when brand names and model numbers are used to specify the type and quality of the goods desired, bidders must clearly indicate the brand names and model numbers they intend to provide. The bidder's failure to identify the brand and model offered will cause the State to consider the offer non-responsive and reject the bid.

8.0 CERTIFICATION OF COMPLIANCE WITH AMERICAN'S WITH DISABILITIES ACT OF 1990:

8.1 By signature of their bid/proposal the bidder/proposer certifies that they comply with the American's with Disabilities Act of 1990 and the regulations issued there under by the federal government.

8.2 Services or activities furnished to the general public on behalf of the State must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.

9.0 COMPLIANCE WITH ALL GOVERNMENT REGULATIONS: The bidder must comply with all applicable federal, state, and borough regulations, codes, and laws, and pay all applicable federal, state, and borough taxes, and is liable for all required insurance, licenses, permits, and bonds. Failure to comply with such requirements shall constitute a breach of contract and shall be grounds for contract cancellation. Damages or costs resulting from noncompliance shall be the sole responsibility of the bidder.

10.0 CONFLICT OF INTEREST: An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.

11.0 CONSOLIDATION OF AWARDS: Due to high administrative costs associated with processing of purchase orders, a single low bid of $50 or less may, at the discretion of the State, be awarded to the next low bidder receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in "*INSTRUCTION TO BIDDERS*", "FILING A PROTEST" above.

12.0 CONSUMER ELECTRICAL PRODUCT: AS 45.45.910 requires that "...a person may not sell, offer to sell, or otherwise transfer in the course of the person's business a consumer electrical product that is manufactured after August 14, 1990, unless the product is clearly marked as being listed by an approved third party certification program." Electrical consumer products manufactured before August 14, 1990, must either be clearly marked as being third party certified or be marked with a warning label that complies with AS 45.45.910(e). Even exempted

electrical products must be marked with the warning label. By signature on this bid the bidder certifies that the product offered is in compliance with the law. A list of approved third party certifiers, warning labels and additional information is available from: Department of Labor and Workforce Development, Labor Standards & Safety Division, Mechanical Inspection Section, P.O. Box 107020, Anchorage, Alaska 99510-7020, (907)269-4925.

13.0 CONTINUING OBLIGATION OF CONTRACTOR: Notwithstanding the expiration date of a contract resulting from this ITB, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

14.0 CONTRACT ADMINISTRATION: The administration of this contract, including any/all changes, is the responsibility of the Contracting Officer, HQ State Equipment Fleet.

15.0 CONTRACT EXTENSION: Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

16.0 CONTRACT FUNDING: Bidders are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

17.0 DEFAULT: In case of bidder default, the State may procure the goods or services from another source and hold the bidder responsible for any resulting excess costs and may seek other remedies under law or equity. Alaska Statutes and Regulations provide for suspension and disbarment of non-responsible bidders.

18.0 DELIVERY: All deliveries shall be F.O.B. final destination point with all transportation and handling charges paid by bidder. Responsibility and liability for loss or damage shall remain with bidder until final inspection and acceptance when responsibility shall pass to the State except as to latent defects, fraud and bidder's warranty obligations.

19.0 DISCONTINUED ITEMS: In the event an item is discontinued by the manufacturer during the life of the contract, another item may be substituted, provided that the contracting officer makes a written determination that it is equal or better than the discontinued item and provided that it is sold at the same price or less than the discontinued item.

20.0 DISPUTES: Any dispute arising out of this agreement shall be resolved under the laws of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the State of Alaska.

21.0 FORCE MAJEURE (Impossibility to perform): Neither party to this contract shall be held responsible for delay or default caused by acts of God and/or war, which is beyond that party's reasonable control. The State may terminate this contract upon written notice after determining such delay or default will reasonably prevent successful performance of the contract.

22.0 HUMAN TRAFFICKING:

22.1 By signature on this contract, the offeror certifies that:

22.1.1 the offeror is not established and headquartered or incorporated and headquartered, in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report; or

22.2 The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: www.state.gov/g/tip/

22.3 Failure to comply with this requirement will cause the state to reject the bid or proposal as non-responsive, or cancel the contract.

22.4 This pertains to goods and services above $50,000.00.

23.0 INDEMNIFICATION: The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the

Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

24.0 INSPECTIONS: Goods furnished under this contract are subject to inspection and test by the State at times and places determined by the State. If the State finds goods furnished to be incomplete or not in compliance with bid specifications, the State may reject the goods and require bidder to either correct them without charge or deliver them at a reduced price, which is equitable under the circumstances. If bidder is unable or refuses to correct such goods within a time deemed reasonable by the State, the State may cancel the order in whole or in part. Nothing in this paragraph shall adversely affect the State's rights as buyer, including all remedies and rights granted by Alaska statutes.

25.0 INSURANCE:

25.1 Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

25.2 Proof of insurance is required for the following:

25.2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

25.2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of $300,000 combined single limit per occurrence.

25.2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of $300,000 combined single limit per occurrence.

25.3 Failure to supply satisfactory proof of insurance within the time required will cause the State to declare the bidder nonresponsive and to reject the bid.

26.0 ITEM UPGRADES: The State reserves the right to accept upgrades to models on the basic contract when the upgrades improve the way the equipment operates or improve the accuracy of the equipment. Such upgraded items must be at the same price as the items in the basic contract.

27.0 NEW EQUIPMENT: Equipment offered in response to this ITB must be new equipment. New equipment means equipment that is currently in production by the manufacturer and is still the latest model, edition or version generally offered. The equipment must be warranted as new by the manufacturer and may not have been used for any purpose, other than display (not demonstration), prior to its sale to the State. The State will not accept remanufactured, used or reconditioned equipment, including used or reconditioned components or parts of. It is the contractor's responsibility to ensure that each piece of equipment delivered to the State complies with this requirement. A contract's failure to comply with this requirement will cause the State to seek remedies under breach of contract.

28.0 ORDER DOCUMENTS: Except as specifically allowed under this ITB, an ordering agency will not sign any vendor contract. The State is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the State under this ITB. The State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

29.0 PAYMENT: Payment for agreements under $500,000 for the undisputed purchase of goods or services provided to a State agency will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement, which establishes a lower interest rate or precludes the charging of interest.

30.0 PRICE EXTENSION: In case of error in the extension of prices in the bid, the unit prices will govern.

31.0 PRICES: The bidder shall state prices according to the requirements of this ITB. Prices quoted for commodities or services must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity or service can be utilized without further cost.

32.0 PRODUCT EQUIVALENT SUBSTITUTION: Bidders may submit bids for substantially equivalent products unless the Invitation to Bid provides that a specific brand is necessary because of compatibility requirements. In those instances where the ITB specifies "a name brand or State approved equivalent", bidders must request approval of a product equivalent substitution NO LATER THAN 10 days prior to the bid opening date. A written response will be provided by the Contracting Officer.

33.0 PRODUCT IDENTIFICATION: Bidders must clearly identify all products bid. Brand name and model or number must be shown for the prime unit as well as attachments where applicable. The State reserves the right to reject any bid when the product information submitted with the bid is incomplete and/or is not easily ascertainable from the bid documents or through independent verification.

34.0 PROPRIETARY INFORMATION AND STATEMENTS OF CONFIDENTIALITY:

34.1 Except as set forth in this provision, all information in all bids will be made public under AS 36.30.530 not later than the time of issuance of a notice of intent to award.

34.2 If the offeror submits information considered by it to constitute a trade secret or proprietary data, such information may be expressly designated as such, <u>and</u> must be accompanied by the offeror's certification that (1) the information has consistently been maintained by its owner as a trade secret or as proprietary information, (2) the owner of the information has taken due care to protect it from release to non-privileged persons, and (3) to the best knowledge of the offeror, the information has not lost its status as trade secret or proprietary information, whether by lack of diligent protection, release to any non-privileged person or otherwise.

34.3 **Absence of such certification, any claim of confidentiality will be ignored, and the bidder may not hold any reasonable expectation of confidentiality.**

34.4 Any information so certified will be held confidential so long as the contracting officer concurs that it constitutes a trade secret or proprietary data, and deems it not critical to determination of the price, quantity, or delivery terms bid, or the responsiveness of the bid.

34.5 By submission of a bid, the offeror consents to the contracting officer's exercise of reasonable judgment as to concurrence with any assertion of confidentiality, and waives any and all claims for release of information that the contracting officer reasonably deems not confidential notwithstanding a certified assertion of confidentiality.

34.6 A certified assertion of confidentiality in which the contracting officer concurs, with respect to information the contracting officer deems critical to determination of the price, quantity, or delivery terms bid, or the responsiveness of the bid, will cause the bid to be rejected as a non-responsive bid.

35.0 QUANTITIES: The State reserves the right to reduce or increase the quantity of items ordered under any contract resulting from this Invitation to Bid.

36.0 SEVERABILITY: If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

37.0 SHIPPING DAMAGE: The State will not accept or pay for damaged goods. The contractor must file all claims against the carrier(s) for damages incurred to items in transit from the point of origin to the ultimate destination. The State will provide the contractor with written notice when damaged goods are received.

38.0 STANDARD AND SPECIAL TERMS AND CONDITIONS: The terms and conditions of this section are standard to State of Alaska, Department of Transportation and Public Facilities, Statewide Equipment Fleet contracts for the purchase of goods. There may also be other special terms and conditions in an Invitation to Bid or Request for

Proposal which apply only to this contract. In the event of a conflict between the standard and special terms and conditions, the Special Terms and Conditions take precedence.

39.0 SUBCONTRACTOR(S): Within five (5) working days of notice, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license. Subcontractors can only be changed per AS 36.30.115 (b).

40.0 SUCCESSORS IN INTEREST: This contract shall be binding upon successors and assigns.

41.0 SUITABLE MATERIALS: All materials, supplies or equipment offered by a bidder shall be new, unused, of recent manufacture, and suitable for the manufacturer's intended purpose unless the specifications allow for used, rebuilt or remanufactured equipment.

42.0 TAXES: Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the State, the bidder may list such taxes separately, directly below the bid price for the affected item. The State is exempt from Federal Excise Tax because articles purchased are for the exclusive use of the State of Alaska.

43.0 WARRANTY: Unless otherwise stated, all equipment shall be new and current model and shall carry full factory warranties. Bidder warrants all goods delivered to be free from defects in labor, material and manufacture and to be in compliance with bid specifications. All implied or expressed warranty provisions of the Uniform Commercial Code apply. All warranties shall be for and benefit the State.

GENERAL SPECIFICATION:

It is the purpose of this specification to describe new self-contained palletized road paint striping units capable of being easily mounted on a state owned vehicles; LOT 1 shall fit into the bed of a standard ¾ ton super-duty pickup truck with an 8 foot bed, and LOT 2 will be mounted state owned flatbed trucks. Both paint striping units to be of the manufacturer's current year's production model and design as stated in the manufactures brochures and specifications listed as standard unless otherwise specified herein.

Both units are to have their own power source and be capable of painting from the right or left rear side of the truck. The striping units shall be removable by an overhead crane or forklift using pockets built into the pallet.

The unit provided is required to meet all current and federal and state regulations such as, but not limited to, EPA emissions, FMVSS, FMCSA, and CFR. When loaded (paint, beads & operators), the unit must not exceed the manufacturer's weight rating of the vehicle at any tire or axle position.

APPLICATION:

Paint Stripers will be used rural Alaska communities for line striping of rural airports and roads.

DOCUMENTATION REQUIRED:

- Basic manufacturer's product brochures and specifications describing paint striper unit being bid are to be submitted with your bid package.
- A complete set of professional quality blueprint drawing of the proposed striper as it will be built. These drawings are to include, but are not necessarily limited to, striper operator cab and deck layout, plumbing, electrical wiring & paint schematics as well as all dimensions.
- Manufactures Warranty Information.

TYPICAL UNITS:

EZ-LINER Model AL120 or state approved equivalent, provided all of the following minimum specifications are met.

SPECIAL NOTE:

If a bidder has any deviations that do not meet the minimum specifications as listed, the bidder must contact the procurement officer listed in this bid package a minimum of 10 days prior to bid opening to request a clarification, request for item to be a State approved equivalent, or to request a change in specifications. All requests will be considered and an amendment may be issued based on the best interest of the state as to what is being requested. Any specification change requests made within 10 days of bid opening may be denied at the discretion of the Procurement Officer.

LOT 1 SPECIFICATION:

1. Five (5) gun system with paint and bead capability, to be palletized, skid mounted construction.
2. Two (2) each 60-gallon sloped bottom, vented, paint tanks w/removable bolt-on lids.
3. 20 HP Honda engine.
4. Two (2) hydraulic piston paint pumps, 8.6 GPM @ 2000 psi each.
5. Crossover plumbing for the two pumps.
6. Two (2) surge chambers, (ASME Certified).
7. 750 lb. ASME bead tank with regulator.
8. Two cylinder, single stage 17 CFM air compressor with two (2) gallon reservoir.
9. Two each 6 inch 50 mesh filtration elements.
10. Trailing, reversible gun carriage (single wheel) for center or edge line.
11. Adjustable line guide.
12. Five (5) each Graco model 238-377 paint guns with reverse cleaning spray tips.
13. Five (5) each Graco model 238-338 bead guns with four nozzle sizes w/duck foot adaptors.
14. Five (5) gun actuators for paint guns.
15. Deluxe seat with arm rests and safety belt.
16. Stainless steel tanks to be water based compatible.
17. Low pressure paint filter.
18. RD 5 gun controller.

19. Norgren air filter system.
20. Pneumatic carriage lift with controls.
21. Two each hydraulic agitators for paint tanks.
22. Laserline GL3000PMC laser striping system.
23. Hydraulic steering in lieu of rack and pinion.
24. **(OPTIONAL ITEM, Pricing is required – Refer to Section IV- Bid Price Schedule)** Pole Gun with two wheel carriage and 25 foot high pressure hose (paint only).
25. **(OPTIONAL ITEM, Pricing is required – Refer to Section IV- Bid Price Schedule)** Training by an experienced factory technician in remote Alaska locations covering operation, maintenance, and safety. Do not include travel cost, due to varying locations throughout Alaska.

LOT 2 SPECIFICATION:

1. Five (5) gun system with paint and bead capability, to be palletized, skid mounted construction.
2. Unit shall be attached to the flatbed using plated brackets with grade 5 bolts.
3. Unit shall have paint storage capable of drawing from a 345 gallon paint tote, to be secured with a web strap retention system.
4. 23 hp Honda engine.
5. 12 volt electric power supply with 16 amp alternator.
6. Two (2) hydraulic piston paint pumps, 8.6 gpm @ 2000 psi each.
7. Crossover plumbing for the two pumps.
8. Two (2) surge chambers, (ASME Certified).
9. 1,500 pound ASME bead tank with regulator & site glass, capable of vacuum bead loading using a shop air compressor.
10. Two cylinder, single stage 30 cfm air compressor with two (2) gallon reservoir, air filter system and unloader assembly.
11. Two each 6 inch 50 mesh filtration elements.
12. Trailing, reversible gun carriage (single wheel) for center or edge line. To include an extension bracket for the carriage mounting on to a flatbed.
13. Adjustable line guide.
14. Five (5) each Graco model 238-377 paint guns with reverse cleaning spray tips.
15. Five (5) each Graco model 238-338 bead guns with four nozzle sizes w/duck foot adaptors.
16. Five (5) gun actuators for paint guns.
17. Deluxe seat with arm rests, safety belt & able to swivel 360 degrees.
18. All tanks to be water based compatible.
19. Low pressure paint filter.
20. Manual Controller.
21. Norgren air filter system.
22. Pneumatic carriage lift with controls.
23. The Skip-timer mechanism shall be all electronic and have an LCD display.
24. Two each hydraulic agitators for paint tanks.
25. Laserline GL3000PMC laser striping system.
26. Hydraulic steering in lieu of rack and pinion.
27. Two (2) LED amber strobe lights are to be mounted on the carriage, one in front and one in back.
28. Storage stand with pneumatic tires to store unit when not in use. The stand shall be made of steel construction with four (4) casters.
29. **(OPTIONAL ITEM, Pricing is required – Refer to Section IV- Bid Price Schedule)** Pole Gun with two wheel carriage and 25 foot high pressure hose (paint only).
30. **(OPTIONAL ITEM, Pricing is required – Refer to Section IV- Bid Price Schedule)** Spare Parts Kit to include; five (5) paint gun repair kits, five (5) bead gun repair kits, five (5) air solenoids, five (5) spray tips for paint guns, tow (2) 40 mesh ss hp filter screens, two (2) fluid section repair kits for high pressure paint pumps.
31. **(OPTIONAL ITEM, Pricing is required – Refer to Section IV- Bid Price Schedule)** Training by an experienced factory technician in remote Alaska locations covering operation, maintenance, and safety. Do not include travel cost, due to varying locations throughout Alaska

SECTION IV
BID PRICE SCHEDULE

Item #	Unit	Description	Total Amount
LOT 1 –			
1a	1 ea	Self-Contained Palletized Slide in Paint Striping Unit as specified herein	$51,590
		Year, Make & Model Offered:	
		2013 EZ-LINER MODEL AL120	
LOT 1 OPTIONS (Pricing is Required):			
1b	1 ea	Pole Gun with two wheel carriage and 25 foot high pressure hose (As per Section III Specifications Item 25)	$800
1c	1 lot	Training (As per Section III Specifications Item 26) *Training does not include transportation costs, to be paid by end user	$1,500
LOT 2 –			
1d	1 ea	Self-Contained Palletized Paint Striping Unit for Flatbed as specified herein	$56,750
		Year, Make & Model Offered:	
		2013 EZ-LINER MODEL AL120	
LOT 2 OPTIONS (Pricing is Required):			
1e	1 ea	Spare Parts Kit (As per Section III Specifications Item 30)	$3,135
1f	1 ea	Pole Gun with two wheel carriage and 25 foot high pressure hose (As per Section III Specifications Item 29)	$800
1g	1 lot	Training (As per Section III Specifications Item 31) *Training does not include transportation costs, to be paid by end user	$1,500

The actual F.O.B. point for all items purchased under this contract is the final destination anywhere within the State of Alaska. Ownership of and title to the ordered items remains with the contractor until the items have been delivered at their final destination and are accepted by the State.

For pricing purposes, the F.O.B. point is dockside Seattle/Tacoma.

The cost of shipping and delivery for orders beyond the limits of Seattle/Tacoma dock will be handled as follows. The contractor will prepay the shipping and delivery charges to any destination named by the State in its order. The contractor will charge-back those shipping and delivery charges to the State as a separate line item on the State's invoice. All shipping charges over $100 must be documented by a copy of the actual shipping invoice and received with the invoice charge to the State.

Required Delivery: Maximum **60 days** after receipt of order (ARO).

Offered Delivered Time: _____ Days ARO.

Publications: One (1) set for each unit ordered, per Section I, paragraph 8.0.