CONTRACT AWARD

STATE OF ALASKA

HQ, STATE EQUIPMENT FLEET (Contracting Authority)
2200 E. 42nd Avenue
Anchorage, Alaska 99508

CONTRACT AWARD NUMBER

CA1900-14-1

ORDERING DEPARTMENT:
HEADQUARTERS, STATE EQUIPMENT FLEET
2200 E. 42ND AVENUE
ANCHORAGE, ALASKA 99508
(907) 269-0793 PHONE / (907) 269-0801 FAX

CONTRACTOR: CAL WORTHINGTON FORD

ADDRESS: 431 UNGA STREET
ANCHORAGE, ALASKA 99501

CONTACT NAME: RAY MARCUM

PHONE NUMBER: 907-793-8213

E-MAIL: FLEETOIL@AOL.COM

DATE OF CONTRACT:	OCTOBER 24, 2013
DATE INITIAL CONTRACT BEGINS:	OCTOBER 24, 2013
DATE INTIAL CONTRACT ENDS:	OCTOBER 31, 2018
NUMBER & PERIOD OF RENEWALS:	5 YEAR CONTRACT
RENEWALS EXPIRE (MO/YR):	
ISSUED IN ACCORDANCE WITH BID # SEF-	1900 DATED: SEPTEMBER 10, 2013
ESTIMATED VALUE OF INITAL TERM:	$1,000,000.00

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

LIGHT DUTY VEHICLE CONTRACT

SECTION I
SPECIAL TERMS & CONDITIONS

SECTION II
STANDARD TERMS & CONDITIONS

SECTION III
SPECIFICATIONS

SECTION VI
BID PRICE SCHEDULE

CONTRACTING AUTHORITY NAME & TITLE	SIGNATURE
DUANE FELTON, CONTRACTING OFFICER II	
CONTRACTOR AUTHORITY NAME & TITLE	SIGNATURE
RAY MARCUM COMMERCIAL SALES	

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. 92-601186. Items are for the exclusive use of the State and not for resale.

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DUANE FELTON, CONTRACTING OFFICER II	
CONTRACTOR AUTHORITY NAME	SIGNATURE
RAY MARCUM	On File

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. 92-601185. Items are for the exclusive use of the State and not for resale.

NOTE: This section will be used for Terms and Conditions that are "special" and/or unique to a particular contract.

1.0 INTENT: Contract to Purchase Light Duty Vehicles:

1.1 Contract Period: 5 Years, Multi Vendors

1.2 Quantities: Varies by Year

1.3 Location of Use: Statewide

1.4 Warranty locations: Anchorage and Fairbanks Alaska 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 for all vehicles purchased under this contract.

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 liquidated 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 7.0 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. A dealer window sticker is acceptable showing all components.

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 a window sticker or factory build sheet for each unit delivered.

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 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.

3.3 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, a Canopy 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 $50.00. 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 WARRANTY:

5.1 **Standard Warranty Package:**

5.1.1 Full (100%) Parts and Labor Warranty Coverage of all components for 36 months or 36,000 miles whichever comes first from the date the unit is placed in service at the assigned location.

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

5.1.3 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.

5.1.4 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.

5.1.5 Warranty on Attachments: Same as Standard Warranty Package.

5.1.6 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.

5.2 **Warranty Claims:**

5.2.1 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.

5.2.2 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.

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

5.2.4 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.

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

5.2.6 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.

5.3 **Warranty Performed by Vendor:**

5.3.1 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

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

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

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

5.3.1.4 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.

5.3.2 Travel will only be reimbursed for time in Alaska.

5.3.3 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.

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

5.4.1 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.

Provide name and address for each Authorized Warranty Dealer for each location.

(*) Alaska Sales and Service

1300 East 5th Avenue Anchorage AK 907-265-7555

Provide contact name and contact information for Warranty Administrator:

(*) Jacob White.

907-265-5204

Provide documentation of factory certified and trained personnel:

(*) All Technicians are GM certified

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

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

5.5 **Factory Recall:**

5.5.1 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.

.0 REPAIR ORDERS AND DOCUMENTATION:

6.1 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.

7.0 PUBLICATIONS:

7.1 Paper publications/OEM Owners Manuals are to be received by the State at the time of vehicle delivery. Delivery will not be considered complete until the publications for each unit have been received by the State of Alaska. Note: Publications/ OEM Owners Manuals are required to be included with every vehicle ordered under this contract.

7.1.1 OEM Standard Owner's Manual

1.1.1 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. This information will be provided as soon as possible to person(s) as noted on the Purchase Order.

8.0 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
Anchorage, Alaska 99508

9.0 WEIGHT VERIFICATION SLIPS: If required in the issued purchase order, a weight scale ticket of the completed unit will be included with the Statement of Origin.

10.0 INSPECTIONS:

10.1 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:

10.1.1 Repair or replace at Contractor's expense, any or all of the damaged goods,

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

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

10.2 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.

11.0 PRICE:

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

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

11.3 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:

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

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

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

11.3.1.3 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.

11.4 **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.

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

11.5.1 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.

12.0 REPLACEMENT PARTS AND REPAIRS:

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

12.2 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.

12.3 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.

12.4 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.

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

12.4.2 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, resellable condition. Refund will be in the form of a credit/invoice credited to the SOA account with the vendor.

12.4.3 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 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.

6.0 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.

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

7.1 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.

7.2 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.

8.0 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.

9.0 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.

10.0 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.

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

12.0 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.

13.0 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.

14.0 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.

15.0 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.

16.0 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.

17.0 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.

18.0 HUMAN TRAFFICKING:

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

18.1.1 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

18.2 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/

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

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

19.0 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.

20.0 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.

21.0 INSURANCE:

21.1 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.

21.2 Proof of insurance is required for the following:

21.2.1 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.

21.2.2 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.

21.2.3 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.

21.3 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.

22.0 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.

23.0 NEW EQUIPMENT: Equipment offered in this contract 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.

24.0 ORDER DOCUMENTS: Except as specifically allowed under this contract, 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.

25.0 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.

26.0 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.

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

28.0 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.

29.0 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.

30.0 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.

31.0 **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).

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

33.0 **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.

34.0 **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.

35.0 **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.

SPECIFICATIONS

Minimum Requirements to be included on all vehicles:
(Other minimum requirements may be requested for individual class specifications)

Color: OEM White (Any other color requires prior authorization)
Darkest of OEM Manufactures Standard Cloth Upholstery Interior, (cloth or cloth with vinyl trim would be acceptable)
Transmission: Automatic with overdrive where available (manufactures recommended with engine selected)
½ ton and Larger Rated Vehicles to Have Limited Slip or Locking Differential (automatic or driver controlled)
OEM Trailer Receiver Hitch Package to be included on all pickups ½ ton rated and larger (Exception: chassis only do not required receiver hitches, all chassis to have trailer wiring to the rear of chassis)
Up-fitter Switches OEM on all ¾ ton rated and larger pickup's and chassis
Spray In Bed Liners (black in color) to be OEM or Dealer Installed on all ½ ton rated and larger pickup beds
OEM Front Tow Hooks (frame mounted) to be included on all 3/4 ton rated and larger pickup's and chassis
ABS Brakes (4 Wheel Anti-Lock)
Power Steering
AM/FM Stereo
One Electric Power Port 12 Volt - Minimum
Daytime running lights to be included on all vehicle classes where available
Engine Block Heater with 3 Prong plug secured and accessible from the front grill or bumper area
Anti-Freeze-Long Life Coolant to a minimum -35 degree protection
Vehicle Keys (4) AS REQUIRED PER DEFINITION TAB
Tires: all season, standard for GVWR, with spare tire and wheel assembly
To include full size spare tire and wheel when available, or space saver when required by manufacture
Gas tank must be no less than ¼ full when delivered to State receiving facility
FOB Anchorage (Unless otherwise noted)
All available options are to be OEM Installed when available with the exception of auto starts and spray in bed liners which may be installed at dealer.
All items listed, as a mandatory requirement must be OEM Installed unless noted in class requirements.
All items listed and advertised by the manufacture as standard equipment shall be included on all vehicles
ARO on all units is 180 days.

EQUIPMENT DEFINITIONS

ALL WHEEL DRIVE (AWD): All Wheel Drive vehicles do not require a low range transfer case option and are not required to be driver selectable. When in AWD, both front and rear axles do not require power. AWD is not acceptable when 4X4 is specified.

BACK UP CAMERA: OEM backup camera system

OEM HANDS FREE COMMUNICATION SYSTEM: System to be OEM and include all required components or manufactures required packages to be compatible with most all major manufactures cellular devices.

CENTER CONSOLE: Includes console with cup holders, tray compartment and a compartment door, if available.

LIMITED SLIP/LOCKING Differential: 1/2 ton through 1 ton pickups and chassis are required to have a limited slip axle or locking differential (can be automatic or driver controlled) in the minimum requirements. If a limited slip axle or locking differential is not available your bid will be considered non compliant.

OPTIONAL EQUIPMENT: A list of equipment that the State may choose to add to an individual vehicle, in addition or in place of the Required Equipment. Vendors are required to provide pricing for all Optional Equipment, if available. All equipment shall be factory installed unless specified in this document.

PICKUP BOX LENGTH: The following definitions pertain to all pickup truck configurations listed throughout the bid.
Short Bed - Shortest pickup bed offered by the manufacturer
Standard Bed - Bed shall be no shorter than 6ft and no longer than 7ft in length measured at the bed floor inside the box.
Long Bed - Longest bed available from the manufacturer

PICKUP CAB CONFIGURATION: The following pickup truck cab configurations shall be used throughout the bid
Regular Cab - Seating for at least two or three occupants, two cab doors
Extended Cab - Four cab doors, including second row seating.
Crew Cab - Four full size cab doors. Largest cab configuration offered (except Dodge Mega Cab)

Examples of extended cab pickup trucks
All Ford pickup trucks = Super Cab
Ram ½ ton = Quad Cab
Ram ¾ ton and larger = Crew Cab
All GM pickup trucks = Double Cab

Examples of crew cab pickup trucks
Ford ½ ton and larger = Super Crew/Crew Cab
All GM pickup trucks = Crew Cab
Ram ½ ton = Crew Cab
Ram ¾ ton and larger = Crew Cab

REQUIRED EQUIPMENT: The minimum list of options that shall be included for all vehicles for that specific Bid Item Number. All equipment shall be factory installed unless specified in this document.

SPRAY IN BED LINER: , OEM or dealer installed spray in bed liner is required
Spray In bed liners are to be black in color and have a minimum thickness of 3/16 (0.1875) inch.
Installation: Over rail style, interior tailgate, and front bed wall installation is required. Exception – trucks with factory plastic or metal pickup box top rail protectors shall remain in place, on these trucks under-rail style installation shall be used

STABILITY CONTROL SYSTEM: Stability control systems are not an acceptable substitute for a limited slip axle or traction control system. Electronic stability control (ESC) is a computerized technology that improves the safety of a vehicle's stability by detecting and minimizing skids.

TRACTION CONTROL SYSTEM: Traction control systems are not an acceptable substitute for a limited slip axle or locking differential. Traction control is a computerized technology that utilizes the vehicles brake system and engine to assist in controlling wheel spin electronically.

PRIVACY GLASS: Glass shall be darker than the standard window tint offered, and the darkest available as provided by the OEM manufacture for each vehicle. All windows, minus the windshield and driver/passenger side widows shall be covered. Only factory supplied and installed privacy glass is acceptable.

VEHICLE KEYS (4): Each vehicle shall be supplied with four factory keys. All keys and transmitters shall be fully programmed, cut, and/or credentialed into vehicle security system.

4X4: All 4x4 vehicles shall come equipped with a low range transfer case option. The torque distribution shall be driver selectable. When the vehicle is in 4x4 mode, both front and rear axles shall have power. All 4x4 vehicles shall come equipped with electronic transfer case shift control with auto locking front hubs.

SSV (Special Service Vehicle): The following items are required in this package, Minimum 5.0 liter Engine, 220 amp alternator, cloth 40/Blank/40 front seat, with center section deleted, Vinyl Rear Bench Seat

BID SCHEDULE INSTRUCTIONS:

All bids must include both unit pricing and extensions and be otherwise complete in the format requested.

The materials, equipment or services bid will conform to and meet the requirements of the Contract Bid Documents and are hereby incorporated into this document.

Publications: One (1) set, per Section I, paragraph 7.0.

The actual F.O.B. point for all items purchased under this contract shall be Anchorage, Fairbanks, or Juneau 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 of this contract, the F.O.B. point is Anchorage Alaska

REQUIRED DELIVERY OF ITEMS UNDER THIS CONTRACT: Maximum **180 days** after receipt of order (ARO).

Attachment on File as Submitted by Vendors:

Spreadsheet "Amendment 2 SEF-1900 Light Duty Bidder Worksheet.xls"