Revised-Offer and Acceptance

SOLICITATION NO.: ADSPO13-00003094 Armed / Unarmed Security Services	PAGE 1	State of Arizona State Procurement Office 100 N 15th Avenue
OFFFEROR:	OF 47	Phoenix, Az. 85007

OFFER

TO THE STATE OF ARIZONA:

The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation and any written exceptions in the offer. Signature also certifies Small Business status

Arizona Transaction (Sales) Privilege Tax License No.:

Federal Employer Identification No.:

75-3259965

Phone: 602-265-6160

Fax: 602-265-6170

Blackstone Security Services, Inc
Company Name

6232 N 7th St., Suite 107
Address

Phoenix | Arizona | 85014
City | State | Zip

Signature of Person Authorized to Sign Offer

Daniel L Swindall
Printed Name

President & CEO
Title

By signature in the Offer section above, the Offeror certifies:

1. The submission of the Offer did not involve collusion or other anticompetitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 2009-9 or A.R.S. §§ 41-1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror certifies that the above referenced organization ___ IS/ X IS NOT a small business with less than 100 employees or has gross revenues of $4 million or less.

ACCEPTANCE OF OFFER

The Offer is hereby accepted

The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by the State.

This Contract shall henceforth be referred to as Contract No. ADSPO13-054359

The effective date of the Contract is 8/15/2013

The Contractor is cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contact release document or written notice to proceed.

State of Arizona
Awarded this 12th **day of** August 2013

Procurement Officer

1. Introduction

The State intends to contract with multiple contractors to provide Armed / Unarmed Security Services throughout the State of Arizona. Successful contractors must be prepared to provide both Armed and Unarmed Security Personnel State wide according to the requirements contained in this Solicitation.

2. Background

The State intends to implement contract(s) for the purchase of Armed / Unarmed Security services State wide to replace the existing State contract EPSO70053, Unarmed / Armed Security – State wide set to expire on 8/15/2013.

3. Geographic Coverage

For the purpose of this contract, the State of Arizona has been separated into four (4) Arizona regions containing multiple counties. It is the intent of the State to award a contract(s) on a statewide basis.

Contracts may however be awarded by region if determined it is in the best interest of the State. The contractor shall provide both armed and unarmed security services; meet all requirements in accordance with Scope of Work, specifications, Terms, and Conditions for the entire term of this contract. The four (4) regions are listed below and shown in Exhibit A.

- Region 1 – Maricopa, Gila, and Pinal *
- Region 2 – Mohave, La Paz, and Yuma
- Region 3 – Yavapai, Coconino, Navajo, and Apache
- Region 4 – Greenlee, Graham, Pima, Cochise, and Santa Cruz

*** If Region 1 is selected, Contractor must select at least one additional Region for coverage.**

4. Scope of Services

The awarded Contractor shall be responsible for providing all labor, materials, equipment, vehicles and services required to provide armed and unarmed security services state wide or awarded geographic area in accordance with the requirements contained herein for prices set forth on the attached price sheets.

4.1 Contractor Qualifications and General Requirements

At a minimum, the contractor and assigned security personnel shall be licensed and registered with the Arizona Department of Public Safety in accordance with A.R.S. 32, Chapter 26 and all applicable Arizona Department of Public Safety rules and regulations for security guard agencies and employees.

4.2 UNARMED - Services may include but are not be limited to All UNARMED security guard personnel assigned to the State shall:

4.2.1 Provide armed, unarmed, vehicle patrol security, and emergency response personnel for various State agencies;
4.2.2 Control access through public entrance doors;
4.2.3 Sign in visitors and determine purpose of visit, provide directions, escort employees;
4.2.4 Answer alarms and emergencies;
4.2.5 Respond to reported suspicious situations and emergency needs;
4.2.6 Perform parking lot surveillance, and check that doors are locked after office hours;
4.2.7 Be mentally alert and void of any serious hearing impairment;
4.2.8 Possess good visual capacity required to perform all required security functions;

4.2.9 Be a minimum of twenty one (21) years of age;
4.2.10 Possess either a High School degree or GED;
4.2.11 Graduate of a certified security officer/guard training program per Arizona Revised Statutes Title 32, Chapter 26;
4.2.12 Not have any felony convictions;
4.2.13 Not have a military dishonorable or undesirable discharge;
4.2.14 Be literate in the English language (able to read, write, and speak and understand clearly);
4.2.15 Capable of writing reports and maintaining daily activity log;
4.2.16 Possess required certificates of permits;
4.2.17 Meets the physical demands required in frequent walking and prolonged standing and sitting;
4.2.18 Possess a current First Aid and CPR certification cards;
4.2.19 Have familiarity with the use of a defibrillator;
4.2.20 Consent to be fingerprinted and submit to a background check;
4.2.21 Consent to successfully complete additional training as required by the designated State;
4.2.22 Successfully passed a pre-employment FBI background check;
4.2.23 Have had no convictions for felonies or any crimes involving moral turpitude or illegal use or possession of a dangerous weapon;
4.2.24 Possess a thorough knowledge of all security rules, regulations, procedures, and laws pertaining to detaining individuals;
4.2.25 Successfully passed the company's drug screening program;
4.2.26 Have in their possession, while on duty, an identification card in compliance with the Arizona Revised Statute 32-2633;
4.2.27 Have and maintain a valid Arizona Driver's License;
4.2.28 Be in good physical condition and capable of performing all assigned duties to include, but not limited to: Standing and or walking during entire assigned shift, occasional climbing of stairs and / or ladders, occasional lifting or carrying of objects weighing up to 50 pounds, occasional running of short distance (Minimum of one mile), using when necessary, self-defense in order to protect themselves as well as the State staff from both armed and unarmed attacks;
4.2.29 Enforce "no smoking" regulations;
4.2.30 Not allow unauthorized personnel into any restricted area; and,

Additional Requirements:

4.3 **ARMED** - All ARMED security guard personnel assigned to the State shall meet the requirements of Section 4.2 and shall:

4.3.1 Be capable of providing security guard services to all regions awarded for the full term of the contract;
4.3.2 Successfully complete the required firearms training per Arizona Revised Statute, A.R.S., Title 32, Chapter 26;
4.3.3 Not be a prohibited possessor as defined in section A.R.S. 13-3101 or as described in Section 18 United States Code 922;
4.3.4 Not have been convicted of any crime involving domestic violence as defined in Section A.R.S.13-3601;
4.3.5 Not use shotguns or rifles under this contract unless specifically requested in a task order by the State;
4.3.6 Carry firearms at all times while on duty; at no time is the firearm to be concealed;
4.3.7 Have in possession a valid firearm permit;
4.3.8 Not store weapons on any State premises unless required by the State and stated in a task order.

This is an example of the types of services provided and is not intended to limit the scope of services required. Agencies will work directly with the contractor and establish a scope of work depending on individual needs via a task order;

4.4 Employees

4.4.1 The Contractor shall provide mentally alert and physically capable, adequately trained, experienced, responsible, and qualified adult personnel to perform the required contracted services in a safe, orderly, and timely manner. The State may require that the Contractor remove from the job any employees who endanger persons or property or whose continued employment under this contract is inconsistent with the interest of the State;

4.4.2 Employees, while on duty, shall be appropriately dressed in clothing/uniform and may be required to wear an identification-patch; and,

4.4.3 Only employees of the Contractor designated with an identification patch/uniform will be allowed in the work locations during working hours.

4.5 Appearance

4.5.1 All security guard personnel assigned to work at the State shall be neat and clean in attire and person. Security guard personnel shall be properly uniformed while on duty and shall conduct themselves in a professional manner. All security guard shall wear and display badges and other identification required by designated State and in accordance with Arizona Revised Statute 32-2635 and Department of Public Safety, R13-6-501 and 502;

4.6 Vehicle Patrol

4.6.1 All Contractor vehicles under the control of any security guard personnel for specific Vehicle Patrol by the State shall comply with all traffic-control laws;

4.6.2 A vehicle under the control of a security guard agency is not an authorized emergency vehicle. The vehicle under the control of a security guard shall not be equipped with a siren or bell unless the vehicle is an armored car equipped with a siren as a crime alarm device;

4.6.3 All vehicles must be in good working order and properly licensed, insured, and registered with the State; and,

4.6.4 Vehicle markings, emblems, and insignia's shall be in accordance with Department of Public Safety, Title 13, Article 5, R13-6-503.

4.7 General Duties/Patrol

Assigned security personnel shall conduct periodic patrols of the facility parking lots for the purposes of monitoring, detecting and reporting of all unusual occurrences. Some assignments may require vehicle patrol. While on duty, the guard, as a representative for the State of Arizona performing assignments shall:

4.7.1 Wear Contractor issued "standard security guard uniforms";
4.7.2 Have company badges prominently displayed;
4.7.3 Complete assigned duty circuit "random facility patrols" according to designated schedules; this includes periodic patrols of the facilities interior structure and exterior grounds or designated area by State;
4.7.4 Serve as an escort for the State staff when requested;
4.7.5 Respond to all pages and calls as soon as possible without unnecessary delay to insure the safety of all personnel;
4.7.6 Notify their immediate supervisor in the event of an unscheduled absence to enable alternative coverage of the duty circuit;
4.7.7 Perform duties in a professional manner at all times;
4.7.8 Be courteous and respectful to the public and the State staff at all times being firm only when necessary;
4.7.9 Not be required to take any form of physical and verbal abuse from the public or State staff. Will report any incidences to State authorized designee through a written account at the end of the shift;

4.7.10 Report any situation not able to handle to the Supervisor. The Supervisor will remain available for support as needed;
4.7.11 Ensure all breaks are taken on the facility grounds. Leaving the facility will result in a request for employee to be replaced;
4.7.12 Carry a company issued cell phone and/or radio to ensure communication at all times while on duty;
4.7.13 Cover all assigned posts at all times;
4.7.14 Smoke only in designated authorized areas only;
4.7.15 Consume only Non-alcoholic beverages while at post;
4.7.16 Be prohibited from consuming non-alcoholic beverages when the public is in the facility;
4.7.17 During duty hours maintain control of premises entry/exit; unarmed walking surveillance boundaries;
4.7.18 Be properly trained and capable of operating and or using State Security cameras and monitoring system equipment, walkthrough metal detectors, hand held metal detectors, as well as occasionally performing package searches;
4.7.19 Maintain weapons lockers as per State policy; and,
4.7.20 Perform other general security duties in accordance with written and oral instructions issued by designated State agency.

4.8 Response Time

On-site response time by the awarded Contractor shall be within twenty-four (24) hours of notification by the using State agency. Contractor's facilities must be open for business and available to provide the services contained herein during the normal business hours of 8:00 AM till 5:00 PM Monday through Friday (excluding State holidays).

4.8.1 Any security guard personnel assigned to work at the State and voluntarily leave their post or are required to be removed by the State at any time during a shift; it is the Contractors responsibility to replace those personnel with qualified alternate security personnel with in two (2) hours.

4.8.2 The Contractor will be required to remove and replace any security personnel that the State finds objectionable for any cause. The State representative or designee will report the name of the security personnel and the reason for removal to the Contractor. The Contractor shall replace the employee with a qualified alternate security by the start of the next shift. The Contractor shall supply the State with all proper license and certification for the replacement security personnel within twenty-four (24) hours.

4.9 Late for Duty

Tardiness is not allowed or excused. It is important for the Contractor to adhere to the time frames for service as set forth in this contract. Services are for the seven days of the week. Any change in schedule times will be provided to the Contractor at least twenty-four (24) hours prior to implementing a new time schedule. If the Contractor does not meet the scheduled times exactly, meaning the security guard personnel is not present for duty at the time specified, the State will file a deficiency report with the State Procurement Office.

4.10 Reporting/Record Keeping

Assigned security personnel shall be responsible for notifying all appropriate State personnel in the event of fire, fire alarm related incidents, unsafe conditions, vandalism, theft or intrusion, crimes committed and criminal activity as soon as is practical. Contractor shall submit written reports of all unusual incidents or hazardous conditions at the conclusion of each shift. Contractor shall maintain, and submit upon request, complete and chronologically accurate and legible security shift log to the State authorized designee.

The Contractor shall maintain complete and accurate records required to substantiate services provided to the State. Such records must indicate the security personnel providing the service along with the times and dates of service. The Contractor must make these records available to the State upon request.

4.11 Billing

A two (2) hour shift minimum will be allowed and may be billed. All employees must sign in and out for each shift. Copies of all sign in and out sheets must accompany all invoices.

Example: A State agency may require Security Guard services for a 30-minute meeting. The security guard is able to bill two (2) hours in providing this coverage.

Overtime

Overtime hours invoiced will not be paid unless previously approved by a State representative authorized in writing.

4.12 Inspection of Assigned Personnel

The Contractor shall periodically, and upon request of the State, examine and review the security personnel at the assigned location to determine compliance with assigned duties. The Contractor must maintain a written record of each inspection documenting the dates, times and any comments the service provided and shall make the records available to the State upon request.

5.0 Agency Responsibilities

The State shall determine the number of security personnel and supervisors required and provide a schedule to the Contractor. All changes to the schedule must have State approval.

5.1 The hours of service will be designated by the State based upon facility requirements.

5.2 Designation of specific assignments outside the facility shall be determined by the State.

5.3 The State reserves the right to interview and approve or disapprove any of the personnel to be assigned to the contract.

5.4 The State will provide post orders that are to be followed by security personnel.

6.0 Task Order Assignments

6.1 Within the guidelines set forth in this Scope of Work, a detailed Task Order shall be developed for each Armed / Unarmed Assignment and agreed to by both parties. The Task Order shall describe additional requirements based on the State's needs and incorporated herein by reference.

State Task Orders shall define additional requirements such as:

- Additional Training Requirements (required video viewing or policy and procedures, documentation, etc.);
- Knowledge of security equipment (metal detectors, video cameras, etc.);
- Duration of assignment from start to finish.

6.2 Contractor and State shall negotiate pricing consistent with the Contractor's price sheets;

6.3 The Contractor shall complete all work in accordance with the provisions of this Scope of Work and the Task Order as negotiated for each specific Assignment;

6.4 Assigned security guard personnel shall perform other general security duties in accordance with written and oral instructions issued by the State authorized designee; and,

6.5 Contractor shall assign all Task Order's a unique number beginning with **"6.0 – State Agency Name – unique number"** as assigned by the Contractor for reference. **Exhibit B** shows an "example only" of a task order.

7.0 Will Call/Ordering Support

The Contractor(s) shall provide and maintain applicable toll-free telephone numbers and facsimile numbers for State use. Failure to maintain this service may be cause for cancellation of the contract.

(End of Section)

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3. "*Contract Amendment*" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4. *"Contractor"* means any person who has a Contract with the State.

1.5. *"Days"* means calendar days unless otherwise specified.

1.6. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8. "*Materials*" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9. *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10. *"Services"* means the furnishing of labor, time or effort by a Contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13. *"State Fiscal Year"* means the period beginning with July 1 and ending June 30.

2. Contract Interpretation

2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this

Contract are a part of this Contract as if fully stated in it.

2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1. Special Terms and Conditions;

2.3.2. Uniform Terms and Conditions;

2.3.3. Statement or Scope of Work;

2.3.4. Specifications;

2.3.5. Attachments;

2.3.6. Exhibits;

2.3.7. Documents referenced or included in the Solicitation.

2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2. Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by Contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9. Federal Immigration and Nationality Act. The Contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the Contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the Contractor.

3.10. E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11. Scrutinized Businesses. In accordance with A.R.S. § 35-391 and A.R.S. § 35-393, Contractor certifies that the Contractor does not have scrutinized business operations in Sudan or Iran.

3.12. Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3. Applicable Taxes.

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the Contractor;
4.5.2. Cancel the Contract; or
4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the Contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the Contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *"force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the

Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. **Contract Claims**

10.1. All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. **Arbitration**

11.1. The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12. **Comments Welcome**

12.1. The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

Purpose
Pursuant to provisions of the Arizona Procurement Code, ARS 41-2501 et seq., the State of Arizona, State Procurement Office intends to establish a contract for the materials or services as listed herein.

1. **DEFINITIONS** As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:
   - **1.1.** "Armed Security Guard" – A security guard that will provide security to State Agencies and will carry a licensed firearm.
   - **1.2.** Shall or Must – Denotes that which is a mandatory requirement. Failure to meet a mandatory requirement will result in the rejection of a bid proposal as material non-responsive.
   - **1.3.** Unarmed Security Guard – A security guard that will provide security to State Agencies without carrying a licensed firearm.

2. **Eligible Agencies (Statewide) -** This contract shall be for the use of all State of Arizona departments, agencies, commissions and boards. In addition, eligible universities, political subdivisions and nonprofit educational or public health institutions may participate at their discretion. In order to participate in this contract, a university, political subdivision, or nonprofit educational or public health institution shall have entered into a Cooperative Purchasing Agreement with the Department of Administration, State Procurement Office as required by Arizona Revised Statutes § 41-2632.

3. **CONTRACT ADMINISTRATION**

   3.1. Contract Term - The term of any resultant contract will commence on the date of award and will continue for one year unless canceled, terminated or extended as otherwise provided herein.

   3.2. Contract Extension - The contract term is for a one (1) year period subject to additional successive periods of a maximum twelve months per extension with a maximum aggregate including all extensions not to exceed Four (4) years.

   3.3. Contract Type (Firm Fixed Price) - The contract shall be a firm fixed price, indefinite quantity.

   3.4. Licenses - Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of a business conducted by the Contractor.

   3.5. Administrative Fee - Contractor shall pay an Administrative Fee to the State in the amount of one percent (1%) of the total contract sales. The Administrative Fee is calculated based on all sales transacted under the contract, minus all taxes and any returns or credits. The Administrative Fee shall not be charged directly to the customer, e.g., as a separate line item, a fee or a surcharge, but shall be included in the contract's unit prices.

   The Administrative Fee shall be submitted, along with a Quarterly Usage Report documenting all contract sales, to the State Procurement Office within thirty (30) days following the end of each calendar quarter. For more information on the Quarterly Usage Report or the Administrative Fee, its calculation, submission or use, see the State Procurement Office's web site at: http://spo.az.gov/Contractor_Resources/Admin_Fee.

   At its option, the State may limit the applicability of the Administrative Fee to contract sales from some customers and not to others, e.g., fee is only applicable to sales from members of the State Purchasing Cooperative and not sales to State Agencies. See the State's website (above) for more information in this regard. The State will provide thirty (30) days written notice before exercising or changing this option.

Failure to remit Administrative fees in a timely manner or remit fees inconsistent with the contract's requirements may result in the State exercising any recourse available under the contract including a third party audit of all contract activity. Should an audit be required by the State, the Contractor shall reimburse the State for all costs associated with the audit up to $5,000 or one (1%) percent of the contract's estimated annual value, whichever is higher.

3.6. Usage Report - The Contractor shall furnish the state a usage report delineating the acquisition activity governed by the contract. The format of the report shall be approved by the state and shall disclose the quantity and the dollar value of each contract item by individual purchasing unit.

The usage reports shall be due at the end of each Quarter and are to be furnished to the contract officer of record no later than 15 days after the end of Quarter as follows:

First Quarter =	January 1 – March 31
Second Quarter =	April 1 – June 30
Third Quarter =	July 1 – September 30
Fourth Quarter =	October 1 – December 31

4. ESTIMATED QUANTITIES (Considerable) - The state anticipates considerable activity resulting from contracts that will be awarded as a result of this solicitation; however, no commitment of any kind is made concerning quantities actually acquired and that fact should be taken into consideration by each potential Contractor.

5. NOTICE OF DEFAULT - The State reserves the right to cancel the whole or any part of the contract due to failure of the Contractor to carry out any term, promise, or condition of the contract. The State will issue a written ten (10) day notice of default to the Contractor for acting or failing to act as in any of the following:

The Contractor provides personnel that do not meet the requirements of the contract.

The Contractor fails to perform adequately the services required in the contract.

The Contractor attempts to impose on the State, personnel, which are of an unacceptable quality.

The Contractor fails to furnish the required product within the time stipulated in the contract.

The Contractor fails to make progress in the performance of the requirements of the contract and/or gives the State a positive indication that the Contractor will not or cannot perform to the requirements of the contract.

If the Contractor does not correct the above problem(s) within ten (10) days after receiving the notice of default, the State may cancel the contract. If the State cancels the contract pursuant to this clause, the State reserves all rights or claims to damage for breach of contract.

6. DIVERSITY

6.1. Americans with Disabilities Act of 1990 The Contractor shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of 1992 (A.R.S § 41-1492 et. seq.), which prohibits discrimination of the basis of physical or mental disabilities in delivering contract services or in the employment, or advancement in employment of qualified individuals.

6.2. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contracting the Contract Manager for the solicitation. Request should be made as early as possible to allow time to arrange the accommodation.

7. CONTRACTOR PERSONNEL -

During the course of the contract, the State reserves the right to require the Contractor to reassign or otherwise remove from the project any Contractor employees found unacceptable by the State.

The State reserves the right to approve in advance in writing, any changes to the Contractor personnel specified in the Contractor's proposal. The State will not unreasonably exercise the rights reserved under this paragraph.

7.1. Key Personnel - It is essential that the Contractor provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must assign specific individuals to the key positions. Once assigned to work under the contract, key personnel shall not be removed or replaced without the prior written approval of the issuing agency and a copy to the procurement office of record;

7.2. Contractor's Other Contract Responsibilities - Furnish all necessary labor, tools, equipment, vehicles, supplies, and traffic control services and devices as needed to effectively perform the services as specified in this contract;

7.3. Contractor Selection and Assignments - The State makes no guarantee as to the amount of work to be assigned to any Contractor and may exercise its option not to utilize the services requested herein. The State is under no financial obligation to any selected Contractor unless the State issues a Purchase Order for a specific assignment;

7.4. Code of Conduct - The Contractor shall avoid any action that might create or result in the appearance of a) inappropriate use or divulging of information gathered or discovered pursuant to the performance of its duties under the contract; b) acted on behalf of the State without appropriate authorization; c) provided favorable or unfavorable treatment to anyone; d) made a decision on behalf of the State that exceeded its authority, could result in impartiality, or have a political consequence for the State; e) misrepresent or otherwise impeded the efficiency, authority, actions, policies, or adversely affect the confidence of the public or integrity of the State; or, f) loss of impartiality when advising the State;

7.5. Compliance Requirements for A.R.S. § 41-4401, Government Procurement; E-Verify Requirement.

The Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the e-verify program). A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the Contractor may be subject to penalties up to and including termination of the contracts. Failure to comply with a State audit process to randomly verify the employment records of Contractors and subcontractors shall be deemed a material breach of the contract and the Contractor may be subject to penalties up to and including termination of the contract. The State retains the legal right to inspect the papers of any employee who works on the contract to ensure that the Contractor or subcontractor is complying with the warranty.

7.6. Removal of Contractor's Employees - The Contractor agrees to utilize only experienced, responsible and capable people in the performance of the work. The State may require that the Contractor remove from the job covered by this contract, employees who endanger persons or property or whose continued employment under this contract is inconsistent with the interest of the State;

8. **CONFLICT OF INTEREST -** The Contractor covenants that no public or private interest exists and none shall be acquired directly or indirectly which would conflict in any manner with the performance of Contractor's contract;

9. **INDEPENDENT CONTRACTOR -** This contract is for the Contractor to provide work under a service agreement with the State and not as an employee or agent of the State. The Contractor is solely and exclusively responsible, legally and financially, for wages, per diem, taxes, Social Security payments, health benefits, insurance, bonds, Workmen's Compensation costs, and any other fees or expenses the contractor may be required to pay in his normal course of business.

10. **ACCURACY OF WORK -** The Contractor shall be responsible for the accuracy of the work and shall promptly make all necessary revisions or corrections resulting from errors and omissions on the part of the Contractor without additional compensation. Acceptance of the work by the State will not relieve the Contractor of the responsibility for subsequent correction of any such errors and the clarification of any ambiguities.

11. **ORDERING / BILLING –**

11.1. Ordering Process - This contract was awarded in accordance with the Arizona Procurement Code and all transactions and procedures required by the code for competitive source selection have been met. A contract release order/purchase order, initiated in accordance with the requirements contained herein, that cites the correct Arizona contract number is the only document required for the State to order and the Contractor to deliver the material and /or service;

Any attempt to represent any material and/or service not specifically awarded, as being under contract with the State of Arizona is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the state inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Contractor;

11.2. All billing notices or invoices shall be sent to the eligible using state agency whose address appears on the contract release order/purchase order as the 'bill to address' and should contain, at a minimum, the following information:

a. Name and address of the Contractor;
b. Both the contract number and contract release/purchase order number;
c. The Contractors federal tax identification number;
d. The Contractor's remittance address;
e. A description of the goods or services provided;
f. Quantity and delivery/service timeframe;
g. Itemized (if applicable) and total invoice pricing.

12. **TASK ORDER(S)**

12.1. As stated in the Scope of Work, Section 6, the Contractor shall furnish to the State, when ordered, an agreed upon final Task Order. The Contractor shall furnish to the State services specified by the mutually agreed upon Task Order issued in accordance with the Ordering clause.

12.2. Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the task order. Task orders may be amended.

12.3. There is no limit on the number of task orders that may be issued.

13. **REQUIREMENTS CONTRACT**

13.1. This is a requirements contract for the services specified and effective for the period stated. The quantities of service specified are estimates only and are not purchased by this contract.

13.2. Task performance shall be made only as authorized by task orders issued in accordance with the Ordering clause. Subject to any limitations elsewhere in this contract, the Contractor shall furnish to State services specified and called for by task orders issued in accordance with the Ordering clause.

13.3. Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the task order. Task orders may be amended.

14. PAYMENT

14.1. Hourly rates must contain all direct and indirect costs including, but not limited to overhead, wages, fee or profit, clerical support, portal to portal travel expenses. Time spent in traveling to and from the work site or employee's normal work station shall not be billed to the State.

14.2. Payments will be made for the actual hours worked and/or other costs incurred or provided for in accordance with **Attachment IV - Price Schedule**.

14.3. Overtime hours are calculated as hours worked by a single security guard for the same State in excess of forty (40) hours in a week and will be paid in accordance with **Attachment IV – Price Schedule.**

14.4. The State does not guarantee any minimum or maximum fee during the period of this contract, and the Contractor, in accepting this contract, does not anticipate any minimum or maximum fee.

14.5. The State shall pay the Contractor in full for each Task Assignment upon satisfactory completion and acceptance by the using Agency.

14.6. The Contractor shall provide back-up documentation with each invoice. The back-up documentation shall clearly indicate the hours worked, date, and employee's name, including sub-contractors. All backup documentation shall include copies of any sub-contractors or vendor invoices.

15. RATE INCREASE - The Contractor shall submit a request for a rate increase a minimum of 90 days prior to the contract renewal date. The request shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The State will review the request and shall determine if the increase shall be granted or if an alternate option is in the best interests of the State. The rate increase adjustment, if approved, will be effective and executed via a contract amendment.

16. INDEMNIFICATION

Contractor shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the

Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the Contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

17. INSURANCE
Insurance Requirements:

17.1. Contractor and subcontractors shall procure and maintain, until all of their obligations, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

17.2. The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

17.3. Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

17.3.1. Commercial General Liability – Occurrence Form
Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability.

• General Aggregate	$5,000,000
• Products – Completed Operations Aggregate	$5,000,000
• Personal and Advertising Injury	$5,000,000
• Blanket Contractual Liability – Written and Oral	$5,000,000
• Damage to Rented Premises	$ 50,000
• Each Occurrence	$5,000,000

a. The policy shall be **endorsed to include errors and omissions coverage**.

b. Policy shall be endorsed to **include master key coverage**.

c. Policy shall be endorsed to **include coverage for "care-custody-control"** of property of others.

d. Policy shall **include coverage for the operation of mobile equipment.** (if required as part of the Scope of Services).

e. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor."*** Such additional insured shall be covered to the full limits of liability

purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

f. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

g. The policy shall be endorsed to cover reasonable use of force to protect persons or property.

17.3.2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

- Combined Single Limit (CSL) $1,000,000

a. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor."*** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

b. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

c. Policy shall contain a severability of interest provision.

17.3.3. Worker's Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability

Each Accident	$ 500,000
Disease – Each Employee	$ 500,000
Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH Contractor or subcontractors exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

17.4. Additional Insurance Requirements:

The policies shall include, or be endorsed to include, the following provisions:

1. The Contractor's policies shall stipulate that the insurance afforded the Contractor shall be primary insurance and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
2. Coverage provided by the Contractor shall not be limited to the liability assumed under the

indemnification provisions of this Contract.

17.5. **Notice of Cancellation**: With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to **State of Arizona, State Procurement Office, 100 N. 15th Avenue, Phoenix, Arizona 85007, Attn: Procurement Officer** and shall be sent by certified mail, return receipt requested.

17.6. **Acceptability of Insurers**: Contractors insurance shall be placed with companies duly licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A-VII or duly authorized to transact Workers' Compensation insurance in the State of Arizona. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

17.7. **Verification of Coverage**: Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to **State of Arizona, State Procurement Office, 100 N. 15th Avenue, Phoenix, Arizona 85007, Attn: Procurement Officer**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

17.8. **Subcontractors**: Contractors' certificate(s) shall include all subcontractors as insureds under its policies **or** Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

17.9. **Approval**: Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.

17.10. **Exceptions**: In the event the Contractor or sub-contractor(s) is/are a public entity, then the insurance requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the Contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

18. **NON-EXCLUSIVE CONTRACT** This contract has been awarded with the understanding and agreement that it is for the sole convenience of the State of Arizona. The State reserves the right to obtain like goods or services from another source when necessary. Off-contract purchase authorization(s) may be approved by either the agency (within an agencies delegated authority) or by the State Procurement Office. Approvals shall be at the exclusive discretion of the State and shall be final. Off-contract procurement shall be consistent with the Arizona Procurement Code.

19. **FINANCIAL STABILITY -** The Agency must be notified in writing of any substantial change in the Offeror's financial condition during the term of the Contract. Failure to notify the State Procurement Officer of such a substantial change in financial condition will be sufficient grounds for terminating the Contract.

20. **NOTICES -** All notices, requests, demands, consents, approvals, and other communications which may or are required to be served or given hereunder (for the purposes of this provisions collectively called 'Notices'), shall be in writing and shall be sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the party or parties to receive such notice as follows:

If intended for the State, to:

Department of Administration
State Procurement Officer
Attention: Procurement Officer
100 N 15th Avenue, Suite 201
Phoenix, Arizona 85007

If intended for the Contractor, to:

The Contractor Company Name
Attention: Contractor Contact
Address:
City, State, Zip

21. **ORGANIZATION-EMPLOYMENT DISCLAIMER**

21.1. The contract is not intended to constitute, create, give to, or otherwise recognize a joint venture agreement or relationship, partnership or formal business organization of any kind, and the right and obligations of the parties shall be only those expressly set forth in the contract.

21.2. The parties agree that no persons supplied by the Contractor in the performance of Contractor's obligations under the contract are considered to be State employees, and that no right of State civil service, retirement or personnel rules accrue to such persons. The Contractor shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, worker's compensation, occupational disease compensation, unemployment compensation, other employee benefits and all taxes and premiums appurtenant thereto concerning such persons, and shall save and hold the State harmless with respect thereto.

22. **RELATIONSHIP WITH OTHERS -** The Contractor shall cooperate fully with the State, the Arizona counties, municipalities and local government officials, and all such others as may be required in the performance of this Contract. This shall include attendance at meetings, discussion, and hearings, as may be required; presentation of data, as may be requested from time to time by the State to effect such cooperation; and compliance with all directives issued by the State.

23. **SCRUTINIZED BUSINESS OPERATIONS**

Pursuant to A.R.S. § 35-391.06 and § 35-393.06, the Contractor certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in A.R.S. § 35-391 or and § 35-393, as applicable.

24. **SECURITY**

Contractor's current and subsequent personnel, as well as those of their duly recognized subcontractors, shall comply with all applicable statutes, administrative regulation, policies, practices and procedures

while providing supplies and/or services under the contract. Notwithstanding any additional security requirements in the Scope of Work, as deemed necessary by the State, certain personnel with access to sensitive information and/or infrastructure of the State or an Eligible Agency, shall be subject to background checks.

25. SECURITY CLEARANCE

A security clearance may be required of the Contractor and of all employees of the Contractor or subcontractor as designated by the using Agency.

26. SUBCONTRACTORS

Supplemental to the Subcontractor term in the Uniform Terms and Conditions, Contractor shall not enter into any Subcontract under this Contract, for the provision of supplies or performance of services under this Contract, without the advance written approval of the Procurement Officer. When requesting the Procurement Officer's approval, the Contractor shall list all new subcontractors, their contact information, certifications required of them, their Minority and Women Owned Enterprise status (cite any certifications use in determining such status) as well as the subcontractor's proposed responsibilities under the Contract. With the request, Contractor shall certify that all Subcontracts incorporate by reference the terms and conditions of this Contract.

27. SUSPENSION OF WORK

The State shall immediately suspend operations when work performance is observed in violation of safety rules, regulations or practices.

(End of Section)

RESPONSE QUESTIONNAIRE

INSTRUCTIONS: Offeror(s) shall utilize Attachment I in response to the Evaluation Criteria stated in Section 6.2 of the Special Instructions to Offerors in this Request for Proposal.

- Attach as part of your ProcureAZ proposal, a singular file in Adobe Acrobat (PDF) format named **ADSPO13-00003094 [Offerors Name] 'Response_Questionnaire.pdf'** that contain the responses to all of the Questionnaire items ("items") listed below. **Include the item number when responding to each item**. Mere reiterations of this solicitations tasks and subtasks are strongly discouraged as they do not provide insight into the Offeror's ability to complete the contract.

- Prepare a response to each item that demonstrates Offeror's ability to satisfy the items outlined in the Statement of Work. Responses shall be designed to convince the State that the Offeror's approach and capacity are realistic, attainable, and appropriate to the needs of this solicitation.

- When an item asks you to describe methods, policies, procedures or systems, describe the logical progression of tasks and efforts starting with the initial steps or tasks to be accomplished and continuing until all proposed tasks are fully described. Use straightforward language limited to facts, solutions to problems, and plans of proposed action. Limit the use of technical language to describing technical processes.

ITEMS: The Offeror shall provide the following information to support their firm's qualifications to perform the required work:

1. **METHOD OF APPROACH:**

   A. Offeror shall select the region(s) being proposed for Armed / Unarmed Services and provide a narrative of how their selected coverage will be achieved under this contract.

   ____ Region 1 – Maricopa, Gila, and Pinal *
   ____ Region 2 – Mohave, La Paz, and Yuma
   ____ Region 3 – Yavapai, Coconino, Navajo, and Apache
   ____ Region 4 – Greenlee, Graham, Pima, Cochise, and Santa Cruz

   *** If Region 1 is selected, Contractor shall select at a minimum one other Region for coverage.**

   B. Offeror shall provide a written narrative explaining their processes for pre-employment background investigation / screening and any ongoing screening processes.

   C. Offeror shall provide a written narrative explaining their employee training program. Training, at a minimum, must meet the requirements in A.R.S. §32-2632.

   D. Offeror shall provide a written narrative explaining their Drug & Alcohol Policy and Testing Procedures and any on-going testing.

   E. Offeror shall provide a written narrative explaining any technology used to assist their security personnel/firms and how this would benefit the State.

   F. Offeror shall provide a written narrative explaining their processes or procedures that address each of the following service levels:

      F.1. Response Times (Section 4.8 - Special Terms and Conditions);

F.2. Will Call/Ordering Support (Section 7.0 - Scope of Work);
F.3. Processes or procedures in place for reporting and record keeping in the daily monitoring, and detecting duties to the State and from employee to supervisor. If forms are used, provide examples. (Section 4.10 - Scope of Work)

G. Offeror shall describe his or her Emergency protocol procedures.

H. Offeror shall provide any and all information that documents successful and reliable experience and past performance that relates to the Scope of Work for the last five years.

I. Offeror shall describe their company's communication plan to include employees and management.

2. CAPACITY OF OFFEROR:

A. Offeror shall provide evidence, in the form of certifications, of their firm's current status as a private security agency as licensed through the Arizona Department of Public Safety, pursuant to A.R.S. Title 32, chapter 26.

B. Offeror shall provide documentation of any and all certificates required by security personnel.

C. Offeror to outline their capacity to provide the requested services Statewide.

D. Offeror shall provide address of the Offeror's main office and any satellite offices.

E. Offeror shall provide number of current employees, average tenure, and turnover rate for the last three years,

F. Offeror to provide an organizational chart, which clearly shows the reporting and lines of authority, to include all proposed key personnel and any proposed subcontractors. The organizational chart shall also list prime point of contact between the Proposers and the State of Arizona. **– Attachment II**

G. Supplemental to the Subcontractor provision in the Uniform Instructions, Offeror shall include with their list of proposed subcontractors, their contact information, certifications required for the performance of the Contract, as well as, the Subcontractor's proposed responsibilities under the Offeror's proposal – **Attachment V**.

H. Offeror to list three (3) current contracts, including contact information, dollar amount of contract, length of contract, number and type of security personnel utilized, and any contract non-performance issues in the appropriate area of the solicitation. In-state and/or government contracts are preferred. **(Attachment III)**

3. COST:

A. Offeror shall provide armed/unarmed and vehicle patrol security services State wide in accordance with all specifications in the Scope of Work and Terms and Conditions for the entire term of this contract.

B. Offeror's shall complete Excel spreadsheet entitled **"Attachment IV – Pricing Schedule"**, and provide all requested information according to the instructions. The spreadsheet is found in Attachments tab of ProcureAz under the file named "**Attachment IV – Pricing Schedule**".

C. Offeror shall propose an all-inclusive hourly rate as listed on the Pricing Schedule. Failure to propose hourly rates for each security guard specified will warrant the bid be deemed non-responsive. Separate hourly rates are specified: One for Armed Security Guards, the other for Unarmed Security Guards. **Hourly rates must contain all direct and indirect costs including, but not limited to overhead, wages, fee or profit, clerical support, portal to portal travel expenses. Time spent in traveling to and from the work site or employee's normal work station shall not be billed to the State.**

OFFEROR'S KEY PERSONNEL
ORGANIZATIONAL CHART

A. The Offeror shall provide a contract organization chart with names, depicting management structure, supervisory and other Key Personnel to be assigned to the armed/unarmed security services for the State to encompass each proposed region(s).

OFFEROR'S CURRENT CONTRACTS

Offeror shall provide and submit a separate Attachment III for a **maximum** of three (3) professional contracts to which the Offeror provided services similar in scope to those described in this solicitation.

1. Reference Information	
Organization Name:	
Address:	
	Street Address
	City, State, Zip Code
Contact Information:	
	Contact Name Phone Number
	Contact Email Address

2. Description of Services Provided	
Services Begin Date:	**Services End Date:**
Dollar Amount of Contract:	**Number/Type of Security Personnel:**

Description of Services Provided: (Include similar services performed as those described in this Solicitation's Scope of Work. Offeror shall provide any and all information that documents successful and reliable experience and past performance, overall quality of job performance and any contract non-performance issues).

PRICING SCHEDULE.

Offeror's shall complete the spreadsheet (XLS) entitled "**Attachment IV - Pricing Schedule",** and provide all requested information according to the instructions. The spreadsheet is found in Attachments section of ProcureAZ under the file named **"Attachment IV – Pricing Schedule**". (XLS format)

ProcureAZ – Offeror shall enter a one (1) dollar in the "Unit Cost" field on the "Items" tab in ProcureAZ, as zero (0) will be considered a NO-BID by the system.

SUBCONTRACTORS LIST

Offeror to list any subcontractors proposed during the term of this contract. Offeror's shall provide requested information as outlined in Special Instructions of Offeror's, Section 4.9. If no subcontractors are proposed enter N/A

Subcontractor	
Organization Name:	
Address:	
	Street Address
	City, State, Zip Code
Contact Information:	
	Contact Name Phone Number
	Contact Email Address

Description of Services Provided
Certifications Required:
Description of Services to be Provided:

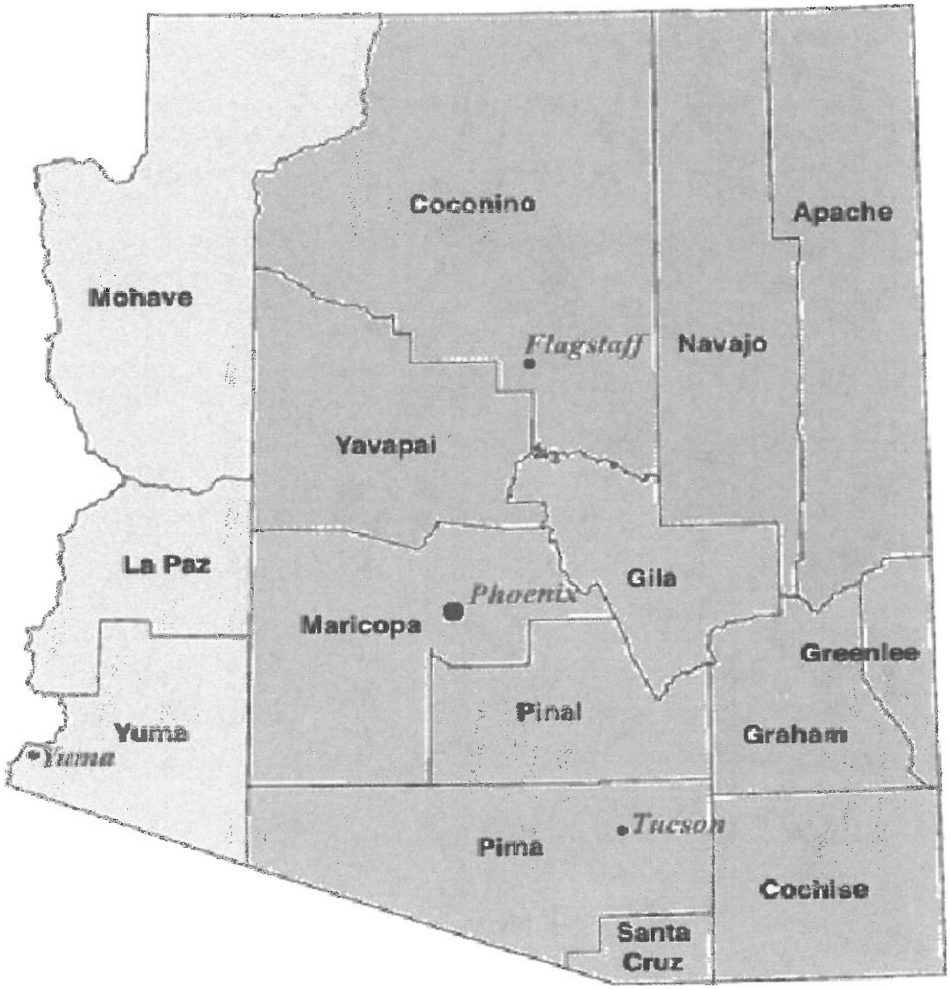
Armed / Unarmed Regional Counties Map Key

Region 1 Includes – Maricopa, Gila, Pinal

Region 2 Includes – Mohave, La Paz, Yuma

Region 3 Includes – Yavapai, Coconino, Navajo, Apache

Region 4 Includes – Greenlee, Graham, Pima, Cochise, Santa Cruz



TASK ORDER "EXAMPLE ONLY" PLEASE REFER TO SECTION 6 IN THE SCOPE OF WORK.

Task Order Number: 06-ADOA-01234
Start Date:
End Date:

Scope of Work: Provide Overview

A. Deliverable:

B. Deliverable:

Name	State Agency Name
Title	State Agency Title
Date	Date