

PURSUANT TO A.R.S. SECTION 38-431.01, THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD AN OPEN MEETING IN THE SUPERVISORS' AUDITORIUM, 1400 EAST ASH STREET, GLOBE, ARIZONA. ONE OR MORE BOARD MEMBERS MAY PARTICIPATE IN THE MEETING BY TELEPHONE CONFERENCE CALL OR BY INTERACTIVE TELEVISION VIDEO (ITV). **ANY MEMBER OF THE PUBLIC IS WELCOME TO ATTEND THE MEETING VIA ITV WHICH IS HELD AT 610 E. HIGHWAY 260, BOARD OF SUPERVISORS' CONFERENCE ROOM, PAYSON, ARIZONA.** THE AGENDA IS AS FOLLOWS:

**GILA COUNTY BOARD OF SUPERVISORS
WORK SESSION - TUESDAY, SEPTEMBER 30, 2014 - 10:00 A.M.**

1. **CALL TO ORDER - PLEDGE OF ALLEGIANCE**

2. **REGULAR AGENDA ITEMS:**
 - A. Information/Discussion/Action to approve an Intergovernmental Agreement-Economic Development Grant between Gila County and the Town of Star Valley in an amended amount of ~~\$10,000~~ **\$26,329** to assist the Park Water Well Improvement Project which will allow the development of the B. Diane McDaniel Park and provide a back-up water supply for the citizens of Star Valley; and further the Board determines this is for the benefit of the public and will improve or enhance the economic welfare of the inhabitants of Gila County. **The Board of Supervisors approved an amount of \$26,329. (Don McDaniel)** Approved

 - B. Information/Discussion/Action to amend Policy No. BOS-FIN-003, Procurement-Purchasing, for immediate implementation to allow Gila County to use U.S. General Services Administration (GSA) contracts from time to time. **(Jeff Hessenius)** Approved

- C. Information/Discussion/Action to approve the purchase of a 20,160 square-foot used modular building from Modular Solutions, Ltd. in the amount of \$482,094.87, thereby reducing the amount of private office space currently being rented by Gila County because the Probation, Finance, Human Resources and Library District departments and personnel will be relocated to the newly acquired modular building. **(Jeff Hassenius and Steve Stratton)** Approved
- D. Information/Discussion/Action to approve Modification 1 to Road Project Agreement No. 14-RO-11031200-022 between the United States Department of Agriculture, Forest Service, Tonto National Forest, and Gila County to extend the expiration date from September 30, 2014, to December 31, 2015, which will allow the County to use \$342,644 in the Spring of 2015 to complete the aggregate resurfacing of Forest Road 512 (Young Road). **(Jeff Hassenius and Steve Stratton)** Approved
- E. Information/Discussion regarding Amendment No. 3 to the Gila County Long Range Facilities Management Plan. **(Steve Stratton & Lonnie Brevick, P.E.)** Discussed
- F. Information/Discussion regarding the following Countywide Operational policy to be included in the Countywide Policy Manual: Policy No. BOS-ADM-001, Development, Review & Approval of Policies & Procedures. **(Don McDaniel)** Discussed

3. **CALL TO THE PUBLIC:** Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date. No Comments
4. At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the County Manager may present a brief summary of current events. No action may be taken on issues presented. Presented

IF SPECIAL ACCOMMODATIONS ARE NEEDED, PLEASE CONTACT THE RECEPTIONIST AT (928) 425-3231 AS EARLY AS POSSIBLE TO ARRANGE THE ACCOMMODATIONS. FOR TTY, PLEASE DIAL 7-1-1 TO REACH THE ARIZONA RELAY SERVICE AND ASK THE OPERATOR TO CONNECT YOU TO (928) 425-3231.

THE BOARD MAY VOTE TO HOLD AN EXECUTIVE SESSION FOR THE PURPOSE OF OBTAINING LEGAL ADVICE FROM THE BOARD'S ATTORNEY ON ANY MATTER LISTED ON THE AGENDA PURSUANT TO A.R.S. SECTION 38-431.03(A)((3).

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING.

ARF-2778

2. A.

Work Session

Meeting Date: 09/30/2014

Submitted For: Don McDaniel Jr.

Department: County Manager

Fiscal Year: 2014/2015

Budgeted?: Yes

Contract Dates 2014-2015

Grant?: No

Begin & End:

Matching No

Fund?: New

Requirement?:

Information

Request/Subject

Town of Star Valley Park Water Well Improvement Project Economic Development Grant

Background Information

The Town of Star Valley recently established a town park, the B. Diane McDaniel Community Park, located at 3615 E. Highway 260. Located on the park property is a well that is in need of repair before it can be utilized. Initial inspection of the well by experts indicates that it can be utilized if certain repairs are done to it.

The Park Improvement Project is a bifurcated project that brings use to the park and reliable back-up supply to the water system. The Pine Ridge The Knolls (PRTK) back-up well site is a reliable uninterrupted, back-up water supply. With the PRTK back-up on line, a safe and reliable water source can be maintained. A back-up well producing an average of 20 gpm can buy 15 days of down time before water restrictions would be implemented. The back-up well will provide additional time needed to fix the Knolls well to get it back on line.

The upper and lower water systems will be self contained through the use of the Pressure Reducing Valve (PRV) installed at the Milky Way well site. The lower system will utilize the Milky Way and Quail Valley well sites, which both well sites are improved in capacity and efficiency due to funding from a Community Development Block Grant 1 and a Community Development Block Grant 2. The upper system will utilize the Knolls, PRTK, and PRTK back-up well sites to provide adequate water supply.

The additional improvements in the park will create an enjoyable and usable space for park visitors and special events. Utilizing the PRTK back-up well to provide additional water to the system where future park improvement projects can be a reality. Phase I assures an uninterrupted, reliable, water supply to customers which will allow time to fix mechanical failures at the Knolls (PRTK) well. The Phase I projected cost is approximately \$26,329 which includes well rehabilitation, new pump, wire & pipe, ADEQ New Source Water test, connection plumbing & seal, and, electricity establishment.

Phase II will discuss the concept of adding grass to the park. The Phase II projected cost is approximately \$15,478 to \$26,706 which includes a Roy Haught sprinkler system, dirt and grass, and a Jon Yard Services sprinkler system.

Phase III will highlight the option of adding water features for use during hot summer months which will draw families and children. Currently, the Phase III projected cost is dependent on water feature options that will be determined at a later time. Water features can be individually selected or bought as a predesigned package.

At the September 2, 2014, Town of Star Valley Council meeting, the Council passed and approved Phase I of the Park Improvement Project. Phase I will rehabilitate the well located at the park, and this well will be utilized as a back-up well for the Star Valley Water System.

Evaluation

The additional improvements in the park will create an enjoyable and usable space for park visitors and special events. Utilizing the PRTK back-up well to provide additional water to the system where future park improvement projects can be a reality. Phase I assures an uninterrupted, reliable, water supply to customers which will allow time to fix mechanical failures at the Knolls (PRTK) well. Phase I project cost will be approximately \$26,329 which includes well rehabilitation, new pump, wire & pipe, ADEQ New Source Water test, connection plumbing & seal, and, electricity establishment.

On September 3, 2014, the County Board of Supervisors received a letter from the Mayor of Star Valley, Ronnie McDaniel, requesting economic development funds from the County in the amount of \$26,329 to assist the Star Valley Park Water Well Improvement Project.

Conclusion

The Town of Star Valley recently established a town park, the B. Diane McDaniel Community Park, located at 3615 E. Highway 260. Located on the park property is a well that is in need of repair before it can be utilized. Initial inspection of the well by experts indicate that it can be utilized if certain repairs are done to it. The Town of Star Valley is requesting \$26,329 from the County's economic development fund to assist with this Park Water Well Improvement Project for the citizens of Star Valley.

Due to limited funding in the Economic Development Fund (current balance approximately \$95,000) and the probability of additional requests for funds through the remainder of the fiscal year, staff believes it would be prudent to provide \$10,000 rather than the requested \$26,329.

Recommendation

County staff recommends that the Board of Supervisors approve the Agreement-Economic Development Grant between Gila County and the Town of Star Valley in an amended amount of \$10,000 to assist the Park Water Well Improvement Project that will allow for the development of the B. Diane McDaniel Park and provide a back-up water supply for the citizens of Star Valley.

Suggested Motion

Information/Discussion/Action to approve an Intergovernmental Agreement-Economic Development Grant between Gila County and the Town of Star Valley in an amended amount of ~~\$10,000~~ **\$26,329** to assist the Park Water Well Improvement Project which will allow the development of the B. Diane McDaniel Park and provide a back-up water supply for the citizens of Star Valley; and further the Board determines this is for the benefit of the public and will improve or enhance the economic welfare of the inhabitants of Gila County. **The Board of Supervisors approved an amount of \$26,329. (Don McDaniel)**

Attachments

IGA with Town of Star Valley

Town of Star Valley Letter

Town of Star Valley Park Improvement Project

Legal Explanation

INTERGOVERNMENTAL AGREEMENT NO. 091614-1
BETWEEN
THE TOWN OF STAR VALLEY
AND
GILA COUNTY
PHASE I OF PARK IMPROVEMENT PROJECTS

This Intergovernmental Agreement is made and entered into by and between the **TOWN OF STAR VALLEY** ("Town"), a municipal corporation, hereinafter referred to as "Town", and **GILA COUNTY** ("County"), a political subdivision of the State of Arizona, hereinafter collectively referred to as "the Parties."

RECITALS

WHEREAS, this Intergovernmental Agreement ("IGA") is authorized pursuant to A.R.S. § 11-951, et seq. and A.R.S. § 11-254.04; and,

WHEREAS, the Town has recently established a town park known as the B. Diane McDaniel Community Park, located at 3615 E. Highway 260 in Star Valley, AZ.; and,

WHEREAS, the Town has requested financial assistance for repairs needed to the well located on the park property; and,

WHEREAS, Gila County has determined that the purpose of this funding request is public and that the expenditure of these funds will improve or enhance the economic welfare of the inhabitants of the County.

SCOPE

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. Gila County will contribute the sum of \$26,329.00 in the form of an Economic Development Grant to the Town of Star Valley for the benefit of the public.
2. The Town of Star Valley will utilize the funds towards necessary repairs to the well, located at the B. Diane McDaniel Community Park, 3615 E. Highway 260 in Star Valley, AZ.

3. Notices

All notices or demands upon any party to this agreement shall be in writing, unless other forms are designated elsewhere, and shall be delivered in person or sent by mail addressed as follows:

Town of Star Valley
Attn: Ronnie O. McDaniel
3675 E. Highway 260
Star Valley, Arizona 85541

Gila County Board of Supervisors
Attn: Don McDaniel, Jr.
1400 E. Ash Street
Globe, Arizona 85501

GENERAL TERMS

1. Indemnification: The Town shall indemnify, defend and hold harmless, County, its officers, employees agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault of negligence by the Town, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of this Agreement.
2. Termination: Either party may, at any time and without cause, cancel this Agreement by providing 30 days written notice to the other party.
3. Cancellation: This Agreement is subject to the cancellation provisions of A.R.S. §38-511.
4. Compliance with All Laws: The parties shall comply with all federal, state and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Agreement. Any changes in the governing laws, rules and regulations during the term of this agreement shall apply but do not require an amendment.
5. Immigration Law Compliance Warranty: As required by A.R.S. § 41-4401, each party hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Each party further warrants that after hiring an employee, it verifies the employment eligibility of the employee through the E-Verify program. If either party uses any subcontractors in performance of the Agreement, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement subject to penalties up to and including termination. A party shall not be deemed in material breach if it and/or its subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Each party retains the legal right to inspect the papers of the other party and/or its subcontractor engaged in performance of this Agreement to ensure that the other party and/or its subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

- 6.. Entire Agreement: This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Agreement may be modified, amended, altered or extended only by a written amendment signed by the parties.
7. Non-Appropriation: Notwithstanding any other provision in this Agreement, this Agreement may be terminated if, for any reason, the County or Town of Star Valley does not appropriate sufficient monies for the purpose of maintaining this Agreement.

IN WITNESS THEREOF, three (3) identical counterparts of this agreement, each which shall include original signatures and for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

TOWN OF TOWN OF STAR VALLEY

 Michael A. Pastor, Chairman
 Gila County Board of Supervisors

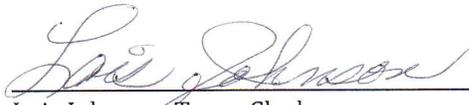


 Ronnie O. McDaniel
 Mayor

ATTEST

ATTEST

 Marian Sheppard, Clerk of the Board
 Gila County Board of Supervisors

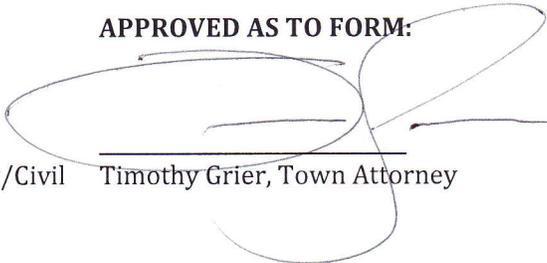


 Lois Johnson, Town Clerk
 Town of Town of Star Valley

APPROVED AS TO FORM:

APPROVED AS TO FORM:

 Bryan B. Chambers, Deputy County Attorney/Civil
 Bureau Chief
 for Bradley D. Beauchamp, County Attorney



 Timothy Grier, Town Attorney



Town of Star Valley

3675 E. Highway 260
Star Valley, Arizona 85541
Phone: (928) 472-7752 ♦ Fax: (928) 472-7795
Web: ci.star-valley.az.us

September 3, 2014

John D. Marcanti
Supervisor – District III
Gila County Board of Supervisors
1400 E. Ash Street
Globe, AZ 85501

Re: B. Diane McDaniel Community Park
Star Valley, Arizona
Phase I of Park Improvement Projects

Dear John:

The Town of Star Valley recently established a town park, the B. Diane McDaniel Community Park., at 3615 E. Highway 260. Located on the park property is a well that is in need of repair before it can be utilized. Initial inspection of the well by experts indicate that it can be utilized if certain repairs are done to it.

At the Town Council meeting held last night, the Council discussed and approved Phase I of park improvement projects. Phase I will rehabilitate the well located at the park, and this well will be utilized as a back-up well for the Star Valley Water System. I am enclosing information which provides details as to the need for a back-up well, its function, and its benefits. Our goal is to provide a reliable, uninterrupted back-up water supply for the citizens of Star Valley.

This letter is the Town's request that the Board of Supervisors consider providing economic development funds for this project. The projected cost is \$26,329.00, and the Town would very much appreciate any funds you might have available.

John D. Marcanti
September 3, 2014
Page 2

Thank you in advance for your consideration of this request. Your continued support of Star Valley is very much appreciated.

Sincerely,

TOWN OF STAR VALLEY


Ronnie O. McDaniel
Mayor



Park Improvement Project

Timothy W. Grier, Town Manager
Robert Rippy, Water Operator
Chancy A. Nutt, Finance Administrator

Project Planning Phases

- A bifurcated project that brings use to the park and reliable back-up supply to the water system
- That provides a special event location
- And provides an enjoyable area for families to congregate
- It adds green to the park!
- Expandable use in future projects

Project Planning Benefits

PRTK Back – Up (Knolls Well Site)

- A reliable uninterrupted, back-up water supply
 - Mechanical failures are realistic expectations in the water business
- With the PRTK back – up online, a safe and reliable water source can be maintained
- As shown in Map 1 (Attachments) the Upper and Lower water systems will be self contained through the use of the Pressure Reducing Valve (PRV) installed at the Milky Way well site. The Lower system will utilize the Milky Way and Quail Valley well sites, both improved in capacity and efficiency with the use of CDBG 1 and CDBG 2 funds. The Upper system will utilize the Knolls, PRTK, and PRTK back-up well sites to provide adequate water supply.

Improved Use and Benefit of to the Park

- The addition improvements in the park will create an enjoyable and usable space for park visitors and special events
- Utilizing the PRTK back – up well to provide additional water to the system, future park improvement projects can be a reality.
- Phase II will discuss the concept of adding grass to the park and the projected expense
- Phase III will highlight the option of adding water features for use during hot summer months, drawing families with children.

park improvement projects

Tank Capacity	160,000				Tank Capacity	160,000				Tank Capacity	160,000			
GPM	15				GPM	20				GPM	25			
Hours Pumped	12				Hours Pumped	12				Hours Pumped	12			
Pump 24 hrs	10,800				Pump 24 hrs	14,400				Pump 24 hrs	18,000			
Used 24hrs	(23,650)				Used 24hrs	(23,650)				Used 24hrs	(23,650)			
Day	Tank	Pumping	Use	Total	Day	Tank	Pumping	Use	Total	Day	Tank	Pumping	Use	Total
1	160,000	10,800	(23,650)	147,150	1	160,000	14,400	(23,650)	150,750	1	160,000	18,000	(23,650)	154,350
2	147,150	10,800	(23,650)	134,300	2	150,750	14,400	(23,650)	141,500	2	154,350	18,000	(23,650)	148,700
3	134,300	10,800	(23,650)	121,450	3	141,500	14,400	(23,650)	132,250	3	148,700	18,000	(23,650)	143,050
4	121,450	10,800	(23,650)	108,600	4	132,250	14,400	(23,650)	123,000	4	143,050	18,000	(23,650)	137,400
5	108,600	10,800	(23,650)	95,750	5	123,000	14,400	(23,650)	113,750	5	137,400	18,000	(23,650)	131,750
6	95,750	10,800	(23,650)	82,900	6	113,750	14,400	(23,650)	104,500	6	131,750	18,000	(23,650)	126,100
7	82,900	10,800	(23,650)	70,050	7	104,500	14,400	(23,650)	95,250	7	126,100	18,000	(23,650)	120,450
8	70,050	10,800	(23,650)	57,200	8	95,250	14,400	(23,650)	86,000	8	120,450	18,000	(23,650)	114,800
9	57,200	10,800	(23,650)	44,350	9	86,000	14,400	(23,650)	76,750	9	114,800	18,000	(23,650)	109,150
10	44,350	10,800	(23,650)	31,500	10	76,750	14,400	(23,650)	67,500	10	109,150	18,000	(23,650)	103,500
11	31,500	10,800	(23,650)	18,650	11	67,500	14,400	(23,650)	58,250	11	103,500	18,000	(23,650)	97,850
12	18,650	10,800	(23,650)	5,800	12	58,250	14,400	(23,650)	49,000	12	97,850	18,000	(23,650)	92,200
					13	49,000	14,400	(23,650)	39,750	13	92,200	18,000	(23,650)	86,550
					14	39,750	14,400	(23,650)	30,500	14	86,550	18,000	(23,650)	80,900
					15	30,500	14,400	(23,650)	21,250	15	80,900	18,000	(23,650)	75,250
										16	75,250	18,000	(23,650)	69,600
										17	69,600	18,000	(23,650)	63,950
										18	63,950	18,000	(23,650)	58,300
										19	58,300	18,000	(23,650)	52,650
										20	52,650	18,000	(23,650)	47,000
										21	47,000	18,000	(23,650)	41,350
										22	41,350	18,000	(23,650)	35,700
										23	35,700	18,000	(23,650)	30,050
										24	30,050	18,000	(23,650)	24,400
										25	24,400	18,000	(23,650)	18,750

Reliability...

Without the back-up well, we only have an approximate 2 day supply of water.

Reliability...

The phase I, backup well, assures an uninterrupted, reliable, water supply to our customer by giving us time to fix mechanical failures at the Knolls (PRTK) well

Mechanical Failures

In the water business, mechanical failures are expected occurrences, though you may never know when they can become problem. An average of 90% of possible mechanical issues can be solved within 3-5 business days; however, holidays, specialty order parts, and high peak usage can put a larger demand on the well system as well as lengthen the down time.

A back – up well producing an average of 20gpm can buy 15 days of down time before water restrictions would be implemented.

Therefore the back-up well buys us the time we need to fix Knolls well and get it back online.

Project Planning Phase I

PRTK Well Back – Up Online

- Project Cost \$ 26,329

- Well Online

● Well rehabilitation	- \$ 1,810
● New pump, wire, & pipe	- \$ 2,500
● ADEQ New Source Water test	- \$ 2,769
● Connection plumbing & seal	- \$ 4,250
● Establish electricity	- <u>\$15,000</u>
TOTAL	- \$ 26,329

Phase II

During Phase II, adding grass to the park will provide a refreshing atmosphere and ideal location for activities and special events

park improvement projects



A current view of the unused strip of land in front of the aviary, and a sample of how it will appear after grass is laid.



Project Planning Phase II

Park Grass

- Projected Cost \$ 15,478 to \$ 26,706
 - Grounds Improvements
 - Roy Haught sprinkler system, dirt, and grass - \$15,478
 - Jon Yard Services sprinkler system, dirt,
and grass (includes lot clean-up and a retaining wall - \$26,706

Project Planning Phase III

Water Features

- Planning Budget \$???
 - Water Feature Options (\$ Council Direction ???)
 - Water features (attachments) can be individually selected or bought as a predesigned package
 - Feature's GPM, Cost, and Size can all be taken into account when selecting a design

Upstream Jet



Phase III – Products

Shower Tower



Down Spout



Fan Jet



Belle - Tower



Aqua-Hoop

Phase III – Packages



Pre-designed packages are also available. Options in GPM, Square Footage, Colors, and Price are all available

A concrete pad would be placed and surrounding grass would catch run off water. Water features would be pressure fed and on a timer to prevent unattended use.





GILA COUNTY ATTORNEY
Bradley D. Beauchamp

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action ... applicable to the governing bodies of the participating agencies approving or extending the duration of the ... contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-2805

2. B.

Work Session

Meeting Date: 09/30/2014

Submitted For: Jeffrey Hessenius

Submitted By: Jeannie Sgroi, Contracts Administrator, Finance Division

Department: Finance Division

Information

Request/Subject

Amend Policy No. BOS-FIN-003, Procurement-Purchasing, to allow County use of U.S. General Services Administration (GSA) Contracts.

Background Information

On September 20, 2011, the Gila County Board of Supervisors adopted Policy No. BOS-FIN-003, Procurement-Purchasing, for immediate implementation to ensure County compliance with Arizona Revised Statutes (A.R.S.); establish consistency of operations for all County departments and elected offices; and establish levels of authority by identifying specific areas of responsibility and accountability.

Evaluation

In developing this policy, staff reviewed A.R.S. guidelines as well as the existing policies that were used in other counties within Arizona.

A.R.S. § 41-2501(C) allows counties to “adopt all or any part of” the State procurement code. A.R.S. § 41-2588 is part of the State procurement code and allows the State to ignore competitive biddings requirements so long as it is doing so under a federal general services administration contract. Gila County has not yet adopted this provision of the Arizona Procurement Code.

At this time, staff desires to add a paragraph to Gila County's Procurement/Purchasing Policy as follows:

County Use of General Services Administration (GSA) Contracts

Notwithstanding the competitive bidding requirements of this policy, the County Manager or designee may evaluate general services administration contracts for materials and services. The County Manager or designee may authorize purchases under a contract approved by the County

Manager or designee without complying with the competitive bidding requirements of this policy if the County Manager or County Manager's designee determines all of the following apply:

1. The price is equal to or less than the contractor's current federal supply contract price.
2. The contractor has indicated in writing that the contractor is willing to extend the current federal supply contract pricing, terms and conditions.
3. The purchase order adequately identifies the federal supply contract on which the order is based.
4. It is cost-effective and in the best interests of the County.

Cf. A.R.S. § 41-2588.

Conclusion

In addition to existing cooperative purchasing agreements already in place, Gila County would like to have available the option to utilize U.S. General Services Administration (GSA) contracts, from time to time, as the need arises, and if the GSA contract fits the criteria and requirements of the purchase.

Recommendation

Staff recommends that the Board of Supervisors amend Policy No. BOS-FIN-003, Procurement-Purchasing, to allow for the County to utilize U.S. General Services Administration (GSA) contracts, from time to time, provided the contract fits the criteria and requirements of the proposed amendment.

Suggested Motion

Information/Discussion/Action to amend Policy No. BOS-FIN-003, Procurement-Purchasing, for immediate implementation to allow Gila County to use U.S. General Services Administration (GSA) contracts from time to time. **(Jeff Hessenius)**

Attachments

BOS-FIN-003

Policy Manual Table of Contents

GILA COUNTY, ARIZONA
BOARD OF SUPERVISORS POLICY

Gila County Policy PROCUREMENT-PURCHASING	Policy Number: BOS-FIN-003	Page
	Adopted by BOS: 9-20-11	1 of 8
	Revised: 9-30-14	

I. Purpose:

The Gila County Procurement Group, acting as the central public purchasing authority for Gila County, shall endeavor as its primary mandate to conserve public funds and conduct the procurement process in a fair, open, competitive, and ethical manner, within the provisions of applicable Arizona Revised Statutes, the Gila County Procurement Code, and in the best interest of Gila County.

The purpose of this policy is:

1. To provide guidelines and clarification for implementation of the Procurement Code and to assure all procurements are carried out within the mandates of Arizona law and the County Code for the procurement of tangible goods or property.
2. To permit and give direction to the continued development of procurement procedures and practices.
3. To provide for increased public confidence in the practices followed in public procurement.
4. To promote cooperative, interactive, interdepartmental relations that assures the timely and cost-effective acquisition of supplies, equipment and services.
5. To assure the highest level of ethical conduct in all business transactions

II. Policy:

Applicability

This policy applies to all procurements initiated after the effective date of its adoption by the Board of Supervisors.

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This policy applies to expenditures exceeding \$500 of public funds for procurement, including, but not limited to, assistance monies, grant monies or other monies processed through Gila County. Nothing in this policy or in procedures promulgated under this policy shall prevent any Gila County department or elected office from complying with the terms and conditions of any grant, gift, bequest or cooperative agreement.

This policy shall apply to all Gila County personnel associated in any way with the requisitioning, acquisition or use of any supplies, equipment or services.

Authority of the Procurement Group

The Procurement Group shall have the authority to:

1. Promulgate procurement procedures, pertaining to procurement practices and requirements consistent with Arizona Revised Statutes, and the Board of Supervisors’ policies.
2. Make sourcing decisions and purchasing recommendations to the Finance Director, County Manager, and Board of Supervisors.
3. Dispose of surplus personal property pursuant to Arizona Revised Statutes. Surplus equipment and materials that have little or no value or are unauctionable items may be made available to local charitable, non- profit organizations at no charge. Items which are determined to have sufficient value may be saved for use by various County departments or elected offices, auctioned (after 30 days’ notice in a newspaper of the County) or with unanimous consent of the board and without public auction, may be sold or leased for a specific use to any solely charitable, social or benevolent nonprofit organization incorporated or operating in this state.
4. At the direction of the County Manager or Board of Supervisors, execute the necessary documents to terminate for convenience or cause, contracts executed by County Manager or Board of Supervisors. The County Manager has authority to direct the termination of contracts that he/she approved. Only the Board of Supervisors has the authority to terminate contracts that they approved.

Except as herein provided, no person shall purchase or make any contract within the scope of this policy other than through the Procurement Group and any order or contract made contrary to the provisions hereof shall not be approved by Gila County.

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Responsibility of the Procurement Group

The Procurement Group shall:

1. Report to the Finance Director.
2. Develop and implement procedures that ensure compliance with Board of Supervisors' policies and with relevant provisions of the Arizona Revised Statutes.
3. Serve as Purchasing Agent for Gila County.
4. Develop cost-effective, centralized procurement of all supplies, equipment and services for all Gila County departments and elected offices.
5. Prepare, advertise, and issue invitations for bids and requests for proposals, and ensure that the selection process is in compliance with all Gila County policies and procedures, and Arizona Revised Statutes.
6. Facilitate the development of specifications for annual contracts for materials, supplies, equipment and contractual services.
7. Evaluate bids and make recommendations in conjunction with department heads or elected officials for award to the Finance Director, County Manager, and Board of Supervisors.
8. Issue blanket contracts, purchase orders and contracts for materials and services pursuant to Gila County procedures.
9. Review all Gila County proposed contracts for approval by the County Manager, or Board of Supervisors.
10. Maintain a centralized contract file and retrieval system for all Gila County contracts.
11. Maintain a vendor file and encourage and assist vendors in competing for Gila County business.
12. Coordinate the disposal of Gila County's surplus or obsolete equipment.
13. Ensure that:
 - A. The needed quantity of supplies, equipment and service are procured in the most advantageous manner for Gila County, subject to funding limitations.
 - B. Full and open competition is encouraged on all purchases.
 - C. All applicable policies, procedures, rules, laws and regulations are complied.

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- D. Current development in the purchasing profession, benefits of research on products, new products, market trends, trade associations and technical societies are utilized to assist Gila County in maintaining a more efficient and cost effective system of purchasing.
- E. The Procurement Group is responsive to the needs of the various internal departments and elected offices.
- F. Nothing in this policy shall require Gila County to disregard any state or federal mandated laws, regulation or grants requirements.

Competitive Bidding

The Gila County Procurement Group shall ensure that a competitive environment exists for all procurements. The following shall apply:

- 1. All policies, procedures, rules, laws, and regulations shall be followed in all bidding activities.
- 2. Bids and proposals shall be opened in accordance with approved procedures.
- 3. The Procurement Group shall tabulate and analyze the bids received in answer to bid requests and in conjunction with the requesting department or elected office, shall verify that the bids meet technical specifications.
- 4. The Procurement Group shall make recommendations for the award of all bids to the Finance Director.

County Use of General Services Administration (GSA) Contracts

Notwithstanding the competitive bidding requirements of this policy, the County Manager or designee may evaluate general services administration contracts for materials and services. The County Manager or designee may authorize purchases under a contract approved by the County Manager or designee without complying with the competitive bidding requirements of this policy if the County Manager or County Manager’s designee determines all of the following apply:

- 1. The price is equal to or less than the contractor’s current federal supply contract price.
- 2. The contractor has indicated in writing that the contractor is willing to extend the current federal supply contract pricing, terms and conditions.
- 3. The purchase order adequately identifies the federal supply contract on which the order is based.
- 4. It is cost-effective and in the best interests of the County.

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Recommendations for Bid Award

The Procurement Group shall prepare and submit all bid award recommendations to the Finance Director. The Finance Director will review and forward for final review and approval to either the County Manager or Board of Supervisors.

1. If the low bid is acceptable and requires approval by the Board of Supervisors, the recommendation for award should be placed on Board of Supervisors' agenda.
2. If the requesting department or elected office finds the low bidder to be unacceptable, it will submit justification for award to other than the low bidder to the Procurement Group. The Procurement Group will convene a meeting with the representatives of the requesting department or elected office, the County Attorney's Office, and Finance Director to review the bid evaluation and formulate a recommendation to the County Manager and Board of Supervisors based on:
 - A. Conformance to specifications,
 - B. Intended use,
 - C. Best interest of Gila County,
 - D. Legal considerations,
 - E. Procedural requirements,
 - F. Ethical considerations.
3. Bid awards of less than \$25,000 may be executed by the County Manager and all bids above \$25,000 must be awarded by the Board of Supervisors.

Sole Source Procurements

When the needs of a department or elected office can only be met by a particular product or service, the department or elected office shall submit justification in writing to the Procurement Group that "sole source procurement" is required. Such justification shall include a full and detailed explanation as to the reason no other make, model, etc., will satisfy the needs of the County.

Upon approval of the Finance Director, the Procurement Group will proceed to seek maximum competition for the item in accordance with normal procurement procedure.

Examples to no substitute procurement include, but are not limited to:

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- A. Replacement parts or accessories for a specific piece of equipment.
- B. Specific chemicals or compounds to obtain a desired result or to sustain a warranty on specific equipment.
- C. Color, composition and other attributes must be an exact match to existing installations.
- D. Computer operating systems or compatibility issues.

Gifts and Rebates

All elected or appointed officers and employees of the County are expressly prohibited from accepting or soliciting any gift, rebate, money or remuneration, which has a value exceeding \$25, which is, or may appear to be designed to influence the employee’s official conduct for any person, firm, company or corporation.

Notwithstanding this policy, the following gifts may be received under this policy:

- A. Family gifts (gifts provided to relatives or other members of the covered individual’s family).
- B. Items or discounts given which are generally available to the public.
- C. Lawful campaign contributions.
- D. Flowers.
- E. Informational material.
- F. Items donated, paid for or given to or for the sole benefit of the charitable and non-profit organizations.
- G. Items customarily given to the officer or employee prior to becoming a county officer or employee.
- H. Nominal items such as greeting cards, baseball caps, T-shirts, mugs, or pens.
- I. Honorary recognition plaques and awards (non-cash).

Gifts received are to be returned to the supplier, immediately with a letter explaining Gila County’s policy and copied to the Human Resources Director.

Procurement of Goods (supplies and equipment)

Each department or elected office is responsible for the entry of purchase requisitions into the County’s accounting/procurement software system for all items exceeding \$500 in value. This value includes the item plus shipping, handling and sales tax. The approval of each requisition will be as follows:

1. Department designee less than \$1,000**
2. Department head /elected official and/or their chief deputy less than \$5,000**

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3. Director of Finance less than \$10,000
4. County Manager less than \$25,000
5. Board of Supervisors greater than \$25,000

** All requisitions for any items that are in the commodity codes of capital, furniture or computers must additionally be approved by the Finance Director. There is no minimum dollar amount for purchases of these items requiring approval from the Finance Director.

The previous requisition approval amounts exclude the process of blanket orders which must be authorized by the County Manager or Board of Supervisors prior to final issuance. Most blanket orders should be issued only for the current fiscal year period, which could be up to 12 months of activity.

A blanket purchase order is a purchase order that is valid for a specified period of time and/or dollar amount and authorizes multiple orders or releases during that period. Blanket purchase orders are designed to make the procurement processes more efficient by eliminating repetitive data entry and multiple one-time purchase orders. In addition, it streamlines the invoicing and purchasing processes so that invoices are paid in a timely manner. A blanket purchase order is a long-term agreement between the County and its supplier. A single blanket purchase order number is only set up one time it can allow multiple releases against it at different times throughout a set time period. A “release” occurs each time a quantity is received against an open blanket order that has a quantity and value which is outstanding or uncommitted.

Once each individual requisition has received its appropriate level of approval it will be automatically forwarded to the Procurement Group for further action to validate the estimated price and delivery dates. Upon validation, requisitions will be converted to a Gila County purchase order, forwarded to the respective vendor and notification of issuance will be conveyed to the requesting department or elected office.

Reporting

The Finance Department will prepare a report on a weekly basis highlighting all purchase orders with a value exceeding \$5,000 that was released over the past calendar. This report will be submitted to the first regular Board of Supervisors meeting of each month.

Subject: PROCUREMENT --PURCHASING	Policy Number	Page
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APPROVED:

BOARD OF SUPERVISORS

Michael A. Pastor, Chairman

Attest:

Marian Sheppard, Clerk

Approved as to form:

Bryan Chambers
Deputy County Attorney/Civil Bureau Chief

**GILA COUNTY
COUNTYWIDE POLICIES & PROCEDURES
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Note: Policies in black have been adopted by the BOS. Policies in blue are being presented to the BOS for adoption. Policies in red are pending, so the number and name may change.

ADMINISTRATIVE - 003		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-ADM-001	DEVELOPMENT, REVIEW & APPROVAL OF POLICIES & PROCEDURES	
BOS-ADM-002	COMPUTING AND COMMUNICATION TECHNOLOGY USE AND ETHICS	8/5/2014
BOS-ADM-003	VACANT	
BOS-ADM-004	VACANT	
BOS-ADM-005	COUNTY VEHICLE USE & TAKE HOME ADMINISTRATION	

CLERK OF THE BOARD - 004		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-COB-001	MINUTES OF THE BOARD OF SUPERVISORS' MEETINGS	8/5/2014
BOS-COB-002	BOARDS, COMMISSIONS & COMMITTEES	2/5/2013
BOS-1-2005	REQUEST FOR PUBLIC RECORDS (New# BOS-COB-003 & name change to ACCESS TO PUBLIC RECORDS)	12/13/2005
BOS-COB-003	ACCESS TO PUBLIC RECORDS	
BOS-COB-004	CALL TO THE PUBLIC (BOS-1-2009 approved 02/17/09) revised	9/3/2013

ELECTIONS - 006		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
ELS-001	ELECTION SECURITY AND INTEGRITY	6/5/2012

FINANCE - 007		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-FIN-001	DEPARTMENTAL BANK ACCOUNTS	9/20/2011
BOS-FIN-002	PROCUREMENT CONTRACTS	9/20/2011
BOS-FIN-003	PROCUREMENT PURCHASING	9/30/2014
BOS-FIN-004	VACANT	
BOS-FIN-005	CAPITALIZATION OF FIXED ASSETS	8/20/2012
BOS-FIN-006	TRAVEL & RELATED EXPENSES	
BOS-FIN-007	CREDIT CARD ISSUANCE & USE	
BOS-FIN-008	FUNDS TRANSFER	8/20/2012
BOS-FIN-009	FUND BALANCE	8/20/2012
BOS-FIN-010	CASH RECEIPT & DEPOSITS	8/20/2012
BOS-FIN-011	MILEAGE REIMBURSEMENT	

BOS-FIN-012	VACANT	
BOS-FIN-013	MEMBERSHIPS IN PROFESSIONAL ASSOCIATIONS REIMBURSEMENT	
BOS-FIN-014	DISPOSAL OF FIXED ASSETS & INVENTORY	8/20/2012
BOS-3-2005	ACCEPTING AND ADMINISTERING GRANTS (name change to GRANTS MANAGEMENT and new policy number BOS-FIN-015)	12/13/2005
BOS-FIN-015	GRANTS MANAGEMENT	
BOS-FIN-016	COMMUNITY AGENCY & ECONOMIC DEVELOPMENT FUNDING	2/5/2013

HUMAN RESOURCES - 009

<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-HRS-001	TEMPORARY EMPLOYEES	
BOS-HRS-002	EMERGENCY EMPLOYEES	
BOS-HRS-003	VOLUNTEERS	
BOS-HRS-004	NEW EMPLOYEE ORIENTATION	
BOS-HRS-005	PAYROLL TIME REPORTING	
BOS-HRS-006	PAYROLL AUTHORIZATIONS	9/20/2011
BOS-HRS-007	DISCLOSURE OF CONFLICT OF INTEREST (name change to Conflict of Interest and new policy number of BOS-HRS-140 on 8/5/14)	1/22/2013
BOS-HRS-008	PREVENTION OF WORK PLACE VIOLENCE	
BOS-HRS-009	AUTHORIZED POSITION LIST	
BOS-HRS-010	VACANT	
BOS-HRS-110	EQUAL OPPORTUNITY UNLAWFUL DISCRIMINATION, HARRASSMENT AND RETALIATION	12/17/2013
BOS-HRS-115	AMERICANS WITH DISABILITIES AND REASONABLE ACCOMMODATION	12/17/2013
BOS-HRS-140	CONFLICT OF INTEREST	8/5/2014
BOS-HRS-410	COMPENSATION PLAN	4/29/2014
BOS-HRS-415	CLASSIFICATION PLAN	4/29/2014

SAFETY, SECURITY & EMERGENCY - 010

<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-SSE-001	NOTIFICATION IN EMERGENCY SITUATIONS	
BOS-SSE-002	FACILITIES SECURITY PLAN	
BOS-SSE-003	DISASTER EVACUATION PLAN	
BOS-SSE-004	INCIDENT REPORTING	
BOS-SSE-005	BOMB THREATS	
BOS-SSE-006	DISASTER DRILLS	
BOS-SSE-007	HOSTILE INTRUDER	
<i>BOS-SSE-008</i>	<i>VACANT</i>	
BOS-SSE-009	BUILDING ACCESS-KEY & CARD ISSUANCE	
BOS-SSE-010	HAZARDOUS MATERIAL CONTROL	
BOS-SSE-011	HANDICAPPED ACCESSIBILITY	

ARF-2762

2. C.

Work Session

Meeting Date: 09/30/2014

Submitted For: Jeffrey Hessenius

Submitted By: Jeannie Sgroi, Contracts Administrator, Finance Division

Department: Finance Division

Fiscal Year: 2014-2015

Budgeted?: Yes

Contract Dates TBD

Grant?: No

Begin & End:

Matching No

Fund?: Renewal

Requirement?:

Information

Request/Subject

Approval to purchase a modular structured building to relocate existing County departments and personnel from private leased offices to County property.

Background Information

At the August 6, 2013, Board of Supervisors' regular meeting, the Board of Supervisors authorized staff to explore various alternatives for acquiring additional office space, including, if appropriate, submitting proposals on properties that would subsequently be considered by the Board for final approval.

At the Board's February 25, 2014, work session, the Board of Supervisors reviewed and discussed the 1st Amendment to the Long Range Facilities Management Plan. Per the request of the Board of Supervisors to explore other options to alleviate the need for the County to lease private office space, Gila County contracted with L. Brevick Enterprises, Inc. to prepare a second update to the Long Range Facilities Management Plan.

Amendment No. 2 to the Long Range Facilities Management Plan was presented to the Board of Supervisors for review and discussion at the July 29, 2014, work session.

Evaluation

When Amendment No. 2 to the Long Range Facilities Management Plan was presented to the Board of Supervisors for review and discussion at the July 29, 2014, work session, Supervisor Marcanti stated that another avenue to consider might be to purchase and install a modular building at either the Gila County shop area or on the 4 Amigos property. The goal is to reduce or eliminate the County's requirement to lease private office space. Chairman Pastor directed Steve Stratton, Public Works Division Director, to provide an update to the Board of Supervisors on the 2nd Amendment options within six to eight weeks.

Mr. Stratton requested the Purchasing staff to obtain pricing on modular buildings that would meet the requirements above and would otherwise fit the "footprint" of the Gila County shop location or 4 Amigos property. Purchasing staff located a used 20,160 square foot (SF) modular building offered by Modular Solutions, Ltd.

Modular Solutions, Ltd. is under a U.S. General Services Administration (GSA) Contract, which Gila County can utilize as a government entity, subject to the Board of Supervisors amending the current Board approved BOS-FIN-003 Procurement - Purchasing policy to include County use of GSA contracts. In order to utilize a GSA contract, once the Board has approved the amended policy, the following requirements must apply:

- a). The price is equal to or less than the contractor's current federal supply contract price.
- b). The contractor has indicated in writing that the contractor is willing to extend the current federal supply contract pricing, terms and conditions.
- c). The purchase order adequately identifies the federal supply contract on which the order is based.
- d). It is cost-effective and in the best interest of the County.

Modular Solutions has indicated that all of the above requirements apply to this purchase.

This modular building would be large enough to house the Probation Department and the Guerrero Building staff; thereby, it would free-up the Guerrero Building to house Child Support staff. A budget quote was also obtained from ESB Modular Mfg., which has a contract with the Mohave Educational Services Cooperative (MESOC) of which Gila County is a member.

Conclusion

Gila County currently pays \$160,729.92 annually for leased space to house the Probation Department. The total space currently being leased is 9,213 SF. The existing lease agreement provides either party the option to exercise a sixty (60) day notice to the other to terminate the agreement. The budget estimate provided by ESB Modular Mfg. for a new 8,000 SF building was \$1,000,000 plus or minus 10% for the building alone, and between \$1.4 million and \$1.6 million for the complete project including the delivery and set up. As a result, the most cost effective approach that would benefit Gila County would be to acquire the 20,160 SF existing modular building from Modular Solutions, Ltd.

Recommendation

Staff recommends that the Board of Supervisors approve the purchase of a 20,160 SF used modular building from Modular Solutions, Ltd. in the amount of \$482,094.87. Thereby reducing the amount of private office space currently being leased by Gila County, and the relocation of the Probation, Finance, Human Resources and Library District departments and personnel to the newly acquired modular building. The Guerrero Building would then be available to backfill and relocate the Child Support department and personnel.

Suggested Motion

Information/Discussion/Action to approve the purchase of a 20,160 square-foot used modular building from Modular Solutions, Ltd. in the amount of \$482,094.87, thereby reducing the amount of private office space currently being rented by Gila County because the Probation, Finance, Human Resources and Library District departments and personnel will be relocated to the newly acquired modular building.

(Jeff Hassenius and Steve Stratton)

Attachments

ESB Budget Quote

Modular Solutions Quote

Cost Analysis-Itemed Cost Sheet

Modular Solutions GSA Contract

Modular Solutions GSA Contract Modification to Extend Contract Term

Modular Solutions GSA Information for Ordering Activities

4 Amigos Appraisal

Michaelson Building Appraisal

Legal Explanation

Sgroi, Jeannie

From: Sgroi, Jeannie
Sent: Friday, September 05, 2014 10:10 AM
To: Sgroi, Jeannie
Subject: FW: Gila County Building
Attachments: Gila County2.plan.pdf

ESB Budget quote

From: Stratton, Steve
Sent: Thursday, September 04, 2014 8:10 AM
To: Sgroi, Jeannie
Subject: FW: Gila County Building

From: Jeff Bohnenkamp [<mailto:jeff@esbmodular.com>]
Sent: Thursday, August 14, 2014 1:03 PM
To: Stratton, Steve
Subject: Gila County Building

Steve:

Please see the attached floor plan to see if you like it. (This is just the one we came up with and can be changed to whatever you like)

Budget price for the 8,000 SF building would be approx \$1,000,000.00 (+/-10%)

Average site budget is approx \$300,000.00. As we have not seen the site, we are just giving you a figure to add into your budget.

I would recommend budgeting between \$1.4 million and \$1.6 million for the complete project.

I hope this helps.

Please let me know how this looks.

If you have any questions or require additional information, please do not hesitate to contact me. Thank you for considering ESB Modular for your building needs.

Sincerely,
Jeff Bohnenkamp
Sr. Project Administrator

ESB Modular Mfg.
11280 W Adonis Road
Marana, AZ 85658

Gila County Finance
Guerrero Building
1400 E. Ash Street
Globe, AZ 85501

rev date:
09/18/14

ITEM #	DESCRIPTION	UNIT	RETAIL	DISCOUNT (%)	GSA PRICE	QUANTITY	SUB TOTAL
OMI- USE	120' x 168' Used Modular	EA.	\$350,000.00	\$17,500.00	\$332,500.00	1.00	\$332,500.00
F2364	FLOOR COVERING BY OTHERS	SQ. YD.	\$15.77	0.05	\$15.09	0.00	\$0.00
OMI	STATE PLAN REVIEW (INC IN FEES)	EA.	\$350.00	0.05	\$335.01	0.00	\$0.00
OMI	PAD & PIER FOUNDATION PLANS (INC IN FEES)	EA.	\$500.00	0.05	\$478.59	0.00	\$0.00
FS4358	SHOP DRAWINGS / AS-BUILTS FOR CERTIFICATION	EA.	\$3,354.74	0.05	\$3,211.09	1.00	\$3,211.09
FS4352	ADD A.P.E. OR NICET STAMP ON DRAWING	EA.	\$511.32	0.05	\$489.42	1.00	\$489.42
FS4354	ON SITE CONNECTING AND TESTING 60-100 MILES	EA.	\$1,636.23	0.05	\$1,566.16	1.00	\$1,566.16
FS4359	EXTERIOR BELL WIRE & CONNECT ON SITE	EA.	\$1,953.68	0.05	\$1,870.02	1.00	\$1,870.02
FS4350	SPRINKLER SYSTEM INSTALLED PER NFPA 13	SQ. FT.	\$3.75	0.05	\$3.59	20160.00	\$72,362.72
CREDIT	RETROFIT ONLY (USE EXISTING CONDITIONS)	SQ. FT.	-\$2.75	0	-\$2.75	20160.00	-\$55,440.00
FS4301	CLASS-A 10 ZONE CONTROL PANEL	EA.	\$2,113.20	0.05	\$2,022.71	1.00	\$2,022.71
FS4358	SHOP DRAWINGS- FIRE ALARM	EA.	\$3,354.74	0.05	\$3,211.09	1.00	\$3,211.09
FS4303	12 VOLT 10 TO 18 AMP HOUR BATTERIES	EA.	\$277.82	0.05	\$265.92	2.00	\$531.85
FS4305	INTERIOR STROBE HORN COMBINATION	EA.	\$228.39	0.05	\$218.61	35.00	\$7,651.35
FS4304	BATTERY CABINET FOR LARGE BATTERIES	EA.	\$144.88	0.05	\$138.68	1.00	\$138.68

OMI FRT	TRANSPORT TO GLOBE, AZ FROM MARICOPA, INCLUDING OVERSIZE ESCORTS	EA.	\$1,100.00	\$55.00	\$1,045.00	19.00	\$19,855.00
OMI FRT	TRANSPORT TO GLOBE, AZ FROM PHOENIX, INCLUDING OVERSIZE ESCORTS	EA.	\$1,100.00	\$55.00	\$1,045.00	5.00	\$5,225.00
SET5017	"METRO"	SEAM	\$2,029.47	0.05	\$1,942.57	25.00	\$48,564.14
SET5020	REUSE EXISTING PIERS & PADS	EA.	\$15.65	0.05	\$14.98	0.00	\$0.00
SET5015	VENT - ABOVE GRADE	EA.	\$33.21	0.05	\$31.79	35.00	\$1,112.58
SET5027	VINYL SKIRTING PACKAGE(SUB WOOD)	LN. FT.	\$16.49	0.05	\$15.78	576.00	\$9,091.51
SET 5028	HURRICANE TIE DOWNS	EA.	\$112.44	0.05	\$107.63	60.00	\$6,457.51
SET 5032	PROJECT MANAGER	WEEKLY	\$1,973.68	0.05	\$1,889.16	3.00	\$5,667.49
SET5033	SITE SUPERINTENDENT	WEEKLY	\$2,315.79	0.05	\$2,216.63	3.00	\$6,649.88
							\$0.00
							\$0.00
E - OMI	SES FROM EXISTING SITE		\$0.00	0	\$0.00	0.00	\$0.00
	STORED AT OUR FACILITY	LS					
	NO WARRANTY						
M4213	ADD 26 GA GUTTERS AND DOWNSPOUTS	LN. FT.	\$10.66	0.05	\$10.20	336.00	\$3,428.38
				\$0.00	\$0.00		\$0.00
				\$0.00	\$0.00		\$0.00
				\$0.00	\$0.00		\$0.00
				\$0.00	\$0.00		\$0.00
				\$0.00	\$0.00		\$0.00
				\$0.00	\$0.00		\$0.00

SUBTOTAL \$476,166.59

*OMI is open market item

NO TAX ON BUILDING 8.6 % ALL OTHER FEES \$5,928.28

Bonding Fee Excluded at this time \$0.00

FREIGHT FEES SUBJECT TO ROUTING REQUIREMENTS

GRAND TOTAL \$482,094.87

*Used Modular Buildings quoted are subject to availability on award - # MS-357

Freight quote subject to routing at time of award, may be modified to meet current requirements

Used buildings are sold "as-is" no warranty expressed or implied

Installation price assumes clear, level accessible site conditions

Existing conditions apply to fire sprinklers, additional work may be required for final design & use

State plan review includes ONLY ONE submittal owner to provide all necessary documents for plan review & approval

Fire sprinkler on-site tie in assumes owner to stub underground at Riser POC & cap for tie in

Stand alone fire alarm system included (10) zone

Excavation /Backfill by OTHERS at this time

Utility Connections by OTHERS at this time

Performance & Payment bond fees excluded at this time, can be added upon request

Sales tax on used building are exempt, all other fees taxable at 6.6% Gila County & 2% Globe

ALL PERMITS by OTHERS at this time

EXCLUSIONS: Anything not listed

We thank you for this opportunity to propose available # MS-357

Please contact us with any questions:

Mitzi Garcia - Preconstruction

P O Box 15507 - Phoenix, AZ 85060-5507

(800) 441-8577 x 8210

mitzig@mod-sol.com

GSA CONTRACT # : GS-07F-0199L



Description	Qty.	Unit	Unit Cost	Total Cost
Relocate Used Modular Building (to old shop site)				
Single Story 168' x 120' modular building - used, transportation, erection and skirting included in price	20,160	sf	\$ 23.91	\$ 482,095
Foam, wire and stucco exterior installation	1	ea	\$ 27,000.00	\$ 27,000
New membrane roofing	20,160	sf	\$ 4.96	\$ 99,994
Remodel offices	10,000	sf	\$ 30.00	\$ 300,000
Replace ceiling	20,160	sf	\$ 3.00	\$ 60,480
Replace flooring	2,240	sy	\$ 25.00	\$ 56,000
Entrance stairs and landing	1	ea	\$ 475.00	\$ 475
Mail room ramp	1	ea	\$ 2,750.00	\$ 2,750
Entrance ramps, concrete and handrail	2	ea	\$ 4,750.00	\$ 9,500
Subtotal Used Modular Building	20,160	sf	\$ 27,561.87	\$ 1,038,294
Site Improvements				
Card access, camera and security systems	1	ea	\$ 50,000.00	\$ 50,000
Demolition of existing slabs and chain link fence - demo by Gila County personnel	1	lot	\$ -	\$ -
Relocate fuel tank	1	ea	\$ 15,000.00	\$ 15,000
6 chain link fence with two gates	200	ft	\$ 28.50	\$ 5,700
Site preparation and cleanup	1	lot	\$ 10,000.00	\$ 10,000
New ADOT standard railing	200	lf	\$ 218.00	\$ 43,600
Pave site with 4" thick reinforced concrete	44,300	sf	\$ 4.00	\$ 177,200
Stairs to Courthouse -20 ft elevation change	2	flts	\$ 17,500.00	\$ 35,000
6" tapping sleeve	1	ea	\$ 2,250.00	\$ 2,250
6 " buried fire line	200	ft	\$ 44.22	\$ 8,844
4" buried fire line	100	ft	\$ 23.50	\$ 2,350
Trench and backfill	300	ft	\$ 23.00	\$ 6,900
Fire hydrant	1	ea	\$ 8,000.00	\$ 8,000
Electrical service to building				
Landscaping and Utilities	1	lot	\$ 45,000.00	\$ 45,000
Subtotal Site Improvements				\$ 409,844
Subtotal Construction Costs				\$ 1,448,138
Design and Management Fees -By Gila County staff				\$ 50,000
Subtotal of Project Cost				\$ 1,498,138
Contingency - 10% of Project Cost				\$ 149,814
Total Estimated Project Cost				\$ 1,647,952

Stop rent on 1100 E. Monroe Bldg - yearly rental cost	(\$160,000)
Sell Michaelson Building - one time savings	(\$130,000)



U.S. GENERAL SERVICES ADMINISTRATION
Greater Southwest Region

April 18, 2001

Modular Solutions, LTD.
Attn: Mr. Lorenzo Chavez
3640 East Turney Avenue
Phoenix, AZ 85018

Dear FSS Contractor:

Congratulations on receiving your Federal Supply Schedule contract. In addition to a copy of your contract, number GS-07F-0199L, effective 4/19/01, for Schedule 539, Solutions and More (SAM), FSC 54 - Prefabricated Structures and Outdoor Smoking Shelters, awarded under solicitation 7FXP-D4-01-0539-B (SAM), the following items are enclosed:

- Your commercial catalog and/or price list, as accepted by the Government.
- A start-up kit for transmitting your electronic files for inclusion in GSA Advantage!™, our on-line shopping service at <https://www.gsaadvantage.gov> or you will be provided instructions on how to download the application and instructions from the Vendor Support Center website. Prior to transmitting these files, you **MUST** first register with the VSC by logging on to the web site at <http://vsc.fss.gsa.gov> and execute the on-line registration found under Register your contract On-line. This registration must be accomplished in order for you to receive clearance to transmit catalog files into GSA Advantage. This User ID and Password will be for the exclusive purpose of submitting catalog files. A separate User ID and Password will be needed to report sales data, as instructed in the Contractor's Report of Sales paragraph listed below. You must transmit these files to GSA within 6 months after receipt of this letter.

The following clauses in your contract require your immediate attention:

- I-FSS-600, CONTRACT PRICE LISTS, provides instructions for preparing, printing, and distributing paper Federal Supply Schedule Price Lists and for transmitting electronic data for inclusion in GSA Advantage!™. (Also, refer to 52.238-71, SUBMISSION AND DISTRIBUTION OF AUTHORIZED FSS SCHEDULE PRICELISTS and I-FSS-599, ELECTRONIC COMMERCE-FACNET for additional information).
 - When mailing your price list and cover page notices, please forward one copy to the following address:
GSA, FSS, Schedules Information Center
1941 Jefferson Davis Highway
FMLI – Room A-1
Washington, DC 20406
- 552.238-74, CONTRACTOR'S REPORT OF SALES, provides instructions for reporting sales electronically to the FSS Vendor Support Center (VSC) website at

Fritz G. Lanham Federal Building, 819 Taylor Street, Fort Worth, TX 76102-6195



<http://vsc.fss.gsa.gov>. You **MUST** contact the VSC immediately to register your contract award information. Register through the link on the main page of the 72a web site at <http://72a.fss.gsa.gov>. Click on "Registration" from the Support Center menu or use the special link flagged "NEW" near the top of the page. You will receive an e-mail confirming your registration. This registration ID and Password will **ONLY** be used for reporting 72A sales. The User ID and Password assigned for 72A reporting is not to be confused with the separate ID and Password established for catalog file submissions to GSA Advantage. Special care should be taken to not use these IDs and Passwords interchangeably.

- 552.238-76, INDUSTRIAL FUNDING FEE, provides instructions for remitting a fee based on your sales reports, as required by your contract. We have enclosed guidelines to assist you in submitting your payments.

The contract is subject to the Equal Opportunity Clause 52.222-26. The Equal Opportunity Clause requires that the enclosed Equal Opportunity poster be displayed in a conspicuous place available to employees and applicants for employment. Subcontractors must similarly display the EEO poster. Prime contractors and subcontractors are required to file the Equal Employment Opportunity Employer Information Report EEO-1, Standard Form 100, (enclosed) in accordance with the instructions accompanying the form. Mail completed EEO-1 forms to the following address:

Equal Employment Opportunity Commission
Joint Reporting Committee
1801 L. St., NW
Washington, DC 20507
(202) 663-4958

Information is enclosed regarding GSA's "Vendor Express" program, which establishes contractor payment via Direct Deposit/Electronic Funds Transfer (DD/EFT). Note that the "Vendor Express" application must be returned to the General Services Administration, Kansas City, Missouri, address shown in the enclosure.

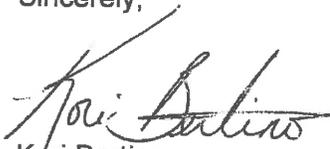
We look forward to forming a marketing partnership with you. To assist us in this endeavor, please provide your company's corporate marketing point of contact to your contracting officer and to the Federal Supply Service, Office of Business Management and Marketing, Marketing Services Division (FMR), CM4, Room 607, 1941 Jefferson Davis Highway, Arlington, Virginia 22202, within 15 days from the date of this letter.

As our business partner, you may use the "GSA Federal Supply Service Identifier" to identify your Schedule contract to the Federal community. The design is flexible allowing you space to insert your contract number under the GSA/FSS Identifier. The use of the identifier is restricted to identifying your GSA/FSS Schedule Contract to Government contract users. It is not to be used in any advertising as an expressed or implied endorsement by the Government of any supply and/or service, either under contract or for any other purpose. There are six optional GSA/FSS Identifiers to choose from which you may access on the worldwide web at <http://www.fss.gsa.gov/logo>.

We invite you to visit the FSS Schedules website at <http://www.fss.gsa.gov/schedules>. Your firm will be listed as an FSS contractor under the "Schedules E-Library." You may search this site by contractor name, contract number, service or product name or number, or schedule name or number.

If you should have any questions, please do not hesitate to contact me at 817-978-8376 or via Email at kori.bertino@gsa.gov. Again, we look forward to working with you.

Sincerely,

A handwritten signature in cursive script that reads "Kori Bertino". The signature is written in black ink and is positioned above the printed name.

Kori Bertino
Contract Specialist (7FXPI-K7)

Enclosures



U.S. GENERAL SERVICES ADMINISTRATION
Pacific Rim Region

MODULAR SOLUTIONS LTD
ATTN: KATHY HART
3640 EAST TURNEY AVENUE
PHOENIX, AZ 85018

SUBJECT: New Multiple Award Schedule Contract GS- 07F-0199L

Dear CONTRACT ADMINISTRATOR:

On Apr 19, 2001, MODULAR SOLUTIONS LTD was awarded General Services Administration (GSA) Contract GS- 07F-0199L, which includes clauses pertaining to the submission of sales data and the Industrial Funding Fee (IFF) under the contract. These clauses require that you report to GSA, on a quarterly basis, the dollar value of Sales under the contract. The Sales Report is due (within) 30 days following the end of each standard business quarter (January - March, April - June, July - September and October - December) and is to be submitted electronically on GSA's Vendor Support Center (VSC) Internet Web site: <http://72a.fss.gsa.gov>. If no sales occurred under the contract, zero (0) is to be submitted for each applicable Special Item Number. Before a report can be submitted, you must obtain a password from the VSC either via <http://72a.fss.gsa.gov> and clicking on "Registration" or by calling the VSC at tel. (703) 305-6235. Apr01-Jun01 is the first quarter to submit a sales report due July 1 thru July 30 to be counted on time - if submitted on the last day of a month with 31 days such as July, Oct or Jan it is late.

Concurrent with reporting quarterly sales, a check for the IFF (1% of contract sales) is to be made payable and remitted to:

General Services Administration
Accounts Receivable Branch (6BCR)
P.O. Box 70500
Chicago, IL 60673-0500

In accordance with contractual requirements, the contract number(s) and report quarter(s) covered by each IFF check must be annotated on the check or on accompanying documentation. For any check which includes fees for multiple contracts or report periods, annotation must specify the amount applicable to each contract and each report period. Failure to appropriately annotate checks may prevent us from crediting your account correctly. Please be advised an IFF check sent through the mail will need to be sent before the 30th day after the quarter to be at the Chicago lockbox to be counted on time for the historical report. We encourage you to remit your IFF via Electronic Funds Transfer (EFT). For information about this method of payment call GSA at 816-926-5377 or 800-676-3690 (option 2).

I will be monitoring the timely receipt of your Sales Reports and IFF submissions. During the term of the contract, GSA may elect to have a GSA representative visit your facility to verify purchase orders received. JESS WEIGEL is the Industrial Operational Analysis, GSA representative.

Please be advised of the need for the contractor Point of Contact (POC) to be able to demonstrate to a GSA representative the process the contractor uses to track contract Sales. The process has to be consistent, verifiable and able to capture all the contract data (i.e. credit card, fax, phone, mail, distributors, BPA, ITT, Eligible Agencies). The company's system should allow going to the source documents and trace how those documents are compiled into the 72A Sales Reports. The POC may find it helpful to keep a file with a copy of all checks or Electronic Fund Transfers (EFT) sent to GSA, the front and back side of returned 1% Industrial Funding Fee (IFF) checks, ledger of sales to GSA and a printout of the Web site data entry screen that displays, "Please Print This Page For Your Records!" and that shows the date sales were submitted.

If you experience technical difficulty submitting your sales report, contact the VSC at tel. (703) 305-6235, FAX (703) 305-7944 or e-mail vondor.support@vsc.gsa.gov for assistance. If the problem is not resolved within 24 hours, or if you have any questions about the sales report or the Industrial Funding Fee, you may contact me by telephone at (415) 522-4364, via e-mail at george.thomas@gsa.gov, by facsimile at (415) 522-2816, or in writing at the following address: Phillip Burton Federal Building and U.S. Courthouse
450 Golden Gate Avenue, San Francisco, CA 94102-3434



FAX TO 602-952-9627

5-2-2001
2 of 2

General Services Administration, FSS
Contract Management Division (9FQC)
ATTN: George Thomas, Contract Administrator
450 Golden Gate Avenue, 4th Floor West
San Francisco, CA 94102-3400

I look forward to working with you to ensure timely and complete contract performance.

Sincerely,


George Thomas
Contract Administrator

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

OFFEROR TO COMPLETE BLOCKS 12, 17, & 30

1. REQUISITION NUMBER
N/A

PAGE 1 OF 46

2. CONTRACT NO.
Upon execution, number will appear on Page 1A.

3. AWARD/EFFECTIVE DATE

4. ORDER NUMBER
N/A

5. SOLICITATION NUMBER
Refreshed
7FXP-D4-01-0539-B

6. SOLICITATION ISSUE DATE
December 1, 2000

FOR SOLICITATION INFORMATION CALL →

a. NAME
Frank Lioce, 7FXPM-D4
Cheryl Goff, 7FXPI-S5

b. TELEPHONE NUMBER (No collect calls)
817-978-4544
817-978-8608

8. OFFER DUE DATE/ LOCAL TIME
N/A

9. ISSUED BY

CODE

10. THIS ACQUISITION IS
See Attachments

- UNRESTRICTED
- SET ASIDE % FOR
- SMALL BUSINESS
- SMALL DISADV. BUSINESS
- 8 (A)

SIC: See Attachments

SIZE STANDARD:
See Attachments

11. DOMESTIC DELIVERY:
See Attachments

INTERNATIONAL DELIVERY:
See Attachments

13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)

13b. RATING

14. METHOD OF SOLICITATION

RFQ IFB RFP

12. DISCOUNT TERMS

Minimum: Net 30 Days
Other: 1% 10 Days

GSA, General Products Center
Schedule Contracting Division (7FXP)
819 Taylor Street, Room 6A24
Fort Worth, TX 76102-6114

Address offers to the address above.

Complete shaded boxes on this page.

15. DELIVER TO

CODE

To be shown on each order issued under any contract resulting from this solicitation.

16. ADMINISTERED BY

See attached Page 1A of any contract resulting from this solicitation.

17a. CONTRACTOR/OFFEROR NAME AND ADDRESS

CODE

FACILITY CODE

Modular Solutions, LTD.
3640 East Turney Avenue
Phoenix, AZ 85018

18a. PAYMENT WILL BE MADE BY

CODE

See Block 15.

952-8741
PHONE NO.

(602)952-8741
FAX NO.

93-7795235
DUNS

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED SEE ADDENDUM

19. ITEM NO.

20. SCHEDULE OF SUPPLIES/SERVICES

21. QUANTITY

22. UNIT

23. UNIT PRICE

24. AMOUNT

Do not complete Blocks 19 through 24, see schedule of supplies/items/services in the product/services attachments. (Attach Additional Sheets as Necessary)

25. ACCOUNTING AND APPROPRIATION DATA

See Block 15

26. TOTAL AWARD AMOUNT (For Govt. Use Only)

Indefinite

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED.

ADDENDA ARE ARE NOT ATTACHED.

27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED.

ADDENDA ARE ARE NOT ATTACHED.

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 2 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

29. AWARD OF CONTRACT: REFERENCE _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5)

INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH

HEREIN, IS ACCEPTED AS TO ITEMS: **See attached continuation page(s) beginning on Page 1A.**

30a. SIGNATURE OF OFFEROR/CONTRACTOR

Joe Hart

30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)
Joe Hart / President

30c. DATE SIGNED
12/29/00

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)

Upon execution, signature will appear on Page 1A.

31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT)

31c. DATE SIGNED

32a. QUANTITY IN COLUMN 21 HAS BEEN

RECEIVED INSPECTED ACCEPTED AND CONFORMS TO THE CONTRACT. EXCEPT AS NOTED

33. SHIP NUMBER

34. VOUCHER NUMBER

35. AMOUNT VERIFIED CORRECT FOR

36. PAYMENT

COMPLETE PARTIAL FINAL

37. CHECK NUMBER

38. S/R ACCOUNT NUMBER

39. S/R VOUCHER NUMBER

40. PAID BY

42a. RECEIVED BY (Print)

42b. RECEIVED AT (Location)

42c. DATE REC'D (YY/MM/DD)

42d. TOTAL CONTAINERS

32b. SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE

32c. DATE

CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT

41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER

41c. DATE

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (VRS), Office of Federal Acquisition Policy, GSA, Washington, DC 20405.	OMB No.: 9000-0136 Expires: 9/30/98
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This page reserved for use at time of award as applicable.

52.212-4

CONTRACT TERMS AND CONDITIONS—COMMERCIAL ITEMS (MAY 1999)

- (a) **Inspection/Acceptance.** The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its postacceptance rights (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.
- (b) **Assignment.** The Contractor or its assignee's rights to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).
- (c) **Changes.** Changes in the terms and conditions of this contract may be made only by written agreement of the parties.
- (d) **Disputes.** This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.
- (e) **Definitions.** The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.
- (f) **Excusable delays.** The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.
- (g) **Invoice.** The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized,) to the address designated in the contract to receive invoices. An invoice must include—
- (1) Name and address of the Contractor;
 - (2) Invoice date;
 - (3) Contract number, contract line item number and, if applicable, the order number;
 - (4) Description, quantity, unit of measure, unit price and extended price of the items delivered;
 - (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
 - (6) Terms of any prompt payment discount offered;
 - (7) Name and address of official to whom payment is to be sent; and
 - (8) Name, title, and phone number of person to be notified in event of defective invoice.
- Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.
- i) **Patent indemnity.** The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

- (i) **Payment.** Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. If the Government makes payment by Electronic Funds Transfer (EFT), see 52.212-5(b) for the appropriate EFT clause. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.
- (j) **Risk of loss.** Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:
- (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or
 - (2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.
- (k) **Taxes.** ~~The contract price includes all applicable Federal, State, and local taxes and duties.~~ The contract price excludes all Federal, State, and local taxes and duties levied on or measured by the contract or sales price of the services or completed supplies furnished under this contract. The Contractor shall state separately on its invoices taxes excluded from the contract price, and the Government agrees either to pay the amount of taxes to the Contractor or provide evidence necessary to sustain an exemption. See FAR clauses 52.229-1, State and Local Taxes; 52.229-3, Federal, State, and Local Taxes; and 52.229-5, Taxes—Contracts performed in U.S. Possessions or Puerto Rico which are incorporated herein by reference. For contracts covering overseas locations, see clause I-FSS-314, Foreign Taxes and Duties.
- (l) **Termination for the Government's convenience.** The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.
- (m) **Termination for cause.** The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.
- (n) **Title.** Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.
- (o) **Warranty.** The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.
- (p) **Limitation of liability.** Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.
- (q) **Other compliances.** The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.
- (r) **Compliance with laws unique to Government contracts.** The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327, et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

- (s) Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order: (1) the schedule of supplies/services; (2) the Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws Unique to Government Contracts paragraphs of this clause; (3) the clause at 52.212-5; (4) addenda to this solicitation or contract, including any license agreements for computer software; (5) solicitation provisions if this is a solicitation; (6) other paragraphs of this clause; (7) the Standard Form 1449; (8) other documents, exhibits, and attachments; and (9) the specification.
- (t) The following clauses are incorporated by reference:
- | | |
|-------------|--|
| 52.233-1 | DISPUTES (DEC 1998) |
| 52.202-1 | DEFINITIONS (OCT 1995) |
| 52.229-1 | STATE AND LOCAL TAXES (APR 1984) |
| 52.229-3 | FEDERAL, STATE, AND LOCAL TAXES (JAN 1991) |
| 52.229-5 | TAXES—CONTRACTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO (APR 1984) |
| 52.203-3 | GRATUITIES (APR 1984) |
| 52.204-4 | PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER (AUG 2000) |
| 52.215-20 | REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997) (ALTERNATE IV—OCT 1997) (VARIATION I—SEP 1999) |
| 52.215-21 | REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA—MODIFICATIONS (OCT 1997) (ALTERNATE IV—OCT 1997) (VARIATION I—AUG 1997) |
| 52.216-18 | ORDERING (OCT 1995) |
| 52.216-22 | INDEFINITE QUANTITY (OCT 1995) |
| 52.222-1 | NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997) |
| 52.232-17 | INTEREST (JUN 1996) 52.232-37 MULTIPLE PAYMENT ARRANGEMENTS (MAY 1999) |
| 52.242-13 | BANKRUPTCY (JUL 1995) |
| 52.247-58 | LOADING, BLOCKING, AND BRACING OF FREIGHT CAR AND TRAILER-ON-FLAT CAR (PIGGYBACK) SHIPMENTS (DEVIATION—OCT 1984) |
| 552.211-73 | MARKING (FEB 1996) |
| 552.211-74 | CHARGES FOR MARKING (FEB 1996) |
| 552.211-75 | PRESERVATION, PACKAGING, AND PACKING (FEB 1996) |
| 552.211-77 | PACKING LIST (FEB 1996) |
| 552.211-82 | NOTICE OF SHIPMENT (FEB 1996) |
| 552.232-23 | ASSIGNMENT OF CLAIMS (SEP 1999) |
| 552.232-74 | INVOICE PAYMENTS (SEP 1999) |
| 552.246-73 | WARRANTY—MULTIPLE AWARD SCHEDULE (MAR 2000) |
| C-FSS-425 | WORKMANSHIP (OCT 1988) |
| D-FSS-469 | PARTS (APR 1984) |
| D-FSS-471 | MARKING AND DOCUMENTATION REQUIREMENTS PER SHIPMENT (APR 1984) |
| D-FSS-477 | TRANSSHIPMENTS (APR 1984) |
| F-FSS-772 | CARLOAD SHIPMENTS (APR 1984) |
| G-FSS-906 | VENDOR MANAGED INVENTORY (VMI) PROGRAM (MAS) (JAN 1999) |
| G-FSS-907 | ORDER ACKNOWLEDGEMENT (APR 1984) |
| G-FSS-910 | DELIVERIES BEYOND THE CONTRACTUAL PERIOD—PLACING OF ORDERS (OCT 1988) |
| I-FSS-50 | PERFORMANCE REPORTING REQUIREMENTS (FEB 1995) |
| I-FSS-60 | PERFORMANCE INCENTIVES (APRIL 2000) |
| I-FSS-140-B | URGENT REQUIREMENTS (JAN 1994) |
| I-FSS-249-B | DEFAULT (MAY 2000) |
| I-FSS-550-B | YEAR 2000 WARRANTY—COMMERCIAL SUPPLY ITEMS (JAN 1999) |
| I-FSS-680 | DISSEMINATION OF INFORMATION BY CONTRACTOR (APR 1984) |
| FSS-918 | IMPREST FUNDS (PETTY CASH) (MAY 2000) |

Data Sheet prior to award may result in the apparently successful offeror being considered nonresponsible and ineligible for award.

- (e) If, after award, there is a change in the composition of the item(s) or a revision to Federal Standard No. 313, which renders incomplete or inaccurate the data submitted under paragraph (d) of this clause, the Contractor shall promptly notify the Contracting Officer and resubmit the data.
- (f) Neither the requirements of this clause nor any act or failure to act by the Government shall relieve the Contractor of any responsibility or liability for the safety of Government, Contractor, or subcontractor personnel or property.
- (g) Nothing contained in this clause shall relieve the Contractor from complying with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits) in connection with hazardous material.
- (h) The Government's rights in data furnished under this contract with respect to hazardous material are as follows:
 - (1) To use, duplicate and disclose any data to which this clause is applicable. The purposes of this right are to—
 - (i) Apprise personnel of the hazards to which they may be exposed in using, handling, packaging, transporting, or disposing of hazardous materials;
 - (ii) Obtain medical treatment for those affected by the material; and
 - (iii) Have others use, duplicate, and disclose the data for the Government for these purposes.
 - (2) To use, duplicate, and disclose data furnished under this clause, in accordance with subparagraph (h)(1) of this clause, in precedence over any other clause of this contract providing for rights in data.
 - (3) The Government is not precluded from using similar or identical data acquired from other sources.
- i) Except as provided in paragraph (i)(2) the Contractor shall prepare and submit a sufficient number of Material Safety Data Sheets (MSDS's), meeting the requirements of 29 CFR 1910.1200(g) and the latest version of Federal Standard No. 313, for all hazardous materials identified in paragraph (b) of this clause.
 - (1) For items shipped to consignees, the Contractor shall include a copy of the MSDS with the packing list or other suitable shipping document which accompanies each shipment. Alternatively, the Contractor is permitted to transmit MSDS's to consignees in advance of receipt of shipments by consignees, if authorized in writing by the Contracting Officer.
 - (2) For items shipped to consignees identified by mailing address as agency depots, distribution centers or customer supply centers, the Contractor shall provide one copy of the MSDS's in or on each shipping container. If affixed to the outside of each container, the MSDS must be placed in a weather resistant envelope.

52.225-13

RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUL 2000)

- (a) The Contractor shall not acquire, for use in the performance of this contract, any supplies or services originating from sources within, or that were located in or transported from or through, countries whose products are banned from importation into the United States under regulations of the Office of Foreign Assets Control, Department of the Treasury. Those countries are Cuba, Iran, Iraq, Libya, North Korea, Sudan, the territory of Afghanistan controlled by the Taliban, and Serbia (excluding the territory of Kosovo).
- (b) The Contractor shall not acquire for use in the performance of this contract any supplies or services from entities controlled by the government of Iraq.
- (c) The Contractor shall insert this clause, including this paragraph (c), in all subcontracts.

52.212-71

CONTRACT TERMS AND CONDITIONS APPLICABLE TO GSA ACQUISITION OF COMMERCIAL ITEMS (JUL 2000) (Local Deviation Jul 2000)

The Contractor agrees to comply with any provision or clause that is incorporated herein by reference to implement agency policy applicable to acquisition of commercial items or components. The provision or clause in effect based on the applicable regulation cited on the date the solicitation is issued applies unless otherwise stated herein. The following provisions and clauses are incorporated by reference:

(a) Provisions.

_____ 552.237-70 Qualifications of Offerors

(b) Clauses.

 X 552.203-71 Restriction on Advertising

 X 552.211-73 Marking

_____ 552.215-70 Examination of Records by GSA

 X 552.215-71 Examination of Records by GSA (Multiple Award Schedule)

 X 552.215-72 Price Adjustment—Failure to Provide Accurate Information

_____ 552.219-70 Allocation of Orders—Partially Set-Aside Items

 * 552.228-70 Workers' Compensation Laws (See Full Text Version in Attachment 27)

_____ 552.229-70 Federal, State, and Local Taxes

 X 552.232-8 Discounts for Prompt Payment

 X 552.232-23 Assignment of Claims

_____ 552.232-71 Adjusting Payments

_____ 552.232-72 Final Payment

_____ 552.232-73 Availability of Funds

_____ 552.237-71 Qualifications of Employees

 * 552.238-71 Submission and Distribution of Authorized FSS Schedule Price List (See Full Text Version in Basic Solicitation)

 * 552.232-78 Payment Information (See Full Text Version in Basic Solicitation)

 * 552.238-74 Contractor's Report of Sales (See Full Text Version in Basic Solicitation)

 * 552.238-75 Price Reductions (See Full Text Version in Basic Solicitation)

_____ 552.242-70 Status Report of Orders and Shipments

 * 552.243-72 Modifications (Multiple Award Schedule) (See Full Text Version in Basic Solicitation)

 X 552.246-73 Warranty—Multiple Award Schedule

_____ 552.246-76 Warranty of Pesticides

552.216-70

**ECONOMIC PRICE ADJUSTMENT—FSS MULTIPLE AWARD SCHEDULE
CONTRACTS (SEP 1999) (ALTERNATE I—SEP 1999) (Local Deviation Sep 1999)**

Price adjustments include price increases and price decreases. Adjustments will be considered as follows:

- (a) Contractors shall submit price decreases anytime during the contract period in which they occur. Price decreases will be handled in accordance with the provisions of the Price Reduction Clause.
- (b) Contractors may request price increases ~~to be effective on or after the first 12 months of the contract period~~ providing all of the following conditions are met:
 - (1) Increases resulting from a reissue or other modification of the Contractor's commercial catalog/pricelist that was used as the basis for the contract award.
 - (2) ~~No more than three increases will be considered during each succeeding 12-month period of the contract. (For succeeding contract periods of less than 12 months, up to three increases will be considered subject to the other conditions of this subparagraph (b)).~~
 - (3) Increases are requested before the last 60 days of the contract period.
 - (4) At least 30 days elapse between requested increases.
- (c) ~~In any contract period during which price increases will be considered, the aggregate of the increases during any 12-month period shall not exceed * _____ * percent of the contract unit price in effect at the end of the preceding 12-month period. The Government reserves the right to raise the ceiling when market conditions during the contract period support such a change.~~
- (d) The following material shall be submitted with the request for a price increase:
 - (1) A copy of the commercial catalog/pricelist showing the price increase and the effective date for commercial customers.
 - (2) Commercial Sales Practice format regarding the Contractor's commercial pricing practice relating to the reissued or modified catalog/price-list, or a certification that no change has occurred in the data since completion of the initial negotiation or a subsequent submission.
 - (3) Documentation supporting the reasonableness of the price increase.
- (e) The Government reserves the right to exercise one of the following options:
 - (1) Accept the Contractor's price increases as requested when all conditions of (b), (c), and (d) of this clause are satisfied;
 - (2) Negotiate more favorable discounts from the new commercial prices when the total increase requested is not supported; or,
 - (3) Remove the product(s) from contract involved pursuant to the Cancellation Clause of this contract, when the increase requested is not supported.
- (f) The contract modification reflecting the price adjustment shall be ~~signed by the Government and made effective upon receipt of notification from the Contractor that the new catalog/pricelist has been mailed to the addressees previously furnished by~~ signature of the Contracting Officer, provided that in no event shall such price adjustment be effective prior to the effective date of the commercial price increases. The increased contract prices shall apply to delivery orders issued to the Contractor on or after the effective date of the contract modification.

552.216-72

PLACEMENT OF ORDERS (SEP 1999) (ALTERNATE II—SEP 1999)

- (a) The organizations listed below may place orders under this contract. Questions regarding organizations authorized to use this schedule should be directed to the Contracting Officer.
 - (1) Executive agencies.
 - (2) Other Federal Agencies.
 - (3) Mixed-ownership Government corporations.

- (4) The District of Columbia.
- (5) Government Contractors authorized in writing by a Federal agency pursuant to 48 CFR 51.1.
- (6) Other activities and organizations authorized by statute or regulation to use GSA as a source of supply.
- (b) Orders may be placed through Electronic Data Interchange (EDI) or mailed in paper form. EDI orders shall be placed using the American National Standards Institute (ANSI) X12 Standard for Electronic Data Interchange (EDI) format.
- (c) If the Contractor agrees, GSA's Federal Supply Service (FSS) will place all orders by EDI using computer-to-computer EDI. If computer-to-computer EDI is not possible, FSS will use an alternative EDI method allowing the Contractor to receive orders by facsimile transmission. Subject to the Contractor's agreement, other agencies may place orders by EDI.
- (d) When computer-to-computer EDI procedures will be used to place orders, the Contractor shall enter into one or more Trading Partner Agreements (TPA) with each Federal agency placing orders electronically in order to ensure mutual understanding by the parties of certain electronic transaction conventions and to recognize the rights and responsibilities of the parties as they apply to this method of placing orders. The TPA must identify, among other things, the third party provider(s) through which electronic orders are placed, the transaction sets used, security procedures, and guidelines for implementation. Federal agencies may obtain a sample format to customize as needed from the office specified in (g) below.
- (e) The Contractor shall be responsible for providing its own hardware and software necessary to transmit and receive data electronically. Additionally, each party to the TPA shall be responsible for the costs associated with its use of third party provider services.
- (f) Nothing in the TPA will invalidate any part of this contract between the Contractor and the General Services Administration. All terms and conditions of this contract that otherwise would be applicable to a mailed order shall apply to the electronic order.
- (g) The basic content and format of the TPA will be provided by:

General Services Administration
 Acquisition Operations and Electronic Commerce Center (FCS)
 Washington, DC 20406

Telephone: (703) 305-7741
 FAX: (703) 305-7720

552.216-73 ORDERING INFORMATION (SEP 1999) (ALTERNATE II—SEP 1999)

- (a) In accordance with the Placement of Orders clause of this solicitation, the offeror elects to receive orders placed by GSA's Federal Supply Service (FSS) by either [X] facsimile transmission or [] computer-to-computer Electronic Data Interchange (EDI).
- (b) An offeror electing to receive computer-to-computer EDI is requested to indicate below the name, address, and telephone number of the representative to be contacted regarding establishment of an EDI interface.

N/A

- (c) An offeror electing to receive orders by facsimile transmission is requested to indicate below the telephone number(s) for facsimile transmission equipment where orders should be forwarded.

(602) 952-9741

- (d) For mailed orders, the offeror is requested to include the postal mailing address(es) where paper form orders should be mailed.

3640 E. TURNEY AVENUE

PHOENIX, AZ 85018

- (e) Offerors marketing through dealers are requested to indicate below whether those dealers will be participating in the proposed contract.

YES []

NO [X]

If "yes" is checked, ordering information to be inserted above shall reflect that in addition to offeror's name, address, and facsimile transmission telephone number, orders can be addressed to the offeror's name, c/o nearest local dealer. In this event, two copies of a list of participating dealers shall accompany this offer, and shall also be included in Contractor's Federal Supply Schedule pricelist.

552.223-72 HAZARDOUS MATERIAL INFORMATION (SEP 1999)

Offeror shall indicate for each national stock number (NSN) the following information:

NSN	DOT SHIPPING NAME	DOT HAZARD CLASS	DOT LABEL REQUIRED
NONE	_____	_____	Yes [] No []
_____	_____	_____	Yes [] No []
_____	_____	_____	Yes [] No []

**552.232-77 PAYMENT BY GOVERNMENT COMMERCIAL PURCHASE CARD (MAR 2000)
(ALTERNATE I—MAR 2000)**

- (a) Definitions.

"Governmentwide commercial purchase card" means a uniquely numbered credit card issued by a contractor under GSA's Governmentwide Contract for Fleet, Travel, and purchase Card Services to named individual Government employees or entities to pay for official Government purchases.

"Oral order" means an order placed orally either in person or by telephone.

- (b) The Contractor must accept the Governmentwide commercial purchase card for payments equal to or less than the micro-purchase threshold (see Federal Acquisition Regulation 2.101) for oral or written orders under this contract.
- (c) The Contractor and the ordering agency may agree to use the Governmentwide commercial purchase card for dollar amounts over the micro-purchase threshold, and the Government encourages the Contractor to accept payment by the purchase card. The dollar value of a purchase card action must not exceed the ordering agency's established limit. If the Contractor will not accept payment by the purchase card for an order exceeding the micro-purchase threshold, the Contractor must so advise the ordering agency within 24 hours of receipt of the order.
- (d) The Contractor shall not process a transaction for payment through the credit card clearinghouse until the purchased supplies have been shipped or services performed. Unless the cardholder requests correction or replacement of a defective or faulty item under other contract requirements, the Contractor must immediately credit a cardholder's account for items returned as defective or faulty.
- (e) Payments made using the Governmentwide commercial purchase card are not eligible for any negotiated prompt payment discount. Payment made using a Government debit card will receive the applicable prompt payment discount.

552.232-78 PAYMENT INFORMATION (JUL 2000)

The General Services Administration (GSA) makes information on contract payments available electronically at <http://www.finance.gsa.gov>. The Contractor may register at the site and review its record of payments. This site provides information only on payments made by GSA, not by other agencies.

**552.238-71 SUBMISSION AND DISTRIBUTION OF AUTHORIZED FSS SCHEDULE PRICELISTS
(SEP 1999)**

- (a) **Definition.** For the purposes of this clause, the Mailing List is (see product/services attachments for mail list codes).
- (b) The Contracting Officer will return one copy of the Authorized FSS Schedule Pricelist to the Contractor with the notification of contract award.
- (c) (1) The Contractor shall provide to the GSA Contracting Officer:
 - (i) Two paper copies of Authorized FSS Schedule Pricelist; and
 - (ii) The Authorized FSS Schedule Pricelist on a common-use electronic medium. The Contracting Officer will provide detailed instructions for the electronic submission with the award notification. Some structured data entry in a prescribed format may be required.
- (2) The Contractor shall provide to each addressee on the mailing list either:
 - (i) One paper copy of the Authorized FSS Schedule Price List; or
 - (ii) A self-addressed, postage-paid envelope or postcard to be returned by addressees that want to receive a paper copy of the pricelist. The Contractor shall distribute price lists within 20 calendar days after receipt of returned requests.
- (3) The Contractor shall advise each addressee of the availability of pricelist information through the on-line Multiple Award Schedule electronic data base.
- (d) The Contractor shall make all of the distributions required in paragraph (c) at least 15 calendar days before the beginning of the contract period, or within 30 calendar days after receipt of the Contracting Officer's approval for printing, whichever is later.
- (e) During the period of the contract, the Contractor shall provide one copy of its Authorized FSS Schedule Pricelist to any authorized schedule user, upon request. Use of the mailing list for any other purpose is not authorized.

552.238-73 CANCELLATION (SEP 1999)

Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 calendar days after the other party receives the notice of cancellation. If the Contractor elects to cancel this contract, the Government will not reimburse the minimum guarantee.

552.238-74 CONTRACTOR'S REPORT OF SALES (SEP 1999)

- (a) The Contractor must report the quarterly dollar value (in U.S. dollars and rounded to the nearest whole dollar) of all sales under this contract by calendar quarter (i.e., January-March, April-June, July-September, and October-December). The dollar value of a sale is the price paid by the schedule user for products and services on a schedule contract task or delivery order, as recorded by the Contractor. The reported contract sales value must include the industrial funding fee (see Clause 552.238-76).
- (b) The Contractor must report the quarterly dollar value of sales on electronic GSA Form 72A, Contractor's Report of Sales, to the FSS Vendor Support Center (VSC) Website at Internet, <http://VSC.gsa.gov>. The Contractor must report sales separately for each National Stock Number (NSN), Special Item Number (SIN), or subitem. If no sales occur, the Contractor must show zero on the report for each separate NSN, SIN, or subitem.
- (c) The Contractor must register with the VSC before using the automated reporting system. To register, the Contractor (or its authorized representative) must call the VSC at (703) 305-6235 and provide the necessary information regarding the company, contact name(s), and telephone number(s). The VSC will then issue a 72A specific password and provide other information needed to access the reporting system. Instructions for electronic reporting are available at the VSC Website or by calling the above phone number.
- (d) The Contractor must convert the total value of sales made in foreign currency to U.S. dollars using the "Treasury Reporting Rates of Exchange," issued by the U.S. Department of Treasury, Financial Management Service. The Contractor must use the issue of the Treasury report in effect on the last day of the calendar quarter. The report is available from:

Department of the Treasury
 Financial Management Service
 International Funds Branch
 3700 East-West Highway
 PGCII, Room 5A19
 Hyattsville, MD 20782
 Telephone: (202) 874-7994
 Internet: <http://www.fms.treas.gov/intn.html>

- (e) The report is due 30 days following the completion of the reporting period. The Contractor must also provide a close-out report within 120 days after the expiration of the contract. The contract expires upon physical completion of the last, outstanding task or delivery order of the contract. The close-out report must cover all sales not shown in the final quarterly report and reconcile all errors and credits. If the Contractor reported all contract sales and reconciled all errors and credits on the final quarterly report, then show zero sales in the close-out report.

552.238-75 PRICE REDUCTIONS (SEP 1999)

- (a) Before award of a contract, the Contracting Officer and the Offeror will agree upon (1) the customer (or category of customers) which will be the basis of award, and (2) the Government's price or discount relationship to the identified customer (or category of customers). This relationship shall be maintained throughout the contract period. Any change in the Contractor's commercial pricing or discount arrangement applicable to the identified customer (or category of customers) which disturbs this relationship shall constitute a price reduction.
- (b) During the contract period, the Contractor shall report to the Contracting Officer all price reductions to the customer (or category of customers) that was the basis of award. The Contractor's report shall include an explanation of the conditions under which the reductions were made.
- (c) (1) A price reduction shall apply to purchases under this contract if, after the date negotiations conclude, the Contractor—
- (i) Revises the commercial catalog, pricelist, schedule or other document upon which contract award was predicated to reduce prices;
 - (ii) Grants more favorable discounts or terms and conditions than those contained in the commercial catalog, pricelist, schedule or other documents upon which contract award was predicated; or
 - (iii) Grants special discounts to the customer (or category of customers) that formed the basis of award, and the change disturbs the price/discount relationship of the Government to the customer (or category of customers) that was the basis of award.
- (2) The Contractor shall offer the price reduction to the Government with the same effective date, and for the same time period, as extended to the commercial customer (or category of customers).
- (d) There shall be no price reduction for sales—
- (1) To commercial customers under firm, fixed-price definite quantity contracts with specified delivery in excess of the maximum order threshold specified in this contract;
 - (2) To Federal agencies; or
 - (3) Caused by an error in quotation or billing, provided adequate documentation is furnished by the Contractor to the Contracting Officer.
- (e) The Contractor may offer the Contracting Officer a voluntary Governmentwide price reduction at any time during the contract period.
- (f) The Contractor shall notify the Contracting Officer of any price reduction subject to this clause as soon as possible, but not later than 15 calendar days after its effective date.
- (g) The contract will be modified to reflect any price reduction which becomes applicable in accordance with this clause.

552.238-76 INDUSTRIAL FUNDING FEE (SEP 1999)

- (a) The Contractor must pay the Federal Supply Service, GSA, an industrial funding fee (IFF). The Contractor must remit the IFF in U.S. dollars within 30 days after the end of each quarterly reporting period as established in clause 552.238-74, Contractor's Report of Sales. The IFF equals 1% (one percent) of total quarterly sales reported. The IFF reimburses the GSA Federal Supply Service for the costs of operating the Federal Supply Schedules Program and recoups its operating costs from ordering activities. Offerors must include the IFF in their prices. The fee is included in the award price(s) and reflected in the total amount charged to ordering activities.
- (b) The Contractor must remit any monies due as a result of the close-out report required by Clause 552.238-74 at the time the close-out report is submitted to GSA.
- (c) The Contractor must pay the IFF amount due by check, or electronic funds transfer through the Automated Clearing House (ACH), to the "General Services Administration." If the payment involves multiple special item numbers or contracts, the Contractor may consolidate the IFFs into one payment. To ensure that the payment is credited properly, the Contractor must identify the check or electronic transmission as an "Industrial Funding Fee" and include the following information: contract number(s); report amount(s); and report period(s). If the Contractor makes payment by check, provide this information on either the check, check stub, or other remittance material.
- (1) If paying the IFF by check, the Contractor must forward the check to the following address:
- General Services Administration,
Accounts Receivable Branch
P.O. Box 70500
Chicago, IL 60673-0500.
- (2) If paying by electronic funds transfer through the ACH, the Contractor must call GSA, Financial Information Control Branch, Receivables, Collections and Sales Section (6BCDR) at 1-800-676-3690 to make arrangements.
- d) If the full amount of the IFF is not paid within 30 calendar days after the end of the applicable reporting period, it constitutes a contract debt to the United States Government under the terms of FAR 32.6. The Government may exercise all rights under the Debt Collection Act of 1982, including withholding or setting off payments and interest on the debt (see FAR 52.232-17, Interest).
- (e) If the Contractor fails to submit sales reports, falsifies sales reports, or fails to pay the IFF in a timely manner, the Government may terminate or cancel this contract. Willful failure or refusal to furnish the required reports, falsification of sales reports, or failure to pay the IFF timely constitutes sufficient cause for terminating the Contractor for cause under the termination provisions of this contract.

552.243-72 MODIFICATIONS (MULTIPLE AWARD SCHEDULE) (JUL 2000)

- (a) General. The Contractor may request a contract modification by submitting a request to the Contracting Officer for approval, except as noted in paragraph (d) of this clause. At a minimum, every request shall describe the proposed change(s) and provide the rationale for the requested change(s).
- (b) Types of Modifications.
- (1) Additional items/additional SIN's. When requesting additions, the following information must be submitted:
- (i) Information requested in paragraphs (1) and (2) of the Commercial Sales Practice Format to add SIN's.
- (ii) Discount information for the new items(s) or new SIN(s). Specifically, submit the information requested in paragraphs 3 through 5 of the Commercial Sales Practice Format. If this information is the same as the initial award, a statement to that effect may be submitted instead.
- (iii) Information about the new item(s) or new SIN(s) as described in 552.212-70, Preparation of Offer (Multiple Award Schedule) is required.

- (iv) Delivery time(s) for the new item(s) or the item(s) under the new SIN(s) must be submitted in accordance with 552.211-78, Commercial Delivery Schedule (Multiple Award Schedules).
 - (v) Production point(s) for the new item(s) or the item(s) under the new SIN(s) must be submitted if required by 52.215-6, Place of Performance.
 - (vi) Hazardous Material information (if applicable) must be submitted as required by 52.223-3 (ALT I), Hazardous Material Identification and Material Safety Data.
 - (vii) Any information requested by 52.212-3(f), Offerors Representations and Certifications—Commercial Items, that may be necessary to assure compliance with FAR 52.225-1, Buy American Act—Balance of Payments Programs—Supplies.
- (2) Deletions. The Contractors shall provide an explanation for the deletion. The Government reserves the right to reject any subsequent offer of the same item or a substantially equal item at a higher price during the same contract period, if the contracting officer finds the higher price to be unreasonable when compared with the deleted item.
- (3) Price Reduction. The Contractor shall indicate whether the price reduction falls under the item (i), (ii), or (iii) of paragraph (c)(1) of the Price Reductions clause at 552.238-75. If the Price reduction falls under item (i), the Contractor shall submit a copy of the dated commercial price list. If the price reduction falls under item (ii) or (iii), the Contractor shall submit a copy of the applicable price list(s), bulletins or letters or customer agreements which outline the effective date, duration, terms and conditions of the price reduction.
- (c) Effective dates. The effective date of any modification is the date specified in the modification, except as otherwise provided in the Price Reductions clause at 552.238-75.
- (d) Electronic File Updates. The Contractor shall update electronic file submissions to reflect all modifications. For additional items or SINS, the Contractor shall obtain the Contracting Officer's approval before transmitting changes. ~~Contract modifications will not be made effective until the Government receives the electronic file updates.~~ The Contractor may transmit price reductions, item deletions, and corrections without prior approval. However, the Contractor shall notify the Contracting Officer as set forth in the Price Reductions clause at 552.238-75.
- (e) Amendments to Paper Federal Supply Schedule Price Lists.
- (1) The Contractor must provide supplements to its paper price lists, reflecting the most current changes. The Contractor may either:
 - (i) Distribute a supplemental paper Federal Supply Schedule Price List within 15 workdays after the effective date of each modification.
 - (ii) Distribute quarterly cumulative supplements. The period covered by a cumulative supplement is at the discretion of the Contractor, but may not exceed three months from the effective date of the earliest modification. For example, if the first modification occurs in February, the quarterly supplement must cover February—April, and every 3 month period after. The Contractor must distribute each quarterly cumulative supplement within 15 workdays from the last day of the calendar quarter.
 - (2) At a minimum, the Contractor shall distribute each supplement to those ordering activities that previously received the basic document. In addition, the Contractor shall submit two copies of each supplement to the Contracting Officer and one copy to the FSS Schedule Information Center.

C-FSS-411

**FIRE OR CASUALTY HAZARDS, OR SAFETY OR HEALTH REQUIREMENTS
(OCT 1992)**

- (a) Items in this solicitation which involve fire or casualty hazards (e.g., items containing electrical components), or safety or health requirements, shall conform to the safety standards (if any) for such products issued by a nationally recognized standards developing organization. The offeror shall identify in the spaces below whether any such standards are applicable to the products offered, and if so, which standard(s) applies. (Check one).

- _____ 1. There are no nationally recognized safety standards which are applicable to any of the products offered under this solicitation.
- X 2. The safety standard(s) identified below are applicable to the following products offered under this solicitation:

Product	Standard
<u>STRUCTURES</u>	<u>NFPA</u>
_____	_____
_____	_____

There are no nationally recognized safety standards which are applicable to the other products offered (if any).

- (b) The offeror must furnish proof, satisfactory to the Government, that the products offered will conform with the requirements of the published safety standards. Acceptable proof of conformance includes a labeling, listing, or acceptance of the product by an organization approved by the Occupational Safety and Health Administration (OSHA) as a "Nationally Recognized Testing Laboratory" (NRTL). This conformance requirement must be maintained with respect to all applicable products furnished under resultant contracts.
- (c) Information regarding currently-approved NRTL's may be obtained by writing to the following:

NRTL Recognition Program
Office of Variance Determination
Occupational Safety and Health Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Room N-3653
Washington, DC 20210

(202) 219-7193

C-FSS-412 CHARACTERISTICS OF ELECTRIC CURRENT (MAY 2000)

Contractors supplying equipment which uses electrical current are required to supply equipment suitable for the electrical system at the location at which the equipment is to be used as specified on the order.

C-FSS-427 ANSI/ASTM STANDARDS (JUL 1991) (Local Deviation Feb 2000)

ANSI Standards cited in this solicitation may be obtained from the American National Standards Institute, Inc., 11 West 42nd Street, 13th Floor, New York, NY 10036 (Telephone: (212) 642-4900).

ASTM standards cited in this solicitation may be obtained from the American Society for Testing and Materials, 100 Barr Harbor Drive, West Conshohocken, PA 19428-2959. Telephone 610-832-9585, Fax: 610-832-9555, Web Site: www.astm.org, email: service@astm.org. Please note, ASTM charges for their services.

D-FSS-465 EXPORT PACKING (APR 1984)

- (a) Offerors are requested to quote, in the pricelist accompanying their offer (or by separate attachment), additional charges or net prices covering delivery of the items furnished with commercial and/or Government export packing. Government export packing, if offered, shall be in accordance with the applicable specifications for the commodity as specified in the purchase order. If commercial export packing is offered, the offer or pricelist shall include detailed specifications describing the packing to be furnished at the price quoted.
- (b) Ordering activities will not be obligated to utilize the Contractor's services for export packing accepted under this solicitation, and they may obtain such services elsewhere if desired. However, the Contractor shall furnish items export packed when such packing is specified on the purchase order.

E-FSS-516 PRODUCTION POINT AND INSPECTION INFORMATION (MAR 1990)

Offerors shall insert the following information for each item offered in the spaces provided below:

ITEM NO(S).	NAME OF MANUFACTURER	PRODUCTION POINT— NAME, ADDRESS (Including County), and TELEPHONE NUMBER	INSPECTION POINT (If other than Production Point)
N/A	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

F-FSS-202-F DELIVERY PRICES (APR 1984)

Prices offered must cover delivery to destinations as provided below:

- (a) Direct delivery to consignee. F.o.b. inland point, country of importation (FAR 52.247-39). (Offeror to indicate countries where direct delivery will be provided.)
- (b) Delivery to overseas assembly point for transshipment when specified by the ordering office, if delivery is not covered under paragraph (a), above.
- (c) Delivery to the overseas port of entry when delivery is not covered under paragraphs (a) or (b), above.

Offerors are requested to furnish below the geographic area(s)/countries/zones which are intended to be covered.

UNITED STATES

F-FSS-230 DELIVERIES TO THE U.S. POSTAL SERVICE (JAN 1994)

- (a) Applicability. This clause applies to orders placed for the U.S. Postal Service (USPS) and accepted by the Contractor for the delivery of supplies to a USPS facility (consignee).
- (b) Mode/Method of Transportation. Unless the Contracting Officer grants a waiver of this requirement, any shipment that meets the USPS requirements for mailability (i.e., 70 pounds or less, combined length and girth not more than 108 inches, etc.) delivery shall be accomplished via the use of the USPS. Other commercial services shall not be used, but this does not preclude the Contractor from making delivery by the use of the Contractor's own vehicles.
- (c) Time of Delivery. Notwithstanding the required time for delivery to destination as may be specified elsewhere in this contract, if shipments under this clause are mailed not later than five (5) calendar days before the required delivery date, delivery shall be deemed to have been made timely.

F-FSS-736-A EXPORT TRAFFIC RELEASE (OCT 1988)

Supplies ordered by GSA for export will not be shipped by the Contractor until shipping instructions are received from GSA. To obtain shipping instructions, the Contractor shall forward completed copies of GSA Form 1611, Application for Shipping Instructions and Notice of Availability, to the GSA office designated on the purchase order at least 15 days prior to the anticipated shipping date. Copies of GSA Form 1611 will be furnished to the Contractor with the purchase order. Failure to comply with this requirement could result in nonacceptance of the material by authorities at the port of exportation. When supplies for export are ordered by other Government agencies the Contractor should obtain shipping instructions from the ordering agency.

G-FSS-900-C CONTACT FOR CONTRACT ADMINISTRATION (MAY 2000) (Local Deviation Jun 2000)

Offerors should complete paragraphs (a) and (b) if providing both domestic and overseas delivery. Complete paragraph (a) if providing domestic delivery only. Complete paragraph (b) if providing overseas delivery only.

Please note that the contract administrator named in this contract is responsible for overall compliance with contract clauses, including 552.238-74, Contractor's Report of Sales, and 552.238-76, Industrial Funding Fee. The Contractor's designation of representatives to handle certain functions under this contract does not relieve the contract administrator of responsibility for compliance in these areas. Therefore, any contract compliance issues, including those concerning compliance with clauses 552.238-74 and 552.238-76 may be addressed directly to the contract administrator.

- (a) Offerors are required to designate a person to be contacted for prompt contract administration.

NAME JOE HART

TITLE PRESIDENT

ADDRESS 3640 E. TURNEY AVENUE / PHOENIX, AZ

ZIP CODE 85018

TELEPHONE NO. (602) 952-9741 FAX NO. (602) 952-9627

Please furnish the following information for individual(s) responsible for submission of the GSA Form 72A Contractor's Report of Sales (Reference Clause 552.238-74):

NAME KATHY HART

ADDRESS 3640 E TURNEY AVENUE / PHOENIX, AZ 85018

TELEPHONE NO. (602) 952-9741 FAX NO. (602) 952-9627

Please furnish the following information for individual(s) responsible for submission of, and/or questions concerning the Industrial Funding Fee remittances (Reference Clause 552.238-76):

NAME KATHY HART

ADDRESS 3640 E TURNEY AVENUE / PHOENIX, AZ 85018

TELEPHONE NO. (602) 952-9741 FAX NO. (602) 952-9627

- (b) Offerors are required to designate a person located in the overseas areas covered by this contract to be contacted for prompt contract administration. Overseas contact points are mandatory for local assistance with the resolution of any delivery, performance, or quality complaint from customer agencies. (Also, see the requirement in I-FSS-594, Parts and Service.) At a minimum, a contact point must be furnished for each area in which deliveries are contemplated, e.g., Europe, South America, Far East, etc.

NAME JOE HART

TITLE PRESIDENT

ADDRESS 3640 E. TURNEY AVENUE / PHOENIX, AZ

ZIP CODE 85018

TELEPHONE NO. (602) 952-9741 FAX NO. (602) 952-9627

G-FSS-903 E-MAIL AND WEBSITE URL ADDRESS(ES) (JUL 2000)

Offerors are requested to insert in the spaces below an e-mail address. The e-mail address must be where Government inquiries shall be directed. If your company uses multiple customer e-mail addresses for specific purposes, all such addresses should be included. This information is optional and will be utilized in Federal Supply Services' Schedule E-Library and to communicate with the Contractor.

NAME JOE HARTTITLE PRESIDENTADDRESS 3640 E. TURNEY AVENUE / PHOENIX, AZ 85018E-MAIL ADDRESS(ES) hjoe4@qwest.netWEBSITE URL ADDRESS(ES) uswestdex.com/iyp/modularsolutionsltdTELEPHONE NO. (602) 952-9741**FOR OFFICIAL USE ONLY**

GSA Contract Number _____

Schedule Number _____

Contracting Officer's name, e-mail address, phone number, fax number

_____**G-FSS-913 CONTRACTOR'S BILLING RESPONSIBILITIES (MAY 2000)**

The Contractor is required to perform all billings made pursuant to this contract. However, if the Contractor has dealers which participate on the contract, and the billing/payment process by the Contractor for sales made by the dealer is a significant administrative burden, the following alternative procedures may be used:

Where dealers are allowed by the Contractor to bill Government agencies and accept payment in the Contractor's name, the Contractor agrees to obtain from all dealers participating in the performance of the contract a written agreement which will require dealers to:

- (1) Comply with the same terms and conditions regarding prices as the Contractor, for sales made under the contract;
- (2) Maintain a system of reporting sales under the contract to the manufacturer which includes:
 - (a) the date of sale,
 - (b) the agency to which the sale was made,
 - (c) the product/model sold,
 - (d) the quantity of each product/model sold,
 - (e) the price at which it was sold, including discounts, and
 - (f) all other significant sales data;
- (3) Be subject to audit by the Government, with respect to sales made under the contract; and

- (4) Place orders and accept payment in the name of the Contractor, in care of the dealer.

An agreement between a Contractor and its dealers pursuant to this procedure will not establish privity of contract between dealers and the Government.

CERTIFICATION

I certify that all dealers participating in the performance of this contract have agreed that their performance will be in accordance with all terms and conditions regarding prices of the contract including the provisions listed above.

N/A

Name

Date

G-FSS-914-A CONTRACTOR'S REMITTANCE (PAYMENT) ADDRESS (MAY 2000)

Payment by electronic funds transfer (EFT) is the Government's preferred method of payment. However, under certain conditions, the Government may elect to make payment by check. The offeror shall indicate below, the payment (remittance) address to which Government checks should be mailed for payment of proper invoices submitted under a resultant contract.

PAYMENT ADDRESS:

MODULAR SOLUTIONS, LTD.
3640 E. TURNEY AVENUE
PHOENIX, AZ 85018

Offeror shall furnish by attachment to this solicitation, the payment addresses of all authorized participating dealers placing orders and accepting payment by check in the name of the Contractor in care of the dealer, if different from their ordering addresses specified elsewhere in this solicitation. If a dealer's ordering and remittance address differ, both must be furnished and identified as such.

All offerors are cautioned that if the remittance (payment) address shown on an actual invoice differs from that shown above or on the attachment, the remittance address(es) above or attached will govern. Payment to any other address, except as provided for through (EFT) payment methods, will require an administrative change to the contract.

PLEASE NOTE: All orders placed against a Federal Supply Schedule Contract are to be paid by the individual agency placing the order. Each order will cite the appropriate agency payment address, and proper invoices should be sent to that address. Proper invoices should be sent to GSA only for orders placed by GSA. Any other agency's invoices sent to GSA will only delay your payment.

I-FSS-40 CONTRACTOR TEAM ARRANGEMENTS (SEP 2000)

Contractors participating in contractor team arrangements must abide by all terms and conditions of their respective contracts. This includes compliance with Clauses 552.238-74, Contractor's Reports of Sales and 552.238-76, Industrial Funding Fee, i.e., each contractor (team member) must report sales and remit the IFF for all products and services provided under its individual contract.

I-FSS-103 SCOPE OF CONTRACT—WORLDWIDE (MAR 2000)

- (a) This solicitation is issued to establish contracts which may be used as sources of supplies or services described herein for domestic and/or overseas delivery.
- (b) Definitions—

Domestic delivery is delivery within the 48 contiguous states, Alaska, Hawaii, Puerto Rico and Washington, DC; and to a CONUS port or consolidation point for orders received from overseas activities.

Overseas delivery is delivery to points outside of the 48 contiguous states, Washington, DC, Alaska, Hawaii, and Puerto Rico.

(c) Offerors are requested to check one of the following boxes:

- Contractor will provide domestic and overseas delivery.
(Refer to clause I-FSS-108, Clauses for Overseas Coverage.)
- Contractor will provide overseas delivery only.
(Refer to clause I-FSS-108, Clauses for Overseas Coverage.)
- Contractor will provide domestic delivery only.

(d) Resultant contracts may be used on a nonmandatory basis by the following activities: Executive agencies; other Federal agencies, mixed-ownership Government corporations, and the District of Columbia; Government contractors authorized in writing by a Federal agency pursuant to 48 CFR 51.1; and other activities and organizations authorized by statute or regulation to use GSA as a source of supply. U.S. territories are domestic delivery points for purposes of this contract. (Questions regarding activities authorized to use this schedule should be directed to the Contracting Officer.)

(e) (1) The Contractor is obligated to accept orders received from activities within the Executive Branch of the Federal Government.

(2) The Contractor is not obligated to accept orders received from activities outside the Executive Branch of the Federal Government; however, the Contractor is encouraged to accept orders from such Federal activities. If the Contractor elects to accept such an order, all provisions of the contract shall apply, including clause 552.232-77, Payment by Governmentwide Commercial Purchase Card. If the Contractor is unwilling to accept such an order, and the proposed method of payment is not through the Purchase Card, the Contractor shall return the order by mail or other means of delivery with 5 workdays from receipt. If the Contractor is unwilling to accept such an order, and the proposed method of payment is through the Purchase Card, the Contractor must so advise the ordering agency within 24 hours of receipt of order. (Reference clause 552.232-77, Payment by Purchase Card (Alternate I)). Failure to return an order or advise the ordering agency within the time frames above shall constitute acceptance whereupon all provisions of the contract shall apply.

(f) The Government is obligated to purchase under each resultant contract a guaranteed minimum as specified in the clause I-FSS-106, Guaranteed Minimum, contained elsewhere in this contract.

NOTE: If the above clause, I-FSS-103, is present in a product/services attachment, the clause in the attachment will take precedence over the clause in the basic solicitation.

I-FSS-106 GUARANTEED MINIMUM (OCT 2000)

The minimum that the Government agrees to order during the period of this contract is \$2,500. If the Contractor receives total orders for less than \$2,500 during the term of the contract, the Government will pay the difference between the amount ordered and \$2,500.

- (a) Payment of any amount due under this clause shall be contingent upon the Contractor's timely submission of GSA Form 72A reports (see GSAR 552.238-74 "Contractor's Report of Sales") during the period of the contract and receipt of the close-out sales report pursuant to GSAR 552.238-74.
- (b) The guaranteed minimum applies only if the contract expires or contract cancellation is initiated by the Government. The guaranteed minimum does not apply if the contract is terminated for cause or if the contract is canceled at the request of the Contractor.

I-FSS-108 CLAUSES FOR OVERSEAS COVERAGE (MAY 2000)

The following clauses apply to overseas coverage.

52.214-34	Submission of Offers in the English Language
52.214-35	Submission of Offers in U.S. Currency
52.247-34	FOB Destination
52.247-38	FOB Inland Carrier, Country of Exportation
52.247-39	FOB Inland Point, Country of Importation

C-FSS-412	Characteristics of Electric Current
D-FSS-471	Marking and Documentation Requirements Per Shipment
D-FSS-477	Transshipments
F-FSS-202-F	Delivery Prices
I-FSS-314	Foreign Taxes and Duties
I-FSS-594	Parts and Service

I-FSS-109 ENGLISH LANGUAGE AND U.S. DOLLAR REQUIREMENTS (MAR 1998)

- (a) All documents produced by the Contractor to fulfill requirements of this contract including, but not limited to, Federal Supply Schedule catalogs and pricelists, must reflect all terms and conditions in the English language.
- (b) U.S. dollar equivalency, if applicable, will be based on the rates published in the "Treasury Reporting Rates of Exchange" in effect as of the date of the agency's purchase order or in effect during the time period specified elsewhere in this contract.

I-FSS-125 REQUIREMENTS EXCEEDING THE MAXIMUM ORDER (SEP 1999)

- (a) In accordance with FAR 8.404, before placing an order that exceeds the maximum order threshold, ordering offices shall—
- (1) Review additional schedule contractors' catalogs/price lists or use the "GSA Advantage!" on-line shopping service;
 - (2) Based upon the initial evaluation, generally seek price reductions from the schedule contractor(s) appearing to provide the best value (considering price and other factors); and
 - (3) After price reductions have been sought, place the order with the schedule contractor that provides the best value and results in the lowest overall cost alternative (see FAR 8.404(a)). If further price reductions are not offered, an order may still be placed, if the ordering office determines that it is appropriate.
- (b) Vendors may:
- (1) offer a new lower price for this requirement (the Price Reduction clause is not applicable to orders placed over the maximum order in FAR 52.216-19 Order Limitations.)
 - (2) offer the lowest price available under the contract; or
 - (3) decline the order (orders must be returned in accordance with FAR 52.216-19).
- (c) A delivery order that exceeds the maximum order may be placed with the Contractor selected in accordance with FAR 8.404. The order will be placed under the contract.
- (d) Sales for orders that exceed the Maximum Order shall be reported in accordance with GSAR 552.238-74.

I-FSS-163 OPTION TO EXTEND THE TERM OF THE CONTRACT (EVERGREEN) (APR 2000) (a)
The Government may require continued performance of this contract for an additional 5 year period when it is determined that exercising the option is advantageous to the Government considering price and other factors.. The option clause may not be exercised more than three times. When the option to extend the term of this contract is exercised the following conditions are applicable:

- (1) It is determined that exercising the option is advantageous to the Government considering price and the other factors covered in (2 through 4 below).
- (2) The Contractor's electronic catalog/pricelist has been received, approved, posted, and kept current on GSA Advantage!™ in accordance with clause I-FSS-600, Contract Price Lists.
- (3) Performance has been acceptable under the contract.
- (4) Subcontracting goals have been reviewed and approved.

- (b) The Contracting Officer may exercise the option by providing a written notice to the Contractor within 30 days, unless otherwise noted, prior to the expiration of the contract or option.
- (c) When the Government exercises its option to extend the term of this contract, prices in effect at the time the option is exercised will remain in effect during the option period, unless an adjustment is made in accordance with another contract clause (e.g., Economic Price Adjustment Clause or Price Reduction Clause).

I-FSS-314 FOREIGN TAXES AND DUTIES (DEC 1990)

Prices offered must be net, delivered, f.o.b. to the destinations accepted by the Government.

- (a) The offeror warrants that such prices do not include any tax, duty, customs fees, or other foreign Governmental costs, assessments, or similar charges from which the U.S. Government is exempt. The offeror further warrants that any applicable taxes duties, customs fees, other Government costs, assessments or similar charges from which the U.S. Government is not exempt are included in the prices quoted and that such prices are not subject to increases for any such charges applicable at the time of acceptance of this offer by the Government.
- (b) Standard commercial export packaging, including containerization, if necessary, packaging, preservation, marking are included in the pricing offered and accepted by the Government.

I-FSS-594 PARTS AND SERVICE (OCT 1988)

- (1) For equipment under items listed in the schedule of items or services on which offers are submitted, the offeror certifies by submission of this offer that parts and services (including the performing of warranty or guarantee service) are now available from dealers or distributors serving the areas of ultimate overseas destination or that such facilities will be established and will be maintained throughout the contract period. If a new servicing facility is to be established, the facility shall be established no later than the beginning of the contract period.
- (2) Each Contractor shall be fully responsible for the services to be performed by the named servicing facilities, or by such facilities to be established, and fully guarantees performance of such services if the original service proves unsatisfactory.
- (3) Offerors are requested to include in the pricelist, the names and addresses of all supply and service points maintained in the geographic area in which the Contractor will perform. Please indicate opposite each point whether or not a complete stock of repair parts for items offered is carried at that point, and whether or not mechanical service is available.

GEOGRAPHIC AREA
UNITED STATES

ADDRESS OF SUPPLY AND SERVICE POINT
5301 W. MADISON / PHOENIX, AZ 85043

It is desired to have available means for maintaining Government-owned items in satisfactory operating condition and to receive service at least as good as that extended to commercial customers.

I-FSS-597 GSA ADVANTAGE™ (SEP 2000)

- (a) The Contractor must participate in the GSA Advantage™ online shopping service. Information and instructions regarding contractor participation are contained in clause I-FSS-599, Electronic Commerce.
- (b) The Contractor also should refer to contract clauses 552.238-71, Submission and Distribution of Authorized GSA Schedule Pricelists (which provides for submission of pricelists on a common-use electronic medium), I-FSS-600, Contract Pricelists (which provides information on electronic contract data), and 552.243-72, Modifications (which addresses electronic file updates).

I-FSS-598 CENTRAL CONTRACTOR REGISTRATION (CCR) (OCT 1999)

To receive orders from the Department of Defense (DoD) contractors must be registered in the DoD CCR database (registration information is available at <http://www.ccr2000.com>). The CCR database is DoD's primary repository for contractor information required for the conduct of business with DoD. This requirement does not apply to purchases made with a Governmentwide commercial purchase card. (Refer to clause I-FSS-600, Contractor Price Lists, for additional information regarding CCR.)

I-FSS-599 ELECTRONIC COMMERCE—FACNET (APR 1997)

(a) General Background.

The Federal Acquisition Streamlining Act (FASA) of 1994 establishes the Federal Acquisition Computer Network (FACNET) requiring the Government to evolve its acquisition process from one driven by paperwork into an expedited process based on electronic commerce/electronic data interchange (EC/EDI). EC/EDI means more than merely automating manual processes and eliminating paper transactions. It can and will help to move business processes (e.g., procurement, finance, logistics, etc.) into a fully electronic environment and fundamentally change the way organizations operate.

(b) Trading Partners and Value-Added Networks (VAN's).

Within the FACNET architecture, electronic documents (e.g., orders, invoices, etc.) are carried between the Federal Government's procuring office and contractors (now known as "trading partners"). These transactions are carried by commercial telecommunications companies called Value-Added Networks (VAN's). Federal Government transactions are provided only to those VAN's that have been certified by DOD and connected to FACNET.

EDI can be done using commercially available hardware, software, and telecommunications. The selection of a VAN is a business decision contractors must make. There are many different VAN's which provide a variety of electronic services and different pricing strategies. If your VAN only provides communications services, you may also need a software translation package.

(c) Registration Instructions.

DOD will require Contractors to register as trading partners to do business with the Government. This policy can be reviewed via the INTERNET at <http://acq.osd.mil/ec/nwsltr.html>.

To do EDI with the Government, Contractors must register as a trading partner. Contractors will provide regular business information, banking information, and EDI capabilities to all agencies in this single registration. A central repository of all trading partners, called the **Central Contractor Registration (CCR)**, has been developed. All Government procuring offices and other interested parties will have access to this central repository. The database is structured to identify the types of data elements which are public information and those which are confidential and not releasable.

To register, contractors must provide their Dun and Bradstreet (DUNS) number. The DUNS number is available by calling 1(800)333-0505. It is provided and maintained free of charge and only takes a few minutes to obtain. Contractors will need to provide their Tax Identification Number (TIN). The TIN is assigned by the Internal Revenue Service by calling 1(800)829-1040. Contractors will also be required to provide information about company bank or financial institution for electronic funds transfer (EFT).

Contractors may register through their Value Added Network (VAN) using an American National Standards Institute (ANSI) ASC X12 838 transaction set, called a "Trading Partner Profile." A transaction set is a standard format for moving electronic data. VAN's will be able to assist contractors with registration. A list of certified VAN's and software providers is available from the Department of Defense (DOD) by calling 1(800)EDI-3414, or from the world wide web at http://www.acq.osd.mil/ec/van_list.html. Contractors who wish to register without going through a VAN may do so via the INTERNET at <http://ccr.edi.disa.mil>.

(d) Implementation Conventions.

All EDI transactions must comply with the Federal Implementation Conventions (IC's). Many VAN's and software providers have already built the IC requirements into their products. If you need to see the IC's, they are available on a registry maintained by the National Institute of Standards and Technology (NIST). It is accessible via the INTERNET at <http://snad.ncsl.nist.gov/dartg/edi/fededi.html>. IC's are available for common business documents such as Purchase Order, Price Sales Catalog, Invoice, Request for Quotes, etc.

e) Additional Information.

GSA has additional information available for vendors who are interested in starting to use EC/EDI. Contact the Contracting Officer for a copy of the latest handbook. Several resources are available to vendors to assist in implementing EC/EDI; specific addresses are available in the handbook or from the Contracting Officer.

- (1) Electronic Commerce Resource Centers (ECRC's) are a network of U.S. Government-sponsored centers that provide EC/EDI training and support to the contractor community. They are found in over a dozen locations around the country.
 - (2) Procurement Technical Assistance Centers (PTAC's) and Small Business Development Centers (SBDC's) provide management assistance to small business owners. Each state has several locations.
 - (3) Most major US cities have an EDI user group of companies who meet periodically to share information on EDI-related subjects.
- (f) GSA Advantage!TM
- (1) GSA Advantage!TM will use this FACNET system to receive catalogs, invoices and text messages; and to send purchase orders, application advice, and functional acknowledgments. GSA Advantage!TM enables customers to:
 - (i) Perform database searches across all contracts by manufacturer; manufacturer's model/part number; vendor; and generic product categories.
 - (ii) Generate their own EDI delivery orders to contractors, generate EDI delivery orders from the Federal Supply Service to contractors, or download files to create their own delivery orders.
 - (iii) Use the Federal IMPAC VISA.
 - (2) GSA Advantage!TM may be accessed via the GSA Home Page. The INTERNET address is: <http://www.gsa.gov>, or <http://www.fss.gsa.gov>.

I-FSS-600 CONTRACT PRICE LISTS (SEP 2000)

- (a) Electronic Contract Data
- (1) The Contractor will be provided a vendor start-up kit with instructions for submitting electronic contract data in a prescribed electronic format as required by clause 552.238-71, Submission and Distribution of Authorized FSS Schedule Price lists.
 - (2) The Contractor will have a choice to transmit its file submissions electronically through Electronic Data Interchange (EDI) in accordance with the Federal Implementation Convention (IC) or use the application provided. The Contractor's electronic files must be complete; correct; readable; virus-free; and contain only those products, prices, and terms and conditions that were accepted by the Government. They will be added to GSA's electronic ordering system known as GSA Advantage!TM, a menu-driven database system that provides on-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order. The Contractor's electronic files must be received no later than 6 months after award. Contractors should refer to clause I-FSS-597, GSA Advantage!TM for further information.
 - (3) Further details on EDI, ICs, and GSA Advantage!TM can be found in clause I-FSS-599, Electronic Commerce.
 - (4) The Contractor is encouraged to place the GSA identifier (logo) on their web site linking to the contractor's Federal supply Services' price list. The identifier URL is located at <http://www.fss.gsa.gov/partnership/>. All resultant "web price lists" shown on the contractor's web site must be in accordance with section (b)(3)(ii) of this clause and nothing other than what was accepted /awarded by the Government may be included.
- (b) Paper Federal Supply Schedule Price Lists
- (1) The Contractor must also prepare, print, and distribute a paper Federal Supply Schedule Price List as required by clause 552.238-71, Submission and Distribution of Authorized FSS Schedule Price Lists. This must be done as set forth in this paragraph (b).
 - (2) The Contractor must prepare a Federal Supply Schedule Price List by either:

- (i) Using the commercial catalog and/or price list as accepted by the Government, showing accepted discounts, and obliterating all items, terms, and conditions not accepted by the Government by lining out those items or by a stamp across the face of the item stating "NOT UNDER CONTRACT" or "EXCLUDED"; or
 - (ii) Composing a price list in which only those items, terms, and conditions accepted by the Government are included, and which contain only net prices, based upon the commercial price list less discounts accepted by the Government. In this instance, the Contractor must show on the cover page the notation "Prices Shown Herein are Net (discount deducted)".
- (3) The cover page of the Federal Supply Schedule Price List must include the following information prepared in the format set forth in this subparagraph (b)(3):

(i) GENERAL SERVICES ADMINISTRATION

Federal Supply Service

Authorized Federal Supply Schedule Price List

On-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order are available through GSA *Advantage!*TM, a menu-driven database system. The INTERNET address GSA *Advantage!*TM is: <http://www.GSAAdvantage.gov>.

Schedule Title

FSC Group, Part, and Section or Standard Industrial Group (as applicable)

FSC Class(es)/Product code(s) and/or Service Codes (as applicable)

Contract number

For more information on ordering from Federal Supply Schedules click on the FSS Schedules button at <http://www.fss.gsa.gov>.

Contract period.

Contractor's name, address, and phone number (include toll-free WATS number and FAX number, if applicable).

Contract administration source (if different from preceding entry).

Business size.

- (ii) CUSTOMER INFORMATION: The following information should be placed under this heading in consecutively numbered paragraphs in the sequence set forth below. If this information is placed in another part of the Federal Supply Schedule Price List, a table of contents must be shown on the cover page that refers to the exact location of the information.

- 1a. Table of awarded special item number(s) with appropriate cross-reference to page number(s).
- 1b. Identification of the lowest priced model number and lowest unit price for that model for each special item number awarded in the contract. This price is the Government price based on a unit of one, exclusive of any quantity/dollar volume, prompt payment, or any other concession affecting price. Those contracts that have unit prices based on the geographic location of the customer, should show the range of the lowest price, and cite the areas to which the prices apply.
- 2. Maximum order.
- 3. Minimum order.
- 4. Geographic coverage (delivery area).
- 5. Point(s) of production (city, county, and State or foreign country).
- 6. Discount from list prices or statement of net price.
- 7. Quantity discounts.
- 8. Prompt payment terms.
- 9a. Notification that Government purchase cards are accepted up to the micro-purchase threshold.

- 9b. Notification whether Government purchase cards are accepted or not accepted above the micro-purchase threshold.
 10. Foreign items (list items by country of origin).
 - 11a. Time of delivery. (Contractor insert number of days.)
 - 11b. Expedited Delivery. The Contractor will insert the sentence "Items available for expedited delivery are noted in this price list." under this heading. The Contractor may use a symbol of its choosing to highlight items in its price lists that have expedited delivery.
 - 11c. Overnight and 2-day delivery. The Contractor will indicate whether overnight and 2-day delivery are available. Also, the Contractor will indicate that the schedule customer may contact the Contractor for rates for overnight and 2-day delivery.
 - 11d. Urgent Requirements. The Contractor will note in its price list the "Urgent Requirements" clause of its contract and advise agencies that they can also contact the Contractor's representative to effect a faster delivery.
 12. F.o.b. point(s).
 13. Ordering address(es).
 14. Payment address(es).
 15. Warranty provision.
 16. Export packing charges, if applicable.
 17. Terms and conditions of Government purchase card acceptance (any thresholds above the micro-purchase level).
 18. Terms and conditions of rental, maintenance, and repair (if applicable).
 19. Terms and conditions of installation (if applicable).
 20. Terms and conditions of repair parts indicating date of parts price lists and any discounts from list prices (if applicable).
 - 20a. Terms and conditions for any other services (if applicable)
 21. List of service and distribution points (if applicable).
 22. List of participating dealers (if applicable).
 23. Preventive maintenance (if applicable).
 24. Environmental attributes, e.g., recycled content, energy efficiency, and/or reduced pollutants.
 25. Data Universal Number System (DUNS) number.
 26. Notification regarding registration in Central Contractor Registration (CCR) database.
- (4) Amendments to Federal Supply Schedule Price Lists must include on the cover page the same information as the basic document plus the title "Supplement No. (sequentially numbered)" and the effective date(s) of such supplements.
- (5) The Contractor must provide two of the Federal Supply Schedule Price Lists (including covering letters), to the Contracting Officer 30 days after the date of award. Accuracy of information and computation of prices is the

responsibility of the Contractor. NOTE: The obliteration discussed in subdivision (b)(2)(i) of this clause must be accomplished prior to the printing and distribution of the Federal Supply Schedule Price Lists.

- (6) A list of customer addresses who are interested in receiving the Federal Supply Schedule Price List will be furnished in the following manner (as specified by the Contracting Officer): (At the Contractor's request, more than one copy of the mailing list will be provided, for a fee.)

Automatically with the notification of contract award.

Only upon request from the Contractor.

The list of customer addresses is available in one of the following formats (as specified by the Contractor):

Cheshire Label (not available)

Gummed Label

Diskette—Mailing lists on diskette are available in ASCII and in the following record format only:

Field Name	Field Size
1. Customer ID No.	12
2. Agency Name	35
3. Address Line 1	35
4. Address Line 2	35
5. City	20
6. State	2
7. Zip Code	9

- (7) Inclusion of incorrect information (electronically or in paper) will cause the Contractor to reprint/resubmit/correct and redistribute the Federal Supply Schedule Price List, and may constitute sufficient cause for Cancellation, applying the provisions of 52.212-4, Contract Terms and Conditions (paragraph (m), Termination for Cause), and application of any other remedies as provided by law—including monetary recovery.
- (8) Distribution to the customer mailing list supplied by GSA must be made as set forth in paragraphs (c), (d), and (e) of clause 552.238-71, Submission and Distribution of Authorized FSS Schedule Price Lists. In addition, one copy of the Federal Supply Schedule Price List must be submitted to the FSS Information Center. The Contractor may also send Federal Supply Schedule Price Lists to agencies not on the GSA listing when there is reasonable expectation that sales to these agencies will be made.
- (9) The customer mailing list (identified by code) applicable to commodities that are included in this solicitation and the approximate number of price lists needed for distribution to addressees are listed below for the offeror's information.

MAILING LIST CODE	COMMODITY GROUP	APPROX. NO. OF COPIES
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See product/services attachments for mailing list codes, commodity groups, and approximate number of copies.

I-FSS-639 CONTRACT SALES CRITERIA (JUL 2000)

- (a) A contract will not be awarded unless anticipated sales are expected to exceed at least \$25,000 for a 1-year period.
- (b) Any resultant contract may be canceled in accordance with clause 552.238-73, Cancellation, unless reported sales are at least \$25,000 for a 1-year period.

- (c) Contracts awarded under a Federal Supply Schedule, new Special Item Number (SIN) or the Introduction of New Products/Services (INPS) SIN will be given a 2-year time period in lieu of the 1-year period in paragraphs (a) and (b).

I-FSS-644 DEALERS AND SUPPLIERS (OCT 1988)

When requested by the Contracting Officer, if other than the manufacturer, the offeror must submit prior to award of a contract, either (1) a letter of commitment from the manufacturer which will assure the offeror of a source of supply sufficient to satisfy the Government's requirements for the contract period, OR (2) evidence that the offeror will have an uninterrupted source of supply from which to satisfy the Government's requirements for the contract period.

I-FSS-646 BLANKET PURCHASE AGREEMENTS (MAY 2000)

Blanket Purchase Agreements (BPA's) can reduce costs and save time because individual orders and invoices are not required for each procurement but can instead be documented on a consolidated basis. The Contractor agrees to enter into BPA's with ordering activities provided that:

- (a) The period of time covered by such agreements shall not exceed the period of the contract including option year period(s);
- (b) Orders placed under such agreements shall be issued in accordance with all applicable regulations and the terms and conditions of the contract; and
- (c) BPAs may be established to obtain the maximum discount (lowest net price) available in those schedule contracts containing volume or quantity discount arrangements.

I-FSS-965 INTERPRETATION OF CONTRACT REQUIREMENTS (APR 1984)

No interpretation of any provision of this contract, including applicable specifications, shall be binding on the Government unless furnished or agreed to in writing by the Contracting Officer or his designated representative.

I-FSS-966 MULTIPLE AWARD SCHEDULE PRICE REDUCTION AND ECONOMIC PRICE ADJUSTMENT CLAUSE (DEC 1987)

Negotiations on multiple award schedule contracts are normally conducted on the basis of discounts from an established commercial pricelist from which substantial sales are made to the general public at the published prices. Accordingly, paragraph (b) of the Price Reduction clause requires certain actions based on changes in the discounts and commercial pricelists. Similarly, price increases allowed under the Economic Price Adjustment clause are triggered by the commercial pricelist used in negotiation of the Government contract. When evaluation, negotiation, and award are based on factors other than discounts from an established commercial price list, paragraph (b) of the Price Reduction clause and the entire Economic Price Adjustment clause are inapplicable and therefore are deleted from the contract.

END OF ADDENDUM TO 52.212-4

52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS (AUG 2000) (Local Deviation Aug 2000)

- (a) The Contractor shall comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisitions of commercial items:
 - (1) 52.222-3, Convict Labor (E.O. 11755).
 - (2) 52.233-3, Protest After Award (31 U.S.C. 3553).
- (b) The Contractor shall comply with the FAR clauses in this paragraph (b) which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:
 - (1) 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

- _____ (2) 52.219-3, Notice of Total HUBZone Small Business Set-Aside (JAN 1999)
- _____ (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JAN 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).
- _____ (4) (i) 52.219-5, Very Small Business Set-Aside (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).
- _____ (ii) Alternate I to 52.219-5.
- _____ (iii) Alternate II to 52.219-5.
- X (5) 52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637 (d)(2) and (3)).
- * (6) 52.219-9, Small Business Subcontracting Plan (15 U.S.C. 637 (d)(4))(See Full Text Version in Attachment 26)
- * (7) 52.219-14, Limitations on Subcontracting (15 U.S.C. 637(a)(14))(See Full Text Version in Attachment 26)
- _____ (8) (i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer.)
- _____ (ii) Alternate I of 52.219-23.
- _____ (9) 52.219-25, Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- _____ (10) 52.219-26, Small Disadvantaged Business Participation Program—Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- X (11) 52.222-21, Prohibition of Segregated Facilities (FEB 1999).
- X (12) 52.222-26, Equal Opportunity (E.O. 11246).
- X (13) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).
- X (14) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).
- X (15) 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).
- _____ (16) (i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C. 6962(c)(3)(A)(ii)).
- _____ (ii) Alternate I of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).
- _____ (17) 52.225-1, Buy American Act—Balance of Payments Program—Supplies (41 U.S.C. 10a-10d).
- _____ (18) (i) 52.225-3, Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).
- _____ (ii) Alternate I of 52.225-3.
- _____ (iii) Alternate II of 52.225-3.
- X (19) 52.225-5, Trade Agreements (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).

- * (20) 52.225-13, Restriction on Certain Foreign Purchases (E.O. 12722, 12724, 13059, 13067, 13121, and 13129)(See Full Text Version in Basic Solicitation)
- (21) 52.225-15, Sanctioned European Union Country End Products (E.O. 12849).
- (22) 52.225-16, Sanctioned European Union Country Services (E.O. 12849).
- (23) 52.232-33, Payment by Electronic Funds Transfer—Central Contractor Registration (31 U.S.C. 3332).
- (24) 52.232-34, Payment by Electronic Funds Transfer—Other than Central Contractor Registration (31 U.S.C. 3332).
- (25) 52.232-36, Payment by Third Party (31 U.S.C. 3332).
- (26) 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).
- (27) (i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).
- (ii) Alternate I of 52.247-64.
- (c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:
- * (1) 52.222-41, Service Contract Act of 1965, As amended (41 U.S.C. 351, et seq.)(See Full Text Version in Attachment 27)
- (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).
- * (3) 52.222-43, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.)(See Full Text Version in Attachment 27)
- (4) 52.222-44, Fair Labor Standards Act and Service Contract Act—Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).
- (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351, et seq.).
- (6) 52.222-50, Nondisplacement of Qualified Workers (Executive Order 12933).
- (d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.
- (1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.
- (2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.
- (3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components—

- (1) 52.222-26, Equal Opportunity (E.O. 11246);
- (2) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212);
- (3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793);
- (4) 52.247-64, Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996); and
- (5) 52.222-41, Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

552.212-72 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO GSA ACQUISITION OF COMMERCIAL ITEMS (JUL 2000)

The Contractor agrees to comply with any provision or clause that is incorporated herein by reference to implement provisions of law or Executive Orders applicable to acquisition of commercial items or components. The provision or clause in effect based on the applicable regulation cited on the date the solicitation is issued applies unless otherwise stated herein. The following provisions and clauses are incorporated by reference:

(a) Provisions.

* 552.223-72 Hazardous Material Information (See Full Text Version in Basic Solicitation)

(b) Clauses.

X 552.223-70 Hazardous Substances

X 552.223-71 Nonconforming Hazardous Material

552.238-70 Identification of Electronic Office Equipment Providing Accessibility for the Handicapped

X 552.238-72 Identification of Energy-Efficient Office Equipment and Supplies Containing Recovered Materials or Other Environmental Attributes

* 552.238-76 Industrial Funding Fee (See Full Text Version in Basic Solicitation)

52.212-1 INSTRUCTIONS TO OFFERORS—COMMERCIAL ITEMS (OCT 2000) (Local Deviation Oct 2000)

- (a) North American Industry Classification System (NAICS) code for this acquisition is (The product/services attachments will indicate applicable NAICS codes). The small business size standard (The product/services attachments will indicate small business size standard.) However, the small business size standard for a concern which submits an offer in its own name, but which proposes to furnish an item which it did not itself manufacture, is 500 employees.
- (b) Submission of offers. Submit signed and dated offers to the office specified in this solicitation. Offers must be submitted on the SF 1449 and shall include all subsequent pages following this form.
- (c) Period for acceptance of offers. The offeror agrees to hold the prices in its offer firm for 180 calendar days from the date specified for receipt of offers, unless another time period is specified in an addendum to the solicitation.
- (d) Product samples. When required by the solicitation, product samples shall be submitted at or prior to the time specified for receipt of offers. Unless otherwise specified in this solicitation, these samples shall be submitted at no expense to the Government, and returned at the sender's request and expense, unless they are destroyed during preaward testing.

- (e) Late modifications and revisions of offers.
- (1) Offerors are responsible for submitting any modifications and revisions so as to reach the Government office designated in the solicitation by the time specified.
 - (2) Any modification or revision received at the Government office designated in the solicitation after the exact time specified in the Government's request is "late" and will not be considered.
 - (3) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the offer wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.
 - (4) Offers may be withdrawn by written notice received at any time before award.
- (g) Contract award (not applicable to Invitation for Bids). The Government intends to evaluate offers and award a contract without discussions with offerors. Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. The Government may reject any or all offers if such action is in the public interest; accept other than the lowest offer; and waive informalities and minor irregularities in offers received.
- (h) Multiple awards. The Government may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may not be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.
- (i) Availability of requirements documents cited in the solicitation.
- (1)(i) Availability of requirements documents cited in the solicitation. (1)(i) The GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR Part 101-29, and copies of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained for a fee by submitting a request to--GSA Federal Supply Service Specifications Section, Suite 8100, 470 East L'Enfant Plaza, SW, Washington, DC 20407, Telephone (202) 619-8925, Facsimile (202) 619-8978.
 - (ii) If the General Services Administration, Department of Agriculture, or Department of Veterans Affairs issued this solicitation, a single copy of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained free of charge by submitting a request to the addressee in paragraph (i)(1)(i) of this provision. Additional copies will be issued for a fee.
 - (2) The DoD Index of Specifications and Standards (DoDISS) and documents listed in it may be obtained from the--Department of Defense Single Stock Point (DoDSSP), Building 4, Section D, 700 Robbins Avenue, Philadelphia, PA 19111-5094, Telephone (215) 697-2667/2179, Facsimile (215) 697-1462.
 - (i) Automatic distribution may be obtained on a subscription basis.
 - (ii) Order forms, pricing information, and customer support information may be obtained--
 - (A) By telephone at (215) 697-2667/2179; or
 - (B) Through the DoDSSP Internet site at <http://assist.daps.mil>.
 - (3) Nongovernment (voluntary) standards must be obtained from the organization responsible for their preparation, publication or maintenance.
- (j) Data Universal Numbering System (DUNS) Number. (Applies to offers exceeding \$25,000.) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address. If the offeror does not have a DUNS number, it should contact Dun and Bradstreet to obtain one at no charge. An offeror within the United States may call 1-800-333-0505. The offeror may obtain more information regarding the DUNS number, including locations of local Dun and Bradstreet Information Services offices for

offerors located outside the United States, from the Internet home page at <http://www.customerservice@dnb.com>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@mail.dnb.com.

(k) The following clauses are incorporated by reference:

- | | |
|------------|---|
| 52.222-3 | CONVICT LABOR (AUG 1996) |
| 52.233-3 | PROTEST AFTER AWARD (AUG 1996) A-FSS-41 INFORMATION COLLECTION REQUIREMENTS AND HOURS OF OPERATION (NOV 1999) |
| 52.222-24 | PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW (FEB 1999) |
| 552.233-70 | PROTESTS FILED DIRECTLY WITH THE GENERAL SERVICES ADMINISTRATION (MAR 2000) |

ADDENDUM TO 52.212-1

CI-FSS-2 SUBMISSION OF OFFERS—ADDITIONAL INSTRUCTIONS (MAR 1996)

Offerors are requested to submit a signed original and one (1) copy of SF-1449 together with all addenda and attachments complete in every respect with the exception of oversized blueprints, drawings, or similar documents attached to the solicitation. Oversized blueprints, drawings, or similar documents are not required to be duplicated for the purpose of submitting a duplicate copy of the offer to GSA.

52.214-34 SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE (APR 1991)

Offers submitted in response to this solicitation shall be in the English language. Offers received in other than English shall be rejected.

52.214-35 SUBMISSION OF OFFERS IN U.S. CURRENCY (APR 1991)

Offers submitted in response to this solicitation shall be in terms of U.S. dollars. Offers received in other than U.S. dollars shall be rejected.

52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a fixed-priced with an economic price adjustment, indefinite delivery, indefinite quantity, contract resulting from this solicitation.

A-FSS-11 CONSIDERATION OF OFFERS UNDER STANDING SOLICITATION (MAR 2000) (Local Deviation May 2000)

- (a) This solicitation is a standing solicitation from which the Government contemplates award of contracts for supplies/services listed in the Schedule of Items. This solicitation will remain in effect unless replaced by an updated solicitation.
- (b) There is no closing date for receipt of offers; therefore, offers may be submitted for consideration at any time.
- (c) An offer may be rejected if an offeror fails to meet timeframes established by the Contracting Officer either to address deficiencies in the offer or to submit a final proposal revision. A resubmission(s) is permitted; however, it may be rejected immediately if it is still deficient in the area(s) that caused its initial rejection.
- (d) Contracts awarded under this solicitation will be in effect for 5 years from the date of award, unless further extended pursuant to clause I-FSS-163, Option to Extend the Term of the Contract (Evergreen), canceled pursuant to the Cancellation clause, or terminated pursuant to the termination provisions of the contract.
- (e) Current contractors may submit a new offer as early as 9 months prior to the expiration of the existing contract.

A-FSS-31 NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE (OCT 1988)

The clause entitled "Notice of Total Small Business Set-Aside," applies to the following items in this solicitation: (The product/services attachments will indicate if a Small Business Set-Aside is applicable.)

52.233-2 SERVICE OF PROTEST (AUG 1996)

- (a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

GSA, General Products Center
 Attn: Frank Lioce, Contracting Officer
 MWR Products Contracting Division (7FXPM-D4)
 819 Taylor Street, Room 6A24
 Fort Worth, TX 76102-6114

- (b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

552.212-70 PREPARATION OF OFFER (MULTIPLE AWARD SCHEDULE) (AUG 1997)

- (a) Definitions. *Concession*, as used in this solicitation, means a benefit, enhancement or privilege (other than a discount), which either reduces the overall cost of a customer's acquisition or encourages a customer to consummate a purchase. Concessions include, but are not limited to freight allowance, extended warranty, extended price guarantees, free installation and bonus goods.

Discount, as used in this solicitation, means a reduction to catalog prices (published or unpublished). Discounts include, but are not limited to, rebates, quantity discounts, purchase option credits, and any other terms or conditions other than concessions) which reduce the amount of money a customer ultimately pays for goods or services ordered or received. Any net price lower than the list price is considered a "discount" by the percentage difference from the list price to the net price.

- (b) For each Special Item Number (SIN) included in an offer, the Offeror shall provide the information outlined in paragraph (c). Offerors may provide a single response covering more than one SIN, if the information disclosed is the same for all products under each SIN. If discounts and concessions vary by model or product line, offerors shall ensure that information is clearly annotated as to item or items referenced.
- (c) Provide information described below for each SIN:
- (1) Two copies of the offeror's current published (dated or otherwise identified) commercial descriptive catalogs and/or price list(s) from which discounts are offered. If special catalogs or price lists are printed for the purpose of this offer, such descriptive catalogs or price lists shall include a statement indicating the special catalog or price list represent a verbatim extract from the Offeror's commercial catalog and/or price list and identify the descriptive catalog and/or price list from which the information has been extracted.
 - (2) Next to each offered item in the commercial catalog and/or price list, the Offeror shall write the special item number (SIN) under which the item is being offered. Unless a special catalog or price list is submitted, all other items shall be marked "excluded," lined out, and initialed by the offeror.
 - (3) The discount(s) offered under this solicitation. The description of discounts offered shall include all discounts, such as prompt payment discounts, quantity/dollar volume discounts (indicate whether models/products can be combined within the SIN or whether SINs can be combined to earn discounts), blanket purchase agreement discounts, or purchase option credits. If the terms of sale appearing in the commercial catalogs or price list on which an offer is based are in conflict with the terms of this solicitation, the latter shall govern.
 - (4) A description of concessions offered under this solicitation which are not granted to other customers. Such concessions may include, but are not limited to, an extended warranty, a return/exchange goods policy, or enhanced or additional services.

- (5) If the Offeror is a dealer/reseller or the Offeror will use dealers to perform any aspect of contract awarded under this solicitation, describe the functions, if any, that the dealer/reseller will perform.

552.217-71 NOTICE REGARDING OPTION(S) (NOV 1992)

The General Services Administration (GSA) has included an option to extend the term of this contract in order to demonstrate the value it places on quality performance by providing a mechanism for continuing a contractual relationship with a successful offeror that performs at a level which meets or exceeds GSA's quality performance expectations as communicated to the Contractor, in writing, by the Contracting Officer or designated representative. When deciding whether to exercise the option, the Contracting Officer will consider the quality of the Contractor's past performance under this contract in accordance with 48 CFR 517.207.

**G-FSS-920 ORDERING PROCEDURES FOR SERVICES (REQUIRING A STATEMENT OF WORK)
(MAY 2000)**

FAR 8.402 contemplates that GSA may occasionally find it necessary to establish special ordering procedures for individual Federal Supply Schedules or for some Special Item Numbers (SINs) within a Schedule. GSA has established special ordering procedures for services that require a Statement of Work. These special ordering procedures take precedence over the procedures in FAR 8.404 (b)(2) through (b)(3).

GSA has determined that the prices for services contained in the contractor's price list applicable to this Schedule are fair and reasonable. However, the ordering office using this contract is responsible for considering the level of effort and mix of labor proposed to perform a specific task being ordered and for making a determination that the total firm-fixed price or ceiling price is fair and reasonable.

(a) When ordering services, ordering offices shall—

(1) Prepare a Request (Request for Quote or other communication tool):

- (i) A statement of work (a performance-based statement of work is preferred) that outlines, at a minimum, the work to be performed, location of work, period of performance, deliverable schedule, applicable standards, acceptance criteria, and any special requirements (i.e., security clearances, travel, special knowledge, etc.) should be prepared.
- (ii) The request should include the statement of work and request the contractors to submit either a firm-fixed price or a ceiling price to provide the services outlined in the statement of work. A firm-fixed price order shall be requested, unless the ordering office makes a determination that it is not possible at the time of placing the order to estimate accurately the extent or duration of the work or to anticipate cost with any reasonable degree of confidence. When such a determination is made, a labor hour or time-and-materials proposal may be requested. The firm-fixed price shall be based on the prices in the schedule contract and shall consider the mix of labor categories and level of effort required to perform the services described in the statement of work. The firm-fixed price of the order should also include any travel costs or other direct charges related to performance of the services ordered, unless the order provides for reimbursement of travel costs at the rates provided in the Federal Travel or Joint Travel Regulations. A ceiling price must be established for labor-hour and time-and-materials orders.
- (iii) The request may ask the contractors, if necessary or appropriate, to submit a project plan for performing the task, and information on the contractor's experience and/or past performance performing similar tasks.
- (iv) The request shall notify the contractors what basis will be used for selecting the contractor to receive the order. The notice shall include the basis for determining whether the contractors are technically qualified and provide an explanation regarding the intended use of any experience and/or past performance information in determining technical qualification of responses.

(2) Transmit the Request to Contractors:

- (i) Based upon an initial evaluation of catalogs and price lists, the ordering office should identify the contractors that appear to offer the best value (considering the scope of services offered, pricing and other factors such as contractors' locations, as appropriate).

- (ii) The request should be provided to three (3) contractors if the proposed order is estimated to exceed the micro-purchase threshold, but not exceed the maximum order threshold. For proposed orders exceeding the maximum order threshold, the request should be provided to additional contractors that offer services that will meet the agency's needs. Ordering offices should strive to minimize the contractors' costs associated with responding to requests for quotes for specific orders. Requests should be tailored to the minimum level necessary for adequate evaluation and selection for order placement. Oral presentations should be considered, when possible.

(3) Evaluate Responses and Select the Contractor to Receive the Order:

After responses have been evaluated against the factors identified in the request, the order should be placed with the schedule contractor that represents the best value. (See FAR 8.404)

- (b) The establishment of Federal Supply Schedule Blanket Purchase Agreements (BPAs) for recurring services is permitted when the procedures outlined herein are followed. All BPAs for services must define the services that may be ordered under the BPA, along with delivery or performance time frames, billing procedures, etc. The potential volume of orders under BPAs, regardless of the size of individual orders, may offer the ordering office the opportunity to secure volume discounts. When establishing BPAs, ordering offices shall—
- (1) Inform contractors in the request (based on the agency's requirement) if a single BPA or multiple BPAs will be established, and indicate the basis that will be used for selecting the contractors to be awarded the BPAs.
- (i) SINGLE BPA: Generally, a single BPA should be established when the ordering office can define the tasks to be ordered under the BPA and establish a firm-fixed price or ceiling price for individual tasks or services to be ordered. When this occurs, authorized users may place the order directly under the established BPA when the need for service arises. The schedule contractor that represents the best value should be awarded the BPA. (See FAR 8.404)
- (ii) MULTIPLE BPAs: When the ordering office determines multiple BPAs are needed to meet its requirements, the ordering office should determine which contractors can meet any technical qualifications before establishing the BPAs. When multiple BPAs are established, the authorized users must follow the procedures in (a)(2)(ii) above and then place the order with the Schedule contractor that represents the best value.
- (2) Review BPAs Periodically: Such reviews shall be conducted at least annually. The purpose of the review is to determine whether the BPA still represents the best value. (See FAR 8.404)
- (c) The ordering office should give preference to small business concerns when two or more contractors can provide the services at the same firm-fixed price or ceiling price.
- (d) When the ordering office's requirement involves both products as well as executive, administrative and/or professional services, the ordering office should total the prices for the products and the firm-fixed price for the services and select the contractor that represents the best value. (See FAR 8.404)
- (e) The ordering office, at a minimum, should document orders by identifying the contractor from which the services were purchased, the services purchased, and the amount paid. If other than a firm-fixed price order is placed, such documentation should include the basis for the determination to use a labor-hour or time-and-materials order. For agency requirements in excess of the micro-purchase threshold, the order file should document the evaluation of Schedule contractors' quotes that formed the basis for the selection of the contractor that received the order and the rationale for any trade-offs made in making the selection.

K-FSS-1 AUTHORIZED NEGOTIATORS (MAR 1998)

The offeror shall, in the spaces provided below, fill in the names of all persons authorized to negotiate with the Government in connection with this request for proposals or quotations. (List the names, titles, telephone numbers and electronic mail address of the authorized negotiators.)

MITZI GARCIA / SALES / (602)952-9741 mgmsltd@qwest.net
LORENZO CHAVEZ / SALES / 602-952-9741 lcmsltd@qwest.net

K-FSS-9

**SECTION 8(a) REPRESENTATION FOR THE MULTIPLE AWARD SCHEDULE
PROGRAM (SEP 2000)**

The Offeror represents that it is is not a current 8(a) Business Development Program participant, and that it wishes to be designated as such on the FSS Schedules E-Library and GSA *Advantage!*TM as well as the Federal Procurement Data System (FPDS).

CONTRACTOR NAME: MODULAR SOLUTIONS, LTD.

DATE: 12/29/00

L-FSS-59 AWARD (APR 1984)

Until a formal notice of award is issued, no communication by the Government, whether written or oral, shall be interpreted as a promise that an award will be made.

L-FSS-7FXG-101 FINAL REVISED PROPOSAL (AUG 1998)

- (a) Upon the conclusion of discussions the Contracting Officer will request a "final revised proposal." Oral requests will be confirmed in writing.
- (b) The request will include—
- (1) Notice that discussions are concluded;
 - (2) Notice that this is the opportunity to submit a final revised proposal;
 - (3) The specified receipt date;
 - (4) A statement that any modification proposed as a result of the final revised proposal must be received by the date specified, and modifications received after the time specified will not be considered.
- (c) The Contracting Officer will not reopen discussions after receipt of final revised proposal unless it is clearly in the interests of the Government to do so. If discussions are reopened, the Contracting Officer will issue an additional request for final revised proposal.

552.212-73 EVALUATION—COMMERCIAL ITEMS (MULTIPLE AWARD SCHEDULE) (AUG 1997)

- (a) The Government may make multiple awards for the supplies or services offered in response to this solicitation that meet the definition of a "commercial item" in FAR 52.202-1. Awards may be made to those responsible offerors that offer reasonable pricing, conforming to the solicitation, and will be most advantageous to the Government, taking into consideration the multiplicity and complexity of items of various manufacturers and the differences in performance required to accomplish or produce required end results, production and distribution facilities, price, compliance with delivery requirements, and other pertinent factors. By providing a selection of comparable supplies or services, ordering activities are afforded the opportunity to fulfill their requirements with the item(s) that constitute the best value and that meet their needs at the lowest overall cost.
- (b) A written notice of award or acceptance of an offer, mailed or otherwise furnished to the offeror within the time for acceptance specified in the offer, shall result in a binding contract without further action by either party. Before the offer's specified expiration time, the Government may accept an offer (or part of an offer), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award.

END OF ADDENDUM TO 52.212-1

52.212-3

**OFFEROR REPRESENTATIONS AND CERTIFICATIONS—COMMERCIAL ITEMS
(OCT 2000) (ALTERNATE III—OCT 2000)**

- (a) *Definitions.* As used in this provision:

"Emerging small business" means a small business concern whose size is no greater than 50 percent of the numerical size standard for the NAICS designated.

Service-disabled veteran-owned small business concern—

(1) Means a small business concern—

- (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
- (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and size standards in this solicitation.

Veteran-owned small business concern means a small business concern—

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern—

- (1) Which is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

"Women-owned business concern" means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

(b) *Taxpayer Identification Number (TIN) (26 U.S.C. 6109, 31 U.S.C. 7701).* (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)

- (1) All offerors must submit the information required in paragraphs (b)(3) through (b)(5) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).
- (2) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(3) *Taxpayer Identification Number (TIN).*

TIN: 86-0812751

TIN has been applied for.

TIN is not required because:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

Offeror is an agency or instrumentality of a foreign government;

Offeror is an agency or instrumentality of the Federal Government.

(4) Type of organization.

Sole proprietorship;

Partnership;

Corporate entity (not tax-exempt);

Corporate entity (tax-exempt);

Government entity (Federal, State, or local);

Foreign government;

International organization per 26 CFR 1.6049-4;

Other _____.

(5) Common parent.

Offeror is not owned or controlled by a common parent;

Name and TIN of common parent:

Name _____.

TIN _____.

(c) Offerors must complete the following representations when the resulting contract is to be performed inside the United States, its territories or possessions, Puerto Rico, the Trust Territory of the Pacific Islands, or the District of Columbia. Check all that apply.

(1) *Small business concern.* The offeror represents as part of its offer that it is, is not a small business concern.

(2) *Veteran-owned small business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents as part of its offer that it is, is not a veteran-owned small business concern.

(3) *Service-disabled veteran-owned small business concern.* [Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (c)(2) of this provision.] The offeror represents as part of its offer that it is, is not a service-disabled veteran-owned small business concern.

(4) *Small disadvantaged business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents, for general statistical purposes, that it is, is not a small disadvantaged business concern as defined in 13 CFR 124.1002.

(5) *Women-owned small business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it is, is not a women-owned small business concern.

Note: Complete paragraphs (c)(6) and (c)(7) only if this solicitation is expected to exceed the simplified acquisition threshold.

- (6) *Women-owned business concern (other than small business concern).* [Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it is a women-owned business concern.
- (7) *Tie bid priority for labor surplus area concerns.* If this is an invitation for bid, small business offerors may identify the labor surplus areas in which costs to be incurred on account of manufacturing or production (by offeror or first-tier subcontractors) amount to more than 50 percent of the contract price:

(8) *Small Business Size for the Small Business Competitiveness Demonstration Program and for the Targeted Industry Categories under the Small Business Competitiveness Demonstration Program.* [Complete only if the offeror has represented itself to be a small business concern under the size standards for this solicitation.]

- (i) [Complete only for solicitations indicated in an addendum as being set-aside for emerging small businesses in one of the four designated industry groups (DIGs).] The offeror represents as part of its offer that it is, is not an emerging small business.
- (ii) [Complete only for solicitations indicated in an addendum as being for one of the targeted industry categories (TICs) or four designated industry groups (DIGs).] Offeror represents as follows:
 - (A) Offeror's number of employees for the past 12 months (check the Employees column if size standard stated in the solicitation is expressed in terms of number of employees); or
 - (B) Offeror's average annual gross revenue for the last 3 fiscal years (check the Average Annual Gross Number of Revenues column if size standard stated in the solicitation is expressed in terms of annual receipts).

(Check one of the following):

Number of Employees	Average Annual Gross Revenues
<input type="checkbox"/> 50 or fewer	<input type="checkbox"/> \$1 million or less
<input type="checkbox"/> 51-100	<input type="checkbox"/> \$1,000,001-\$2 million
<input type="checkbox"/> 101-250	<input type="checkbox"/> \$2,000,001-\$3.5 million
<input type="checkbox"/> 251-500	<input type="checkbox"/> \$3,500,001-\$5 million
<input type="checkbox"/> 501-750	<input type="checkbox"/> \$5,000,001-\$10 million
<input type="checkbox"/> 751-1,000	<input type="checkbox"/> \$10,000,001-\$17 million
<input type="checkbox"/> Over 1,000	<input type="checkbox"/> Over \$17 million

(9) [Complete only if the solicitation contains the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, or FAR 52.219-25, Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting, and the offeror desires a benefit based on its disadvantaged status.]

(i) *General.* The offeror represents that either—

- (A) It is, is not certified by the Small Business Administration as a small disadvantaged business concern and identified, on the date of this representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net), and that no material change in disadvantaged ownership and control has occurred since its certification, and, where the concern is owned

by one or more individuals claiming disadvantaged status, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); or

- (B) It has, has not submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

- (ii) *Joint Ventures under the Price Evaluation Adjustment for Small Disadvantaged Business Concerns.* The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(7)(i) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]

(10) Reserved.

- (11) HUBZone small business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents as part of its offer that—

- (i) It is, is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal place of ownership, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and
- (ii) It is, is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (c)(11)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. [The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: _____.] Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

- (d) *Representations required to implement provisions of Executive Order 11246—*

(1) Previous contracts and compliance. The offeror represents that—

- (i) It has, has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation; and
- (ii) It has, has not filed all required compliance reports.

(2) *Affirmative Action Compliance.* The offeror represents that—

- (i) It has developed and has on file, has not developed and does not have on file, at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 CFR parts 60-1 and 60-2), or
- (ii) It has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

- (e) *Certification Regarding Payments to Influence Federal Transactions (31 U.S.C. 1352).* (Applies only if the contract is expected to exceed \$100,000.) By submission of its offer, the offeror certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract.

- (f) *Buy American Act—Balance of Payments Program Certificate.* (Applies only if the clause at Federal Acquisition Regulation (FAR) 52.225-1, Buy American Act—Balance of Payments Program—Supplies, is included in this solicitation.)

- (1) The offeror certifies that each end product, except those listed in paragraph (f)(2) of this provision, is a domestic end product as defined in the clause of this solicitation entitled "Buy American Act—Balance of Payments Program—Supplies" and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The offeror shall list as foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

(2) Foreign End Products:

Line Item No.	Country of Origin
N/A	

(List as Necessary)

- (3) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

- (g) (1) *Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program Certificate.* (Applies only if the clause at FAR 52.225-3, Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program, is included in this solicitation.)

- (i) The offeror certifies that each end product, except those listed in paragraph (g)(1)(ii) or (g)(1)(iii) of this provision, is a domestic end product as defined in the clause of this solicitation entitled "Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program" and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States.
- (ii) The offeror certifies that the following supplies are NAFTA country end products or Israeli end products as defined in the clause of this solicitation entitled "Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program":

NAFTA Country or Israeli End Products:

Line Item No.	Country of Origin
N/A	

(List as Necessary)

- (iii) The offeror shall list those supplies that are foreign end products (other than those listed in paragraph (g)(1)(ii) of this provision) as defined in the clause of this solicitation entitled "Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program." The offeror shall list as other foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

Other Foreign End Products:

Line Item No.	Country of Origin
N/A	

(List as Necessary)

(iv) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

- (2) *Buy American Act—North American Free Trade Agreements—Israeli Trade Act—Balance of Payments Program Certificate, Alternate I (Feb 2000)*. If Alternate I to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g)(1)(ii) for paragraph (g)(1)(ii) of the basic provision:

(g)(1)(ii) The offeror certifies that the following supplies are Canadian end products as defined in the clause of this solicitation entitled “Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program”:

Canadian End Products:

Line Item No.
N/A

(List as Necessary)

- (3) *Buy American Act—North American Free Trade Agreements—Israeli Trade Act—Balance of Payments Program Certificate, Alternate II (Feb 2000)*. If Alternate II to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g)(1)(ii) for paragraph (g)(1)(ii) of the basic provision:

(g)(1)(ii) The offeror certifies that the following supplies are Canadian end products or Israeli end products as defined in the clause of this solicitation entitled “Buy American Act—North American Free Trade Agreement—Israeli Trade Act—Balance of Payments Program”:

Canadian or Israeli End Products:

Line Item No.	Country of Origin
N/A	

(List as Necessary)

- (4) *Trade Agreements Certificate*. (Applies only if the clause at FAR 52.225-5, Trade Agreements, is included in this solicitation.)

- (i) The offeror certifies that each end product, except those listed in paragraph (g)(4)(ii) of this provision, is a U.S.-made, designated country, Caribbean Basin country, or NAFTA country end product, as defined in the clause of this solicitation entitled "Trade Agreements."
- (ii) The offeror shall list as other end products those end products that are not U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products.

Other End Products:

Line Item No.	Country of Origin
N/A	

(List as Necessary)

- (iii) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25. For line items subject to the Trade Agreements Act, the Government will evaluate offers of U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products without regard to the restrictions of the Buy American Act or the Balance of Payments Program. The Government will consider for award only offers of U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products unless the Contracting Officer determines that there are no offers for such products or that the offers for such products are insufficient to fulfill the requirements of the solicitation.
- (h) *Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549).* The offeror certifies, to the best of its knowledge and belief, that—
 - (1) The offeror and/or any of its principals are, are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; and
 - (2) Have, have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and are, are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.

FSS-7FXPM-001

**COMPLIANCE WITH VETERANS EMPLOYMENT REPORTING REQUIREMENTS
(FEB 1999)**

(a) The Offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212 (d) (i.e., the VETS-100 report required by the Federal Acquisition Regulation clause 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era), it has [X], has not [] submitted the most recent report required by 38 U.S. C. 4212(d).

(b) An Offeror who checks "has not" may not be awarded a contract until the required reports are filed (31 U.S.C. 1354).

Questions regarding the Veterans Report Requirements program should be referred to the Department of Labor at 703-461-2460. There are two web sites which offerors can access for information on the program:

<http://www.dol.gov/dol/vets/public/programs/fact/vet97-5.htm>

<http://vets100.cudenver.edu/vets100.asp>

Attachments: (Check attachments submitted with basic solicitation)

- Attachment 1 - Marine Craft & Equipment
- Attachment 2 - Wheel & Track Vehicles
- Attachment 3 - Material Handling Equipment
- Attachment 4 - Fire-fighting & Rescue Equipment
- Attachment 5 - Water Purification & Sewer Treatment Equipment
- Attachment 6 - Automotive Maintenance & Repair Shop Equipment
- Attachment 7 - Prefabricated Structures
- Attachment 8 - Above Ground Storage Tanks
- Attachment 9 - Construction & Building Materials
- Attachment 10 - Power Distribution Equipment, Generators, & Batteries
- Attachment 11 - Solar Energy Systems & Lighting Products
- Attachment 12 - Alarm & Signal Systems
- Attachment 13 - Chemicals & Chemical Products
- Attachment 14 - Recycling Collection Containers & Specialty Waste Receptacles
- Attachment 15 - Food Service Equipment
- Attachment 16 - Musical Instruments, Audio & Video Equipment
- Attachment 17 - Athletic Clothing & Recreational Equipment
- Attachment 18 - Park & Outdoor Recreational Equipment
- Attachment 19 - Indoor/Outdoor Store
- Attachment 20 - Cleaning Equipment & Supplies
- Attachment 21 - Special Purpose Clothing
- Attachment 22 - Law Enforcement & Security Equipment
- Attachment 23 - Toiletries, Personal Care Items, & Bed Linens
- Attachment 24 - Signs & Display Systems
- Attachment 25 - Trophies, Awards, & Promotional Items
- Attachment 26 - Small Business Subcontracting/Plan (Must be completed by large business offerors with an estimated 5-year contract value greater than \$500,000)
- Attachment 27 - Commercial Services Subject to the Service Contract Act
- Attachment 28 - Reserved for future use.
- Attachment 29 - Clauses Incorporated-by-reference (Do not return this attachment)

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. PO-0016	3. EFFECTIVE DATE 4/19/2011	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
6. ISSUED BY CODE General Services Administration/FAS Greater Southwest Acquisition Center Acquisition Division, 7QS__-XX 819 Taylor Street Fort Worth, TX 76102		7. ADMINISTERED BY (If other than Item 6) CODE 72A and IFF Remittance is delegated to: General Services Administration, FAS Supplier Management Division, Southeast Operations Center (QVOCEA)		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code)		(X)	9A. AMENDMENT OF SOLICITATION NO.	
Modular Solutions, Ltd. 3640 E. Turney Ave. Phoenix, AZ 85018-4010			9. DATED (SEE ITEM 11)	
			10. MODIFICATION OF CONTRACT/ ORDER NO. GS-07F-0199L	
		X	10B. DATED (SEE ITEM 13) 4/19/2001	
CODE	FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

- (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging the receipt of the amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) Clause I-FSS-163, Option to Extend the Term of the Contract (Evergreen), and contractor's completed option package dated January 17, 2011.

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to this issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
The above referenced Schedule Contract under 056, Buildings and Building Materials/Industrial Services and Supplies OR 073, Food Service, Hospitality, Cleaning Equipment and Supplies, Chemicals, and Services, OR 541, Advertising and Integrated Marketing Solutions (AIMS), OR 066 Scientific Equipment and Services, OR 084, Total Solutions for Law Enforcement, Security, Facilities Management, Fire, Rescue, Special Purpose Clothing, Marine Craft and Emergency/Disaster Response, OR 0736, Temporary Administrative and Professional Staffing (TAPS), FSG: _____, is hereby modified as specified on page 2.

Continued on Page 2.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect

15A. NAME AND TITLE OF SIGNER (Type or print) STACEY TROUEBACH, OFFICE MGR		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Donna Renner, Contracting Officer	
15B. CONTRACTOR/OFFEROR <i>Stacey Trouebach</i> (Signature of person authorized to sign)	15C. DATE SIGNED 03/17/11	16B. UNITED STATES OF AMERICA <i>Donna Renner</i> (Signature of Contracting Officer)	16C. DATE SIGNED 3/17/2011

14. DESCRIPTION OF AMENDMENT/MODIFICATION:

- a. The option is hereby exercised to extend the term of the contract until 4/18/2016
- b. The pricing during this option period (unless modified IAW other contract terms) will be based on the following approved price lists:

Modular Solutions 2005 Commercial Price List (Mod AO04)
Select items on Modular Solutions 2009 Standard Catalog Pricing (Mod AO06)
2010 RS Means Facilities Construction Cost Data, 25th edition (Services only)

- c. The price relationship is established as follows:

Modular Solutions Ltd.'s Most Favored Customers are identified as All Commercial Customers. The price/discount relationship between the Government and the MFC will never be less favorable to the Government than at the time of award, that is: For the life of the contract, the Government's basic discount will never be less than 5% for SINs 361-10E and 361-32 and 1% for SIN 361-50 and will always be at least 5% and 1% respectively greater than the 0% basic discount granted to the MFC.

- d. The Completed Option Package as submitted by Modular Solutions, dated January 17, 2011 is hereby incorporated into this contract.

- e. The Industrial Funding Fee is a separate collection mechanism. The GSA contract price (price paid by customers ordering from the GSA Schedule), will be calculated by applying the prevailing IFF rate to the net discounted price. The IFF rate is currently 0.75%.

This modification incorporates the re representation of size status (FAR 52.212-3(c) into this contract.

All other terms and conditions remain in effect as originally accepted or subsequently changed by modification.

This modification is issued at no cost to either party.



Information for Ordering Activities for: Modular Solutions, Ltd

GENERAL SERVICES ADMINISTRATION

Federal Supply Service
Authorized Federal Supply Schedule Price List

On-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order are available through GSA Advantage!™, a menu-driven database system. The internet address GSA Advantage!™ is: <http://www.GSAAdvantage.gov>.

Schedule Title: 56-Buildings and Building Materials/Industrial Services and Supplies
FSC Group 54 – Pre-engineered/Prefabricated Buildings and Structures

FSC Class(es): 5410

Contract Number: GS-07F-0199L

Contract Period: 04/19/06 through 04/18/16

Contractor's Name: Modular Solutions, Ltd

Mailing Address: PO Box 15507, Phoenix, AZ 85060

Contractor Phone: 800-441-8577 or 602-952-9741

Contractor Fax: 602-253-8482

Contractor Email: company@modularsolutionsltd.com

Contractor Website: www.modularsolutionsltd.com

Administrator: Mrs. Mitzi Garcia, Sales

Administrator Phone: 800-441-8577 or 602-952-9741

Administrator Fax: 602-522-1979

Administrator Email: mitzig@modularsolutionsltd.com

Business Size: Small/Dealer/Manufacturer

CUSTOMER INFORMATION

1a. Table of awarded special item numbers (SINs).

SIN	DESCRIPTION
361 10E	Pre-Engineered and Prefabricated Buildings and Structures for Professional Facility Solutions
361 32	Installation and Site Preparation Services for Prefabricated Structures – SIN 361-32 specifically EXCLUDES Architectural Engineering Services (A & E) under the Brooks Architect-Engineers Act as stated in Federal Acquisition Regulation (FAR) Part 36. These services shall be ordered only in accordance with Part 36 and agency procedures, and shall not be included on a GSA contract as an open market item.
361 50	Leasing/Rental of Prefabricated Structures. Maximum order is \$3,000,000. -



- 1b. Identification of the lowest priced model number and lowest unit price for that model for each special item number awarded in the contract. This price is the Government price based on a unit of one, exclusive of any quantity/dollar volume, prompt payment, or any other concession affecting price. Those contracts that have unit prices based on the geographic location of the customer, should show the range of the lowest price, and cite the areas to which the prices apply.

SIN(s)	MODEL #	NET GSA PRICE
361-10E	MS0012	\$ 58,703.00 *

* + Installation price (see code SETs: 5010-5016)

2. **Maximum order:** SIN 361-10E = \$ 500,000* SIN 361-32 = \$ 350,000* SIN 361-50 = \$ 300,000*
 * If the "best value" selection places your order over this Maximum Order, you have an opportunity to obtain a better schedule contract price. Before placing your order, contact the aforementioned contractor for a better price. The contractor may (1) offer a new price for this requirement (2) offer the lowest price available under this contract or (3) decline the order. A delivery order that exceeds the maximum order may be placed und the Schedule contract in accordance with FAR 8.404.
3. **Minimum order:** \$ 100 unless the contractor agrees to accept a smaller amount.
4. **Geographic coverage (delivery area):** The 48 Contiguous States and Washington, D.C.
5. **Point(s) of production (City, State and County or foreign country).**
 Modular Solutions: 5439 S 43rd Ave / Phoenix, AZ 85041 / Maricopa County
 Palm Harbor Homes: 309 S Perry Lane / Tempe, AZ 85281 / Maricopa County
 Cavco Industries: 1366 S Litchfield Rd, Bldg # 6 / Goodyear, AZ 85338 / Maricopa County
 Cavco Industries: 2502 W Durango / Phoenix, AZ 85009 / Maricopa County
 Southern Modular Industries: 2701 Magnet St / Houston, TX 77054/ Harris County
 Southern Modular Industries: 300 Kansas St / Redlands, CA 92373 / San Bernardino County
 Indicom Buildings, Inc: 721 N Burleson Blvd / Burleson, TX 76028 / Johnson County
 Walden Structures Construction: 3100 Jefferson St / Riverside, CA 92504 / Riverside County
6. **Discount from list prices or statement of net price:** 5% on Purchase for 361-10E, 5% for Purchase on 361-32, 1% for Purchase on 361-50, and 1% Lease Rates. Modular Solutions offers an additional 6% discount to GSA customers for all line items proposed using the RSMeans Facilities Construction Cost Data 2010 totals. Discount is taken from RSMeans column including overhead and profit, "Total Incl O & P."
7. **Quantity discounts:** 2% for orders of 20+ of same design / 4% for orders of 40+ of same design
8. **Prompt payment terms:** 1% -20, Net 30
- 9a. **Notification that Government purchase cards are accepted up to the micro-purchase threshold.**
 Yes - Visa, Master Card



- 9b. **Notification whether Government purchase cards are accepted or not accepted above the micro-purchase threshold.**
Yes - Visa, Master Card
- 10. **Foreign items (list items by country of origin):** N/A
- 11a. **Time of delivery:** 90 days ARO
- 11b. **Expedited Delivery:** 60 days ARO "Items available for expedited delivery are noted in the price list."
- 11c. **Overnight and 2-day delivery:** N/A
- 11d. **Urgent Requirements:** Contact the Contractor's representative to affect a faster delivery.
- 12. **F.O.B. Origin(s):** FOB Origin – Freight prepaid and Added to the Invoice
- 13. **Ordering address(es):** Same as Contractor
- 14. **Payment address(es):** Same as Contractor
- 15. **Warranty provision:** Standard Commercial Warranty. Customer should contact the contractor for a copy of the warranty.
- 16. **Export packing charges, if applicable:** N/A
- 17. **Terms and conditions of Government purchase card acceptance (any thresholds above the micro-purchase level):** Accepted, Contact the Contractor for more information.
- 18. **Terms and conditions of rental, maintenance, and repair (if applicable):**

Lease Rates: 1% discount on rate below

<u>Finance Lease</u>			
24 Month	36 Month	48 Month	60 Month
.04765	.03315	.02588	.02152
<u>Operating Lease - Part "A" Formula</u>			
24 Month	36 Month	48 Month	60 Month
.022256	.02080	.01924	.018304
<u>Operating Lease - Part "B" Formula</u>			
24 Month	36 Month	48 Month	60 Month
.04649	.03262	.02572	.02162

Lease Terms:

See lease terms and conditions for SIN 361-50
 Residual values and Returns must be negotiated up front(Ordering agency and Contractor)
 Verification of essential need to verify term expected
 Review of building floor plan and specifications
 Maintenance, Insurance or any applicable taxes are not included in the above rates



19. **Terms and conditions of installation (if applicable):** N/A
20. **Terms and conditions of repair parts indicating date of parts price lists and any discounts from list prices (if applicable):** N/A
- 20a. **Terms and conditions for any other services (if applicable):** N/A
21. **List of service and distribution points (if applicable).**
 Modular Solutions: 5439 S 43rd Ave / Phoenix, AZ 85041 / Maricopa County
 Palm Harbor Homes: 309 S Perry Ln / Tempe, AZ 85281 / Maricopa County
 Cavco Industries: 1366 S Litchfield Rd, Bldg # 6 / Goodyear, AZ 85338 / Maricopa County
 Cavco Industries: 2502 W Durango / Phoenix, AZ 85009 / Maricopa County
 Southern Modular Industries: 2701 Magnet St / Houston, TX 77054 / Harris County
 Southern Modular Industries: 300 Kansas St / Redlands, CA 92373 / San Bernardino County
 Indicom Buildings, Inc: 721 N Burleson Blvd / Burleson, TX 76028 / Johnson County
 Walden Structures Construction: 3100 Jefferson St / Riverside, CA 92504 / Riverside County
22. **List of participating dealers (if applicable):**
 OnSite Construction Management, LLC: PO Box 5167 / Phoenix, AZ 85010 / Maricopa County
23. **Preventive maintenance (if applicable):** Contact the Contractor
24. **Environmental attributes (e.g., recycled content, energy efficiency, and/or reduced pollutants):**
 Recycled Modular buildings available, monthly inventory list published with GSA discount. Buildings are constructed without the use of Asbestos material.
25. **Data Universal Number System (DUNS) number:** 93-7795235
26. **Notification regarding registration in Central Contractor Registration (CCR) database:** Registered # 1TVP9

Note: Taxes for all products and services are charged as applicable and are not included in contract fees.





**Modular
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The Complete Modular Building Company

2010 GSA PRICE LIST

DISCOUNT & PRICE SCHEDULE
MINIMUM STOCK FLOOR PLANS

COMPLETE FUNCTIONAL BUILDINGS WITH WINDOWS, DOORS,
BASIC FINISHES, HVAC, AND PLUMBING IF SHOWN ON DESIGN
DOCUMENT

WOOD CONSTRUCTION

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
MS0001	28' X 60' (1680 SF) DOUBLE CLASSROOM	EACH	\$62,990.50
MS0002	28' X 67' (1876 SF) DOUBLE CLASSROOM	EACH	\$71,352.90
MS0003	30' X 30' (900 SF) SINGLE CLASSROOM	EACH	\$39,279.75
MS0004	30' X 60' (1800 SF) DOUBLE CLASSROOM	EACH	\$69,605.81
MS0005	30' X 68' (2040 SF) DOUBLE CLASSROOM	EACH	\$78,278.09
MS0006	36' X 60' (2160 SF) DOUBLE CLASSROOM	EACH	\$83,869.92
MS0007	40' X 64' (2688 SF) TRIPLE CLASSROOM	EACH	\$111,430.93
MS0008	60' X 60' (3600 SF) 4-PLEX CLASSROOM	EACH	\$145,920.96
MS0009	70' X 72' (5040 SF) 4-PLEX CLASSROOM	EACH	\$195,723.69
MS0029	10' X 36' (360 SF) STAND ALONE RESTROOM	EACH	\$42,337.46
MS0030	12' X 58' (696 SF) STAND ALONE RESTROOM	EACH	\$58,715.26
MS0031	30' X 30' (900 SF) STAND ALONE RESTROOM	EACH	\$81,075.92

STEEL CONSTRUCTION

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
MS0010	28' X 60' (1680 SF) DOUBLE CLASSROOM	EACH	\$95,400.10
MS0011	28' X 67' (1876 SF) DOUBLE CLASSROOM	EACH	\$105,494.51
MS0012	30' X 30' (900 SF) SINGLE CLASSROOM	EACH	\$59,146.95
MS0013	30' X 60' (1800 SF) DOUBLE CLASSROOM	EACH	\$98,718.64
MS0014	30' X 68' (2040 SF) DOUBLE CLASSROOM	EACH	\$109,453.40
MS0015	36' X 60' (2160 SF) DOUBLE CLASSROOM	EACH	\$137,141.71
MS0016	40' X 64' (2688 SF) TRIPLE CLASSROOM	EACH	\$163,136.78
MS0017	60' X 60' (3600 SF) 4-PLEX CLASSROOM	EACH	\$208,719.55
MS0018	70' X 72' (5040 SF) 4-PLEX CLASSROOM	EACH	\$285,921.76
MS0032	10' X 36' (360 SF) STAND ALONE RESTROOM	EACH	\$50,757.28
MS0033	12' X 58' (696 SF) STAND ALONE RESTROOM	EACH	\$72,653.70
MS0034	30' X 30' (900 SF) STAND ALONE RESTROOM	EACH	\$96,801.41

HIGH PUBLIC USE

CODE	DESCRIPTION	UNIT	GSA PRICE
MS0019	28' X 60' (1680 SF) DOUBLE CLASSROOM	EACH	\$103,064.23
MS0020	28' X 67' (1876 SF) DOUBLE CLASSROOM	EACH	\$113,896.62
MS0021	30' X 30' (900 SF) SINGLE CLASSROOM	EACH	\$63,933.80
MS0022	30' X 60' (1800 SF) DOUBLE CLASSROOM	EACH	\$106,953.25
MS0023	30' X 68' (2040 SF) DOUBLE CLASSROOM	EACH	\$118,597.33

HIGH PUBLIC USE (CONTINUED FROM PREVIOUS PAGE)

CODE	DESCRIPTION	UNIT	GSA PRICE
MS0024	36' X 60' (2160 SF) DOUBLE CLASSROOM	EACH	\$155,723.43
MS0025	40' X 64' (2688 SF) TRIPLE CLASSROOM	EACH	\$185,494.56
MS0026	60' X 60' (3600 SF) 4-PLEX CLASSROOM	EACH	\$237,933.60
MS0027	70' X 72' (5040 SF) 4-PLEX CLASSROOM	EACH	\$325,592.04
MS0035	10' X 36' (360 SF) STAND ALONE RESTROOM	EACH	\$53,982.02
MS0036	12' X 58' (696 SF) STAND ALONE RESTROOM	EACH	\$78,038.79
MS0037	30' X 30' (900 SF) STAND ALONE RESTROOM	EACH	\$98,546.35



**Modular
Solutions, Ltd.**

The Complete Modular Building Company

2010 GSA PRICE LIST

END SECTIONS WOOD
CUSTOM BUILDINGS: MONO/GABLE

END SECTIONS ONLY - DESIGNED FOR CUSTOM DOUBLE WIDE
SHELL CONFIGURATIONS. THESE ARE NOT COMPLETE BUILDINGS.
OTHER OPTIONS MUST BE SELECTED.

WOOD MONO/GABLE: END SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBM1100	12 X 40 MONO / WOOD	EA.	\$14,767.02
CBM1101	12 X 50 MONO / WOOD	EA.	\$17,085.64
CBM1102	12 X 60 MONO / WOOD	EA.	\$20,680.66
CBM1103	12 X 66 MONO / WOOD	EA.	\$23,976.18
CBM1104	12 X 68 MONO / WOOD	EA.	\$25,108.86
CBM1105	14 X 40 MONO / WOOD	EA.	\$16,251.46
CBM1106	14 X 50 MONO / WOOD	EA.	\$19,554.02
CBM1107	14 X 60 MONO / WOOD	EA.	\$22,453.64
CBM1108	14 X 66 MONO / WOOD	EA.	\$25,882.54
CBM1109	14 X 68 MONO / WOOD	EA.	\$26,920.73
CBM1110	15 X 40 MONO / WOOD	EA.	\$18,053.21
CBM1111	15 X 50 MONO / WOOD	EA.	\$21,068.73
CBM1112	15 X 60 MONO / WOOD	EA.	\$24,320.49
CBM1113	15 X 66 MONO / WOOD	EA.	\$28,618.04
CBM1114	15 X 68 MONO / WOOD	EA.	\$29,113.33



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2010 GSA PRICE LIST

END SECTIONS STEEL
CUSTOM BUILDINGS: MONO/GABLE

END SECTIONS ONLY - DESIGNED FOR CUSTOM DOUBLE WIDE
SHELL CONFIGURATIONS. THESE ARE NOT COMPLETE BUILDINGS.
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STEEL MONO/GABLE: END SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBM1151	12 X 40 MONO / STEEL	EA.	\$21,275.21
CBM1152	12 X 50 MONO / STEEL	EA.	\$25,186.25
CBM1153	12 X 60 MONO / STEEL	EA.	\$28,535.42
CBM1154	12 X 66 MONO / STEEL	EA.	\$31,949.67
CBM1155	12 X 68 MONO / STEEL	EA.	\$23,818.44
CBM1156	14 X 40 MONO / STEEL	EA.	\$23,233.60
CBM1157	14 X 50 MONO / STEEL	EA.	\$26,741.66
CBM1158	14 X 60 MONO / STEEL	EA.	\$30,406.70
CBM1159	14 X 66 MONO / STEEL	EA.	\$33,550.08
CBM1160	14 X 68 MONO / STEEL	EA.	\$35,325.64
CBM1161	15 X 40 MONO / STEEL	EA.	\$23,829.92
CBM1162	15 X 50 MONO / STEEL	EA.	\$27,460.50
CBM1163	15 X 60 MONO / STEEL	EA.	\$34,837.48
CBM1164	15 X 66 MONO / STEEL	EA.	\$34,752.29
CBM1165	15 X 68 MONO / STEEL	EA.	\$36,205.29



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2010 GSA PRICE LIST

END SECTIONS HIGH PUBLIC USE
CUSTOM BUILDINGS: MONO/GABLE

END SECTIONS ONLY - DESIGNED FOR CUSTOM DOUBLE WIDE SHELL CONFIGURATIONS. THESE ARE NOT COMPLETE BUILDINGS. OTHER OPTIONS MUST BE SELECTED.

HIGH PUBLIC USE MONO/GABLE: END SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBM1166	12 X 40 MONO / HIGH PUBLIC USE	EA.	\$26,783.07
CBM1167	12 X 50 MONO / HIGH PUBLIC USE	EA.	\$31,543.06
CBM1168	12 X 60 MONO / HIGH PUBLIC USE	EA.	\$35,661.77
CBM1169	12 X 66 MONO / HIGH PUBLIC USE	EA.	\$39,627.79
CBM1170	12 X 68 MONO / HIGH PUBLIC USE	EA.	\$41,301.62
CBM1171	14 X 40 MONO / HIGH PUBLIC USE	EA.	\$29,239.41
CBM1172	14 X 50 MONO / HIGH PUBLIC USE	EA.	\$33,569.97
CBM1173	14 X 60 MONO / HIGH PUBLIC USE	EA.	\$38,034.12
CBM1174	14 X 66 MONO / HIGH PUBLIC USE	EA.	\$41,723.41
CBM1175	14 X 68 MONO / HIGH PUBLIC USE	EA.	\$41,361.60
CBM1176	15 X 40 MONO / HIGH PUBLIC USE	EA.	\$30,033.37
CBM1177	15 X 50 MONO / HIGH PUBLIC USE	EA.	\$34,767.50
CBM1178	15 X 60 MONO / HIGH PUBLIC USE	EA.	\$39,072.39
CBM1179	15 X 66 MONO / HIGH PUBLIC USE	EA.	\$43,204.46
CBM1180	15 X 68 MONO / HIGH PUBLIC USE	EA.	\$44,853.48



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2010 GSA PRICE LIST

END & CENTER SECTIONS WOOD
CUSTOM BUILDINGS: COMPLEX

END & CENTER SECTIONS - DESIGNED FOR CUSTOM MULTI WIDE SHELL CONFIGURATIONS. THESE ARE NOT COMPLETE BUILDINGS. OTHER OPTIONS MUST BE SELECTED.

WOOD COMPLEX: END SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBC1200	12 X 40 COMPLEX / WOOD	EA.	\$16,279.95
CBC1201	12 X 50 COMPLEX / WOOD	EA.	\$18,981.83
CBC1202	12 X 60 COMPLEX / WOOD	EA.	\$22,946.82
CBC1203	12 X 66 COMPLEX / WOOD	EA.	\$26,494.86
CBC1204	12 X 68 COMPLEX / WOOD	EA.	\$25,382.16
CBC1205	14 X 40 COMPLEX / WOOD	EA.	\$17,938.72
CBC1206	14 X 50 COMPLEX / WOOD	EA.	\$21,605.10
CBC1207	14 X 60 COMPLEX / WOOD	EA.	\$24,954.66
CBC1208	14 X 66 COMPLEX / WOOD	EA.	\$28,632.47
CBC1209	14 X 68 COMPLEX / WOOD	EA.	\$29,752.81
CBC1210	15 X 40 COMPLEX / WOOD	EA.	\$19,822.48
CBC1211	15 X 50 COMPLEX / WOOD	EA.	\$23,263.65
CBC1212	15 X 60 COMPLEX / WOOD	EA.	\$26,961.62
CBC1213	15 X 66 COMPLEX / WOOD	EA.	\$31,554.09
CBC1214	15 X 68 COMPLEX / WOOD	EA.	\$32,075.55

WOOD COMPLEX: CENTER SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBC1220	12 X 40 COMPLEX / WOOD	EA.	\$14,709.41
CBC1221	12 X 50 COMPLEX / WOOD	EA.	\$17,074.14
CBC1222	12 X 60 COMPLEX / WOOD	EA.	\$20,610.60
CBC1223	12 X 66 COMPLEX / WOOD	EA.	\$24,065.22
CBC1224	12 X 68 COMPLEX / WOOD	EA.	\$23,042.26
CBC1225	14 X 40 COMPLEX / WOOD	EA.	\$16,444.30
CBC1226	14 X 50 COMPLEX / WOOD	EA.	\$19,679.34
CBC1227	14 X 60 COMPLEX / WOOD	EA.	\$22,588.01
CBC1228	14 X 66 COMPLEX / WOOD	EA.	\$26,275.38
CBC1229	14 X 68 COMPLEX / WOOD	EA.	\$27,489.25
CBC1230	15 X 40 COMPLEX / WOOD	EA.	\$18,326.16
CBC1231	15 X 50 COMPLEX / WOOD	EA.	\$21,335.99
CBC1232	15 X 60 COMPLEX / WOOD	EA.	\$24,571.03
CBC1233	15 X 66 COMPLEX / WOOD	EA.	\$29,142.07
CBC1234	15 X 68 COMPLEX / WOOD	EA.	\$29,817.70



**Modular
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The Complete Modular Building Company

2010 GSA PRICE LIST

END & CENTER SECTIONS STEEL
CUSTOM BUILDINGS: COMPLEX

END & CENTER SECTIONS - DESIGNED FOR CUSTOM MULTI WIDE SHELL CONFIGURATIONS. THESE ARE NOT COMPLETE BUILDINGS. OTHER OPTIONS MUST BE SELECTED.

STEEL COMPLEX: END SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBC1240	12 X 40 COMPLEX / STEEL	EA.	\$23,072.80
CBC1241	12 X 50 COMPLEX / STEEL	EA.	\$27,384.26
CBC1242	12 X 60 COMPLEX / STEEL	EA.	\$31,052.56
CBC1243	12 X 66 COMPLEX / STEEL	EA.	\$34,749.47
CBC1244	12 X 68 COMPLEX / STEEL	EA.	\$36,333.59
CBC1245	14 X 40 COMPLEX / STEEL	EA.	\$25,156.96
CBC1246	14 X 50 COMPLEX / STEEL	EA.	\$29,025.65
CBC1247	14 X 60 COMPLEX / STEEL	EA.	\$33,022.84
CBC1248	14 X 66 COMPLEX / STEEL	EA.	\$36,434.74
CBC1249	14 X 68 COMPLEX / STEEL	EA.	\$38,337.59
CBC1250	15 X 40 COMPLEX / STEEL	EA.	\$25,771.52
CBC1251	15 X 50 COMPLEX / STEEL	EA.	\$29,752.81
CBC1252	15 X 60 COMPLEX / STEEL	EA.	\$33,817.65
CBC1253	15 X 66 COMPLEX / STEEL	EA.	\$37,700.14
CBC1254	15 X 68 COMPLEX / STEEL	EA.	\$39,188.61

STEEL COMPLEX: CENTER SECTIONS

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBC1260	12 X 40 COMPLEX / STEEL	EA.	\$22,851.39
CBC1261	12 X 50 COMPLEX / STEEL	EA.	\$27,330.83
CBC1262	12 X 60 COMPLEX / STEEL	EA.	\$30,489.52
CBC1263	12 X 66 COMPLEX / STEEL	EA.	\$33,984.13
CBC1264	12 X 68 COMPLEX / STEEL	EA.	\$35,581.60
CBC1265	14 X 40 COMPLEX / STEEL	EA.	\$25,011.91
CBC1266	14 X 50 COMPLEX / STEEL	EA.	\$28,615.30
CBC1267	14 X 60 COMPLEX / STEEL	EA.	\$32,560.32
CBC1268	14 X 66 COMPLEX / STEEL	EA.	\$35,772.46
CBC1269	14 X 68 COMPLEX / STEEL	EA.	\$37,535.99
CBC1270	15 X 40 COMPLEX / STEEL	EA.	\$25,624.56
CBC1271	15 X 50 COMPLEX / STEEL	EA.	\$29,344.38
CBC1272	15 X 60 COMPLEX / STEEL	EA.	\$33,382.29
CBC1273	15 X 66 COMPLEX / STEEL	EA.	\$37,035.95
CBC1274	15 X 68 COMPLEX / STEEL	EA.	\$38,461.65



**Modular
Solutions, Ltd.**

The Complete Modular Building Company

2010 GSA PRICE LIST

END & CENTER SECTIONS HIGH PUBLIC USE

CUSTOM BUILDINGS: COMPLEX

END & CENTER SECTIONS ONLY - DESIGNED FOR CUSTOM MULTI WIDE SHELL CONFIGURATIONS. THESE ARE NOT COMPLETE BUILDINGS. OTHER OPTIONS MUST BE SELECTED.

END SECTIONS: HIGH PUBLIC USE COMPLEX

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBC1400	12 X 40 COMPLEX / HIGH PUBLIC USE	EA.	\$29,724.18
CBC1401	12 X 50 COMPLEX / HIGH PUBLIC USE	EA.	\$35,220.88
CBC1402	12 X 60 COMPLEX / HIGH PUBLIC USE	EA.	\$40,076.30
CBC1403	12 X 66 COMPLEX / HIGH PUBLIC USE	EA.	\$44,495.89
CBC1404	12 X 68 COMPLEX / HIGH PUBLIC USE	EA.	\$46,315.28
CBC1405	14 X 40 COMPLEX / HIGH PUBLIC USE	EA.	\$32,387.82
CBC1406	14 X 50 COMPLEX / HIGH PUBLIC USE	EA.	\$37,507.46
CBC1407	14 X 60 COMPLEX / HIGH PUBLIC USE	EA.	\$42,760.50
CBC1408	14 X 66 COMPLEX / HIGH PUBLIC USE	EA.	\$46,926.21
CBC1409	14 X 68 COMPLEX / HIGH PUBLIC USE	EA.	\$49,077.78
CBC1410	15 X 40 COMPLEX / HIGH PUBLIC USE	EA.	\$33,298.90
CBC1411	15 X 50 COMPLEX / HIGH PUBLIC USE	EA.	\$38,564.26
CBC1412	15 X 60 COMPLEX / HIGH PUBLIC USE	EA.	\$43,953.70
CBC1413	15 X 66 COMPLEX / HIGH PUBLIC USE	EA.	\$48,566.14
CBC1415	15 X 68 COMPLEX / HIGH PUBLIC USE	EA.	\$50,385.54

CENTER SECTIONS: STEEL COMPLEX

ITEM #	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
CBC1420	12 X 40 COMPLEX / HIGH PUBLIC USE	EA.	\$26,326.79
CBC1421	12 X 50 COMPLEX / HIGH PUBLIC USE	EA.	\$31,196.96
CBC1422	12 X 60 COMPLEX / HIGH PUBLIC USE	EA.	\$34,746.01
CBC1423	12 X 66 COMPLEX / HIGH PUBLIC USE	EA.	\$38,476.44
CBC1424	12 X 68 COMPLEX / HIGH PUBLIC USE	EA.	\$40,150.73
CBC1425	14 X 40 COMPLEX / HIGH PUBLIC USE	EA.	\$29,056.17
CBC1426	14 X 50 COMPLEX / HIGH PUBLIC USE	EA.	\$33,123.26
CBC1427	14 X 60 COMPLEX / HIGH PUBLIC USE	EA.	\$37,523.67
CBC1428	14 X 66 COMPLEX / HIGH PUBLIC USE	EA.	\$41,009.84
CBC1429	14 X 68 COMPLEX / HIGH PUBLIC USE	EA.	\$42,863.60
CBC1430	15 X 40 COMPLEX / HIGH PUBLIC USE	EA.	\$29,746.87
CBC1431	15 X 50 COMPLEX / HIGH PUBLIC USE	EA.	\$34,175.19
CBC1432	15 X 60 COMPLEX / HIGH PUBLIC USE	EA.	\$38,716.98
CBC1433	15 X 66 COMPLEX / HIGH PUBLIC USE	EA.	\$42,647.87
CBC1434	15 X 68 COMPLEX / HIGH PUBLIC USE	EA.	\$44,171.34



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2010 GSA PRICE LIST

OPTION SHEET
ROOF UPGRADES: MONO/GABLE AND COMPLEX

ROOF: MONO/GABLE

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
R2000	STEEL CLEARSPAN IN LIEU OF PLYWOOD	SQ. FT.	\$2.40
R2001	ADD OVERHANG (UP TO 12")	LN. FT.	\$11.35
R2002	ADD OVERHANG (OVER 12" TO 24")	LN. FT.	\$17.84
R2004	UPGRADE TO R-30 FIBERGLASS INSULATION	SQ. FT.	\$0.55
R2005	UPGRADE TO 30 P.S.F. ROOF LOAD	SQ. FT.	\$0.68
R2006	UPGRADE TO 40 P.S.F. ROOF LOAD	SQ. FT.	\$2.35
R2007	UP GRADE TO STANDING SEAM STEEL ROOF	SQ. FT.	\$1.81

ROOF: COMPLEX

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
R2050	UPGRADE TO STEEL CLEARSPAN - END	SQ. FT.	\$2.40
R2051	UPGRADE TO STEEL CLEARSPAN - CENTER	SQ. FT.	\$5.80
R2052	ADD OVERHANG (UP TO 12")	LN. FT.	\$11.35
R2053	ADD OVERHANG (OVER 12" TO 24")	LN. FT.	\$17.84
R2054	UPGRADE INSULATION TO R-30	SQ. FT.	\$0.55
R2055	UPGRADE ROOF LOAD TO 30 PSF	SQ. FT.	\$0.68
R2056	UPGRADE ROOF LOAD TO 40 PSF	SQ. FT.	\$2.35
R2057	ADD SALES TYPE MANSARD	LN. FT.	\$8.12
R2058	ADD 2' PARAPET	LN. FT.	\$39.45
R2059	ADD MANSARD - LP SMART PANEL	LN. FT.	\$44.33
R2060	ADD MANSARD - HIGH RIBBED STEEL	LN. FT.	\$54.95
R2061	CHANGE ROOFING TO 30 GA. GALV. (THIS OPTION NOT VALID WITH PARAPET OR MANSARD OPTIONS)	SQ. FT.	-\$0.04
R2062	UPGRADE TO FOAM 10 YEAR ROOF	SQ. FT.	\$4.79
R2063	UPGRADE RUBBERIZED EPDM ROOF OVER FR DEC	SQ. FT.	\$4.54
R2064	UPGRADE TO TORCH DOWN ROOF COVERING	SQ. FT.	\$4.54
R2065	UPGRADE TO 4 PLY MODIFIED BITUMAN ROOFING	SQ. FT.	\$6.55
R2066	UPGRADE TO SINGLE PLY (TPO) ROOFING	SQ. FT.	\$5.70
R2067	ELASTOMETRIC WHITE ROOF COATING	SQ. FT.	\$1.23
R2068	THERMOPLASTIC SINGLY PLY ROOFING WITH STANDARD WARRANTY	SQ. FT.	\$4.14
R2069	UPGRADE TO WHITE EPDM ROOFING OVER F.R. DECK	SQ. FT.	\$1.36

NOTE: PLEASE CONSIDER OVERALL BUILDING WIDTH WHEN ADDING OVERHANG.

WIDE UNITS MAY REQUIRE COSTLY ESCORTS AND PERMITS.

OPTION SHEET
EXTERIOR WALL UPGRADES

EXTERIOR WALLS - UPGRADES

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
EW2100	UPGRADE TO 2 X 6 WOOD STUD W/R-19	LN. FT.	\$10.13
EW2104	2 X 6 STEEL STUD W/R-19 & 1/2" V.C.G.	LN. FT.	\$11.25
EW2107	4' FRP	LN. FT.	\$16.23
EW2108	1 HR FIRE RATING W/O PROTECTED OPENINGS	LN. FT.	\$47.67
EW2110	SYNTHETIC STUCCO OVER 1" FOAM	SQ. FT.	\$9.15
EW2111	CONCRETE STUCCO OVER 1" FOAM	SQ. FT.	\$5.72
EW2112	UPGRADE TO LAP SIDING - WOOD	LN. FT.	\$37.34
EW2113	UPGRADE TO .019 ALUMINUM SIDING	LN. FT.	\$29.72
EW2114	UPGRADE TO 26 GA. HIGH RIBBED STEEL	LN. FT.	\$45.51
EW2115	UPGRADE TO STUCATO BOARD SIDING	LN. FT.	\$3.69
EW2116	CREDIT / 1/2" PLYWOOD -VS- LP INNERSEAL	LN. FT.	-\$1.77
EW2117	UPGRADE TO 1/2" DRYWALL T.T.P.	LN. FT.	\$11.02
EW2118	UPGRADE T.T.P. TO 1/2" TACKABLE BOARD	LN. FT.	\$0.65
EW2119	UPGRADE VCG TO 1/2" TACKABLE BOARD	LN. FT.	\$10.42
EW2150	40-50 OUTSIDE OF PHOENIX METRO - STUCCO	MILE	\$14.28
EW2151	50-100 OUTSIDE OF PHOENIX METRO - STUCCO	MILE	\$18.01
EW2152	100-150 OUTSIDE OF PHOENIX METRO - STUCCO	MILE	\$21.91
EW2153	150-200 OUTSIDE OF PHOENIX METRO - STUCCO	MILE	\$25.72
EW2154	200-250 OUTSIDE OF PHOENIX METRO - STUCCO	MILE	\$29.53
EW2155	250-300 OUTSIDE OF PHOENIX METRO - STUCCO	MILE	\$31.43
EW2156	UPGRADE WALL FOR 9' NOMINAL CEILING	LN. FT.	\$29.79
EW2157	UPGRADE WALL FOR 10' NOMINAL CEILING	LN. FT.	\$38.17
EW2158	E.I.F.S. SYSTEM OVER 1" FOAM	SQ. FT.	\$10.08
EW2159	THERMAL VAPOR BARRIER	SQ. FT.	\$0.28



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2010 GSA PRICE LIST

OPTION SHEET
INTERIOR WALLS

INTERIOR WALLS

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
IW2200	2 X 4 WOOD STUD WITH 1/2" V.C.G. 2-SIDES	LN. FT.	\$44.33
IW2201	2 X 6 WOOD STUD & 1/2" V.C.G. 2-SIDES	LN. FT.	\$52.76
IW2202	3.5/8" METAL STUDS WITH 1/2" GYP. T.T.P. 2-SIDES	LN. FT.	\$69.78
IW2204	6" METAL STUDS WITH 1/2" GYP. T.T.P. 2-SIDES	LN. FT.	\$76.85
IW2206	UPGRADE 2X4X8' TO FULL HEIGHT (NON FIRE RATED)	LN. FT.	\$11.39
IW2207	UPGRADE 2X6X8' TO FULL HEIGHT (NON FIRE RATED)	LN. FT.	\$15.45
IW2208	ADD R-11 INSULATION TO A 2X4X8' INTERIOR WALL	LN. FT.	\$3.91
IW2209	ADD R-19 INSULATION TO A 2X6X8' INTERIOR WALL	LN. FT.	\$6.85
IW2210	DRYWALL	LN. FT.	\$22.05
IW2211	ADD 4' WAINSCOT TO FRP (ONE SIDE ONLY)	LN. FT.	\$16.26
IW2212	UPGRADE T.T.P. TO 1/2" TACKABLE BOARD	LN. FT.	\$1.31
IW2213	UPGRADE VCG TO 1/2" TACKABLE BOARD	LN. FT.	\$20.89
IW2214	UPGRADE TO CERAMIC TILE FULL HGT IN RR	SQ. FT	\$18.15
IW2215	UPGRADE TO DECO FRP (OTHER THAN WHITE - ONE SIDE ONLY)	SQ. FT	\$18.29
IW2216	UPGRADE TO 2 X 4 X 9'(NOMINAL (VCG) TWO SIDES	LN.FT	\$8.79
IW2217	UPGRADE TO 2 X 4 X 9' (NOMINAL) 1/2" DRYWALL TWO SIDES	LN.FT	\$25.05
IW2218	UPGRADE TO 2 X 4 X 10' (NOMINAL) (VCG) TWO SIDES	LN.FT	\$12.25
IW2219	UPGRADE TO 2 X 4 X 10' NOMINAL 1/2" DRYWALL TWO SIDES	LN.FT	\$14.93
IW2220	UPGRADE TO PAPERLESS (MOLD RESISTANT) DRYWALL	LN.FT	\$17.58
IW2222	ADD STC 48 "WON" ACCORDION WALL	SQ. FT	\$60.46
IW2223	ADD HEADER SUPPORT FOR ACCORDION WALL	LN.FT	\$18.14



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2010 GSA PRICE LIST

**OPTION SHEET
FLOOR UPGRADES**

FLOOR: CONSTRUCTION UPGRADES

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
F2300	UPGRADE TO 75# FLOOR LOAD	SQ. FT.	\$0.75
F2301	UPGRADE TO 100 # FLOOR LOAD	SQ. FT.	\$1.23
F2302	UPGRADE TO 125 # FLOOR LOAD	SQ. FT.	\$1.41
F2303	UPGRADE TO 1.1/8" T&G FLOOR DECKING	SQ. FT.	\$1.13
F2304	UPGRADE TO R-19 UNFACED INSULATION	SQ. FT.	\$0.29
F2305	UPGRADE TO PERIMETER CHASSIS	SQ. FT.	\$6.46
F2306	UPGRADE TO 2 X 8 FLOOR JOIST	SQ. FT.	\$4.54
F2307	UPGRADE TO STEMWALL READY WOOD JOIST	SQ. FT.	\$4.54
F2308	UPGRADE TO CONCRETE FLOOR SLAB "READY"	SQ. FT.	\$12.60
F2309	UPGRADE TO CONCRETE FLOOR SLAB	SQ. FT.	\$15.97
F2310	UPGRADE TO CARPET SQUARES	SQ YD.	\$49.02
F2311	PRESSURE TREATED OSB SUBFLOOR, PRESSURE TREATED; MINIMUM QUAN. APPLIES: 24,000 SQ.FT.	SQ .FT.	\$0.97

FLOOR: COVERING

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
-	<i>LISTED BELOW ARE FLOOR FINISHES INSTALLED ON SITE - PLEASE NOTE MILE RADIUS</i>	-	-
F2360	1-50 MILES ADD 26 OZ OLEFIN CARPET WITH UNITARY	SQ. YD.	\$13.06
F2361	1-50 MILES ADD SHAW ACADEMY CARPET	SQ. YD.	\$38.58
F2362	1-50 MILES ADD VCT TILE	PER 45 SF	\$73.41
F2363	1-50 MILES ADD 4" VINYL BASE	PER 120 LF	\$122.35
F2364	50-150 MILES ADD 26OZ OLEFIN CARPET WITH UNITARY	SQ. YD.	\$15.09
F2365	50-150 MILES ADD SHAW ACADEMY CARPET	SQ. YD.	\$40.62
F2366	50-150 MILES ADD VCT TILE	PER 45 S.F.	\$75.04
F2367	50-150 MILES ADD 4" VINYL BASE	PER 120 L.F.	\$122.35
F2368	151-300 MILES ADD 26 OZ OLEFIN CARPET W/UNITARY	SQ. YD.	\$15.09
F2369	151-300 MILES ADD SHAW ACADEMY CARPET	SQ. YD.	\$41.28
F2370	151-300 MILES ADD VCT TILE	PER 45 S.F.	\$76.67
F2371	151-300 MILES ADD 4" VINYL BASE	PER 120 L.F.	\$122.35
F2372	W/UNITARY	SQ. YD.	\$16.89
F2373	301-UP MILES ADD SHAW ACADEMY CARPET	SQ. YD.	\$42.41
F2374	301-UP MILES ADD VCT TILE	PER 45 S.F.	\$78.31
F2375	301-UP MILES ADD 4" VINYL BASE	PER 120 LF.	\$122.35
F2376	UPGRADE: CERAMIC TILE FLOORCOVERING	PER SQ. FT.	\$18.15

NOTE: SHAW ACADEMY CAPET EQUAL TO COLLINS AND AIKMAN CARPET



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2010 GSA PRICE LIST

OPTION SHEET
EXTERIOR DOORS AND UPGRADES

EXTERIOR DOORS WITH BASIC HARDWARE AND UPGRADES

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
ED3000	ADD 3068 18 GA STEEL DOOR W/16 GA JAMB	EA.	\$959.19
ED3001	ADD 6068 18 GA. STEEL DOOR W/16 GA JAMB	EA.	\$2,306.61
ED3002	UPGRADE PANIC HARDWARE TO VON DUPRIN 22L	EA.	\$460.02
ED3003	UPGRADE DOOR CLOSURE TO LCN4040	EA.	\$264.27
ED3004	UPGRADE HINGES TO ROTON CONTINUOUS	EA.	\$371.93
ED3005	ADD 10X10 LITE KIT	EA.	\$34.26
ED3006	ADD 3070 S/B/B STORE FRONT DOOR (INCLUDES PANIC HARDWARE)	EA.	\$1,598.64
ED3007	ADD 3070 D/B/B STORE FRONT DOOR (INCLUDES PANIC HARDWARE)	EA.	\$1,681.84
ED3008	ADD 6070 S/B/B STORE FRONT DOOR (INCLUDES PANIC HARDWARE)	EA.	\$3,058.62
ED3009	ADD 6070 D/B/B STORE FRONT DOOR (INCLUDES PANIC HARDWARE)	EA.	\$3,236.43
ED3010	ADD AUTOMATIC PUSH BUTTON DOOR CLOSER	EA.	\$2,976.58
ED3011	ADD AUTOMATIC SENSOR DOOR OPENER	EA.	\$4,972.30
ED3012	ACCESSORY 1/2 DOOR LITE (WINDOW) FIXED	EA.	\$627.88
ED3013	UPGRADE KEYWAY TO SCHLAGE OR BEST BRAND	EA.	\$800.27
ED3014	UPGRADE HARDWARE TO SCHLAGE OR BEST BRAND	EA.	\$921.77
ED3015	UPGRADE TO PUSH BUTTON SECURED ENTRY	EA.	\$830.85
ED3016	ADD 6" X 24" OR EQUAL TEMPERED VIEW LITE	EA.	\$97.99
ED3017	UPGRADE TO "BEST" BRAND LEVER HARDWARE, GRADE II	EA.	\$315.10
ED3018	UPGRADE TO CONSTRUCTION CORE	EA.	\$78.93
ED3019	ADD SINGLE EXTERIOR DOOR- FRENCH	EA.	\$756.09
ED3020	ADD SINGLE EXTERIOR DOOR WITH PANIC HARDWARE- FRENCH	EA.	\$986.40
ED3021	ADD DOUBLE EXTERIOR DOOR- FRENCH	EA.	\$1,208.06
ED3022	ADD DOUBLE EXTERIOR DOOR WITH PANIC HARDWARE- FRENCH	EA.	\$1,812.59



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2010 GSA PRICE LIST

OPTION SHEET
INTERIOR DOORS AND UPGRADES

INTERIOR DOORS WITH BASIC HARDWARE AND UPGRADES

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
ID3100	ADD 3068 HOLLOWCORE PREFINISHED OR PAINT GRADE WITH WOOD JAMB	EA.	\$237.90
ID3101	ADD 3068 SOLIDCORE PREFINISHED OR PAINT GRADE WITH WOOD JAMB	EA.	\$319.46
ID3102	ADD 3068 SOLIDCORE PREFINISHED OR PAINT GRADE WITH TIMELY JAMB	EA.	\$385.72
ID3103	UPGRADE PASSAGE OR PRIVACY LOCKSET TO SCHLAGE "D"	EA.	\$339.85
ID3104	UPGRADE PASSAGE OR PRIVACY LOCKSET TO BEST 93K	EA.	\$280.38
ID3105	ADD DOOR CLOSER WITH PULL HANDLES	EA.	\$470.74
ID3106	ADD 6" WIDE VIEW LITE WITH TEMPERED GLASS	EA.	\$193.91
ID3107	ADD 1/2 LITE WITH TEMPERED GLASS	EA.	\$627.88
ID3108	UPGRADE TO PUSH BUTTON SECURED ENTRY	EA.	\$830.85
ID3109	UPGRADE TO BIRCH CLEAR COAT TIMELY JAMB	EA.	\$138.16
ID3110	UPGRADE TO UL FIRE RATED DOOR & JAMB	EA.	\$199.50



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2010 GSA PRICE LIST

**OPTION SHEET
WINDOWS**

WINDOWS

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
W3200	2020 H.S. DUAL/CLEAR/BRONZE	EA.	\$181.07
W3201	3040 H.S. DUAL/CLEAR/BRONZE	EA.	\$241.43
W3202	4010 H.S. DUAL/CLEAR/BRONZE	EA.	\$185.97
W3203	4020 H.S. DUAL/CLEAR/BRONZE	EA.	\$208.81
W3204	4030 H.S. DUAL/CLEAR/BRONZE	EA.	\$236.54
W3205	4040 H.S. DUAL/CLEAR/BRONZE	EA.	\$261.00
W3206	5040 H.S. DUAL/CLEAR/BRONZE	EA.	\$283.84
W3207	5050 H.S. DUAL/CLEAR/BRONZE	EA.	\$314.84
W3208	6050 H.S. DUAL/CLEAR/BRONZE	EA.	\$339.31
W3209	8040 H.S. DUAL/CLEAR/BRONZE	EA.	\$396.40
W3210	1030 FIXED DUAL/CLEAR/BRONZE	EA.	\$163.13
W3211	1040 FIXED DUAL/CLEAR/BRONZE	EA.	\$174.55
W3212	1050 FIXED DUAL/CLEAR/BRONZE	EA.	\$189.23
W3213	1060 FIXED DUAL/CLEAR/BRONZE	EA.	\$208.81
W3214	1070 FIXED DUAL/CLEAR/BRONZE	EA.	\$522.01
W3215	3030 CENTER SET SINGLE/CLEAR	EA.	\$189.23
W3216	4030 CENTER SET SINGLE/CLEAR	EA.	\$208.81
W3217	4040 CENTER SET SINGLE/CLEAR	EA.	\$227.93

ACCESSORIES

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
W3250	SECURITY BARS	SQ. FT	\$11.10
W3251	MINI BLINDS	SQ. FT	\$7.24
W3252	HURRICANE FABRIC - INSTALLED	SQ FT	\$5.67
W3253	RETRACTABLE AWNING - (UP TO 96 SQ FT)	SQ FT	\$1,597.98
W3254	SECURITY ROLL UP SHUTTER - MANUAL	UNITED IN.	\$15.11
W3255	SECURITY ROLL UP SHUTTER - AUTOMATIC	UNITED IN.	\$20.15
W3256	4030 LOW E, 3 COAT MAX VINYL	SQ FT	\$35.26
W3257	NATURAL LIGHT SOLAR TUBE 8"	EA.	\$352.64
W3258	2' X 4' SKYLIGHT WITH GUARD	SQ FT	\$112.18

MECHANICAL HVAC

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
M4202	2 TON WALL MOUNTED WITH 10KW HEAT STRIP	EA.	\$2,275.17
M4203	2.5 TON WALL MOUNTED WITH 10KW HEAT STRIP	EA.	\$2,432.79
M4204	3 TON WALL MOUNTED WITH 10KW HEAT STRIP	EA.	\$2,593.30
M4205	3.5 TON WALL MOUNTED WITH 10KW HEAT STRIP	EA.	\$3,433.60
M4206	4 TON WALL MOUNTED WITH 10KW HEAT STRIP	EA.	\$3,929.29
M4207	5 TON WALL MOUNTED WITH 10KW HEAT STRIP	EA.	\$4,876.60
M4208	UPGRADE TO HEAT PUMP WITH 5KW HEAT STRIP	EA.	\$625.51
M4209	UPGRADE WALL MOUNT TO ROOF MOUNT UNIT	EA.	\$2,517.76
M4210	UPGRADE WALL MOUNT TO ROOF MOUNT HEAT PUMP	EA.	\$3,776.64
M4211	PACK	EA.	\$3,476.09
M4212	WALL	SQ. FT.	\$1.66
M4213	ADD SMOKE DUCT DETECTOR	EA.	\$775.79
M4214	UPGRADE TO GROUND/PAD MOUNT, 2 TO 3 TON (13 SEER)	EA.	\$6,573.67
M4215	UPGRADE TO GROUND/PAD MOUNT, 4 TO 5 TON (13 SEER)	EA.	\$7,804.45
M4216	MINI SPLIT DUCTLESS SYSTEM (1-2 TON)	EA.	\$3,312.48
M4217	MINI SPLIT DUCTLESS SYSTEM (3 TON)	EA.	\$4,541.92
M4218	UPGRADE ROOF MOUNT TO 13 SEER RATING	EA.	\$1,228.69
M4219	UPGRADE TO WALL MOUNT GAS PACK	EA.	\$2,810.24
M4220	UPGRADE TO GALVANIZED DUCT WORK	EA.	\$4,221.08
M4221	INTERIOR ROOF ACCESS WITH HATCH	EA.	\$5,934.51
M4222	EXTERIOR ROOF ACCESS	EA.	\$2,694.21
M4223	UPGRADE TO RIGID DUCTWORK, NON-DECORATIVE	LN.FT.	\$23.36
M4224	ADD INSULATION TO RIGID DUCTWORK	LN.FT.	\$7.14
M4225	UPGRADE TO ENERGY STAR 14 SEER GROUND MOUNT AND PAD	EA.	\$3,850.50
M4226	UPGRADE TO PROGRAMMABLE THERMOSTAT	EA.	\$173.95

NOTE: (M4213) DUCT SMOKE DETECTOR IS REQUIRED IF MORE THAN ONE A/C UNIT SUPPLIES A COMMON ROOM.



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2010 GSA PRICE LIST

**OPTION SHEET
ELECTRICAL**

ELECTRICAL

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
E4000	DUPLEX RECEPTACLE	EA.	\$24.48
E4001	DUPLEX RECEPTACLE - DEDICATED	EA.	\$40.79
E4002	DUPLEX RECEPTACLE - GFCI	EA.	\$45.68
E4003	DUPLEX RECEPTACLE - GFCI WP	EA.	\$52.20
E4004	220V RECEPTACLE	EA.	\$106.04
E4005	FLOOR RECEPT WITH BRASS COVER	EA.	\$269.16
E4006	SINGLE POLE SWITCH	EA.	\$24.48
E4007	DBL. POLE SWITCH	EA.	\$32.63
E4008	3-WAY SWITCH	EA.	\$40.79
E4009	VANGUARD PORCH LIGHT	EA.	\$42.41
E4010	FLOOD LIGHT	EA.	\$83.20
E4011	100 CFM FAN/LIGHT COMBO	EA.	\$106.04
E4012	2X4-4 TUBE FLUORESCENT FIXTURE	EA.	\$110.93
E4013	UPGRADE 2X4-4 TUBE FLUOR. TO T-8 BALLAST	EA.	\$62.00
E4014	WALL MOUNTED EXIT LIGHT W/BATT	EA.	\$172.91
E4015	WALL MOUNTED EMERGENCY LIGHT W/BATT	EA.	\$86.46
E4016	125 AMP SINGLE PHASE PANEL	EA.	\$236.54
E4017	200 AMP SINGLE PHASE PANEL	EA.	\$417.61
E4018	J-BOX CEILING MOUNTED - T-GRID	EA.	\$16.32
E4019	J-BOX WITH 3/4" CONDUIT STUB TO CEILING	EA.	\$24.48
E4020	ADD 6X6X6 NEMA3R SEMI RECESSED J-BOX	EA.	\$48.07
E4021	UPGRADE ELECTRICAL RACEWAY TO CONDUIT	SQ. FT.	\$0.48
E4022	CEILING FAN "READY"- SWITCHED	EA.	\$122.67
E4023	UPGRADE TO EXTERIOR PORCH LIGHT - DOWN DISCHARGE	EA.	\$191.38
E4024	UPGRADE TO SWITCHED EXHAUST FAN ONLY	EA.	\$123.80
E4025	UPGRADE TO EMERGENCY BALLAST	EA.	\$148.87
E4026	ADD HARDWIRED J-BOX "READY" FOR FUTURE	EA.	\$59.12
E4027	ADD P.A. SPEAKER - CEILING MOUNTED	EA.	\$163.71
E4028	2" CABLE TRAY, CEILING MOUNTED	LN.FT.	\$19.14
E4029	CAT 5 COM/DATA WIRE (PER DROP)	EA.	\$289.17
E4030	SMART STRIP LCG3, ELIMINATE PHANTOM POWER	EA.	\$72.54
E4031	DARK SKY ORDINANCE PORCH LIGHT	EA.	\$200.37
E4032	PHOTOCELL	EA.	\$104.66
E4033	INTERMATIC TIMER SWITCH ON LIGHTING	EA.	\$135.12
E4034	HALF LIGHTING	EA.	\$60.85
E4035	200 AMP 3 PHASE PANEL	EA.	\$491.85



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The Complete Modular Building Company

2010 GSA PRICE LIST

**OPTION SHEET
PLUMBING**

PLUMBING

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
P4100	HANDICAP WATER CLOSET WITH GRAB BARS	EA.	\$619.89
P4101	STANDARD WATER CLOSET	EA.	\$422.50
P4102	CHILD SIZE WATER CLOSET	EA.	\$763.61
P4103	LAVATORY: STANDARD, HANDICAP OR CHILD HEIGHT	EA.	\$450.23
P4104	WALL HUNG URINAL W/FLUSH VALVES	EA.	\$652.51
P4105	100 CFM FAN/LIGHT COMBO	EA.	\$106.04
P4108	DOUBLE STAINLESS STEEL SINK	EA.	\$541.58
P4109	15" X 15" STAINLESS STEEL BAR SINK	EA.	\$443.71
P4110	FLOOR MOUNTED FIBERGLASS MOP SINK	EA.	\$763.61
P4111	DRINKING FOUNTAIN - ELECTRIC	EA.	\$1,291.96
P4113	HANDICAP MODESTY PARTITION	EA.	\$1,019.87
P4114	STANDARD MODESTY PARTITION	EA.	\$815.63
P4115	MODESTY SCREEN (FOR URINAL)	EA.	\$262.64
P4116	24" X 36" MIRROR	EA.	\$42.41
P4117	TOILET PAPER (T.P.) HOLDER	EA.	\$42.41
P4118	"C" FOLD TOWEL DISPENSER	EA.	\$78.31
P4119	ELECTRIC DRYER	EA.	\$970.61
P4120	SOAP DISPENSER	EA.	\$70.15
P4121	INSTA-HOT WATER HEATER	EA.	\$314.84
P4122	6-GALLON WATER HEATER	EA.	\$270.80
P4123	30-GALLON WATER HEATER	EA.	\$513.85
P4124	SINGLE OCCUPANT WOMEN'S HDPC RESTROOM	EA.	\$3,207.07
P4125	SINGLE OCCUPANT MEN'S HDPC RESTROOM	EA.	\$3,929.72
P4126	UPGRADE TO FLUSH VALVE WATER CLOSET	EA.	\$351.35
P4127	UPGRADE TO CHILD SIZE FLUSH VALVE	EA.	\$351.35
P4128	UPGRADE TO FLUSHOMETER WATER CLOSET	EA.	\$933.98
P4129	ADD AUTO SENSOR LAVATORY	EA.	\$855.65
P4130	ADD PUSH BUTTON ELECTRIC HAND DRYER (SINGLE)	EA.	\$298.36
P4131	ADD 40 GALLON GAS WATER HEATER	EA.	\$653.71
P4132	ADD 40 GALLON ELECTRIC WATER HEATER	EA.	\$589.58
P4133	UPGRADE TO COMMERCIAL 9" SIZE T.P. HOLDER	EA.	\$41.59
P4134	ADD SEMI-RECESSED TRASH RECEPTACLE/TOWEL DISPENSER	EA.	\$1,292.60
P4135	UPGRADE TO ELECTRIC HI-LO DRINKING FOUNTAIN (INTERIOR)	EA.	\$874.01
P4136	VANDAL RESISTANT EXT. DRINKING FOUNTAIN	EA.	\$4,147.67
P4137	ADD SENSOR TO P 4130 (HAND DRYER)	EA.	\$348.48

P4138	ELECTRIC DRYER (GREEN SPEC)	EA.	\$987.57
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NOTE: (P4124) SINGLE OCCUPANT WOMEN'S HDCP RESTROOM IS INCLUSIVE OF:
HDCP WATERCLOSET, WALL HUNG LAVATORY, INSTA HOT WATER HEATER,
MIRROR, T.P. HOLDER, FAN LIGHT COMBO, WALLS, DOOR, AND LINO FLOOR.

(P4125) SINGLE OCCUPANT MEN'S HDCP RESTROOM IS INCLUSIVE OF:
HDCP WATER CLOSET, WALL HUNG URINAL, WALL HUNG LAVATORY, INSTA
HOT WATER HEATER, MIRROR, T.P. HOLDER, FAN LIGHT COMBO, WALLS, DOOR,
AND LINO FLOOR.

OPTION SHEET
FIRE ALARM AND SPRINKLER SYSTEMS

FIRE ALARM SYSTEM

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
FS4300	CLASS-A 5 ZONE CONTROL PANEL	EA.	\$1,619.07
FS4301	CLASS-A 10 ZONE CONTROL PANEL	EA.	\$2,022.71
FS4302	12 VOLT 7 TO 10 AMP HOUR BATTERIES	EA.	\$106.05
FS4303	12 VOLT 10 TO 18 AMP HOUR BATTERIES	EA.	\$265.92
FS4304	BATTERY CABINET FOR LARGE BATTERIES	EA.	\$138.68
FS4305	INTERIOR STROBE HORN COMBINATION	EA.	\$218.61
FS4306	INTERIOR STROBE ONLY	EA.	\$203.93
FS4307	EXTERIOR STROBE HORN	EA.	\$318.13
FS4308	SINGLE OR DOUBLE ACTION PULL STATION	EA.	\$168.04
FS4309	HEAT OR RATE OF RISE DETECTOR	EA.	\$117.46
FS4310	2 OR 4 WIRE SMOKE DETECTOR	EA.	\$181.09
FS4311	FIRE ALARM ENGINEERING	EA.	\$856.50
FS4312	OUT OF TOWN MILAGE CHARGE (OVER 50 MILES)	EA.	\$0.55
FS4313	18-2 FIRE WIRE PER FOOT INSTALLED	LN. FT	\$0.31
FS4314	18-4 FIRE WIRE PER FOOT INSTALLED	LN. FT	\$0.33
FS4315	18-2 PLENUM PER FOOT INSTALLED	LN. FT	\$0.33
FS4316	14-2 FIRE WIRE PER FOOT INSTALLED	LN. FT	\$0.27
FS4317	14-4 FIRE WIRE PER FOOT INSTALLED	LN. FT	\$0.31

NOTE: ALL PRICES ABOVE INCLUDE LABOR, WIRE, OR APPLIANCE INCLUDED IN THE UNIT PRICE. PERMITS IF ANY ARE CHARGED (FS4313-4317) WIRING INCLUDES WIRE AND LABOR ONLY. SITE TRENCHING AND CONDUIT REQUIRED ON SITE IS NOT INCLUDED.

SPRINKLER SYSTEM

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
FS4350	SPRINKLER SYSTEM INSTALLED PER NFPA 13	SQ. FT.	\$3.59
FS4351	ADD FIRE SPRINKLER RISER	EA.	\$1,060.43
FS4352	ADD A.P.E. STAMP ON DRAWING	EA.	\$489.42
FS4353	ON SITE CONNECTING AND TESTING 0-60 MILES	EA.	\$1,044.11
FS4354	ON SITE CONNECTING AND TESTING 60-100 MILES	EA.	\$1,566.16
FS4355	ON SITE CONNECTING AND TESTING OVER 100 MILES	EA.	\$2,349.24
FS4356	ADD HEADS IN ATTIC SPACE	EA.	\$88.61
FS4357	ADD IN LINE BACKFLOW PREVENTOR	EA.	\$2,469.08
FS4358	SHOP DRAWINGS / AS-BUILTS FOR CERTIFICATION	EA.	\$3,211.09
FS4359	EXTERIOR BELL WIRE & CONNECT ON SITE	EA.	\$1,870.02

NOTE: (M4250) FURNISH AND INSTALL MATERIALS AND PERFORM THE

LABOR NECESSARY FOR THE COMPLETION OF INSTALLATION OF FIRE SPRINKLER SYSTEM IN THE MODULAR UNIT. THIS SYSTEM WILL BE INSTALLED PER THE REQUIREMENTS OF THE NATIONAL FIRE PROTECTION ASSOCIATION PAMPHLET 13. PRICE INCLUDES ONLY THE INSIDE DESIGN AND PIPING. SHOP DRAWINGS (FOR A FEE) OF THE INSIDE SYSTEM FOR THE SITE CONTRACTOR TO INCORPORATE INTO SUBMITTALS FOR APPROVAL. THE SITE CONTRACTOR WILL BE REQUIRED TO SUPPLY A SITE UNDERGROUND PLAN AND BE RESPONSIBLE FOR APPROVAL FROM LOCAL AUTHORITIES. WATERFLOW CHARACTERISTICS MUST BE SUPPLIED TO US FOR THE



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**OPTION SHEET
MISCELLANEOUS**

MISC

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
MC4400	ADD STANDARD PREFINISHED BASE CABINETS W/LAMINATED COUNTER TOP	LN. FT.	\$207.19
M4203	ADD STANDARD PREFINISHED WALL CABINETS	LN. FT.	\$97.89
M4204	ADD MELAMINE BASE CABINETS W/LAMINATED COUNTER TOP	LN. FT.	\$257.77
M4205	ADD MELAMINE WALL CABINETS	LN. FT.	\$194.14
M4206	ADD LAMINATED BASE CABINETS W/LAMINATED COUNTER TOP	LN. FT.	\$347.49
M4207	ADD LAMINATED WALL CABINETS	LN. FT.	\$251.24
M4208	ADD 26 GA STEEL RODENT BARRIER TO REPLACE STD. 3MILL PLASTIC	SQ. FT.	\$2.37
M4209	ADD 4X8 HARDBOARD CHALKBOARD OR MARKER BOARD W/ALUMINUM TRIM	EA.	\$278.98
M4210	ADD 4X8 28 GA STEEL CHALKBOARD OR MARKER BOARD W/ALUMINUM TRIM	EA.	\$419.28
M4211	ADD 4X4 VINYL COVERED TACKBOARD WITH ALUMINUM TRIM	EA.	\$107.67
M4212	ADD 4X8 VINYL COVERED TACKBOARD WITH ALUMINUM TRIM	EA.	\$205.56
M4213	ADD 26 GA GUTTERS AND DOWNSPOUTS	LN. FT.	\$10.20
M4214	PERFORMANCE BOND (IF REQUIRED BY CUSTOMER)	EA.	2% OF PROJECT VALUE
M4215	18 CU REFRIGERATOR / FREEZER ON TOP	EA.	\$1,396.48
M4216	24" BUILT IN DISHWASHER (UNDER CABINET TYPE)	EA.	\$1,086.65
M4217	20 CU UPRIGHT FREEZER	EA.	\$901.77
M4218	1 HP GARBAGE DISPOSAL	EA.	\$582.37
M4219	FOUR BURNER SELF-CLEANING ELECTRIC RANGE, 5.3 CU	EA.	\$1,034.76
M4220	STOVE HOOD VENT (RESIDENTIAL STYLE)	EA.	\$498.74
M4221	2.0 CU COUNTERTOP MICROWAVE	EA.	\$281.10
M4222	1.7 CU MICRO/HOOD COMBO	EA.	\$849.37
M4223	30" ELECTRIC SELF CLEANING DOUBLE OVEN	EA.	\$2,678.08
M4224	30" SELF CLEANING FREESTANDING GAS RANGE	EA.	\$1,064.99
M4225	ORNAMENTAL IRON 36" DOOR SECURITY SCREEN	EA.	\$1,856.93
M4226	8" SOLAR TUBE	EA.	\$489.67
M4227	2' X 4' NON-MOTORIZED SKY LIGHT	EA.	\$990.43
M4228	ENERGY STAR RATED 52" CEILING FAN	EA.	\$424.25
M4229	ENERGY STAR RATED 18 CU REFRIGERATOR WITH TOP FREEZER	EA.	\$1,406.82

M4230	ENERGY STAR RATED 30" ELECTRIC RANGE	EA.	\$829.15
M4231	ENERGY STAR RATED UNDER RANGE HOOD	EA.	\$597.75
M4232	ENERGY STAR RATED DISHWASHER	EA.	\$597.64
M4233	ENERGY STAR RATED WASHING MACHINE	EA.	\$1,858.66
M4234	ELECTRIC DRYER-STANDARD	EA.	\$768.19
M4235	MICROWAVE-STANDARD	EA.	\$289.11
M4236	FILE CABINET - 2 DRAWER	EA.	\$95.72

OPTION SHEET
INSTALLATION & SKIRTING

INSTALLATION

CODE	DESCRIPTION	UNIT	GSA PRICE W/I.F.F.
SET5010	PHOENIX METRO - PER MODULAR SEAM	SEAM	\$1,511.53
SET5012	TIEDOWNS	EA.	\$77.49
SET5013	STEEL PIER W/STANDARD PAD	EA.	\$12.28
SET5014	SKIRTING - ABOVE OR BELOW GRADE	LN. FT.	\$12.28
SET5015	VENT - ABOVE GRADE	EA.	\$31.79
SET5016	VENT - BELOW GRADE	EA.	\$284.14
SET5017	"METRO"	SEAM	\$1,942.57
SET5018	RURAL INSTALLATION 101-200 MILES FROM "METRO" AREA	SEAM	\$2,472.15
SET5019	RURAL INSTALLATION 201-300 MILES FROM "METRO" AREA	SEAM	\$3,823.05
SET5020	STEEL PIER / CONCRETE PRECAST PAD	EA.	\$14.98
SET 5021	STEEL VENT CRAWL SPACE ACCESS 2 X 4	EA.	\$530.47
SET5022	30' ADA RAMP TO "METRO" LOCATION	EA.	\$3,599.35
SET5023	ADD A STAIR ATTACHMENT, FRONT ENTRY	EA.	\$956.67
SET5024	30" AFF STAIR EGRESS EXITWAY (PER ADA)	EA.	\$956.67
SET5025	SWITCHBACK FOR ADA RAMP	EA.	\$1,941.69
SET5026	ALL-WEATHER WOOD SKIRTING PACKAGE	LN. FT.	\$16.69
SET5027	VINYL SKIRTING PACKAGE	LN. FT.	\$15.78
SET 5028	HURRICANE TIE DOWNS	EA.	\$107.63
SET5029	BLOCK STEMWALL, "METRO" AREA	LN. FT.	\$53.18
SET5030	BLOCK STEMWALL, "RURAL" AREA	LN. FT.	\$68.40
SET5031	RAIL SET, DIFFICULT LOCATION	EA.	\$1,259.45
SET 5032	PROJECT MANAGER	WEEKLY	\$1,889.16
SET5033	SITE SUPERINTENDENT	WEEKLY	\$2,216.63
SET5034	RECYCLED TIRES AND AXELS	LS	\$100.75

NOTE: "RURAL" IS RECOGNIZED AS ANY CITY OR TOWN WITH A POPULATION OF FEWER THAN 1,000,000 PEOPLE.

**APPRAISAL OF
A VACANT COMMERCIAL SITE**



**LOCATED AT
THE SOUTHWEST CORNER OF
ASH STREET AND SOUTH STREET
GLOBE, ARIZONA 85501**

**PREPARED FOR
MR. STEVE STRATTON
GILA COUNTY PUBLIC WORKS ADMINISTRATION
1400 EAST ASH STREET
GLOBE, ARIZONA 85501**

AS OF AUGUST 5, 2014

**PREPARED BY
KURT PEER, APPRAISER
PO BOX 36923
TUCSON, AZ 85740**

**APPRAISER'S FILE NO: 3245
CLIENT'S P.O. NO: 2015-00000276**

KURT PEER APPRAISER

PO Box 36923
Tucson, Arizona 85740

Commercial Appraisals Throughout Arizona

Tel (520) 591-2742
kurt5111@cox.net

August 14, 2014

Mr. Steve Stratton
Gila County Public Works Administration
1400 East Ash Street
Globe, Arizona 85501

Re: Appraisal of a Vacant Commercial Site
Located at the Southwest Corner of Ash Street and South Street
Globe, Arizona 85501
Appraiser's File No.: 3245
Client's Purchase Order No.: 2015-00000276

Dear Mr. Stratton:

Pursuant to your request, I have prepared herewith a Narrative Appraisal estimating the As Is Market Value of the fee simple interest in the above-noted real property. The date of inspection is August 5, 2014, which is the effective date of value.

As a result of my investigation and analysis, I have estimated the Market Value of the property to be as follows:

**THREE HUNDRED TWENTY-FIVE THOUSAND DOLLARS
(\$325,000)**

The purpose of the appraisal is to estimate the subject's Market Value in fee simple interest. The intended use of this report is for disposition purposes on the part of the client, Gila County.

This appraisal has been prepared in accordance with the current edition of:

- Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.); and
- the regulations adopted by the Office of the Comptroller of the Currency pursuant to Title XI, including, without limitation, the current version of the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Foundation.

In addition, this valuation is based on the attached appraisal report and all the assumptions and limiting conditions contained therein.

The subject property is a vacant, 1.43 acre commercial site and enjoys a good location on Ash Street (Highway 60) in an established commercial district in Globe. There aren't a large number of additional competitive vacant sites in town, which makes the subject one of the better located

ones, plus the subject is generally level, has good access, and lacks major issues with respect to developability. However, the local commercial real estate market has been slow, if steady, for the past few years. The subject's market value estimate is present value, based on the effective date of value, and what with the current depressed market conditions. However, should there be a turnaround or upswing in the future, there is good upside value potential for the well-located subject property.

Special Note:

Subject site is portion of larger Gila County parcel 205-14-027F, which houses the main Administration facilities. Were subject site itself to be disposed of by the County, a Survey would be performed to determine its exact size, dimensions, legal description, etc. Some preliminary work for the Survey has been performed, and the appraiser has been provided an Aerial View of the subject from Mr. Mark Guereña with the Gila County Public Works Department. The Aerial View shows the approximate boundaries of the site, and Mr. Guereña reports that said preliminary work bore out a site size of 1.43 acres (62,291 SF), which is made an Extraordinary Assumption in this appraisal. That is, the appraiser is utilizing the said figure of 1.43 acres as reported by the client to be the subject site size in this appraisal. Should the actual site size ultimately borne by the Survey differ (other than negligibly) from the said figure, the appraiser reserves the right to modify the valuation conclusion.

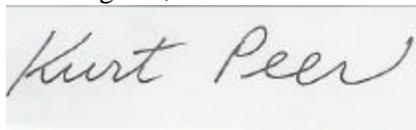
In addition, in describing the site in this appraisal, it is noted that, concerning its Assessor's Parcel Number, it's a portion of the larger APN of 205-14-027F, whereas a split and Survey would render a new APN. Likewise, the same would render a new and distinct legal description for the subject. As it is, the subject's legal description as reported herein is to be determined.

Summary:

I hereby certify that I have made a personal inspection of the subject property; that my fee was not contingent on the value contained herein, including a minimum valuation, a specific valuation, or the approval of a loan; that I have no interest, present or prospective, in the subject property; and that I have the current licensing and the necessary experience and competency to perform this assignment. Furthermore, I hereby certify that, to the best of my knowledge and belief, all statements and opinions contained in this report are correct, subject to the General Assumptions and Limiting Conditions, as well as any Extraordinary or Hypothetical Assumptions and Limiting Conditions, and the Certification which are made a part of this report.

I appreciate the opportunity to be of service. If you should have any questions, please don't hesitate to call.

Best Regards,

A rectangular box containing a handwritten signature in cursive script that reads "Kurt Peer".

Kurt Peer
Certified General Real Estate Appraiser
AZ Cert. #30329

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SUMMARY OF THE APPRAISAL

PROPERTY TYPE:	Vacant Commercial Site
ADDRESS:	Southwest Corner of Ash Street and South Street Globe, Arizona 85501
ASSESSOR'S PARCEL NUMBER:	Ptn 205-14-027F
SITE SIZE:	1.43 acres, or 62,291 SF
ZONING:	C-2, City of Globe
PURPOSE OF APPRAISAL:	Estimate Market Value
FUNCTION OF APPRAISAL:	Disposition
PROPERTY RIGHTS APPRAISED:	Fee Simple
DATE OF VALUE:	August 5, 2014
DATE OF REPORT:	August 14, 2014
HIGHEST AND BEST USE:	Speculation and/or Development
MARKET VALUE CONCLUSION:	\$325,000
ESTIMATED EXPOSURE PERIOD:	6-12 months

INTRODUCTION TO THE APPRAISAL

EXECUTIVE SUMMARY AND PROPERTY IDENTIFICATION:

Herewith is a Narrative Commercial Appraisal Report of a Vacant Commercial Site, located at the Southwest Corner of Ash Street and South Street, in Globe, Arizona, described in further detail in the body of the report. Appraiser is Certified General Real Estate Appraiser with current License in the State of Arizona, and has the experience and qualifications necessary to appraise the subject property. Appraisal has been prepared in conformance with the current requirements of the Uniform Standards of Professional Appraisal Practice, and sets forth the description, analysis, and valuation estimates of the subject property. Subject property was inspected by the appraiser on August 5, 2014, which is the effective date of value herein.

PURPOSE AND FUNCTION OF THE APPRAISAL:

The purpose of the appraisal is to provide an estimate of the as is Market Value of the subject property. The value opinion is predicated on the forthcoming definitions of value and property rights as utilized in this appraisal. The function or intended use of this appraisal is for disposition purposes on the part of the client. The intended user of the report is the prior-noted client. This report may not be utilized for any other purpose, nor for any other client, than the purpose and client noted in the report, and is considered invalid if done.

DEFINITION OF MARKET VALUE:

“Market Value” is defined by Federal Financial Institutions Regulatory Agencies, including the Office of the Controller of the Currency, as: “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from the seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

PROPERTY RIGHTS APPRAISED

The property rights being appraised herewith are those associated with the fee simple estate. According to the Dictionary of Real Estate Appraisal, “fee simple estate” is defined as: “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.”

AS IS CONSIDERATION:

The subject is valued in its “as is” condition, or the physical and economic state the property was observed in by the appraiser on the date of inspection. Specifically, the as is value is the value of the subject’s specific ownership rights to what physically exists on the appraiser’s date of

inspection, excluding all assumptions concerning hypothetical conditions. It also assumes typical marketing for the subject property, based on the above market value definition.

LEGAL DESCRIPTION:

Subject legal description to be determined pending completion of Survey. Please see Letter of Transmittal for additional discussion.

OWNERSHIP HISTORY:

A guideline of the Appraisal Institute calls for the reporting and analysis of any conveyances of the subject property over the 3 year period prior to the effective date of value, in addition to the reporting of any current listing or escrow of the subject property.

According to the Gila County Assessor's records, the current legal owner of the subject is Gila County. In addition, there have been no conveyances involving the subject property over the prior 3 year period, nor is it currently in escrow or listed for sale. The client, Gila County, is reportedly considering disposing of the subject property in order to provide funds to develop a modular building behind the Courthouse, adjacent west of the subject.

SCOPE OF THE APPRAISAL:

The scope of the appraisal considers several factors, including the valuation approaches pertinent to and utilized in the assignment (Cost Approach, Sales Comparison Approach, Income Approach), and the general procedure the appraiser followed in preparing the report, including the inspection of the subject property and the data collection, analysis, and presentation.

The Three Approaches to Value

Concerning the approaches utilized, all three approaches to value were considered in the case of the subject property, including the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach. Each approach has its strengths and weaknesses depending on the nature of the assignment and the subject property. The approaches which are deemed appropriate for the assignment are then utilized, each resulting in its own value indication. The value indications from the approaches utilized are then reconciled into a final value estimate for the subject property in the Reconciliation section of the report.

In this assignment, the Sales Comparison Approach only was utilized. The subject is a vacant site and the Sales Comparison Approach is the only applicable approach. It's germane, as buyers and sellers look to market data, in the form of recent sales and current listings of similar properties to the subject, in helping them determine a property's value. Moreover, the market data was supportable in terms of sales and listings, which gives strength and credence to the use of this approach. The Income Approach was omitted in that the subject as a vacant site is not income-producing, and the Cost Approach in that there are no improvements to be valued. Therefore, only the Sales Comparison Approach was employed. In it, recent sales and current listings of similar vacant sites were considered as comparables, and produced a reliable market value estimate. Moreover, in the Reconciliation section of the report, since only the one approach was utilized, its value indication becomes the final reconciled value of the subject property.

Appraiser Work Methodology

Concerning the procedure the appraiser followed in the course of the assignment, the appraiser first communicated with the client in order to identify the subject property to be appraised, the intended use of the appraisal, and the client's expectations concerning the assignment.

As for the subject property itself, a physical inspection was performed on August 5, 2014. During the inspection, a thorough examination occurred during which the appraiser took photographs and notes about the various aspects of the subject site, topography, site improvements, fronting arterials, nearby uses, etc. Information about the site such as zoning, utilities, flood zone status, and taxes and assessments were obtained from the appropriate governmental sources.

Concerning the data utilized, all of the comparables were physically inspected by the appraiser. (Normally, vacant land comparables in appraisals are simply inspected by the appraiser but aren't depicted in the appraisal through a photo and plat/survey, and this is the case with all of the comparables but No. 1, the sale of a 9.02 acre site in Globe to the Holiday Inn Express concern. The site is atypical in size and configuration and as such a survey and photo are included in the appraisal.)

In addition, where appropriate, the appraiser spoke with parties knowledgeable about the comparables to confirm their details, and in addition confirmed details about them through county records, sale records, etc. All sale comparables were sought and selected based on their comparability to the subject property and appropriateness, and the search for them went back in time far enough to acquire the necessary data.

The appraiser also researched the characteristics of the immediate and larger neighborhood and region in which the subject property is located, and especially the characteristics of the real estate market, gaining such information from published sources, the internet, governmental agencies, and appropriate knowledgeable parties.

Summary of Scope

In summary, the scope of this narrative appraisal report includes the gathering and analysis of pertinent market information in order to apply the most applicable valuation methodology in accordance with the guidelines and standards of the Uniform Standards of Professional Appraisal Practice.

REGIONAL AND NEIGHBORHOOD OVERVIEW

The description portion of the appraisal report begins with a discussion and analysis of the subject's location within the larger region, city, and neighborhood. This is then followed by the more specific descriptive sections including those of the subject. The regional and neighborhood discussion begins herewith.

The subject property is located in central Arizona in Gila County. The county covers some 4,750 square miles and is a source of great mineral wealth. Silver was the area's first attraction, in the late 1800's, with copper mining soon becoming important, and continuing to be so. Gila County's land ownership is broken down by ownership as follows:

<i>Owning Entity</i>	<i>% of Total</i>
U.S. Forest Service	55%
State Government	4%
Privately Owned	4%
Apache Indian Reservation	37%
Total	100%

As noted, a considerable portion of the county belongs to the Apache Indian Tribe, with the San Carlos Apache Indian Reservation being located just to the east of Globe. Also of note, only about 4% of the land is privately owned in Gila County.

Globe is the county seat. The majority of the eastern part of the county belongs to the Indian Reservation, while most of the balance of the county (central, northern, and southern) belongs to the U.S. Forest Service. The county is located just east of the Phoenix metropolitan area and benefits from this proximity.

There are 3 main highways traversing the county, but no freeways. The main highway is State Highway 87 (the Beeline Highway) which travels north/south and provides access from the Phoenix metro area on the south, through Payson, and then north to Winslow on Interstate-40. This highway some time back was improved to a four lane divided highway on the Phoenix to Payson run. Additional highways are State Highway 60/77 (in the eastern part of the county, connecting Globe to the White Mountains), Highway 188 (connecting Globe to Payson), and Highway 260 (connecting Payson to Show Low). Highway 260 has recently undergone improvement to four lanes in some portions, as the White Mountains and Show Low area recently saw a boom in construction, which increased traffic flow from Phoenix to Show Low, through Payson.

The leading municipalities in Gila County by population are Globe-Miami and Payson. The balance of the municipalities are very small, as shown on the attached map. Many are small unincorporated former mining and/or ranching towns, or tourist or second home destinations, such as Pine and Strawberry. The recent population figures are shown on the following table, with little change from the 2010 figures to the current year of 2014:

Municipality – Population	1990	2000	2010
Globe-Miami	8,080	9,422	9,552
Payson	8,377	13,620	16,256
Gila County	40,216	51,335	56,368

The subject property is located in Globe. Globe was founded in 1876 and incorporated in 1907 (Miami was incorporated in 1918). The nearest major metropolitan areas are Phoenix, about 85 miles to the west, and Tucson, about 100 miles to the south. Principal economic activities in Globe are mining, ranching, manufacturing, government, and tourism.

Globe and Miami are adjacent to each other, being connected by Highway 60. Highway 60 is the main and in fact only east/west thoroughfare in the metropolitan area, and nearly all of the main commercial facilities are located thereon. In the east portion of Globe, Highway 60 goes north to Show Low at its intersection with Highway 70. Highway 70 connects Globe with Safford.

The Globe/Miami area experienced growth in the early 1990s and early 2000s. Notable commercial development took place, along Highway 60, with some dozen or so commercial sites being developed with a variety of newer, mainly chain uses (hotels, restaurants, grocery stores, service stations, etc.).

Basically, concerning commercial development in the area, the new commercial development is concentrated in two locations. One location is in the western portion of the area, mostly Miami, and includes a Wal-Mart/Safeway retail center, a Smith's food store, some auto dealerships, and various additional commercial uses. The other area of new commercial development is located in the eastern portion of Globe, and stretches basically from the Gila County Administration Building (and subject property), east about 2 miles. This area houses a handful of newer hotels (Days Inn, Comfort Inn), service stations, restaurants, a Dollar General store, etc. There is a three-story Holiday Inn Express under construction in this area. Between these areas is an older portion of Globe, housing many older commercial uses and some residential uses, mobile home parks, as well as historic downtown Globe.

Globe is largely noted for its historic downtown district. Numerous buildings built around the turn of the last century are located here, including the historic courthouse. Downtown Globe still houses many businesses, including retail, offices, restaurants, and banks. While many of the retail uses are found at the Wal-Mart and dollar stores in the community, some retail uses still exist downtown. Just off the commercial district of downtown is an older residential district.

The commercial real estate market in Globe saw greater activity in the early 2000s, as it typically did throughout the state and country. The market has declined since that time and has been flat over the past 2-3 year period. There have been a handful of sales of commercial buildings, typically ranging

from \$30-\$80/SF. There is also market resistance on a total price basis for buildings, which is encountered in the upper \$200's and lower \$300's.

Moreover, there's an oversupply of commercial space (office and retail) available for rent, as the rental market is somewhat soft. Rents are typically quoted on a modified gross basis (landlord pays real estate taxes, insurance, and major repairs, tenants pay their own utilities – no pass-throughs), and rents range from as low as about \$.40/SF/month to \$1.50/SF/month for best quality space.

The residential market, however, is stronger, due to a paucity of available rental homes in the market. Rents are as high as some places in the Phoenix area for comparable homes, and there are few homes available. When they come up they're rented right away. There is also a shortage of apartments in town and available land for the same, with much of the vacant land mine- or government-owned. The local mines (Freeport/McMoRan, Capstone, Carlota) have continued to operate over the recent past, due to the high price of copper, and while not planning any large expansions, they bring residents and short-term commercial renters (subcontractors for the mines, etc.) into town.

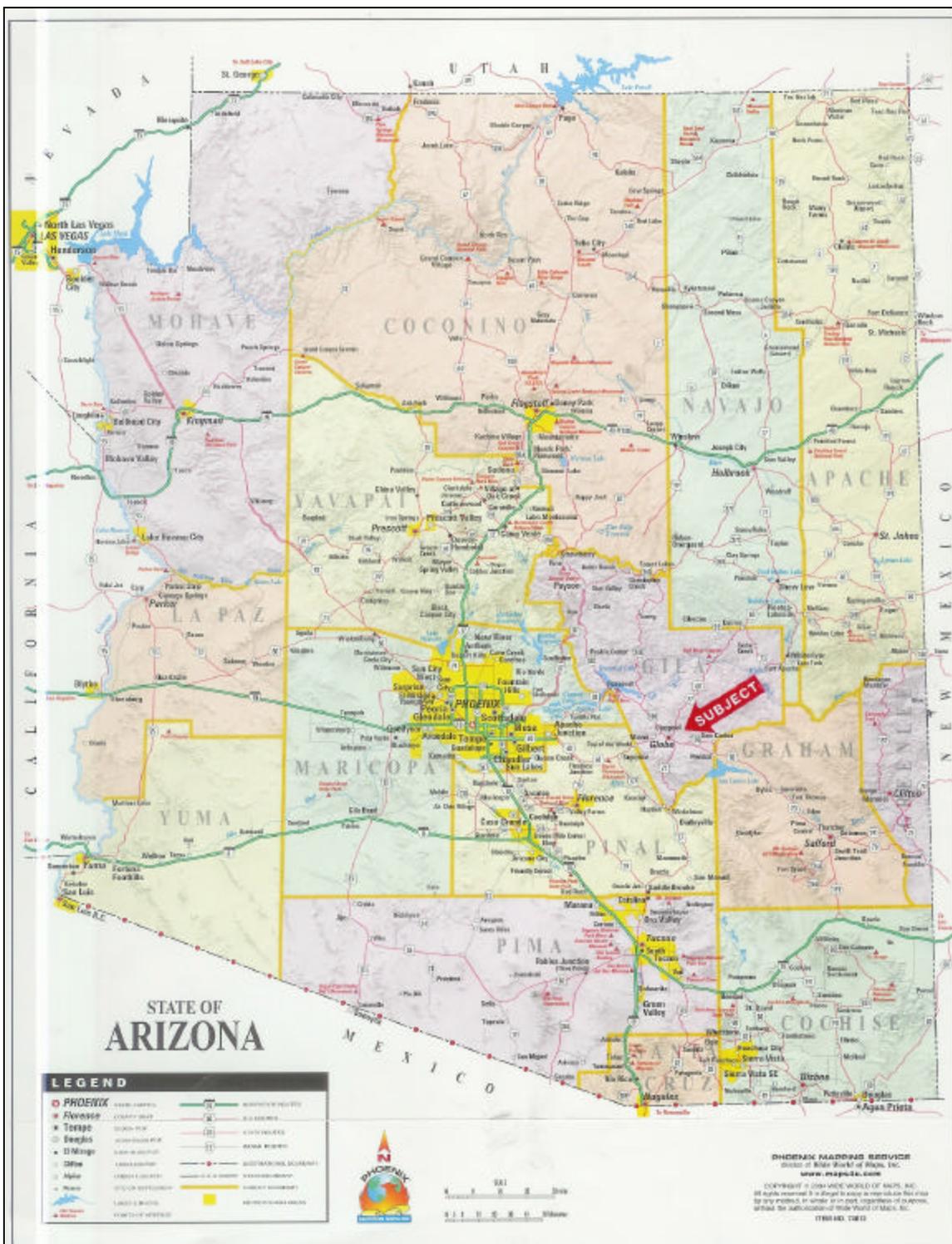
Concerning the market for commercial sites in Globe, there has been a lack of sales over the past two year period, but a handful of sales in the 2010-2011 period (see analysis section).

Globe is a more desirable location for commercial real estate (commanding higher sale prices and rental rates) than Miami, to the west. Some properties in downtown Globe lack on-site parking and this is seen by some as a negative, while properties on the "main drag"/Ash Street typically have ample on-site parking, a plus for concerns such as retail and medical.

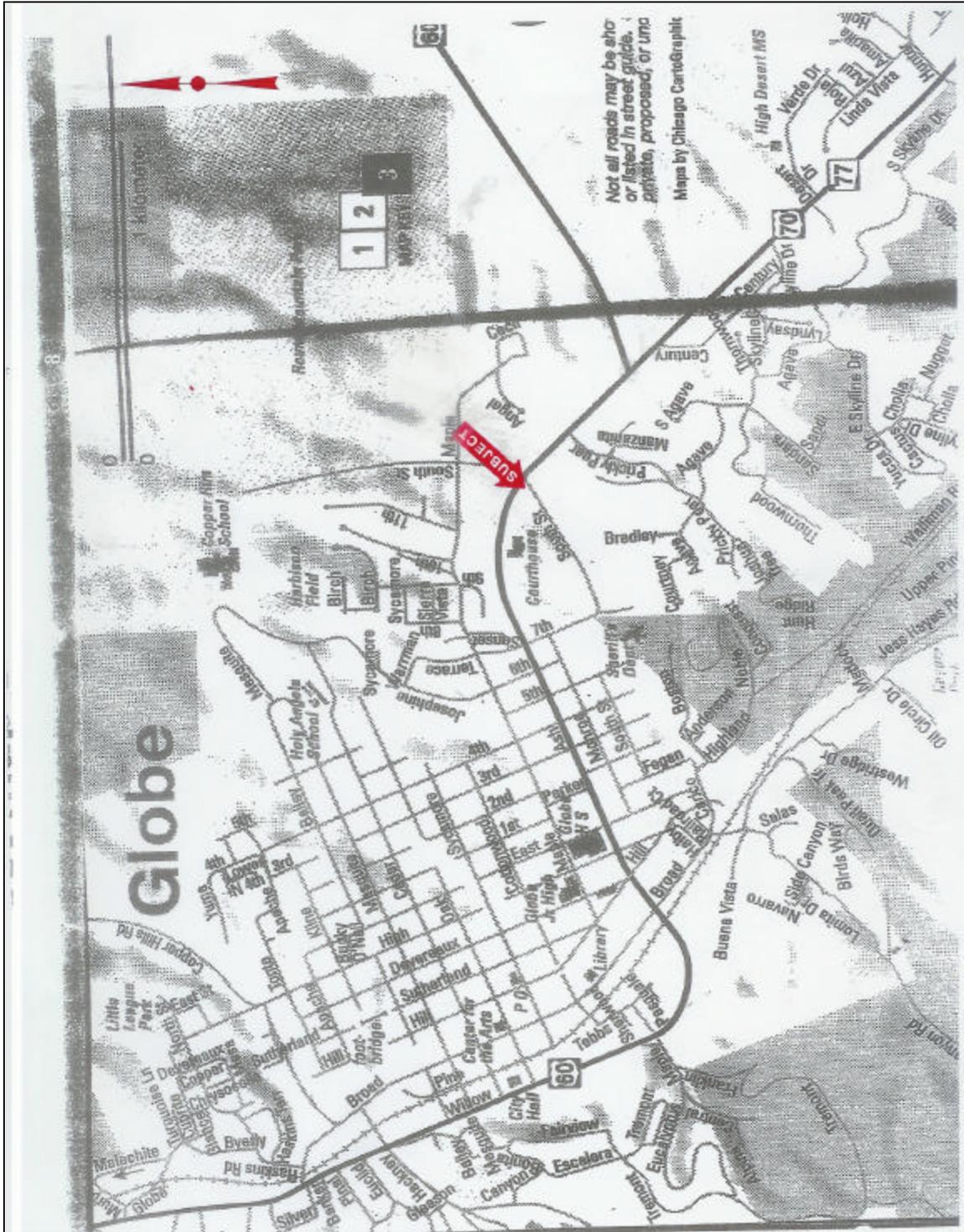
Globe and Miami are located in a steep canyon in the Pinal Mountains and scenic views are afforded in all directions. The elevation is about 3,500 feet, meaning the area has a milder climate than Phoenix, which is at about 1000 feet in elevation. Downtown Globe retains its historic flavor, with many restored historic buildings found. Educational facilities are adequate, including public and private schools and a community college, and the Cobre Valley Community Hospital also serves the area. The Globe/San Carlos Regional Airport has a lighted 4,750 foot runway.

Overall, the area is an established commercial neighborhood in a stability phase of its life cycle. There no overly detrimental or adverse factors regarding the location of the subject or the immediate vicinity that would negatively impact the subject's marketability or value.

STATE MAP



NEIGHBORHOOD MAP



SITE ANALYSIS

Address/Location: Southwest Corner of Ash Street and South Street, Globe, Arizona 85501

Assessor's Parcel Number: Ptn 205-14-027F

Site Size: 1.43 acres, or 62,291 SF

Subject site is portion of larger Gila County parcel 205-14-027F. Were site to be disposed of, a Survey would be performed to determine exact size, dimensions, etc. Some preliminary work for the Survey has been performed, and the appraiser has been provided an Aerial View of the subject from Mr. Mark Guarena with the Gila County Public Works Department. The Aerial View (see exhibit forthcoming) shows the approximate boundaries of the site, and Mr. Guarena reports that said preliminary work bore out a site size of 1.43 acres, and such is made an Extraordinary Assumption in this appraisal. That is, the appraiser is utilizing the said figure of 1.43 acres as reported by the client to be the subject site size in this appraisal.

Access, Frontage: Site includes extensive frontage (lineal feet TBD by Survey – see above discussion) along the south side of Ash Street, as well as along the west side of South Street. Ash Street is the main point of access for the subject site. In addition, there is a small paved lane located south of or behind the adjacent church, which provides “interior” access from the subject site to the larger Gila County facility.

Arterials: Ash Street (aka U.S. Highway 60), upon which the subject fronts, is the main east/west thoroughfare in Globe. It's asphaltic paved for four opposing lanes of traffic at this location, plus a two-way center turn lane, which provides left turn access for traffic turning onto South Street. The arterial is also improved with concrete curbs, gutters, and sidewalks, as well as street lights, at this location.

South Street is asphaltic paved for two opposing lanes of traffic, and includes a stop sign at its intersection with Ash Street. This arterial is improved with concrete curbs, gutters, and sidewalks along the subject's frontage.

Utilities: All utilities are available to the site, including electric ity from Arizona Public Service, water and sewer from Arizona Water Company, natural gas from Southwest Gas Corporation, and telephone from Qwest.

Zoning: The site is zoned C-2, Intermediate Commercial, by the City of Globe. A large variety of uses are permitted in the zone, including office, retail, health services, food services, hotels,

auto sales, etc. This zone is found along Highway 60 (Ash Street) in this portion of town, and for all practical purposes, when valuing the subject, this commercial zoning designation is considered similar to the other commercial zoning districts in Globe, including C-3, Central Commercial, which covers other portions of Highway 60 as well as downtown Globe.

- Topography: Subject site is generally level to slightly increasing in elevation east to west. Site is built up to higher elevation along east and south property lines, and drops off along those general property lines, to fronting South Street on the east, and to the adjacent Gila County Juvenile Detention Center to the south.
- Flood Hazard: According to Flood Insurance Rate Map 040007C2119D, dated December 4, 2007, the subject is located within Flood Zone X, which is not a designated flood hazard area. Please see Underlying Assumptions and Limiting Conditions for additional information.
- Soils and Drainage: No soils analysis was provided the appraiser, and in the absence of such and lacking information to the contrary and based on the appraiser's inspection, it is assumed that the soils are adequate to support the site's highest and best use, and that drainage is adequate. However, appraiser is not an engineer and assumes no liability for such issues.
- Easements: From inspection and lacking information to the contrary, no restrictive and only typical easements such as utility easements are assumed in place on the site.
- Environmental Concerns: During physical inspection of the site, no hazardous materials were evident. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions, however, the appraiser is not an expert in this field and assumes no liability for such matters. See Underlying Assumptions and Contingent Conditions for additional discussion.
- Neighboring Uses: Adjacent west of the subject is the Globe Church of Christ. The Gila County Courthouse property is adjacent to the south and further west (west of the church directly adjacent). Adjacent north of the subject, on the north side of Ash Street, are various commercial uses, including Zen's Café, Quality Inn, and Express Fuels, all at the general northwest corner of Ash and South Streets. Humphreys 2 Lanes Saloon is at the northeast corner of the intersection. Adjacent east of the subject is a small multi-tenant office building, at the southeast corner of Ash and South Streets, with a larger multi-tenant office building south of that. Adjacent south of the subject is the Juvenile Detention Center building (part of larger Gila County property).
- Site Improvements: Subject site is essentially devoid of improvements, other than asphalt paving in fair condition on a majority of the site, and iron fence as shown in photos along the east and south borders.

In addition, there are four curb cuts to the site on Ash Street, and one on South Street.

Assessment and Taxes:

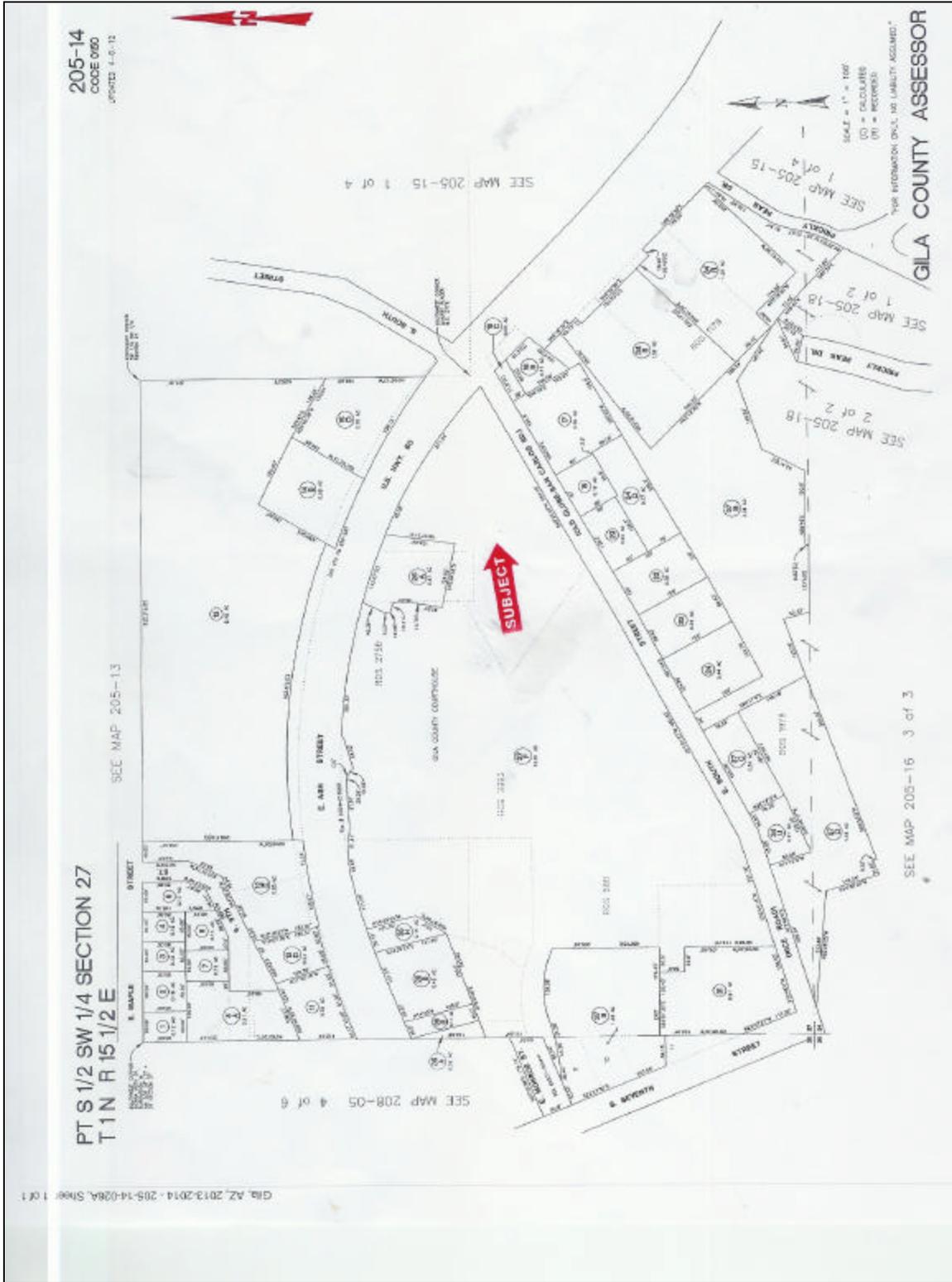
The subject property, being government-owned, is tax-exempt. Furthermore, being a part of the much larger Gila County Courthouse parcel, and with the subject to be split from said parcel were it disposed of, a new APN would be assigned. The FCV for the larger improved parcel of which the subject is a part is included below for the reader's reference.

Subject's Assessment and Taxes	
Parcel	(*PTN) 205-14-027F
'15 Land FCV	\$468,354
'15 Impr FCV	<u>\$4,083,257</u>
'15 Total FCV	\$4,551,611

AERIAL VIEW



PLAT MAP



SUBJECT PHOTOGRAPHS



View looking SW at Subj from Ash St.



View looking SE at Subj from Ash St.

SUBJECT PHOTOGRAPHS



View looking W on Ash St., Subj to L



View looking E on Ash St., Subj to R

SUBJECT PHOTOGRAPHS



View looking S on South St., Subj to R



View looking N on South St., Subj to L

SUBJECT PHOTOGRAPHS



View looking W across Subj, adj Church
and Gila County Administration Building shown



View looking E across Subj

SUBJECT PHOTOGRAPHS



View looking S along Subj E border



View looking W at point adj S of Subj,
showing embankment along Subj S and E borders

HIGHEST AND BEST USE ANALYSIS

The concept of Highest and Best Use is central to the appraisal problem. It is defined in the Dictionary of Real Estate Appraisal as: “The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria that highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximal productivity.”

The Highest and Best Use section of the appraisal is the apex which links the first or descriptive section of the report with the second or valuation section. The first section builds up to the highest and best use analysis, which determines the valuation methodology to be used. Implied within the definition of highest and best use is the recognition of that specific use to the community development goals in addition to wealth maximization of the individual property owner. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

For an improved property, highest and best use is considered from two points of view, first, from the point of view of the site as if it were vacant. Second, highest and best use is considered from the point of view of the property as it is currently improved. For a vacant site or property, such as the subject property, highest and best use is analyzed from only one point of view, that being considering the property as vacant. Based on the preceding, the following is set forth.

Highest and Best Use, As Is/Vacant:

Considering the subject site’s locational and physical characteristics as discussed in the report, as well as zoning and market conditions, the current highest and best use of the subject property, as is/vacant, is for speculation and or development purposes consistent with underlying zoning, that is, for commercial development purposes.

The subject enjoys an excellent location in east part of Globe in an established commercial district. There is good access, frontage, and visibility to the subject site. Moreover, the subject site lacks major physical issues or drawbacks with respect to developability.

The subject’s commercial zoning allows most kinds of commercial uses. The subject size, at 1.43 acres, limits certain larger uses, such as hotels, but makes the subject a good size for a host of smaller uses. The adjacent Juvenile Detention Center is a slight negative, not overly detrimental, but somewhat offset by the larger administration facilities (court, etc.) also adjacent. An office use might be more likely for the subject than a retail use (though both are allowed), what with the Gila County administration facilities adjacent.

Concerning financial feasibility and maximal productivity, the local commercial real estate market conditions have been slow but generally steady for the past few years. There haven’t been any pertinent commercial land sales in Globe as of late (past two years), though there have been several building sales. Plus there’s a somewhat limited supply of additional competitive vacant commercial sites in Globe, especially such well-located ones as the subject, which factors positively with respect to the subject. A few of the listings investigated by the appraiser had various issues (access, hilly terrain, etc.), that the subject itself doesn’t suffer from. The local mines have been busy and have drawn residents, and the Holiday Inn Express under construction is a positive sign.

The highest and best use of the subject remains to either hold for speculation, or to be developed consistent with the legal and physical characteristics, and depending on the needs of a potential buyer. The market value estimated herein is present market value, as of the effective date of value, and what with the current depressed market conditions. However, should there be a turnaround or upswing in the future, there is good upside value potential for the subject property.

THE APPRAISAL PROCESS

The appraisal process is the systematic procedure utilized to provide an answer to the client concerning the Market Value of the real property appraised. In it, the process is planned as to the collection, analysis, and presentation of the necessary data in order to arrive at an estimated value. Three approaches are involved and considered for use in an assignment, and all, one, or two are utilized depending on the assignment. The approaches are the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach. Each approach has its strengths and weaknesses depending on the nature of the assignment and the subject property. The approaches which are deemed appropriate for the assignment are then utilized, each resulting in its own value indication. The value indications from the approaches utilized are then reconciled into a final value estimate for the subject property in the Reconciliation section of the report. Each of the approaches is considered and discussed as follows.

The Cost Approach is based on the principal of substitution, which states that no prudent person would pay more for a property than the amount it would cost to obtain a property of similar desirability, by way of purchasing a vacant site and constructing a building thereon. In the Cost Approach, the subject's land value is first determined, through a Sales Comparison analysis using as comparables recent sales of similar vacant sites to the subject site. To the estimated site value is then added the estimated replacement cost new of the improvements, through such published sources as the Marshall Valuation Service Cost manuals. When applicable, actual construction costs for the subject property are also considered, along with construction costs of similar buildings from builders and developers in the area. From the estimated replacement cost new of the building is then deducted accrued depreciation caused by physical, functional, and exterior or adverse economic sources. This results in the estimated depreciated cost new of the building, to which is then added the estimated land value, determined earlier, for the final value estimate via this approach to value.

In the Sales Comparison Approach, the appraiser estimates the value of the subject property by comparing it with similar improved properties which have recently been sold, or are currently available for sale. The subject and comparables are broken down into similar units of comparison, in this case the price per square foot. The fundamental basis for valuation in this approach involves differences between the subject and comparables in their various specific characteristics. There are two levels of adjustment, the first involving characteristics of the market and the actual transaction, such as property rights conveyed, changed market conditions since the date of sale, financing, and conditions of sale (such as atypically motivated parties to the transactions). The second level of adjustment considers the characteristics of the building itself, such as size, age, location, utility, quality and condition, amenities, and the like. Adjustments are applied to these characteristics, based on the appraiser's judgment. Downward adjustments are applied when a comparable's characteristic is superior to the subject's, and upward for when inferior. If the characteristic is basically similar, no adjustment is applied. The adjustments are then tallied and result in the adjusted sale price per unit of a comparable. This then renders the range in adjusted price per unit, and from the range the appraiser makes a determination as to the best value indication for the subject. This figure is then multiplied by the number of units of the subject, resulting in the final value estimate via this approach to value.

The Income Capitalization Approach reflects the subject's income-producing capabilities, and is based on the assumption that value is created by the expectation of benefits to be derived in the future. It reflects the amount an investor would be willing to pay in anticipation of these benefits,

which can be a single year's income (direct capitalization, for stabilized properties) or an income stream over several years plus a reversion at the end of that period (estimated via a Discounted Cash Flow Analysis, when a property is either not stabilized, is proposed, or is expected to have a varying income stream over a period of time, and the like).

For direct capitalization, the potential gross income (PGI) is first estimated, based on market rents or actual subject rents, from which is then deducted vacancy (again based on the market or subject property), resulting in the estimated effective gross income (EGI). Expenses are then deducted (market/subject), resulting in the estimate of net operating income (NOI), which is then capitalized into a value estimate. The estimated NOI is divided by the appropriate capitalization rate, determined by the appraiser through market analysis.

For yield capitalization or the DCF, the estimation process is similar in that each year over the holding period results in an estimated NOI. However, there are more factors involved as the income stream varies due to lease up, capital expenses, tenant improvements, etc. In addition, a selling price or reversion is estimated at the end of the holding period. The cash flows from each year of the holding period, and the estimated reversion, are discounted to a present value estimate via this method.

In the Reconciliation section of the appraisal, the various approaches are then summarized and a final reconciled value estimate derived, again based on the appraiser's judgment and considering the various strengths and weaknesses of the approaches utilized.

Approaches Utilized

In the case of the subject property, as noted earlier, with the subject property being a vacant site, the only approach utilized in its valuation was the Sales Comparison Approach, and the value indication from this approach is the final reconciled value of the subject property.

SALES COMPARISON APPROACH

In the Sales Comparison Approach, the appraiser estimates the value of the subject property by comparing it with similar vacant properties which have recently been sold, or are currently listed. The subject and comparables are broken down into similar units of comparison, in this case the price per square foot of site area. The fundamental basis for valuation in this approach involves differences between the subject and comparables in their various specific characteristics.

There are two levels of adjustment, the first involving characteristics of the market and the actual transaction, such as property rights conveyed, changed market conditions since the date of sale, financing, and conditions of sale (such as atypical seller motivation). The second level of adjustment considers the characteristics of the site itself, such as size, location, site improvements, utility, and the like. Adjustments are applied to these characteristics, based on the appraiser's judgment. Downward adjustments are applied when a comparable's characteristic is superior to the subject's, and upward for when inferior. If the characteristic is basically similar, no adjustment is applied. The adjustments are then tallied and result in the adjusted sale price per square foot of a comparable. This then renders the range in adjusted price per square foot of the comparables, and from the range the appraiser makes a determination as to the best per square foot value indication for the subject. This figure is then multiplied by the number of square feet of the subject, resulting in the final value estimate via this approach to value.

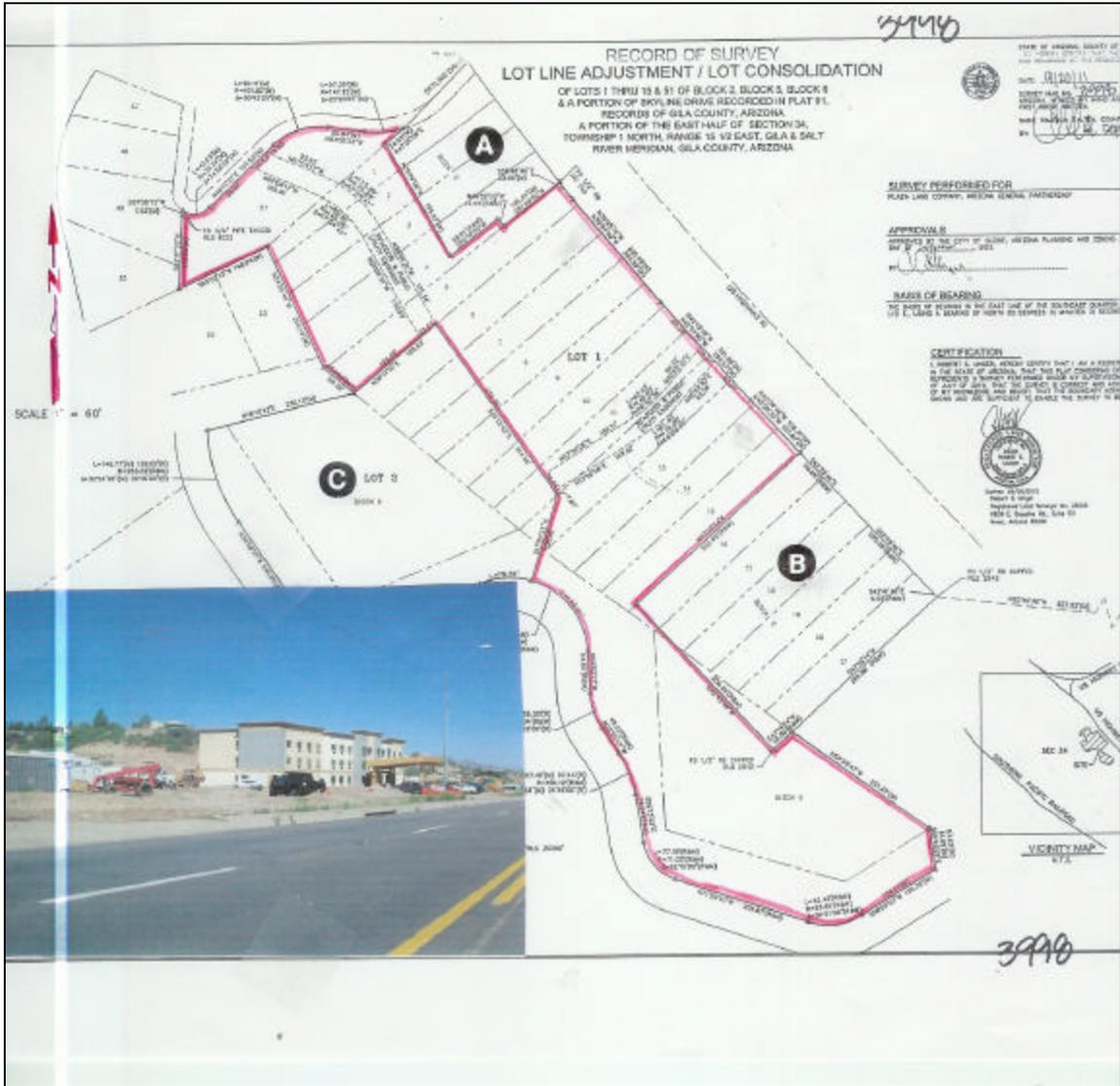
The market sales selected for use in this approach were the most appropriate and representative sales for comparison purposes to the subject property. Sale dates shown are closing dates. Additional data in terms of additional sales and listings were considered by the appraiser.

The Globe/Miami market included just a few commercial land sales, as the market for land sales in Globe has been slow as of late. The area was searched for sales for the past several years and bore the forthcoming data. There've been no pertinent sales within the past two years, but three relevant market sales from 2010 and 2011 were found, including the sale of the Holiday Inn Express site. Due to the preceding, the next nearest towns of Payson and Safford (both about 75 miles from Globe) were also searched for recent sales of commercial sites as supplementary data in the analysis. There've been no recent pertinent land sales in Payson according to various knowledgeable brokers there. However, the Safford market disclosed a few recent sales (2013 and 2014) of small commercial sites, and they've been included as comparables herewith. Please see forthcoming discussion and analysis.

VACANT COMPARABLE NO. 1

Property Type:	Vacant Commercial
Location:	1862 E. Ash St.
City:	Globe
County:	Gila
Assessor's Parcel No.:	205-21-015A
Sale Date:	October, 2011
Sale Price:	\$1,200,000 (see comments **)
\$/ SF:	\$3.94/SF
Instrument:	WD
Grantor:	Plaza Land Company (aka Ellsworth, et al)
Grantee:	GLOBE HI LLC (Holiday Inn Express)
Terms of Sale:	Cash to Seller
Site Area (SF):	304,920 SF
Site Area (Ac.):	9.02 acres (overall site); 7.00 acres (est. net usable – see comments *)
Zoning:	C-3, Globe
Confirmation:	Public Records, Broker
Comments:	<p>Site is a new split (ROC #3998), new APN 205-21-015A and rendered site size of 9.02 acres. Site wasn't listed. Buyer approached Stacey Murry, local broker with Kachina Properties, who represented them. Much back and forth on negotiated price, site conditions, etc. Site (depicted via Survey on following page) includes fair amount of backage behind Family Dollar store adjacent west ("A" on Survey) and Ace Hardware Store adjacent east ("B"). Also, there's a bowling alley (not used in years) behind the site ("C"), which owners kept. Front portions of site fairly level, but backage portions irregular to steep, as site rests against hill to south. Site "was what it was" and entire 9.02 acres inclusive of backage conveyed. Much of site in floodplain; buyer doing much mitigating site work (preliminary estimate of dirtwork reported to be \$200,000 by Mr. Chris Collopy with City of Globe P&Z), with At Risk Grading and Drainage permit. FEMA's Conditional Letter of Map Revision (CLOMR) issued in conjunction, final LOMR to be applied for with completion of sitework. Some of the site's backage used for fill dirt and other parts for drainage. (*)Per appraisal principles, est. net usable portion of 9.02 acre overall site deemed 7 acres based on plat, survey, inspection, and what with parts of backage used in hand with dirtwork. 3-story hotel u/const. on west approx 60% of the front part of site; balance of front part of site denoted "for future development" on bldg plans - buyer to reportedly hold, maybe develop later. (**)The \$200,000 site work figure is added to the \$1,000,000 actual sale price to render the total consideration paid of \$1,200,000, for comparison purposes in using this property as a comparable land sale.</p>

COMPARABLE NO. 1 – SURVEY



VACANT COMPARABLE NO. 2

Property Type:	Vacant Commercial
Location:	1770 E. Ash St.
City:	Globe
County:	Gila
Assessor's Parcel No.:	205-17-007
Sale Date:	February, 2010
Sale Price:	\$150,000
\$/ SF:	\$2.69/SF
Instrument:	WD
Grantor:	Nowlin
Grantee:	Picacho Valley Group LLC
Terms of Sale:	Cash to Seller
Site Area (SF):	55,757 SF
Site Area (Acres):	1.28 acres
Zoning:	C-3, Globe
Confirmation:	Public Records, Broker
Comments:	Sale just east of intersection of Hwys 60 and 70, a little to east of subject. Site was improved with an older industrial/commercial building, not in use at time, and per broker site was purchased for land value. Seller was also motivated per broker. Property subsequently sold for \$220,000 (Sept., 2013), new owner is utilizing improvements and sold for same.

VACANT COMPARABLE NO. 3

Property Type:	Vacant Commercial
Location:	1405 E. Ash St.
City:	Globe
County:	Gila
Assessor's Parcel No.:	205-13-012E
Sale Date:	June, 2010
Sale Price:	\$175,000
\$/ SF:	\$4.73/SF
Instrument:	WD
Grantor:	Fogle, et al
Grantee:	Globe Land LLC
Terms of Sale:	Cash to Seller
Site Area (SF):	37,026 SF
Site Area (Acres):	0.85 acres
Zoning:	C-2, Globe
Confirmation:	Public Records, Broker
Comments:	Sale of a site improved with older service station (Whiting Brothers) at time of sale. Bought for site value. Improved by buyer as a Social Security office building, 4,175 SF, const. 2011.

VACANT COMPARABLE NO. 4

Property Type:	Vacant Commercial
Location:	1120 S. 20 th Ave.
City:	Safford
County:	Graham
Assessor's Parcel No.:	104-35-125
Sale Date:	March, 2013
Sale Price:	\$310,000
\$/ SF:	\$2.88/SF
Instrument:	WD
Grantor:	Hancock
Grantee:	Farm Credit Services SW
Terms of Sale:	Cash to Seller
Site Area (SF):	107,593 SF
Site Area (Acres):	2.47 acres
Zoning:	C-3, Safford
Confirmation:	Public Records, Broker
Comments:	Sale of 2.47 acre site at SWC of 20 th Ave. (minor commercial arterial) and Bulldog St. in Safford. Buyer split the site in half, built 3,018 SF office building on north half (1.19 ac – new APN 104-35-499) and sold off south half (1.29 ac – APN 104-35-500), in Dec. 2013 (\$185,900, or \$3.29/SF).

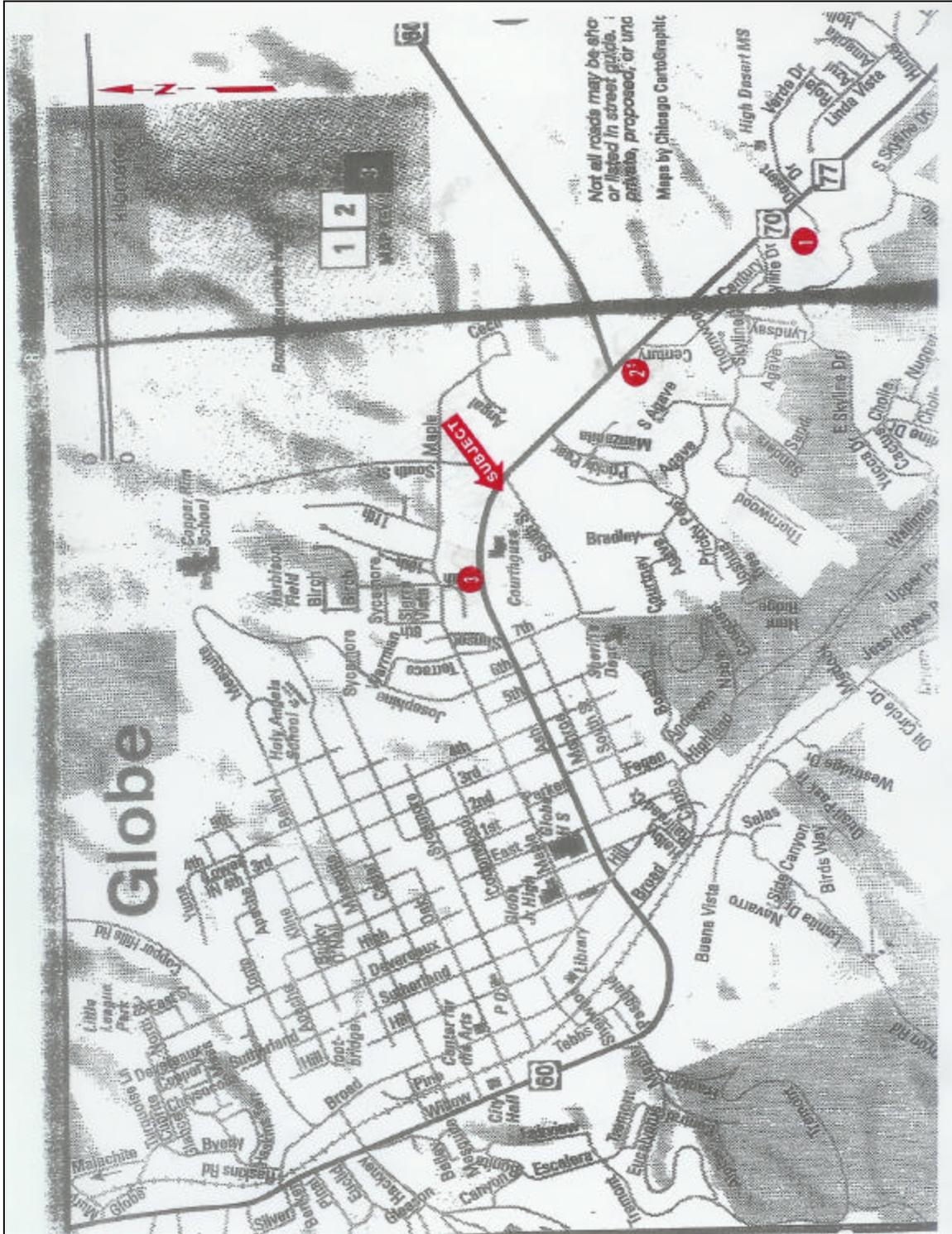
VACANT COMPARABLE NO. 5

Property Type:	Vacant Commercial
Location:	NEC 20 th Ave. & 8 th St.
City:	Safford
County:	Graham
Assessor's Parcel No.:	102-15-076
Sale Date:	April, 2014
Sale Price:	\$200,000
\$/ SF:	\$6.38/SF
Instrument:	WD
Grantor:	Wal-Mart Stores
Grantee:	CHD ENTS LLC
Terms of Sale:	Cash to Seller
Site Area (SF):	31,363 SF
Site Area (Acres):	0.72 acres
Zoning:	C-2, Safford
Confirmation:	Public Records, Broker
Comments:	Sale of vacant 0.72 Wal-Mart pad site, at SEC corner of larger Wal-Mart site. Frontage on 20 th Ave. and 8 th St. Buyer plans to construct partially owner-occupied strip building; he'll use portion as dentist office and lease out the balance.

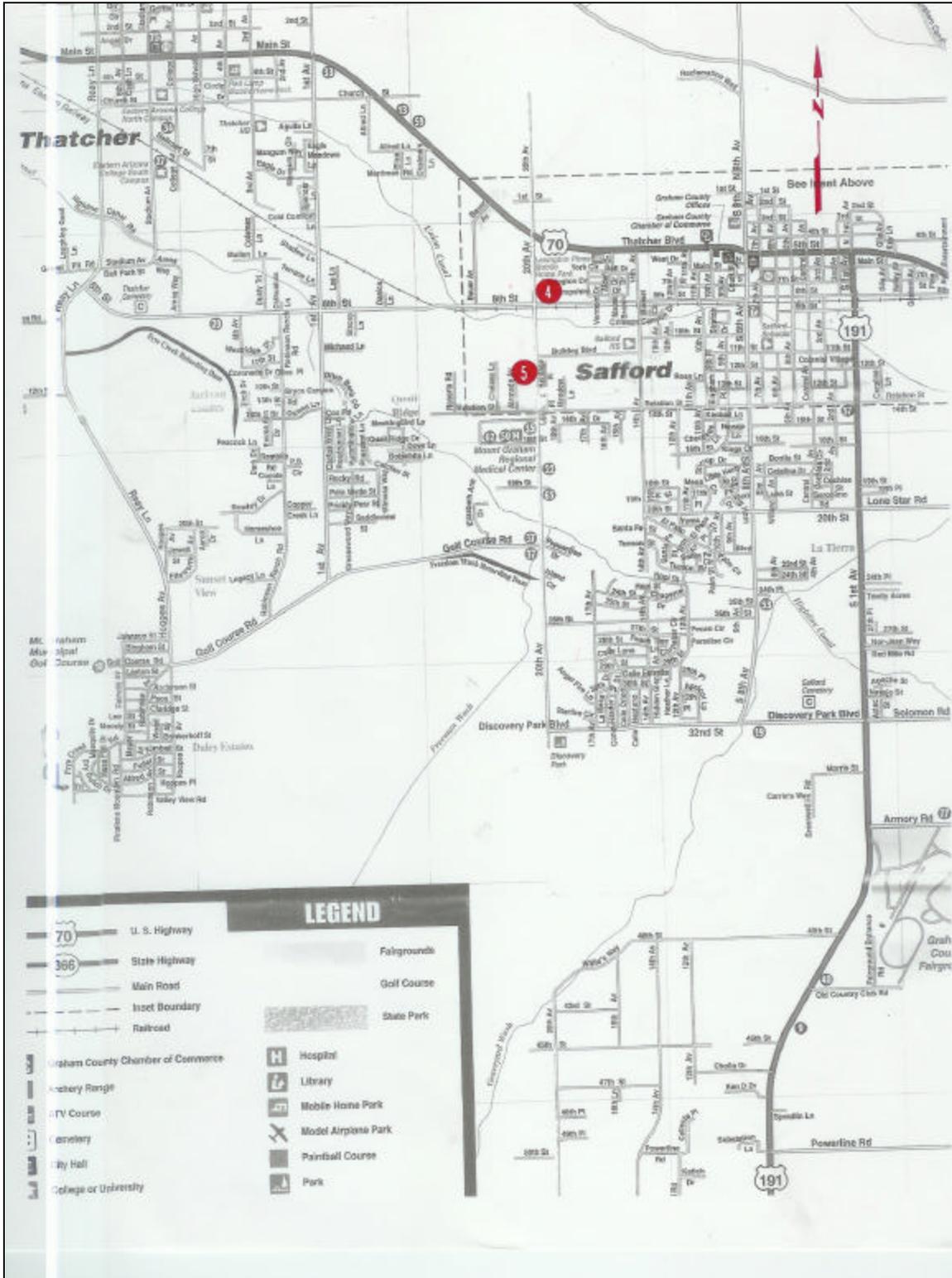
SUMMARY OF VACANT COMPARABLES

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Address:	SWC Ash St. & South St.	1862 E. Ash St.	1770 E. Ash St.	1405 E. Ash St.	1120 S. 20th Ave.	NEC 20th Ave. & 8th St.
APN:	Ptn 205-14-027F	205-21-015A	205-17-007	205-13-012E	104-35-125	102-15-076
City:	Globe	Globe	Globe	Globe	Safford	Safford
County:	Gila	Gila	Gila	Gila	Graham	Graham
Ppty Type:	Vac Comm.	Vac Comm.	Vac Comm.	Vac Comm.	Vac Comm.	Vac Comm.
Sale Price		\$ 1,200,000	\$ 150,000	\$ 175,000	\$ 310,000	\$ 200,000
\$/SF		\$3.94	\$2.69	\$4.73	\$2.88	\$6.38
Ppty Rights:	Fee Simple Cash Typical	Fee Simple Cash Typical	Fee Simple Atypical	Fee Simple Cash Typical	Fee Simple Cash Typical	Fee Simple Cash Typical
Sale Terms:						
Sale Cond.:						
Sale Date:		Oct-11	Feb-10	Jun-10	Mar-13	Apr-14
Site Size (SF):	62,291	304,920	55,757	37,026	107,593	31,363
Site Size (Ac.):	1.43	7.00	1.28	0.85	2.47	0.72
Zoning:	C-2	C-3	C-3	C-2	C-3	C-2
Topography:	Gen Level	Irregular	Gen Level	Gen Level	Gen Level	Gen Level
Notes:		Build Hotel	Land Value	Build Office	Build Office	Build Strip Ctr

MAP OF VACANT COMPARABLES



MAP OF VACANT COMPARABLES



DISCUSSION AND ANALYSIS OF COMPARABLE SALES

The preceding comparables have been utilized in this valuation of the subject property, representing recent sales of similar vacant commercial sites to the subject. The comparables have been summarized in the comparable sheets, photographed, and mapped for the reader's reference. The comparables were confirmed when possible with parties to or familiar with them, and represent the best, most recent, and most appropriate data in the form of comparable sales for use in the analysis.

In this section of the appraisal, the comparables are then adjusted to the subject property. This results in value indication via this approach for the subject.

Adjustments – First Level

The adjustments are discussed herewith. The first level of adjustments is for property rights conveyed, financing terms, conditions of sale, and market conditions. Property rights conveyed were fee simple in all cases, and no adjustments were required for this.

Concerning financing terms, the sales were either cash to the seller or for terms which were undisclosed or considered cash equivalent, and as such no adjustments for financing were warranted.

The conditions of sale adjustment accounts for atypical conditions or motivations on the part of the parties to the transactions, and in the case of the comparables, based on the appraiser's research and discussions with confirming parties, no adjustments are required at this level to any of the comparables but No. 2, which required an upward adjustment for atypical seller motivation, as noted.

The final level of adjustment in the first set of adjustments is for changed market conditions over the period from when the sales took place to the date of valuation of the subject. The local commercial real estate market fell considerably off its peak in the mid-to-late 2000's, but appears to have bottomed and has been generally flat over the past few years (2010 to the present for land values). As such, no adjustments for changed market conditions have been applied.

Adjustments – Second Level

The second level of adjustments concern the physical and locational features of the comparables as they compare to the subject property.

Concerning location, this adjustment takes into account such locational features as the overall character and desirability of the area, surrounding uses, demographics, and general access and visibility characteristics.

The subject and Comparable Nos. 1 and 2 enjoy similar locations nearby on Ash Street in Globe, and these comparables aren't adjusted. Comparable No. 3 is near the subject but has inferior access/visibility, and is somewhat outside the main commercial area of East Ash Street, which starts just to its east. As such, this comparable is adjusted upward for location.

When considering the broader Globe vs. Safford locations, Safford is considered superior due to the economy there, more recent land sale activity there than in Globe, etc. As an example, Fed

Ex was considering building a facility in Globe and was in escrow on the site for it (see discussion forthcoming), but changed their mind and went to Safford instead, where they're in escrow on a commercial site there. As such, concerning the two Safford sales, Comparable No. 5 is adjusted downward for location considering the two different markets, plus this is a well-located pad site on a major commercial arterial. Comparable No. 4 however, is located on a minor commercial arterial, which significantly offsets its superior overall Safford location, and this comparable is adjusted upward.

Size adjustments relate to economies of scale, with smaller properties tending to sell for more on a price per unit basis. The subject is 1.43 acres in size while the comparables range in size from 0.72 acres (usable) to 7.00 acres, as discussed.

The subject's 1.43 acre size makes it suitable to a number of potential commercial uses (office, retail, service, etc.), but limits larger types of uses such as hotels. Comparable No. 3, at 0.85 acres, is adjusted downward as shown. No. 5 is 0.72 acres and it's a pad site within the Wal-Mart center in Safford, and benefits thereby – pad sites though small enjoy extreme utility. This comparable is thus adjusted downward as shown. No. 2 is similar in size to the subject and not adjusted. No. 4, at 2.47 acres, is adjusted upward as shown.

Comparable No. 1, the Holiday Inn Express site, is 7.00 acres net usable in size, which brings into account economies of scale with respect to the smaller sites and the subject. Due to the preceding, this comparable is adjusted upward to the subject as shown.

Adjustments are next considered for zoning; however, the comparables and subject are similarly commercially zoned, and no adjustments are warranted.

Utilities adjustments are next considered, but, as with zoning, the subject and comparables are similar with respect to the availability of utilities, and no adjustments are applied.

Finally, the comparables are adjusted, if appropriate, for other or miscellaneous factors not covered in the prior categories, such as amenities, site improvements, and the like. Comparable No. 3 required demolition (of existing service station improvements) and is adjusted upward. Comparable No. 1 is requiring considerable site work, but this factor has been accounted for in its modified sale price, and as such no additional adjustment is required at this level.

After adjustments to each of the comparables, their adjusted sale prices are derived, and displayed on the adjustment grid. The adjusted unit value is then reconciled into a final value indication via this approach. The reader's attention is directed to the adjustment grid forthcoming.

Additional data in Globe/Miami was considered, including a few current listings of commercial sites, but the listings were either brand new, very old, or skewed due to various factors and/or also reported by the listing agents as being way too high in list price.

In addition, a canceled escrow was reported by the client, Mr. Steve Stratton. Fed Ex was in escrow on some 12 acres, for \$75,000/acre just north of Globe, on Highway 60/77, at the old Globe Drive-In Theatre. However, Fed Ex suddenly backed out and is currently in escrow on a vacant site in the heart of the main commercial district (Wal-Mart, McDonald's) in Safford. This data is included mainly for informational purposes and as support for the discussion of the local market conditions.

Final Estimate of Value Via Sales Comparison Approach

As noted, the comparables provided a pre-adjusted price range of from \$2.69/SF to \$6.38/SF. After the noted adjustments were made, the adjusted range in prices was from \$3.36/SF to \$5.58/SF. The average adjusted price was \$4.50/SF. Comparable No. 2 set the low end of the adjusted range, at \$3.36/SF, and is generally discounted from the analysis as being the least applicable sale. The average of the balance of the adjusted prices then becomes \$4.78/SF. When considering the subject's locational and physical characteristics, as well as the strength of the data and market conditions, plus discussions with local knowledgeable parties in the course of the research (including brokers at Kachina Properties and Stallings and Long Realty, plus Mr. Thomas Thompson, a local property owner/investor and attorney of long standing) as to the value of the subject property, the appraiser has estimated the value of the subject, via the Sales Comparison Approach, in the middle to upper portion of the adjusted range, or as follows:

$$62,291 \text{ SF} \times \$5.25/\text{SF} = \$327,027, \text{ rd., } \$325,000$$

(THREE HUNDRED TWENTY-FIVE THOUSAND DOLLARS)

VACANT COMPARABLE ADJUSTMENT GRID					
Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Sale Price	\$1,200,000	\$150,000	\$175,000	\$310,000	\$200,000
\$/SF (UNADJ.)	\$3.94	\$2.69	\$4.73	\$2.88	\$6.38
Ppty Rights Conv	0%	0%	0%	0%	0%
Adjusted Price	\$3.94	\$2.69	\$4.73	\$2.88	\$6.38
Terms of Sale	0%	0%	0%	0%	0%
Adjusted Price	\$3.94	\$2.69	\$4.73	\$2.88	\$6.38
Conditions of Sale	0%	25%	0%	0%	0%
Adjusted Price	\$3.94	\$3.36	\$4.73	\$2.88	\$6.38
Market Conditions	0%	0%	0%	0%	0%
ADJ PRICE - 1ST LEVEL	\$3.94	\$3.36	\$4.73	\$2.88	\$6.38
Location Adj.	0.0%	0.0%	5.0%	25.0%	-5.0%
Size Adj.	20.0%	0.0%	-2.5%	5.0%	-7.5%
Zoning Adj.	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities Adj	0.0%	0.0%	0.0%	0.0%	0.0%
Other Adj.	0.0%	0.0%	5.0%	0.0%	0.0%
Net Adjustment	20.0%	0.0%	7.5%	30.0%	-12.5%
Gross Adjustment	20.0%	0.0%	12.5%	30.0%	12.5%
ADJ. \$/SF	\$4.72	\$3.36	\$5.08	\$3.75	\$5.58
Avg Adj \$/SF	\$4.50				

RECONCILIATION AND FINAL VALUE ESTIMATE

In the Reconciliation section of the appraisal, the value indications from the approaches utilized are summarized, and from them the final reconciled value estimate for the subject property is then derived. In the case of the subject, which is a vacant site, only the Sales Comparison Approach was utilized, as discussed earlier in the report. The Income Capitalization and Cost Approaches were dismissed for the reasons discussed. The value indication from the Sales Comparison Approach is summarized following:

<u>Approach</u>	<u>Value Indication</u>
Sales Comparison	\$325,000

As the Sales Comparison Approach was the only approach utilized, its value indication becomes the final reconciled value of the subject property in this assignment. Due to the preceding, the subject's final reconciled market value is estimated by the appraiser as follows:

FINAL RECONCILED MARKET VALUE ESTIMATE

THREE HUNDRED TWENTY-FIVE THOUSAND DOLLARS
(\$325,000)

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice by the Appraisal Foundation.

This appraiser is not responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; whether physical, financial, and/or legal. In the case of limited partnerships, or syndication offerings, or stock offerings in real estate, the client agrees that in case of a lawsuit (brought by lender, partner or part owner in any form of ownership, tenant, or any other party), any and all awards or settlements of any type in such suit, regardless of the outcome, the client and all parties will completely hold harmless the appraiser.

The liability of the appraiser and the firm with which he is connected is limited to the client in this assignment only and to the fee collected for the assignment.

The validity of legal, engineering, or auditing opinions is assumed to be good, and no responsibility is assumed therefore.

Unless otherwise stated, the appraiser assumes and believes that information furnished by others is reliable, but assumes no responsibility for its accuracy.

Should this valuation opinion be ascribed in regard to proposed public or private improvements, then in that event, this appraisal is subject to the completion thereof in the manner proposed.

The appraiser reserves the right to alter statements, analyses, conclusions, or any value estimate in the appraisal if there becomes known to me facts pertinent to the appraisal process which were unknown when the report was finished. Appraisal report and value estimate are subject to change if physical or legal entity or financing is different than that envisioned in this report.

The title to the property being appraised is assumed to be marketable and competent management and/or ownership is assumed. Consideration has been given to the existing or potential financing associated with the subject and the impact of such financing on value.

All mechanical components are assumed to be in operable condition and status standard for properties of the subject age and type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

The appraiser has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil, or hidden structural, mechanical, or other components, and the appraiser shall not be responsible for defects in the property related thereto. Appraiser assumes that there are no conditions that are not apparent, relating to the real estate, sub-soil conditions, or structures located on the real estate which would affect the analyses, opinions, or conclusions with respect to the real estate.

If the appraiser has not been supplied with a termite inspection, survey, building inspection, or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. Whether or not environmental hazards are stated in the report, the appraiser is not responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

The Americans with Disabilities Act of 1990 (ADA) became effective in 1992. Appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect on the value of the property. Since the appraiser has no direct evidence relating to this issue, appraiser did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

Maps, drawings, or sketches have been made a part of the report to aid the reader in visualizing the property, neighborhood, and region. The appraiser has made no survey of the property and assumes no responsibility in connection with such matters.

The distribution of the total valuation between land and any improvements applies only under the program of utilization and any additional conditions stated in this report, and are invalidated under other programs of utilization, or conditions, if used in making a summation appraisal.

The appraiser is not required, because of this appraisal report, to appear or to testify at a public hearing, committee, or corporate meeting, deposition, or legal proceeding of any kind unless satisfactory arrangements have been made in advance for said appearance.

The appraiser has examined the available flood maps, if available, that are provided by the Federal Emergency Management Agency (or other data sources) and, if it has been possible to make such determination from said sources, has noted in the appraisal report whether the subject site is located in an identified Flood Hazard Area. Because the appraiser is not a surveyor, the appraiser makes no guarantee, express or implied, regarding this determination. It is up to the client to make or confirm their own determination regarding the subject's flood zone status and to take responsibility therefore.

The appraiser must provide his written consent before the lender/client specified in the appraisal can distribute the appraisal report (including conclusions about the property value, the appraiser's identity or firm with which he is connected or any professional designations he may or may not have, and any references to any appraisal organizations with which he may or may not be associated) to

anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institutional or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting services without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

Moreover, this report or any portion thereof is for the exclusive use of the client for the stated purpose and function and is not intended to be used, given, sold, transferred, or relied on by any person other than the client without the prior, express written permission of the author. Use of or reliance upon this report by third parties is specifically prohibited. The appraiser assumes no responsibility for potential claims arising from unauthorized use of this report, or any portion thereof. The client will forever indemnify and hold the appraiser harmless from any claims by third parties related in any way to the appraisal or study which is the subject thereof.

The appraisal report, including all addendums, is meant to be used only in its entirety; no part may be used without the full or entire report.

Unless otherwise stated, the present purchasing power of the dollar is the basis for the values ascribed.

The client authorizes disclosure of all or any portion of this appraisal report and the related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the bylaws and regulations of said Institute hereafter in effect.

Acceptance of, and/or use of, this appraisal report by the client constitutes acceptance of the above general underlying assumptions and limiting conditions, as well as any extraordinary or hypothetical assumptions and limiting conditions included herewith.

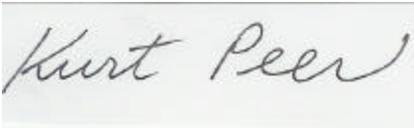
Extraordinary Assumptions and Limiting Conditions

Subject site size is 1.43 acres, or 62,291 SF, as reported herein. Please see discussion in the Letter of Transmittal and Site Analysis sections of the appraisal for additional details.

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- I have not performed any appraisal or other kinds of professional services on the subject property within the three years prior of the effective date of valuation herein.
- No one provided significant real property appraisal assistance to the person signing this certification.



Kurt Peer
Certified General Real Estate Appraiser
AZ Cert. #30329
Date: August 14, 2014

APPRAISER'S LICENSE



**APPRAISAL OF
A COMMERCIAL BUILDING**



LOCATED AT

**157 SOUTH BROAD STREET
GLOBE, ARIZONA 85501**

PREPARED FOR

**MR. STEVE STRATTON
GILA COUNTY PUBLIC WORKS ADMINISTRATION
1400 EAST ASH STREET
GLOBE, ARIZONA 85501**

AS OF AUGUST 5, 2014

PREPARED BY

**KURT PEER, APPRAISER
PO BOX 36923
TUCSON, AZ 85740**

**APPRAISER'S FILE NO: 3246
CLIENT'S P.O. NO: 2015-00000275**

KURT PEER APPRAISER

Commercial Appraisals Throughout Arizona

PO Box 36923
Tucson, Arizona 85740

Tel (520) 591-2742
kurt5111@cox.net

August 11, 2014

Mr. Steve Stratton
Gila County Public Works Administration
1400 East Ash Street
Globe, Arizona 85501

Re: Appraisal of a Commercial Building
Located at 157 South Broad Street, Globe, Arizona 85501
Appraiser's File No.: 3246
Client's Purchase Order No.: 2015-00000275

Dear Mr. Stratton:

Pursuant to your request, I have prepared herewith a Narrative Appraisal estimating the As Is Market Value of the fee simple interest in the above-noted real property. The date of inspection is August 5, 2014, which is the effective date of value.

As a result of my investigation and analysis, I have estimated the Market Value of the property to be as follows:

TWO HUNDRED SIXTY THOUSAND DOLLARS
(\$260,000)

The purpose of the appraisal is to estimate the subject's Market Value in fee simple interest. The intended use of this report is for disposition purposes on the part of the client, Gila County.

This appraisal has been prepared in accordance with the current edition of:

- Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.); and
- the regulations adopted by the Office of the Comptroller of the Currency pursuant to Title XI, including, without limitation, the current version of the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Foundation.

In addition, this valuation is based on the attached appraisal report and all the assumptions and limiting conditions contained therein.

The appraiser previously performed an appraisal of the subject property for the client on May 2, 2014. The client has ordered another appraisal of the subject property. Appraiser inspected the subject again on August 5, 2014, the effective date of value for the new appraisal, and again researched the market, talked with market participants, and examined the various aspects of the

subject as discussed herein. The new research disclosed no new pertinent comparables nor significant changes in market conditions since the May appraisal, and the value of the subject remains unchanged since the May appraisal.

Special Note:

The appraiser was provided an Asbestos Survey of the subject performed by Western Technologies, Inc., of Phoenix, dated February 19, 2014. The study found four areas of the subject with asbestos containing building materials (ACBMs). The four areas, which are delineated in greater detail in the body of the appraisal, include the boiler room, the area above the first floor ceiling, and two different areas of the roof.

The study includes remedial recommendations but not an estimated cost of said remediation. (According to the client, should the county sell the building on the open market the county would be required to abate the asbestos issues discussed herein. Should the county transfer the building, such as to the City of Globe, the said requirement wouldn't apply, but might come into the negotiations. County at any rate would if necessary obtain cost bids from qualified environmental companies to remove the ACBMs.)

The appraiser is not an expertise in environmental matters, nor cost estimating of same. In valuing the subject with respect to such, the subject as an older building (built 1929) is compared to various-aged comparables in the Sales Comparison Approach, including a handful of older buildings in downtown Globe. Such buildings are of the same general class as the subject, with respect to potential environmental issues plus condition issues such as with the roof, the subject roof exhibiting wear and tear over and above its environmental issues, and the said comparables are adjusted for age to the subject to account for the above, addressing the subject's environmental issues thereby.

The subject is deemed in overall average condition, as is, with respect to building components and TI's described (the subject is an adequate office building suited to a variety of uses), the roof in its noted state, and the ACBMs in place. The as is subject is further valued as such in the Sales Comparison Approach, by adjusting the comparables to it for condition based on differences in condition between them and the subject. The appraiser, keeping in mind the ACBMs plus other negatively influencing factors such as the age of the building and soft market conditions, has also estimated toward the lower end of the adjusted range.

Again, the subject is valued in its as is condition with ACBMs in place. Should an environmental cost estimate be in hand, the doing of the remedial environmental work by a licensed professional at the said cost would increase the value of the subject but not dollar-for-dollar. As in any appraisal and appraisal practice in general, cost doesn't equal value. Any value of the subject with the environmental issues taken care of would be a prospective value (not being addressed herein), vs. the as is value estimated herein. Prospective value is noted for the sake of discussion only, and would take into account the improved overall condition of the subject what with said environmental issues having been removed.

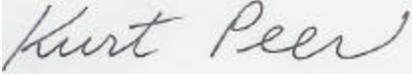
Summary:

I hereby certify that I have made a personal inspection of the subject property; that my fee was not contingent on the value contained herein, including a minimum valuation, a specific valuation, or the approval of a loan; that I have no interest, present or prospective, in the subject property; and that I have the current licensing and the necessary experience and competency to perform this assignment. Furthermore, I hereby certify that, to the best of my knowledge and

belief, all statements and opinions contained in this report are correct, subject to the General Assumptions and Limiting Conditions, as well as any Extraordinary or Hypothetical Assumptions and Limiting Conditions, and the Certification which are made a part of this report.

I appreciate the opportunity to be of service. If you should have any questions, please don't hesitate to call.

Best Regards,

A handwritten signature in cursive script that reads "Kurt Peer". The signature is written in dark ink on a light-colored, slightly textured background.

Kurt Peer
Certified General Real Estate Appraiser
AZ Cert. #30329

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SUMMARY OF THE APPRAISAL

PROPERTY TYPE:	Commercial Building
ADDRESS:	157 South Broad Street, Globe, Arizona 85501
ASSESSOR'S PARCEL NUMBER:	208-03-084
BLDG SF:	7,730 SF
YEAR BUILT:	1929
ZONING:	C-3, Central Commercial, City of Globe
SITE SIZE:	3,992 SF, or 0.09 acres
PURPOSE OF APPRAISAL:	Estimate Market Value
FUNCTION OF APPRAISAL:	Disposition
PROPERTY RIGHTS APPRAISED:	Fee Simple
DATE OF VALUE:	August 5, 2014
DATE OF REPORT:	August 11, 2014
HIGHEST AND BEST USE:	
As if Vacant:	Speculation and/or Development
As Is:	Continued Use as Commercial Building
MARKET VALUE CONCLUSION:	\$260,000
ESTIMATED EXPOSURE PERIOD:	6-12 months

INTRODUCTION TO THE APPRAISAL

EXECUTIVE SUMMARY AND PROPERTY IDENTIFICATION:

Herewith is a Narrative Commercial Appraisal Report of a Commercial Building, located at 157 South Broad Street, in Globe, Arizona, described in further detail in the body of the report. Appraiser is Certified General Real Estate Appraiser with current License in the State of Arizona, and has the experience and qualifications necessary to appraise the subject property. Appraisal has been prepared in conformance with the current requirements of the Uniform Standards of Professional Appraisal Practice, and sets forth the description, analysis, and valuation estimates of the subject property. Subject property was inspected by the appraiser on August 5, 2014, which is the effective date of value herein.

PURPOSE AND FUNCTION OF THE APPRAISAL:

The purpose of the appraisal is to provide an estimate of the as is Market Value of the subject property. The value opinion is predicated on the forthcoming definitions of value and property rights as utilized in this appraisal. The function or intended use of this appraisal is for disposition purposes on the part of the client. The intended user of the report is the prior-noted client. This report may not be utilized for any other purpose, nor for any other client, than the purpose and client noted in the report, and is considered invalid if done.

DEFINITION OF MARKET VALUE:

“Market Value” is defined by Federal Financial Institutions Regulatory Agencies, including the Office of the Controller of the Currency, as: “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from the seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

PROPERTY RIGHTS APPRAISED

The property rights being appraised herewith are those associated with the fee simple estate. According to the Dictionary of Real Estate Appraisal, “fee simple estate” is defined as: “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.”

AS IS CONSIDERATION:

The subject is valued in its “as is” condition, or the physical and economic state the property was observed in by the appraiser on the date of inspection. Specifically, the as is value is the value of the subject’s specific ownership rights to what physically exists on the appraiser’s date of

inspection, excluding all assumptions concerning hypothetical conditions. It also assumes typical marketing for the subject property, based on the above market value definition.

LEGAL DESCRIPTION:

The subject is legally described by the Gila County Assessor as follows: GLOBE TWNS S 35' OF LOT 8 BLK 77

OWNERSHIP HISTORY:

A guideline of the Appraisal Institute calls for the reporting and analysis of any conveyances of the subject property over the 3 year period prior to the effective date of value, in addition to the reporting of any current listing or escrow of the subject property.

According to the Gila County Assessor's records, the current legal owner of the subject is Gila County, A Body Politic. In addition, there have been no conveyances involving the subject property over the prior 3 year period, nor is it currently in escrow or listed for sale.

Subject is currently utilized by Gila County for offices for the County Attorney (second floor) and the County Attorney Child Support Division (first floor). Mr. Steve Stratton reports he is considering moving the said offices to the main Gila County Administration facilities on Ash Street, and that the City of Globe has expressed an interest in acquiring the subject for use as their police station.

SCOPE OF THE APPRAISAL:

The scope of the appraisal considers several factors, including the valuation approaches pertinent to and utilized in the assignment (Cost Approach, Sales Comparison Approach, Income Approach), and the general procedure the appraiser followed in preparing the report, including the inspection of the subject property and the data collection, analysis, and presentation.

The Three Approaches to Value

All three approaches to value were considered in the case of the subject property, including the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach. Each approach has its strengths and weaknesses depending on the nature of the assignment and the subject property. The approaches which are deemed appropriate for the assignment are then utilized, each resulting in its own value indication. The value indications from the approaches utilized are then reconciled into a final value estimate for the subject in the Reconciliation section of the report. In the case of the subject property, the only approach deemed warranted by the appraiser in the case at hand was considered to be the Sales Comparison Approach.

The subject property is single-user and moreover represents a typical owner-occupied building. That is, many buildings of the subject's type in the local market, though leaseable, are owner-occupied and/or are purchased with that in mind. In addition, the subject is an older property, making the use of the Cost Approach inappropriate.

The Sales Comparison Approach is germane in the case of the subject property, as buyers and sellers look to market data, in the form of recent sales of similar properties to the one under appraisal, and current listings of similar properties as well, in helping them determine a property's value. Moreover, the market data was supportable in terms of enough recent sales of similar

properties to the subject, which gives strength and credence to the use of the Sales Comparison Approach and makes it a strong approach in the case of the subject valuation. The Sales Comparison Approach is considered a strong value indicator in the case of the subject property.

The Cost Approach is considered inapplicable, due to the strength and availability of the Sales Comparison Approach, which was appropriate and utilized, and the various weaknesses involved in the Cost Approach, one of the main ones being the estimated accrued depreciation. The Cost Approach is more germane for new or nearly new or somewhat unique properties, or in cases when one or both of the other two approaches are not available for use in the assignment.

The Income Capitalization Approach is also considered in the case of the subject, but a full-blown Income Approach was dismissed as the subject as noted is more typical of an owner-occupied property than one that would be purchased by an investor seeking an income stream. Nevertheless, the appraiser performed an abbreviated Income Approach, in the form of a pro forma only, as a test of reasonableness against the value via the Sales Comparison Approach and to consider the income (NOI) potential of the subject. This is found in Reconciliation section.

Appraiser Work Methodology

Concerning the procedure the appraiser followed in the course of the assignment, the appraiser first communicated with the client in order to identify the subject property to be appraised, the intended use of the appraisal, and the client's expectations concerning the assignment.

As for the subject property itself, a physical inspection was performed on August 5, 2014. A thorough interior and exterior inspection occurred during which the appraiser took photographs and notes about the property, including size, building materials, layout, quality and condition, interior finish, surrounding uses, and mechanical characteristics such as HVAC, etc. Information about the site such as zoning, utilities, flood zone status, and taxes and assessments were obtained from the appropriate governmental sources.

Concerning the data utilized, all of the comparables in the assignment were physically inspected and photographed by the appraiser. In addition, where appropriate, the appraiser spoke with parties knowledgeable about the comparables to confirm their details, and in addition confirmed details about them through county records, sale records, etc. All sale comparables were sought and selected based on their comparability to the subject property and appropriateness, and the search for them went back in time far enough to acquire the necessary data.

The appraiser also researched the characteristics of the immediate and larger neighborhood and region in which the subject property is located, and especially the characteristics of the market such as supply and demand levels, vacancy levels, potential new supply coming on line, etc, gaining such information from published sources, the internet, governmental agencies, and appropriate knowledgeable parties.

Summary of Scope

In summary, the scope of this narrative appraisal report includes the gathering and analysis of pertinent market information in order to apply the most applicable valuation methodology in accordance with the guidelines and standards of the Uniform Standards of Professional Appraisal Practice.

REGIONAL AND NEIGHBORHOOD OVERVIEW

The description portion of the appraisal report begins with a discussion and analysis of the subject's location within the larger region, city, and neighborhood. This is then followed by the more specific descriptive sections including those of the subject site and subject improvements. The regional and neighborhood discussion begins herewith.

The subject property is located in central Arizona in Gila County. The county covers some 4,750 square miles and is a source of great mineral wealth. Silver was the area's first attraction, in the late 1800's, with copper mining soon becoming important, and continuing to be so. Gila County's land ownership is broken down by ownership as follows:

<i>Owning Entity</i>	<i>% of Total</i>
U.S. Forest Service	55%
State Government	4%
Privately Owned	4%
Apache Indian Reservation	37%
Total	100%

As noted, a considerable portion of the county belongs to the Apache Indian Tribe, with the San Carlos Apache Indian Reservation being located just to the east of Globe. Also of note, only about 4% of the land is privately owned in Gila County.

Globe is the county seat. The majority of the eastern part of the county belongs to the Indian Reservation, while most of the balance of the county (central, northern, and southern) belongs to the U.S. Forest Service. The county is located just east of the Phoenix metropolitan area and benefits from this proximity.

There are 3 main highways traversing the county, but no freeways. The main highway is State Highway 87 (the Beeline Highway) which travels north/south and provides access from the Phoenix metro area on the south, through Payson, and then north to Winslow on Interstate-40. This highway some time back was improved to a four lane divided highway on the Phoenix to Payson run. Additional highways are State Highway 60/77 (in the eastern part of the county, connecting Globe to the White Mountains), Highway 188 (connecting Globe to Payson), and Highway 260 (connecting Payson to Show Low). Highway 260 has recently undergone improvement to four lanes in some portions, as the White Mountains and Show Low area recently saw a boom in construction, which increased traffic flow from Phoenix to Show Low, through Payson.

The leading municipalities in Gila County by population are Globe-Miami and Payson. The balance of the municipalities are very small, as shown on the attached map. Many are small unincorporated former mining and/or ranching towns, or tourist or second home destinations, such as Pine and Strawberry. The recent population figures are shown on the following table, with little change from the 2010 figures to the current year of 2014:

Municipality – Population	1990	2000	2010
Globe-Miami	8,080	9,422	9,552
Payson	8,377	13,620	16,256
Gila County	40,216	51,335	56,368

The subject property is located in Globe. Globe was founded in 1876 and incorporated in 1907 (Miami was incorporated in 1918). The nearest major metropolitan areas are Phoenix, about 85 miles to the west, and Tucson, about 100 miles to the south. Principal economic activities in Globe are mining, ranching, manufacturing, government, and tourism.

Globe and Miami are adjacent to each other, being connected by Highway 60. Highway 60 is the main and in fact only east/west thoroughfare in the metropolitan area, and nearly all of the main commercial facilities are located thereon. In the east portion of Globe, Highway 60 goes north to Show Low at its intersection with Highway 70. Highway 70 connects Globe with Safford.

The Globe/Miami area experienced growth in the early 1990s and early 2000s. Notable commercial development took place, along Highway 60, with some dozen or so commercial sites being developed with a variety of newer, mainly chain uses (hotels, restaurants, grocery stores, service stations, etc.).

Basically, concerning commercial development in the area, the new commercial development is concentrated in two locations. One location is in the western portion of the area, mostly Miami, and includes a Wal-Mart/Safeway retail center, a Smith's food store, some auto dealerships, and various additional commercial uses. The other area of new commercial development is located in the eastern portion of Globe, and stretches basically from the Gila County Administration Building, east about 2 miles. This area houses a handful of newer hotels (Days Inn, Comfort Inn), service stations, restaurants, a Dollar General store, etc. There is a three-story Holiday Inn Express under construction in this area. Between these areas is an older portion of Globe, housing many older commercial uses and some residential uses, mobile home parks, as well as historic downtown Globe.

Globe is largely noted for its historic downtown district. Numerous buildings built around the turn of the last century are located here, including the historic courthouse, one block north of the subject. Downtown Globe still houses many businesses, including retail, offices, restaurants, and banks. While many of the retail uses are found at the Wal-Mart and dollar stores in the community, some retail uses still exist downtown. Just off the commercial district of downtown is an older residential district as well.

The commercial real estate market in Globe saw greater activity in the early 2000s, as it typically did throughout the state and country. The market has declined since that time and has been flat over the past 2-3 year period. There have been a handful of sales of commercial buildings, typically ranging

from \$30-\$80/SF. There is also market resistance on a total price basis which is encountered in the upper \$200's and lower \$300's. The market has remained essentially unchanged over the past 3 month period, and no pertinent market activity in terms of building sales has occurred over that period.

Moreover, there's an oversupply of commercial space (office and retail) available for rent, as the rental market is somewhat soft. Rents are typically quoted on a modified gross basis (landlord pays real estate taxes, insurance, and major repairs, tenants pay their own utilities – no pass-throughs), and rents range from as low as about \$.40/SF/month to \$1.50/SF/month for best quality space.

The residential market, however, is stronger, due to a paucity of available rental homes in the market. Rents are as high as some places in the Phoenix area for comparable homes, and there are few homes available. When they come up they're rented right away. There is also a shortage of apartments in town and available land for the same, with much of the vacant land mine- or government-owned. The local mines (Freeport/McMoRan, Capstone, Carlota) have continued to operate over the recent past, due to the high price of copper, and while not planning any large expansions, they bring residents and short-term commercial renters (subcontractors for the mines, etc.) into town.

Globe is a more desirable location for commercial real estate (commanding higher sale prices and rental rates) than Miami, to the west. Some properties in downtown Globe lack on-site parking and this is seen by some as a negative, while properties on the "main drag"/Ash Street typically have ample on-site parking, a plus for concerns such as retail and medical.

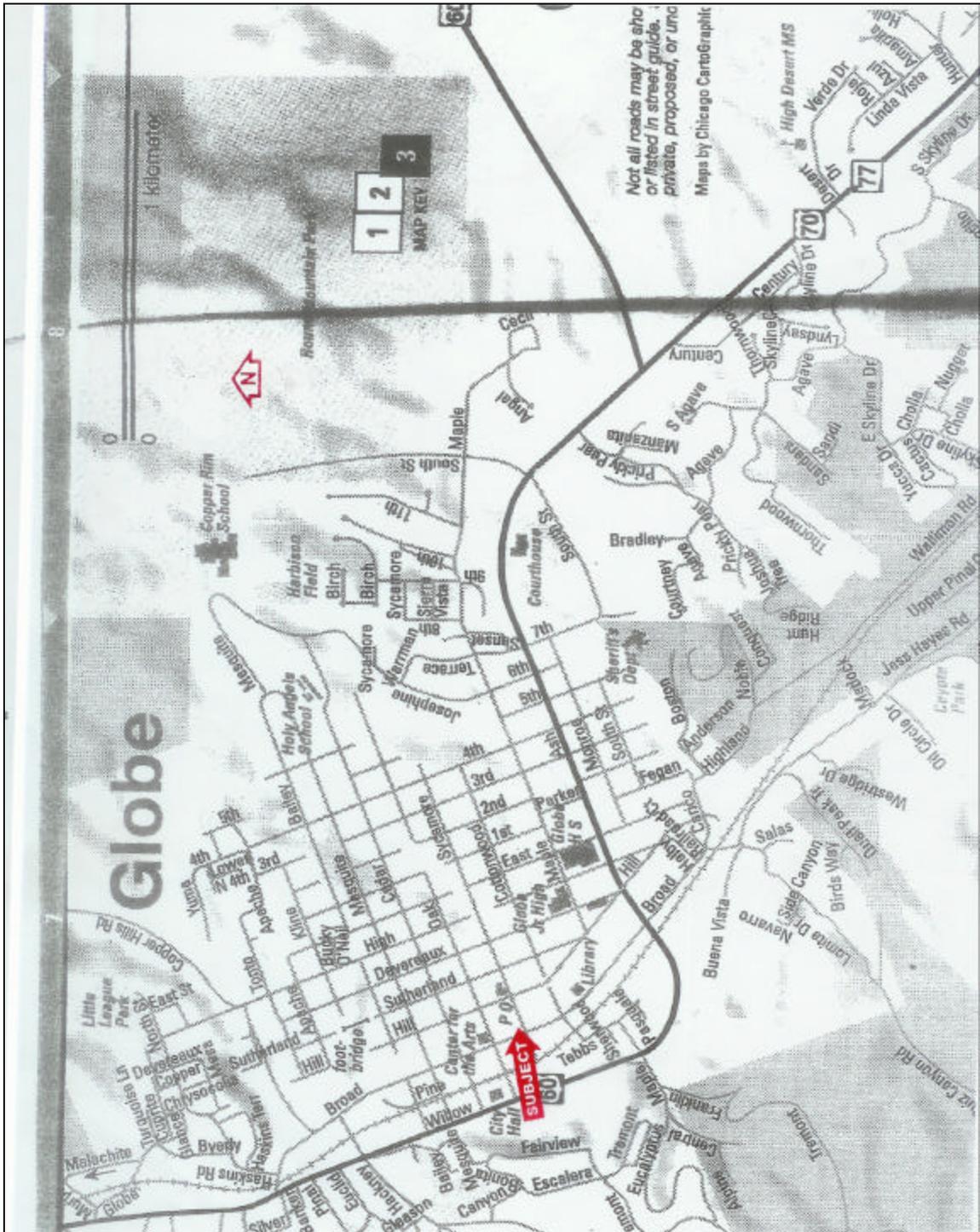
Globe and Miami are located in a steep canyon in the Pinal Mountains and scenic views are afforded in all directions. The elevation is about 3,500 feet, meaning the area has a milder climate than Phoenix, which is at about 1000 feet in elevation. Downtown Globe retains its historic flavor, with many restored historic buildings found. Educational facilities are adequate, including public and private schools and a community college, and the Cobre Valley Community Hospital also serves the area. The Globe/San Carlos Regional Airport has a lighted 4,750 foot runway.

Overall, the area is an established commercial neighborhood in a stability phase of its life cycle. There no overly detrimental or adverse factors regarding the location of the subject or the immediate vicinity that would negatively impact the subject's marketability or value.

STATE MAP



NEIGHBORHOOD MAP



SITE ANALYSIS

Address/Location:	157 South Broad Street, Globe, Arizona 85501
Assessor's Parcel Number:	208-03-084
Site Size:	3,992 SF, or 0.09 acres
Access, Frontage:	Site is rectangular and enjoys 35 feet of frontage on the east side of Broad Street, and 35 feet of alley frontage behind. Site includes 114.3 feet of frontage on the north side of Sycamore Street, and has a north property line of 113.79 feet.
Arterials:	<p>Subject is located at the northeast corner of Broad Street and Sycamore Street, in downtown Globe, Arizona.</p> <p>Sycamore Street is asphaltic paved for two opposing lanes of traffic, plus on-street parallel parking in designated spaces. Broad Street is asphaltic paved for two opposing lanes of traffic, plus on-street angled parking. Both streets included concrete curbs, gutters, and sidewalks at this location (wheelchair-accessible sidewalk at intersection). There is a four-way stop at the intersection. Streetlights are also in place.</p>
Utilities:	All utilities are available to the site, including electric ity from Arizona Public Service, water and sewer from Arizona Water Company, natural gas from Southwest Gas Corporation, and telephone from Qwest.
Zoning:	The site is zoned C-3, Central Commercial, by the City of Globe. The purpose of this district is "to provide for the full range of sales, services, and office uses necessary to maintain a vital downtown area and permits those uses which are oriented toward serving the entire community. The district is intended to preserve, protect, and enhance the central business district of downtown." This zoning district basically covers most of downtown Globe and some of the other central areas (along Highway 60) in Globe. A large variety of uses are permitted in the zone, including office, retail, food service, and the like. The subject is a conforming use within the district. Globe's C-2, Intermediate Commercial, zoning district is a similar zoning district that covers other main commercial areas of town.
Topography:	Subject site is slightly elevated west to east, going up Sycamore Street, as shown in photos.
Flood Hazard:	The appraiser has checked with available sources concerning the flood zone status of the subject, but the information was indeterminate with respect to the subject due to outdated/ updating and existence of several zones in the close vicinity. Nonetheless, the appraiser is not an expert in this area and makes no warranties nor assumes any liability for such. The

client is advised to make their own flood zone determination, if desired, and the appraiser is reporting the above in service to the client. See Underlying Assumptions and Limiting Conditions section of the report for additional discussion.

Soils and Drainage:

No soils analysis was provided the appraiser, and in the absence of such and lacking information to the contrary and based on the appraiser's inspection, it is assumed that the soils are adequate to support the site's highest and best use, and that drainage is adequate. However, appraiser is not an engineer and assumes no liability for such issues.

Easements:

From inspection and lacking information to the contrary, no restrictive and only typical easements such as utility easements are assumed in place on the site.

Environmental Concerns:

During physical inspection of the site and building, no hazardous materials were evident except as noted herewith. The appraiser has no knowledge of any additional hidden or unapparent conditions of the property or adverse environmental conditions, however, the appraiser is not an expert in this field and assumes no liability for such matters. See Underlying Assumptions and Contingent Conditions for additional discussion.

Appraiser has been provided an Asbestos Survey of the subject performed by Western Technologies, Inc., of Phoenix, dated February 19, 2014. The study found four areas of the subject containing asbestos containing building materials (ACBMs).

1. Boiler block and gaskets in the boiler room, assumed to contain ACBMs/friable but not inspected by Western Technologies due to inaccessibility. Boiler room is a contained area and as such would entail a relatively easy removal.

2. Above the first floor ceiling, considerable area confirmed by Western Technologies to contain ACBMs/friable, various pipes with old-style insulation, caked mud, wrapped in cloth, etc. 490 lineal feet of pipes, plus 60 lineal feet of pipe elbows, fittings, and tees, were reported in the study. Pipes are for heating and run throughout the ceiling and this fact plus friability and necessity of removing (and having to replace anew) the entire ceiling plus piping would make this area a more involved abatement process.

3. Roof penetration sealant areas of about 10 SF, at bases of skylights, pipe penetrations, and HVAC penetrations, confirmed to contain ACBMs/nonfriable and appeared in good condition. Straightforward removal likely.

4. Roof silver sealant areas of about 50 SF, on lips of skylights, confirmed to contain ACBMs/nonfriable and appeared in good condition. Straightforward removal likely.

Neighboring Uses: Commercial building adjacent north, on east side of Broad Street. (This three-story building, at 147 S. Broad St., it should be noted sold in 2012 for \$72,000, but the building is highly dilapidated, has suffered a fire, and was not suitable as a comparable property in the valuation section.).

Municipal parking lot adjacent west, across Broad Street from subject.

Holy Angels Parish Hall adjacent east, on Sycamore Street behind or across alley from subject.

Holy Angels Church adjacent south, across Sycamore Street from subject, at SEC of Broad and Sycamore.

Cate-corner to SW of subject, at SWC of Broad and Sycamore, is the old railroad station, currently a historic property utilized as a meeting hall and such.

Site Improvements: Site improvements are few, as the building essentially fully occupies the entire site, as shown in photos. Parking is on-street and at the municipal parking lot adjacent west, across Broad Street at the NWC of Broad and Sycamore. Subject includes covered porch, full-length.

Assessment and Taxes: The subject property, being government-owned, is tax-exempt. The subject's full cash value is as shown on the table below.

Subject's Assessment and Taxes	
Parcel	208-03-084
'15 Land FCV	\$18,408
'15 Impr FCV	<u>\$233,840</u>
'15 Total FCV	\$252,248

PLAT MAP (ENLARGED)



IMPROVEMENT ANALYSIS

Property Address: 157 South Broad Street, Globe, Arizona 85501
 Property Type: Commercial
 Number of Buildings: One
 Number of Stories: Two
 Year Built: 1929
 Effective Age: 30 years
 Remaining Economic Life: 30 years
 Building SF: 7,730 SF

Building measures approximately 35' by 114'. Building square footage is calculated as follows:

<u>Floor</u>	<u>Dimen</u>	<u>Size-SF</u>
1	35' x 114'	3,990
2	35' x 114' (less 2 stairways +/- 250 SF)	<u>3,740</u>
Totals		7,730

Site Coverage: Building occupies virtually the entire site. Site coverage ratio is essentially 100%. Zero-lot line building, in that it abuts adjacent building to the north on Broad Street. Such is typical for the area.

Foundation: Concrete

Exterior Walls: Masonry, block

Roof: Built up, wood frame truss, membranous system, asphalt roofing, asphalt shingles, felt-and-mop penetration sealant. According to Mr. Hickman with Gila County, the roof is soft/weak and moist in places both structurally and with the finish. Roof in addition has ACBMs in places – see prior discussion on the same.

Skylights in place, reportedly dated framing system of the same are aged, should be replaced with new package skylight units.

Windows: Recently replaced older wood sash second floor windows with good quality dual pane energy efficient type. No windows on first floor – first floor windows were filled in with block, window opening framework remains and windows could be reinserted.

Exterior Doors: Single storefront glass type.

HVAC: Air-conditioned and gas-heated with package and individual

units, roof-mounted. Reported and assumed adequate.

Electrical Service: Assumed adequate and to code

Interior Walls: Taped-textured-painted

Ceilings: Dropped acoustic ceiling tiles and textured drywall. Ceiling fans.

Interior Doors: Hollow or solid core wood. Second floor has nicer stained wood accent doors. First floor hollow core painted.

Flooring: Combination commercial grade carpeting, sheet vinyl, tile, and exposed concrete. Average condition, adequate.

Lighting: Combination fluorescent and incandescent.

Restrooms: Second floor has one, two-fixture restroom and one, three-fixture restroom, unisex. First floor has two, three-fixture restrooms, designated men's and women's.

Layout: County Attorney offices are located on second floor – 3 attorneys, 2 detectives, 3 victim services officials, and staff. There are some 10 individual offices, including an interrogation room, an open area, a reception area, a kitchenette area, and the two restrooms. The main stairway is located in the northwest corner of building, with a side stairway in the rear - subject lacks elevator.

County Attorney, Child Support Division, are located on the first floor. There are some 10 offices and the layout is similar to the first floor, with an open area, reception area, kitchenette, and the two restrooms. Access is ground level on the front elevation (Broad Street) and a stairway in the rear of the first floor accesses Sycamore Street.

Construction Quality: Average

Condition: Average

Functional Utility: Average

Summary: Subject is older, two-story general office building with typical items of wear and tear, with more excessive wear and tear to the roof as noted, but functional and suited to its current use. Building is dated as are some items of interior finish, but structurally and except as noted the building appears sound. Interior condition is overall average and the offices and interior finish and TI's are adequate and suitable for the present use.

SUBJECT PHOTOGRAPHS



View looking E on Broad St, Subj to L



View looking W on Broad St, Subj to R

SUBJECT PHOTOGRAPHS



View looking N on Sycamore St, Subj to L



View looking S on Sycamore St, Subj to R

SUBJECT PHOTOGRAPHS



View looking NE at Subj



View looking SW at Subj

SUBJECT PHOTOGRAPHS



View looking N at alley behind Subj



View looking S at rear of Subj

SUBJECT PHOTOGRAPHS – first floor



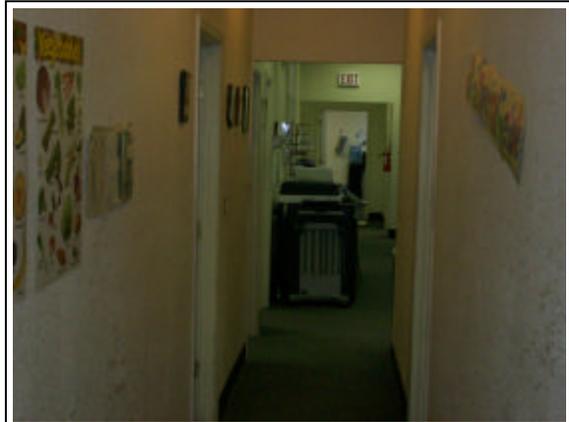
View of common area



View of office



View of hallway



View of hallway

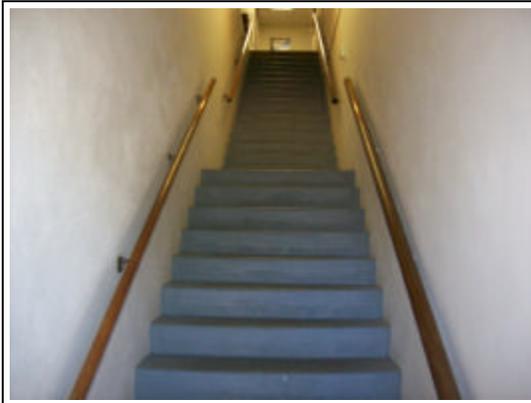


View of rest room



View of stairs to outside entrance

SUBJECT PHOTOGRAPHS – second floor



View of main stairway



View of common area



View of office



View of office



View of office



View of rest room

HIGHEST AND BEST USE ANALYSIS

The concept of Highest and Best Use is central to the appraisal problem. It is defined in the Dictionary of Real Estate Appraisal as: “The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria that highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximal productivity.”

The Highest and Best Use section of the appraisal is the apex which links the first or descriptive section of the report with the second or valuation section. The first section builds up to the highest and best use analysis, which determines the valuation methodology to be used. Implied within the definition of highest and best use is the recognition of that specific use to the community development goals in addition to wealth maximization of the individual property owner. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

For an improved property, highest and best use is considered from two points of view, first, from the point of view of the site as if it were vacant. Second, highest and best use is considered from the point of view of the property as it is currently improved. For a vacant site or property, highest and best use is analyzed from only one point of view, that being considering the property as vacant. Based on the preceding, the following is set forth.

Highest and Best Use, As If Vacant:

Considering the subject site’s locational and physical characteristics as discussed in the report, as well as zoning and market conditions, the current highest and best use of the subject property, as if vacant, is for speculation and or development purposes consistent with underlying zoning, that is, for commercial development purposes.

Highest and Best Use, As Improved/As Is:

The second test of highest and best use theoretically asks the question whether the existing use should remain or be altered or removed in applying the four tests of highest and best use. First, the subject improvements meet the test of physical possibility (they are existing on the site, which supports them, and they have a lengthy remaining economic life) and legal permissibility (they are a permitted use under current zoning).

In applying the test of financial feasibility, typically, for income-producing properties, this test is based on the amount of rent generated, less operating expenses, whereas for owner-occupied properties, the test considers the overall successfulness or usefulness of the existing property. In the case of the subject property, financial feasibility is seen in the successful operating history of the property consistent with its intended use.

Concerning maximal productivity, clearly, the improvements contribute to the overall property value and hence put the property to its highest and best use. Conversion to different use would not be deemed feasible or appropriate. Thus, the current highest and best use of the subject property, as improved, is for a continuation of its existing use as a commercial office building.

THE APPRAISAL PROCESS

The appraisal process is the systematic procedure utilized to provide an answer to the client concerning the Market Value of the real property appraised. In it, the process is planned as to the collection, analysis, and presentation of the necessary data in order to arrive at an estimated value. Three approaches are involved and considered for use in an assignment, and all, one, or two are utilized depending on the assignment. The approaches are the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach. Each approach has its strengths and weaknesses depending on the nature of the assignment and the subject property. The approaches which are deemed appropriate for the assignment are then utilized, each resulting in its own value indication. The value indications from the approaches utilized are then reconciled into a final value estimate for the subject property in the Reconciliation section of the report. Each of the approaches is considered and discussed as follows.

The Cost Approach is based on the principal of substitution, which states that no prudent person would pay more for a property than the amount it would cost to obtain a property of similar desirability, by way of purchasing a vacant site and constructing a building thereon. In the Cost Approach, the subject's land value is first determined, through a Sales Comparison analysis using as comparables recent sales of similar vacant sites to the subject site. To the estimated site value is then added the estimated replacement cost new of the improvements, through such published sources as the Marshall Valuation Service Cost manuals. When applicable, actual construction costs for the subject property are also considered, along with construction costs of similar buildings from builders and developers in the area. From the estimated replacement cost new of the building is then deducted accrued depreciation caused by physical, functional, and exterior or adverse economic sources. This results in the estimated depreciated cost new of the building, to which is then added the estimated land value, determined earlier, for the final value estimate via this approach to value.

In the Sales Comparison Approach, the appraiser estimates the value of the subject property by comparing it with similar improved properties which have recently been sold, or are currently available for sale. The subject and comparables are broken down into similar units of comparison, in this case the price per square foot. The fundamental basis for valuation in this approach involves differences between the subject and comparables in their various specific characteristics. There are two levels of adjustment, the first involving characteristics of the market and the actual transaction, such as property rights conveyed, changed market conditions since the date of sale, financing, and conditions of sale (such as atypically motivated parties to the transactions). The second level of adjustment considers the characteristics of the building itself, such as size, age, location, utility, quality and condition, amenities, and the like. Adjustments are applied to these characteristics, based on the appraiser's judgment. Downward adjustments are applied when a comparable's characteristic is superior to the subject's, and upward for when inferior. If the characteristic is basically similar, no adjustment is applied. The adjustments are then tallied and result in the adjusted sale price per unit of a comparable. This then renders the range in adjusted price per unit, and from the range the appraiser makes a determination as to the best value indication for the subject. This figure is then multiplied by the number of units of the subject, resulting in the final value estimate via this approach to value.

The Income Capitalization Approach reflects the subject's income-producing capabilities, and is based on the assumption that value is created by the expectation of benefits to be derived in the future. It reflects the amount an investor would be willing to pay in anticipation of these benefits,

which can be a single year's income (direct capitalization, for stabilized properties) or an income stream over several years plus a reversion at the end of that period (estimated via a Discounted Cash Flow Analysis, when a property is either not stabilized, is proposed, or is expected to have a varying income stream over a period of time, and the like).

For direct capitalization, the potential gross income (PGI) is first estimated, based on market rents or actual subject rents, from which is then deducted vacancy (again based on the market or subject property), resulting in the estimated effective gross income (EGI). Expenses are then deducted (market/subject), resulting in the estimate of net operating income (NOI), which is then capitalized into a value estimate. The estimated NOI is divided by the appropriate capitalization rate, determined by the appraiser through market analysis.

For yield capitalization or the DCF, the estimation process is similar in that each year over the holding period results in an estimated NOI. However, there are more factors involved as the income stream varies due to lease up, capital expenses, tenant improvements, etc. In addition, a selling price or reversion is estimated at the end of the holding period. The cash flows from each year of the holding period, and the estimated reversion, are discounted to a present value estimate via this method.

In the Reconciliation section of the appraisal, the various approaches are then summarized and a final reconciled value estimate derived, again based on the appraiser's judgment and considering the various strengths and weaknesses of the approaches utilized.

Approaches Utilized

In the case of the valuation of the subject property, as noted earlier in the Introductory section of the appraisal, the primary approach was considered to be the Sales Comparison Approach. The Cost Approach and full-blown Income Approach were omitted, with an abbreviated Income Approach (in the form of a pro forma) included as noted.

SALES COMPARISON APPROACH

In the Sales Comparison Approach, the appraiser estimates the value of the subject property by comparing it with similar improved properties which have recently been sold, or are currently available for sale. The subject and comparables are broken down into similar units of comparison, in this case the price per square foot of building area. The fundamental basis for valuation in this approach involves differences between the subject and comparables in their various specific characteristics.

There are two levels of adjustment, the first involving characteristics of the market and the actual transaction, such as property rights conveyed, changed market conditions since the date of sale, financing, and conditions of sale (such as atypical seller motivation). The second level of adjustment considers the characteristics of the building itself, such as size, age, location, utility, quality and condition, amenities, and the like. Adjustments are applied to these characteristics, based on the appraiser's judgment. Downward adjustments are applied when a comparable's characteristic is superior to the subject's, and upward for when inferior. If the characteristic is basically similar, no adjustment is applied. The adjustments are then tallied and result in the adjusted sale price per square foot of a comparable. This then renders the range in adjusted price per square foot of the comparables, and from the range the appraiser makes a determination as to the best per square foot value indication for the subject. This figure is then multiplied by the number of square feet of the subject, resulting in the final value estimate via this approach to value.

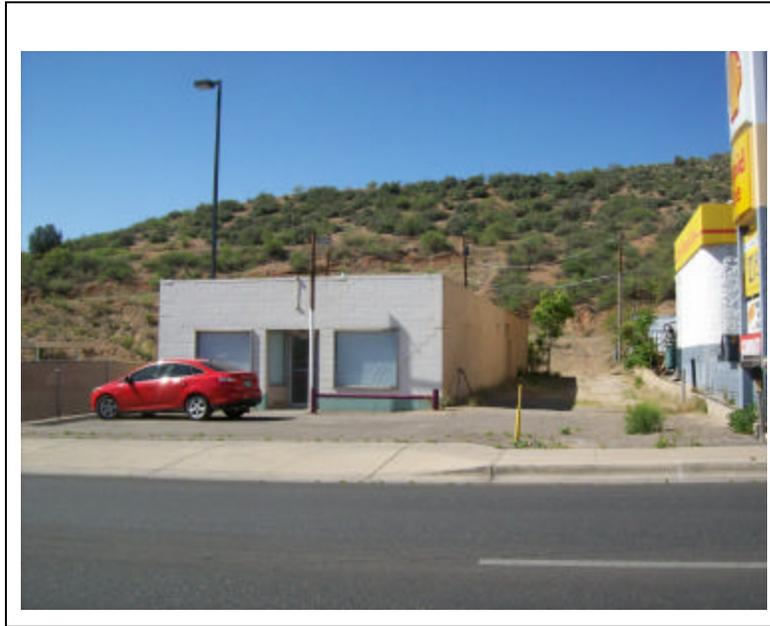
The comparables selected for use in this approach were the most appropriate and representative sales for comparison purposes to the subject property. Sale dates shown are closing dates. Additional data in terms of additional sales and listings were considered by the appraiser and are supportive of those comparables utilized.

IMPROVED COMPARABLE NO. 1



Property Type:	Commercial Building		
Address:	2005 Hwy 60		
City:	Globe	Tax Parcel No:	207-28-004A
Sale Price:	\$207,000	Sale Date:	Mar., 2013
Price Per SF:	\$90.79/SF	Instrument:	WD
Grantor:	Highway 60 LLC		
Grantee:	Zuniga		
Terms of Sale:	Cash to Seller		
Site Area:	22,216 SF, or 0.51 acres		
Zoning:	C-3 Commercial, Globe		
Building Area:	2,280 SF	Year Built:	1990
Condition:	Good	Site Coverage:	10%
Confirmation:	Public Records, Buyer Rep		
Comments:	Medical office building on Highway 60 in western portion of Globe. Block constructed, pitched roof. Bought by owner-user as Cobre Valley Heart Institute. Good condition, good interior TI's and set up as upscale medical office building, several offices, reception area, waiting room, etc. Large ample parking area.		

IMPROVED COMPARABLE NO. 2



Property Type:	Commercial Building		
Address:	1780 N. Broad St.		
City:	Globe	Tax Parcel No:	207-10-016
Sale Price:	\$80,000	Sale Date:	Dec., 2013
Price Per SF:	\$31.91/SF	Instrument:	WD
Grantor:	Yandell		
Grantee:	Frantz		
Terms of Sale:	\$8,000 cash down, unable to confirm terms		
Site Area:	17,424 SF, or .40 acres		
Zoning:	C-3 Commercial, Globe		
Building Area:	2,507 SF	Year Built:	1967
Condition:	Below Average	Site Coverage:	14%
Confirmation:	Public Records		
Comments:	General commercial building in western portion of Globe. Block constructed, flat built-up roof. Below average interior and exterior, interior has some office-type partitioning. Owner is a contractor and is utilizing the property as Franz Woodworks. Small, narrow, deep site, minimal parking.		

IMPROVED COMPARABLE NO. 3



Property Type:	Commercial Building		
Address:	191 W. Cedar St.		
City:	Globe	Tax Parcel No:	208-03-227
Sale Price:	\$225,000	Sale Date:	Mar., 2013
Price Per SF:	\$44.58/SF	Instrument:	WD
Grantor:	Marin		
Grantee:	Baird Dev LLC		
Terms of Sale:	Cash to Seller		
Site Area:	5,217 SF, or 0.12 acres		
Zoning:	C-3, Commercial, Globe		
Building Area:	5,047 SF	Year Built:	1910
Condition:	Average	Site Coverage:	Zero Lot Line
Confirmation:	Public Records		
Comments:	General commercial building utilized as retail in downtown Globe. Phoenix Welding Supply occupies about 2/3 of space (was tenant before and after the sale), at corner of Cedar and Pine Streets. Vida e Coffe shop occupies balance. Block constructed, flat built-up roof.		

IMPROVED COMPARABLE NO. 4



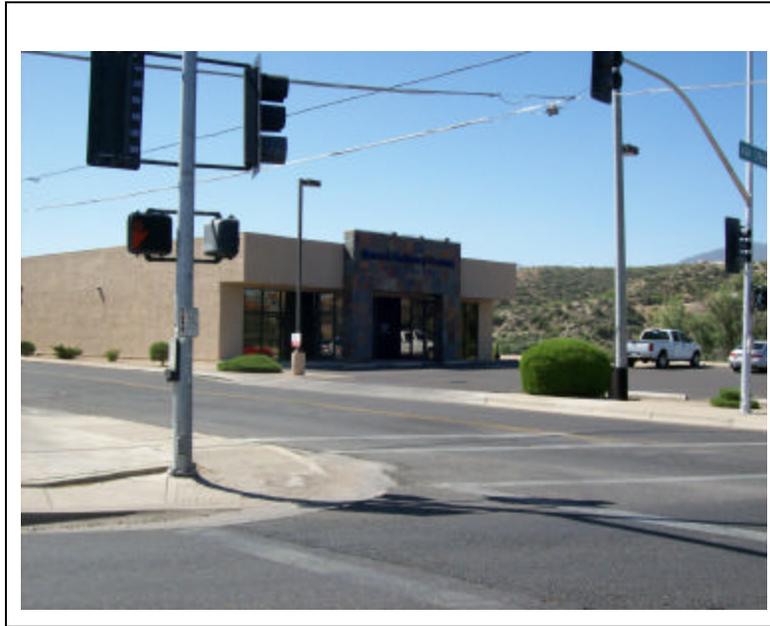
Property Type:	Commercial Building		
Address:	200 N. Broad St.		
City:	Globe	Tax Parcel No:	208-03-211
Sale Price:	\$135,000	Sale Date:	Mar., 2011
Price Per SF:	\$54.95/SF	Instrument:	WD
Grantor:	Staley		
Grantee:	Globe Farm Holdings LLC		
Terms of Sale:	Cash to Seller		
Site Area:	2,500 SF, or 0.06 acres		
Zoning:	C-3, Commercial, Globe		
Building Area:	2,457 SF	Year Built:	1900
Condition:	Average	Site Coverage:	Zero Lot Line
Confirmation:	Public Records, Knowledgeable Party		
Comments:	Commercial building in downtown Globe. Had been Copper Hills Jewelry and Gifts, mostly open retail space. Building sat vacant for a time after the new owners purchased it in 2011 (took time to get approvals, etc.), then was improved by the owners as Globe Pharmacy, a medical marijuana concern, once approvals were in place. Moderate new TI's.		

IMPROVED COMPARABLE NO. 5



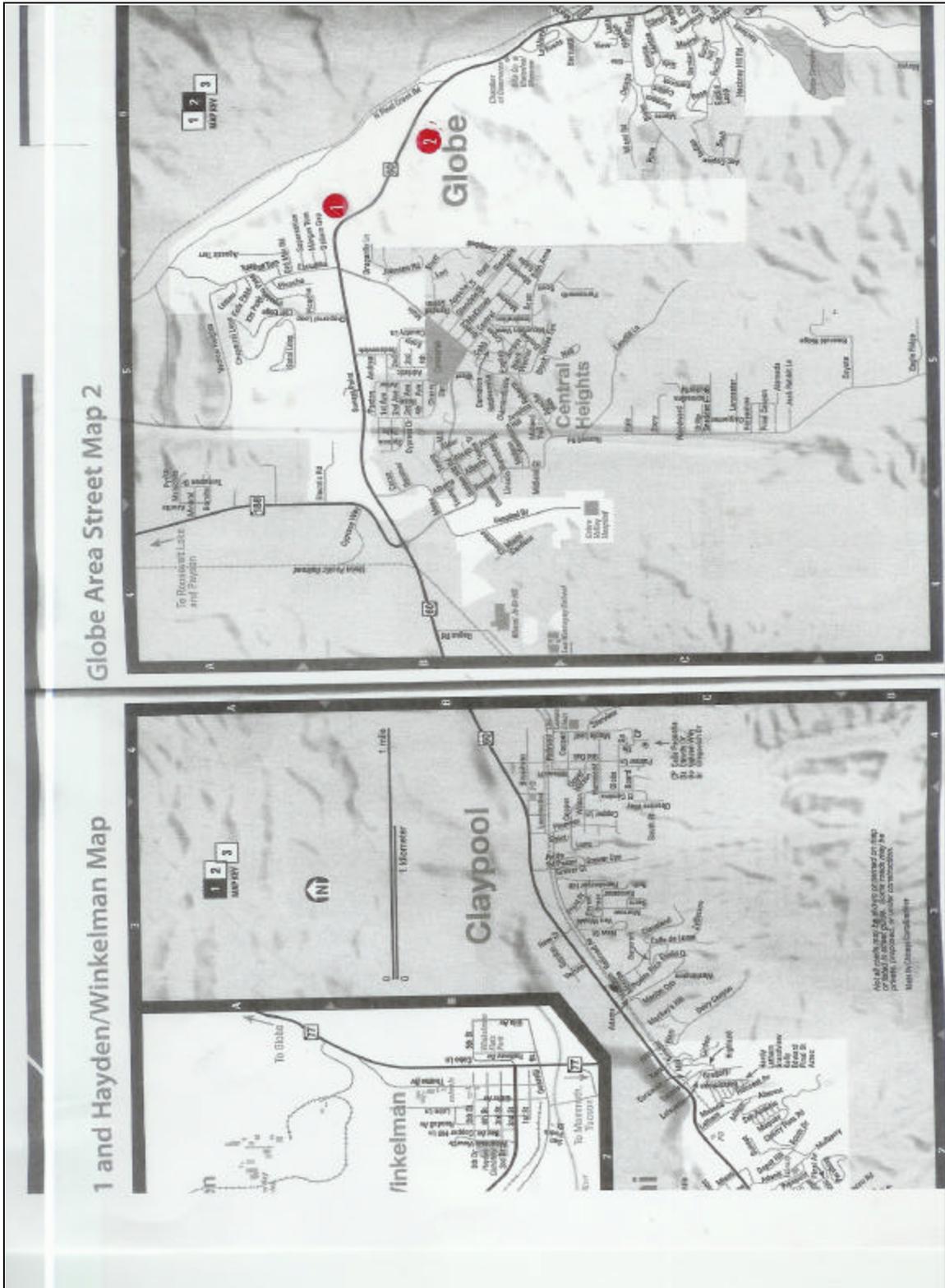
Property Type:	Commercial Building		
Address:	669 N. Broad St.		
City:	Globe	Tax Parcel No:	208-03-044B
Sale Price:	\$80,000	Sale Date:	Dec., 2012
Price Per SF:	\$41.80/SF	Instrument:	WD
Grantor:	Brazil		
Grantee:	High Desert Humane Society		
Terms of Sale:	Cash to Seller		
Site Area:	6,480 SF +/-, or 0.15 acres		
Zoning:	C-3, Commercial, Globe		
Building Area:	1,914 SF	Year Built:	1910
Condition:	Below Average	Site Coverage:	Zero Lot Line
Confirmation:	Public Records, Buyer		
Comments:	<p>Older, two-story commercial building in downtown Globe. Had been thrift store earlier. First floor (about 957 SF) was the store, second floor had been small apartment in past. Building also includes unfinished basement which is not considered in price/SF calculations or total of 1,914 SF size. Seller, Brazil, bought the building in January of 2012 as an investment for \$59,000 and leased it to High Desert Humane Society, as a cat rescue center. Humane Society then bought the building from Brazil in December, 2012, and are using it as owner-occupants.</p>		

IMPROVED COMPARABLE NO. 6



Property Type:	Commercial Building		
Address:	520 S. Hill St.		
City:	Globe	Tax Parcel No:	208-03-100A
Sale Price:	\$324,000	Sale Date:	Apr., 2011
Price Per SF:	\$90.00/SF	Instrument:	SWD
Grantor:	Wilson Management Inc.		
Grantee:	BDPEC Medical Properties LLC		
Terms of Sale:	Cash to Seller		
Site Area:	20,909 SF, or 0.48 acres		
Zoning:	C-3, Commercial, Globe		
Building Area:	3,600 SF	Year Built:	2003
Condition:	Good	Site Coverage:	17%
Confirmation:	Public Records, Broker		
Comments:	Retail building had been video store. Block constructed, flat built-up roof. Owners converted to good condition medical office, Dulaney Perkins Eye Center. Good TI's. Located on main arterial just east of downtown Globe, good exposure to traffic.		

MAP OF IMPROVED COMPARABLES



SUMMARY OF IMPROVED COMPARABLES

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Type:	Cmrc'l Bldg	Cmrc'l Bldg	Cmrc'l Bldg	Cmrc'l Bldg	Cmrc'l Bldg	Cmrc'l Bldg	Cmrc'l Bldg
Address:	157 S. Broad St.	2005 Hwy 60	1780 N. Broad St.	191 W. Cedar St.	200 N. Broad St.	669 N. Broad St.	520 S. Hill St.
City:	Globe	Globe	Globe	Globe	Globe	Globe	Globe
Sale Price	\$	207,000	\$	80,000	\$	225,000	\$
\$/SF		\$90.79		\$31.91		\$44.58	
Ppty Rights:	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Sale Terms:	Cash	Cash	Cash	Cash	Cash	Cash	Cash
Sale Cond.:	Typical	Typical	Typical	Typical	Typical	Typical	Typical
Sale Date:		Mar-13	Dec-13	Mar-13	Mar-11	Dec-12	Apr-11
Impr. SF:	7,730	2,280	2,507	5,047	2,457	1,914	3,600
Year Built:	1929	1990	1967	1910	1900	1910	2003
Bldg Cond.:	Average	Good	Fair	Average	Average	Below Avg	Good
Stories	2	1	1	1	1	2	1
Site Size (SF):	3,992	22,216	17,424	5,217	2,500	6,480	20,909
Site Size (Ac.):	0.09	0.51	0.40	0.12	0.06	0.15	0.48
Site Coverage	Zero LL	0.10	0.14	Zero LL	Zero LL	Zero LL	0.17

DISCUSSION AND ANALYSIS OF COMPARABLE SALES

The preceding comparables have been utilized in this valuation of the subject property, representing recent sales of similar commercial buildings in Globe. The comparables have been summarized in the comparable sheets, photographed, and mapped for the reader's reference. The comparables are market sales and were confirmed when possible with parties to or familiar with to them, and represent the best, most recent, and most appropriate data in the form of comparable sales for use in the analysis, and are consistent with additional sales considered but not utilized by the appraiser.

In this section of the appraisal, the comparables are then adjusted to the subject property. This results in value indication via this approach for the subject.

Adjustments – First Level

The adjustments are discussed herewith. The first level of adjustments is for property rights conveyed, financing terms, conditions of sale, and market conditions. Property rights conveyed were fee simple in all cases, and no adjustments were required for this.

Concerning financing terms, the sales were either cash to the seller or for terms which were undisclosed or considered cash equivalent, and as such no adjustments for financing were warranted.

The conditions of sale adjustment accounts for atypical conditions or motivations on the part of the parties to the transactions, and in the case of the comparables, based on the appraiser's research and discussions with confirming parties, no adjustments are required at this level.

The final level of adjustment in the first set of adjustments is for changed market conditions over the period from when the sales took place to the date of valuation of the subject. The local commercial real estate market fell considerably off its peak in the mid-to-late 2000's, but appears to have bottomed and has been generally flat over the past few years (2012-14), to slightly declining before that (2010-11), as discussed earlier. As such, downward adjustments are made to the 2011 sales, as shown. The market has remained essentially unchanged over the past 3 month period.

Adjustments – Second Level

The second level of adjustments concern the physical and locational features of the comparables as they compare to the subject property.

Concerning location, this adjustment takes into account such locational features as the overall character and desirability of the area, surrounding uses, demographics, and general access and visibility characteristics. Based on these differences between the subject and comparables, the indicated adjustments have been made. The subject enjoys a good location in downtown Globe, and the comparables which are also located in downtown Globe (but for No. 3, which is off the main street) are not adjusted for location. For the balance of the comparables, the noted adjustments have been made, with Nos. 1 and 6 being considered superior to the subject, and No. 2, while having highway frontage, being considered similar due to lesser visibility what with smallness of site and adjacent uses.

Size adjustments relate to economies of scale, with smaller properties tending to sell for more on a price per unit basis. The subject is 7,730 SF in size while the comparables range in size from 1,914 to 5,047 SF, and are adjusted accordingly.

The comparables are also adjusted for age, with newer properties tending to require downward adjustments for this superior characteristic. The subject was built in 1929, with the comparables having been constructed between 1900 and 2003, as shown. Adjustments are made accordingly. Please see additional discussion on this topic in the letter of transmittal section.

The comparables are additionally adjusted for condition, which takes into account the quality and condition of a property, its construction materials, market appeal, and similar factors. The subject's condition is considered average and has been described and discussed in greater detail in the report, including the letter of transmittal section. The comparables vary in condition from below average to good, and are adjusted accordingly.

Site coverage ratio relates to the amount of site area of a property vs. improved area. A larger site coverage ratio indicates a smaller site area vs. improved area and is an inferior characteristic. The subject and comparables include both zero lot line properties (in downtown Globe, with the properties abutting adjacent properties and occupying their entire sites and including off-site parking) and properties where the building only occupies a portion of the site and the site includes on-site parking. The zero lot line comps are not adjusted to the subject, which is also zero lot line; as for the balance of the comps, their site coverage ratios are considered within market norms, and no adjustments are warranted.

Finally, the comparables are adjusted, if appropriate, for other or miscellaneous factors not covered in the prior categories, such as amenities, site improvements, and the like. However, in the case of the subject property and comparables, no adjustments are considered warranted at this level in the adjustment process.

After adjustments to each of the comparables, their adjusted sale prices are derived, and displayed on the adjustment grid. The adjusted unit value is then reconciled into a final value indication via this approach. The reader's attention is directed to the adjustment grid on the following page.

IMPROVED COMPARABLE ADJUSTMENT GRID

Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Sale Price	\$207,000	\$80,000	\$225,000	\$135,000	\$80,000	\$324,000
\$/SF (UNADJ.)	\$90.79	\$31.91	\$44.58	\$54.95	\$41.80	\$90.00
Ppty Rights Conv	0%	0%	0%	0%	0%	0%
Adjusted Price	\$90.79	\$31.91	\$44.58	\$54.95	\$41.80	\$90.00
Terms of Sale	0%	0%	0%	0%	0%	0%
Adjusted Price	\$90.79	\$31.91	\$44.58	\$54.95	\$41.80	\$90.00
Conditions of Sale	0%	0%	0%	0%	0%	0%
Adjusted Price	\$90.79	\$31.91	\$44.58	\$54.95	\$41.80	\$90.00
Market Conditions	0%	0%	0%	-10%	0%	-10%
ADJ PRICE - 1ST LEVEL	\$90.79	\$31.91	\$44.58	\$49.45	\$41.80	\$81.00
Location Adj.	-5.0%	0.0%	5.0%	0.0%	0.0%	-5.0%
Bldg SF Adj	-20.0%	-20.0%	-10.0%	-20.0%	-25.0%	-15.0%
Yr Blt Adj.	-15.0%	-10.0%	5.0%	5.0%	5.0%	-20.0%
Condition Adj.	-10.0%	20.0%	0.0%	0.0%	5.0%	-10.0%
Site Cov Adj.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Adj.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Adjustment	-50.0%	-10.0%	0.0%	-15.0%	-15.0%	-50.0%
Gross Adjustment	50.0%	50.0%	20.0%	25.0%	35.0%	50.0%
ADJ. \$/SF	\$45.39	\$28.72	\$44.58	\$42.03	\$35.53	\$40.50
Avg Adj \$/SF	\$39.46					

Final Estimate of Value Via Sales Comparison Approach

As noted, the comparables provided a pre-adjusted price range of from \$31.91/SF to \$90.79/SF. After the noted adjustments were made, the adjusted range in prices was from \$28.72/SF to \$45.39/SF. The average adjusted price was \$39.46/SF. When considering the subject's locational and physical characteristics, as well as the strength of the data and market conditions, plus discussions with local knowledgeable parties, and also noting that emphasis is placed toward the lower end of the adjusted range, as discussed in the letter of transmittal section, the appraiser has estimated the value of the subject, via the Sales Comparison Approach, to be as follows:

$$7,730 \text{ SF} \times \$34.00/\text{SF} = \$262,820, \text{ rd., } \$260,000$$

(TWO HUNDRED SIXTY THOUSAND DOLLARS)

RECONCILIATION AND FINAL VALUE ESTIMATE

In the Reconciliation section, the value indications from the approaches utilized are summarized, and from them a final reconciled value estimate derived. In the case of the subject, only the Sales Comparison Approach was utilized, as discussed earlier. The Income Capitalization (but for abbreviated pro forma) and Cost Approaches were dismissed for the reasons discussed. The value indication from the Sales Comparison Approach is summarized following:

<u>Approach</u>	<u>Value Indication</u>
Sales Comparison	\$260,000

As the Sales Comparison Approach was the only approach utilized, its value indication becomes the final reconciled value of the subject property in this assignment. Due to the preceding, the subject's final reconciled market value is estimated by the appraiser as follows:

FINAL RECONCILED MARKET VALUE ESTIMATE

TWO HUNDRED SIXTY THOUSAND DOLLARS
(\$260,000)

Special Note:

The Income Capitalization Approach is considered, in form of an abbreviated pro forma only, as test of reasonableness against the value via the Sales Comparison Approach, and considers the income (NOI) potential of the subject.

The appraiser made inquiries with local realtors and knowledgeable parties, including Mr. Thomas Thompson, an attorney and property owner of long standing. Rents ranged generally from \$.40/SF/mo. to \$1.50/SF/mo. for best quality space (small medical suites). Properties are leased on a modified gross basis in Globe, with the landlord picking up real estate, insurance, major repairs, management, and miscellaneous expenses, and tenants their own utilities. Market rent blended for the subject of \$.70/SF/mo. (with its first floor space renting for more and second floor space for less), was determined reasonable from the analysis, plus 15% vacancy in the current soft market, and landlord-incurred expenses of \$3.50/SF, capped at 11% (OAR) as reasonable for the current market and small town. The value indication is thus as follows:

Subject Pro Forma

PGI: 7,730 SF x \$.70/SF x 12 mos. =	\$ 64,932
Vac @ 15%	<u>\$ 9,740</u>
EGI:	\$ 55,192
Less Exp @ \$3.50/SF =	<u>\$ 27,055</u>
NOI:	\$ 28,137
Divided by OAR @ 11%	\$255,791
Rd.,	<u>\$255,000</u>

Value indication via pro forma is \$255,000 as shown, which is supportive of the value via the Sales Comparison Approach of \$260,000.

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice by the Appraisal Foundation.

This appraiser is not responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; whether physical, financial, and/or legal. In the case of limited partnerships, or syndication offerings, or stock offerings in real estate, the client agrees that in case of a lawsuit (brought by lender, partner or part owner in any form of ownership, tenant, or any other party), any and all awards or settlements of any type in such suit, regardless of the outcome, the client and all parties will completely hold harmless the appraiser.

The liability of the appraiser and the firm with which he is connected is limited to the client in this assignment only and to the fee collected for the assignment.

The validity of legal, engineering, or auditing opinions is assumed to be good, and no responsibility is assumed therefore.

Unless otherwise stated, the appraiser assumes and believes that information furnished by others is reliable, but assumes no responsibility for its accuracy.

Should this valuation opinion be ascribed in regard to proposed public or private improvements, then in that event, this appraisal is subject to the completion thereof in the manner proposed.

The appraiser reserves the right to alter statements, analyses, conclusions, or any value estimate in the appraisal if there becomes known to me facts pertinent to the appraisal process which were unknown when the report was finished. Appraisal report and value estimate are subject to change if physical or legal entity or financing is different than that envisioned in this report.

The title to the property being appraised is assumed to be marketable and competent management and/or ownership is assumed. Consideration has been given to the existing or potential financing associated with the subject and the impact of such financing on value.

All mechanical components are assumed to be in operable condition and status standard for properties of the subject age and type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

The appraiser has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil, or hidden structural, mechanical, or other components, and the appraiser shall not be responsible for defects in the property related thereto. Appraiser assumes that there are no conditions that are not apparent, relating to the real estate, sub-soil conditions, or structures located on the real estate which would affect the analyses, opinions, or conclusions with respect to the real estate.

If the appraiser has not been supplied with a termite inspection, survey, building inspection, or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. Whether or not environmental hazards are stated in the report, the appraiser is not responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

The Americans with Disabilities Act of 1990 (ADA) became effective in 1992. Appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect on the value of the property. Since the appraiser has no direct evidence relating to this issue, appraiser did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

Maps, drawings, or sketches have been made a part of the report to aid the reader in visualizing the property, neighborhood, and region. The appraiser has made no survey of the property and assumes no responsibility in connection with such matters.

The distribution of the total valuation between land and any improvements applies only under the program of utilization and any additional conditions stated in this report, and are invalidated under other programs of utilization, or conditions, if used in making a summation appraisal.

The appraiser is not required, because of this appraisal report, to appear or to testify at a public hearing, committee, or corporate meeting, deposition, or legal proceeding of any kind unless satisfactory arrangements have been made in advance for said appearance.

The appraiser has examined the available flood maps, if available, that are provided by the Federal Emergency Management Agency (or other data sources) and, if it has been possible to make such determination from said sources, has noted in the appraisal report whether the subject site is located in an identified Flood Hazard Area. Because the appraiser is not a surveyor, the appraiser makes no guarantee, express or implied, regarding this determination. It is up to the client to make or confirm their own determination regarding the subject's flood zone status and to take responsibility therefore.

The appraiser must provide his written consent before the lender/client specified in the appraisal can distribute the appraisal report (including conclusions about the property value, the appraiser's identity or firm with which he is connected or any professional designations he may or may not have, and any references to any appraisal organizations with which he may or may not be associated) to

anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institutional or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting services without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

Moreover, this report or any portion thereof is for the exclusive use of the client for the stated purpose and function and is not intended to be used, given, sold, transferred, or relied on by any person other than the client without the prior, express written permission of the author. Use of or reliance upon this report by third parties is specifically prohibited. The appraiser assumes no responsibility for potential claims arising from unauthorized use of this report, or any portion thereof. The client will forever indemnify and hold the appraiser harmless from any claims by third parties related in any way to the appraisal or study which is the subject thereof.

The appraisal report, including all addendums, is meant to be used only in its entirety; no part may be used without the full or entire report.

Unless otherwise stated, the present purchasing power of the dollar is the basis for the values ascribed.

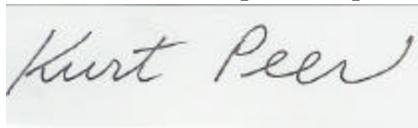
The client authorizes disclosure of all or any portion of this appraisal report and the related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the bylaws and regulations of said Institute hereafter in effect.

Acceptance of, and/or use of, this appraisal report by the client constitutes acceptance of the above general underlying assumptions and limiting conditions, as well as any extraordinary or hypothetical assumptions and limiting conditions included herewith.

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- I performed an appraisal of the subject property for this client on May 2, 2014, but have not provided any other appraisals or professional services on the subject property within the three years prior of the effective date of valuation herein.
- No one provided professional assistance to the person signing this certification.



Kurt Peer
Certified General Real Estate Appraiser
AZ Cert. #30329
Date: August 11, 2014

APPRAISER'S LICENSE





GILA COUNTY ATTORNEY
Bradley D. Beauchamp

Re: County Attorney's Office "approval as to form" of contract or agreement.

To whom it may concern:

The County Attorney's Office has reviewed the contract or agreement attached to this agenda item and has determined that it is in its proper form and is within the powers and authority granted under the laws of this state to the public agency requesting the County Attorney's Office review.

**Explanation of the Gila County Attorney's Office
"Approval as to Form" Review**

The Gila County Attorney's Office is often called upon to review contracts and other agreements between public entities represented by the County Attorney and private vendors, contractors, and individuals.

In performing this review, the County Attorney's Office reviews these contracts to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the contract. That approval is solely the province of the public agency through its elected body.

The public agency or department submitting the contract for review has the responsibility to read and understand the contract in order to completely understand its obligations under the contract if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the contract as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor contract compliance. Hence the public entity or

submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the contract will be necessary to monitor compliance.

Before signing a contract “approved as to form,” the County Attorney’s Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the contract for review to ask any specific questions or address any concerns it has about the contract to the County Attorney’s Office at the same time they submit the contract for review. Making such an inquiry also helps improve the County Attorney’s Office review of the contract because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney’s Office to meaningfully review the agreement.

ARF-2775

2. D.

Work Session

Meeting Date: 09/30/2014

Submitted For: Jeff Hassenius, Finance Director

Submitted By: Jeannie Sgroi, Contracts Administrator, Finance Division

Department: Finance Division

Fiscal Year: FY 2014-2015

Budgeted?: Yes

Contract Dates 8/18/2014-9/30/2014

Grant?: Yes

Begin & End:

Matching No

Fund?: Renewal

Requirement?:

Information

Request/Subject

Modification 1 of Road Project Agreement 14-RO-11031200-022
USDA, Forest Service, Tonto National Forest Road 512 (Young Road).

Background Information

On September 4, 2012, the Board of Supervisors directed staff to submit a Secure Rural Schools Title II Special Projects application for the surfacing project on Forest Road 512 (Young Road). The application was successful and funding was approved by the Eastern Arizona Resource Advisory Committee (RAC). The Federal Sequestration reduced the amount of the award and Gila County was funded with \$135,538 for the project. The Tonto National Forest added \$50,000 to that amount for a total of \$185,538. The County was able to resurface approximately 5 miles of roadway in 2013.

On May 27, 2014, the County applied again to resurface the remainder of Forest Road 512. The application was accepted and the County was awarded \$342,644 through Project Agreement No. 14-RO-11031200-022.

On August 18, 2014, the Board of Supervisors approved Road Project Agreement No. 14-RO-11031200-022 with the Tonto National Forest, for Phase 2 of aggregate resurfacing of Forest Road 512 (Young Road) for \$342,644. Road Project Agreement No. 14-RO-11031200-022 will expire on September 30, 2014.

Evaluation

On August 18, 2014, the Board of Supervisors approved Road Project Agreement 14-RO-11031200-022 with the Tonto National Forest to receive \$342,644 of Title II Secure Rural School Funds for Phase 2, of aggregate resurfacing on Forest Road 512 (Young Road). The Agreement will expire on September 30, 2014.

Modification 1 to Road Project Agreement No. 14-RO-11031200-022 USDA, Forest Service, Tonto National Forest Road, will extend the expiration date to December 31, 2015, thereby allowing the funds of \$342,644 to be used in the Spring of 2015 to resurface the remainder of Forest Road 512 (Young Road).

Conclusion

Approval of Modification 1 to Road Project Agreement No. 14-RO-11031200-022 USDA, Forest Service, Tonto National Forest Road 512 (Young Road) to extend the expiration date of the agreement from September 30, 2014, to December 31, 2015, allowing the County to use the funds of \$342,644 in the Spring of 2015 to resurface the remainder of Forest Road 512 (Young Road).

Recommendation

It is the recommendation of the Finance Division Director and the Public Works Division Director, that the Board of Supervisors sign Modification 1 to Road Project Agreement No. 14-RO-11031200-022, USDA, Forest Service, Tonto National Forest Road 512 (Young Road).

Suggested Motion

Information/Discussion/Action to approve Modification 1 to Road Project Agreement No. 14-RO-11031200-022 between the United States Department of Agriculture, Forest Service, Tonto National Forest, and Gila County to extend the expiration date from September 30, 2014, to December 31, 2015, which will allow the County to use \$342,644 in the Spring of 2015 to complete the aggregate resurfacing of Forest Road 512 (Young Road). **(Jeff Hessenius and Steve Stratton)**

Attachments

Modification No. 1 to Road Project Agreement 14-RO-11031200-022
USDA, Forest Service, Tonto National Forest Road 512 (Young Road)

Letter

Road Project Agreement-Forest Road 512 Surfacing Project-Phase
2-with USDA Forest Service

Legal Explanation



MODIFICATION OF GRANT OR AGREEMENT

PAGE 1 OF PAGES 3

1. U.S. FOREST SERVICE GRANT/AGREEMENT NUMBER: 14-RO-11031200-022		2. RECIPIENT/COOPERATOR GRANT or AGREEMENT NUMBER, IF ANY:		3. MODIFICATION NUMBER: 01	
4. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING GRANT/AGREEMENT (unit name, street, city, state, and zip + 4): Sherry Smith, Grants Management Specialist Tonto National Forest 2324 E McDowell Street Phoenix, AZ 85006			5. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING PROJECT/ACTIVITY (unit name, street, city, state, and zip + 4): Thomas Torres, Forest Engineer Tonto National Forest 2324 E McDowell Street Phoenix, AZ 85006		
6. NAME/ADDRESS OF RECIPIENT/COOPERATOR (street, city, state, and zip + 4, county): Steve Stratton Gila County Public Works 745 N Rose Mofford Way Globe, AZ 85501			7. RECIPIENT/COOPERATOR'S HHS SUB ACCOUNT NUMBER (For HHS payment use only):		

8. PURPOSE OF MODIFICATION

CHECK ALL THAT APPLY:	This modification is issued pursuant to the modification provision in the grant/agreement referenced in item no. 1, above.
<input checked="" type="checkbox"/>	CHANGE IN PERFORMANCE PERIOD: Extend the term of this project agreement through December 31, 2015.
<input type="checkbox"/>	CHANGE IN FUNDING:
<input checked="" type="checkbox"/>	ADMINISTRATIVE CHANGES: transfer SPA under new Master Agreement #14-RO-11031200-030 effective October 1, 2014 through September 30, 2019
<input type="checkbox"/>	OTHER (Specify type of modification):

Except as provided herein, all terms and conditions of the Grant/Agreement referenced in 1, above, remain unchanged and in full force and effect.

9. ADDITIONAL SPACE FOR DESCRIPTION OF MODIFICATION (add additional pages as needed):
Modification to transfer FR512 RAC Special Project Agreement to new Master Cooperative Road Agreement

10. ATTACHED DOCUMENTATION (Check all that apply):

<input type="checkbox"/>	Revised Scope of Work
<input type="checkbox"/>	Revised Financial Plan
<input type="checkbox"/>	Other:

11. SIGNATURES

AUTHORIZED REPRESENTATIVE: BY SIGNATURE BELOW, THE SIGNING PARTIES CERTIFY THAT THEY ARE THE OFFICIAL REPRESENTATIVES OF THEIR RESPECTIVE PARTIES AND AUTHORIZED TO ACT IN THEIR RESPECTIVE AREAS FOR MATTERS RELATED TO THE ABOVE-REFERENCED GRANT/AGREEMENT.

11.A. GILA COUNTY SIGNATURE Please see attached signature page (Signature of Signatory Official)	11.B. DATE SIGNED	11.C. U.S. FOREST SERVICE SIGNATURE (Signature of Signatory Official)	11.D. DATE SIGNED
11.E. NAME (type or print) Michael A. Pastor		11.F. NAME (type or print): NEIL J. BOSWORTH	
11.G. TITLE (type or print) Chairman, Board of Supervisors		11.H. TITLE (type or print): Forest Supervisor	



Michael A. Pastor 9/24/14

MICHAEL A. PASTOR, Date
Chairman
Gila County Board of
Supervisors

Marian Sheppard 9.24.14

Attest: Date
MARIAN SHEPPARD
Clerk of the Board

Bryan B. Chambers 9-24-14

Approved as to Form: Date
BRYAN B. CHAMBERS
Deputy County Attorney/Civil Bureau Chief
for Bradley D. Beauchamp, County Attorney

12. G&A REVIEW

12.A. The authority and format of this modification have been reviewed and approved for signature by:

12.B. DATE
SIGNED

SHERRY J. SMITH

U.S. Forest Service Grants & Agreements Specialist

**INSTRUCTIONS FOR FORM FS-1500-19**

1. Enter the original U.S. Forest Service agreement number.
2. Enter the cooperator's agreement number, if applicable.
3. Enter the number for this Modification, i.e. 01, 02, or 03. The first modification to an instrument is '01', subsequent modifications receive a subsequent modification number (for example, the fourth modification is '04').
4. Enter the address of the G&A Specialist/Signatory Official responsible for this agreement.
5. Enter the address of the U.S. Forest Service Program/Project Manager or Lead Scientist responsible for this agreement.
6. Enter the cooperator's address.
7. Enter the cooperator's HHS Sub-Account numbers, if funding is provided on this modification (for example: G2412345003) (Only used by NA/S&PF and NRS)
8. Select all boxes that apply:
 - Change in Performance = updated performance period agreed to.
 - Change in Funding = obligation OR de-obligation amount and new totals.
 - Administrative = change in pay address, administrator address, correcting typing errors, etc.
 - Other = any other modification not described, such as update new objective to study plan, change the Principle Investigator, etc.
9. Insert changes such as updated provision, tasks, or any other data needed by the modification, add additional pages as needed.
10. Check all boxes that apply and ensure to attach these documents to the modification. Other attachments could include SF-424 forms.
11. A – D, self explanatory.
11. E – H, Type or print the names of signatory officials.
12. G&A Specialist signs and dates before sending to the individuals in block 11, if all modification data are approved for signature.

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

Tommie C. Martin, District I
610 E. Hwy 260, Payson, 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

John D. Marcanti, District III
(928) 402-8726
jmarcanti@gilacountyaz.gov



GILA COUNTY
BOARD OF SUPERVISORS
1400 E. Ash Street
Globe, Arizona 85501

**Don E. McDaniel, Jr.,
County Manager**
(928) 402-4344
dmcDaniel@gilacountyaz.gov

**Marian Sheppard,
Clerk of the Board of Supervisors**
(928) 402-8757
mshppard@gilacountyaz.gov

September 24, 2014

Sherry Smith, Grants Management Specialist
Tonto National Forest
2324 E McDowell Street
Phoenix, AZ 85006

Dear Ms. Smith:

Re: Modification No. 1 to U.S. Forest Service Agreement No. 14-RO-11031200-022

Enclosed please find four copies of the agreement which has been signed by the Chairman of the Board of Supervisors (BOS). The agreement will be placed on the BOS September 30, 2014, meeting agenda for approval, and it will not go into effect until it is approved by the BOS.

For verification of BOS approval, you may check the Gila County website at www.gilacountyaz.gov; click on "Board Agenda" and click on the meeting date.

After you have signed the documents, please return two signed originals to Jeannie Sgroi, Finance Division Contracts Administrator, at the address listed above.

Sincerely,

Marian Sheppard, Clerk

/ms

J. Sgroi, Finance Division
S. Stratton, Public Works Division

FS Agreement No. 14-RO-11031200-022
Cooperator Agreement No. _____

ROAD PROJECT AGREEMENT
Between
GILA COUNTY
And The
USDA, FOREST SERVICE, TONTO NATIONAL FOREST

This Project Agreement (agreement) is hereby made and entered into by and between GILA COUNTY, hereinafter referred to as "COOPERATOR," and the USDA, Forest Service, TONTO NATIONAL FOREST, hereinafter referred to as the "U.S. Forest Service," as specified under the authority and provisions of the Cooperative Forest Road Agreement #10-RO-11031200-006 and Secure Rural Schools and Community Self-Determination Act of 2000, Public Law 106-393, 16 U.S.C. 500, as reauthorized and amended, executed between the parties on September 30, 2009.

Project Title: Forest Road 512 Surfacing Project Phase 2

I. BACKGROUND:

The parties entered into a Forest Road Cooperative Agreement (Coop Agreement) on September 30, 2009. This Coop Agreement allows for the parties to cooperate in the planning, survey, design, construction, reconstruction, improvement and maintenance of certain forest roads. The Schedule A, which is attached to the Coop Agreement, identifies the maintenance responsibilities of the parties to the specific road systems and may be revised as necessary. The process of revising the Schedule A can be labor intensive and time consuming due to requiring extensive valuations and several levels of formal review. Accordingly, formal revision of the Schedule A does not readily lend itself to rapid response times, adjusting to limited funding opportunities and a high degree of site condition specificity.

The Coop Agreement allows for specific Project Agreements between the parties with the intent of completing work as expeditiously as available funds or work opportunities allow.

The Coop Agreement identifies numerous requirements for the development of Project Agreements. These requirements include but are not limited to:

- The specific project (road) must be included in an approved U.S. Forest Service – Cooperator plan (Schedule A).
- Mutual approval.
- The cost to be borne by each party.
- The amount of cooperative funds as set forth in the Project Agreement shall be the maximum commitment of either party unless changed by a formal modification prior to incurring any expense.



- Work must be completed in accordance with agreed upon standards.

II. PURPOSE:

The purpose of this Project Agreement (agreement) is to document the parties' cooperation in the surfacing of Forest Road 512 (see further description in Exhibit B). The work is as described in the hereby incorporated Financial and Operating plan, attached as Exhibit A and B.

III. THE COOPERATOR SHALL:

- A. Perform in accordance with the Financial and Operating Plan, Exhibit A and B.
- B. Bill the U.S. Forest Service for actual costs incurred, not to exceed \$342,644.00.

IV. THE U.S. FOREST SERVICE SHALL:

- A. Perform in accordance with the Financial and Operating Plan, Exhibit A.
- B. PAYMENT/REIMBURSEMENT. The U.S. Forest Service shall reimburse Cooperator for the U.S. Forest Service's share of actual expenses incurred, not to exceed \$342,644.00 as shown in the Financial Plan Exhibit A. The U.S. Forest Service shall make payment upon receipt of Cooperator's monthly invoice. Each invoice from Cooperator must display the total project costs for the billing period.

Each invoice must include, at a minimum:

- 1) Cooperator's name, address, and telephone number
- 2) U.S. Forest Service agreement number
- 3) Invoice date
- 4) Performance dates of the work completed (start and end)
- 5) Total invoice amount for the billing period

The invoice must be forwarded to:

U.S. Forest Service
Albuquerque Service Center
Payments – Grants & Agreements
101B Sun Ave NE
Albuquerque, NM 87109

FAX: 877-687-4894

Send a copy to: Christine Crawford
Tonto National Forest
2324 E McDowell Road
Phoenix, AZ 85006



V. IT IS MUTUALLY AGREED AND UNDERSTOOD BY AND BETWEEN THE PARTIES THAT:

- A. PRINCIPAL CONTACTS. Individuals listed below are authorized to act in their respective areas for matters related to this agreement.

Principal Cooperator Contacts:

Cooperator Program Contact	Cooperator Administrative Contact
Name: Steve Stratton Address: Gila County Public Works 745 N Rose Mofford Way City, State, Zip: Globe, AZ 85501 Telephone: (928) 425-3231 FAX: (928) 425-8104 Email: sstratton@gilacountyaz.gov	Name: Shannon Coons Address: Gila County Public Works 745 N Rose Mofford Way City, State, Zip: Globe, AZ 85501 Telephone: (928) 402-8521 FAX: (928) 425-8104 Email: scoons@gilacountyaz.gov

Principal U.S. Forest Service Contacts:

U.S. Forest Service Program Manager Contact	U.S. Forest Service Administrative Contact
Name: Thomas Torres Address: 2324 E McDowell Road City, State, Zip: Phoenix, AZ 85006 Telephone: (602) 225-5375 FAX: (602) 225-5295 Email: ttorres@fs.fed.us	Name: Sherry Smith Address: 2324 E McDowell Road City, State, Zip: Phoenix, AZ 85006 Telephone: (602) 225-5383 FAX: (602) 225-5295 Email: sherrysmith@fs.fed.us
Alternate U.S. Forest Service Program Manager Contact Name: Chris Crawford Address: 2324 E McDowell Road City, State, Zip: Phoenix, AZ 85006 Telephone: (602) 225-5279 FAX: (602) 225-5295 Email: cjcrawford@fs.fed.us	

- B. In the event of a conflict between this Project Agreement and the Coop Agreement, the latter shall take precedence.
- C. FREEDOM OF INFORMATION ACT (FOIA). Information furnished to the U.S. Forest Service under this agreement is subject to the Freedom of Information Act (5 USC 552).



- D. TEXT MESSAGING WHILE DRIVING. In accordance with Executive Order (EO) 13513, "Federal Leadership on Reducing Text Messaging While Driving," any and all text messaging by Federal employees is banned: a) while driving a Government owned vehicle (GOV) or driving a privately owned vehicle (POV) while on official Government business; or b) using any electronic equipment supplied by the Government when driving any vehicle at any time. All cooperators, their employees, volunteers, and contractors are encouraged to adopt and enforce policies that ban text messaging when driving company owned, leased or rented vehicles, POVs or GOVs when driving while on official Government business or when performing any work for or on behalf of the Government.
- E. FUNDING EQUIPMENT. Federal funding under this agreement is not available for reimbursement of Cooperator's purchase of equipment.
- F. PARTICIPATION IN SIMILAR ACTIVITIES. This agreement in no way restricts the U.S. Forest Service or Cooperator from participating in similar activities with other public or private agencies, organizations, and individuals.
- G. ENDORSEMENT. Any of Cooperator's contributions made under this agreement do not by direct reference or implication convey U.S. Forest Service endorsement of Cooperator's products or activities.
- H. ALTERNATE DISPUTE RESOLUTION. In the event of any issue of controversy under this agreement, the parties may pursue Alternate Dispute Resolution procedures to voluntarily resolve those issues. These procedures may include, but are not limited to, conciliation, facilitation, mediation, and fact finding.
- I. MODIFICATION. Modifications within the scope of this agreement must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change. The U.S. Forest Service is not obligated to fund any changes not properly approved in advance.
- J. TERMINATION. Either party, in writing, may terminate this agreement in whole, or in part, at any time before the date of expiration. Neither party shall incur any new obligations for the terminated portion of this agreement after the effective date and shall cancel as many obligations as possible. Full credit shall be allowed for each party's expenses and all non-cancelable obligations properly incurred up to the effective date of termination.
- K. COMMENCEMENT/EXPIRATION DATE. This agreement is executed as of the date of last signature and is effective through September 30, 2014 at which time it will expire unless extended.



L. AUTHORIZED REPRESENTATIVES. By signature below, the parties certify that the individuals listed in this document as representatives of each party are authorized to act in their respective areas for matters related to this agreement.

This agreement shall be effective as of the date herein written and shall supersede all prior existing agreements, if any, for the same roads.



MICHAEL A. PASTOR, Chairman
Gila County Board of Supervisors
8-18-2014
Date



NEIL J. BOSWORTH, Forest Supervisor
U.S. Forest Service, Tonto National Forest
8/21/14
Date

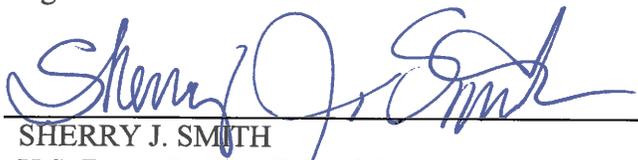


Attest:
MARIAN SHEPPARD
Clerk of the Board
8-18-2014
Date



Approved as to Form:
BRYAN B. CHAMBERS
Deputy Attorney Principal
8-18-2014
Date

The authority and format of this agreement have been reviewed and approved for signature.



SHERRY J. SMITH
U.S. Forest Service Grants Management Specialist
8/21/2014
Date

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this



information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.



GILA COUNTY ATTORNEY
Bradley D. Beauchamp

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action ... applicable to the governing bodies of the participating agencies approving or extending the duration of the ... contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-2783

2. E.

Work Session

Meeting Date: 09/30/2014

Submitted For: Steve Stratton

Submitted By: Shannon Boyer, Executive Administrative Asst., Public Works Division

Department: Public Works Division

Information

Request/Subject

Discussion of Amendment No. 3 to Gila County Long Range Facilities Management Plan.

Background Information

At the August 6, 2013, Board of Supervisors' regular meeting, the Board of Supervisors authorized staff to explore various alternatives for acquiring additional office space, including, if appropriate, submitting proposals on properties that would subsequently be considered by the Board for final approval. At the Board's February 25, 2014, and July 29, 2014, work sessions, the Board of Supervisors reviewed and discussed the 1st and 2nd Amendments, respectively, to the Long Range Facilities Management Plan.

Evaluation

Per the request from the Board of Supervisors to explore other options to alleviate the need for the County to rent office space from outside sources, on April 2, 2014, a contract with L. Brevick Enterprises, Inc. was entered into for a second update to the Long Range Facilities Management Plan. Amendment No. 3 to the Long Range Facilities Management Plan is attached for review and discussion.

Conclusion

N/A

Recommendation

N/A

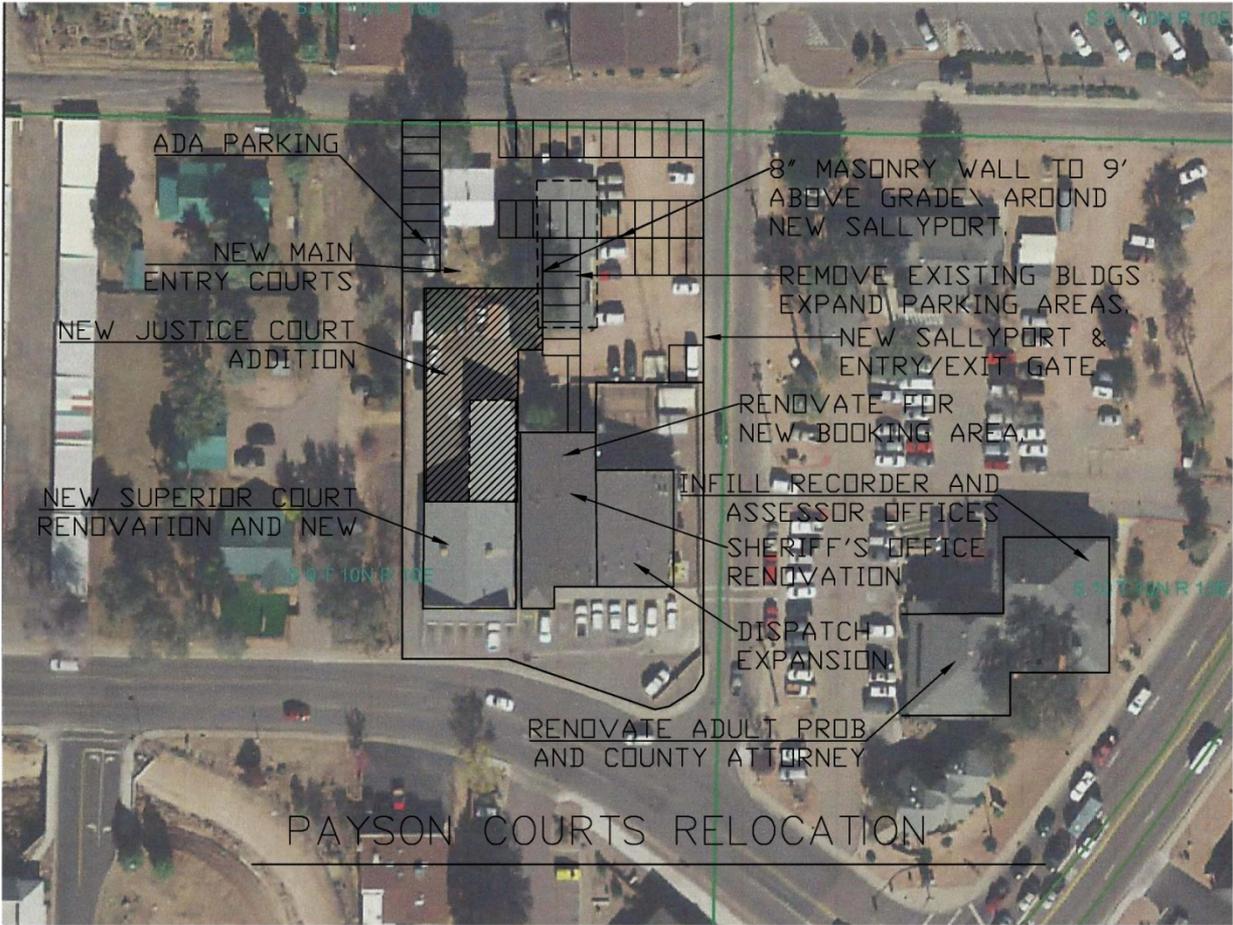
Suggested Motion

Information/Discussion regarding Amendment No. 3 to the Gila County Long Range Facilities Management Plan. **(Steve Stratton & Lonnie Brevick, P.E.)**

Attachments

New Courthouse Site

NAPA New Courthouse Site



Old Shop Area



ARF-2772

2. F.

Work Session

Meeting Date: 09/30/2014

Submitted For: Don McDaniel Jr.

Department: County Manager

Information

Request/Subject

A proposed new Countywide operational policy.

Background Information

This new policy is a continuation of the development of the Countywide Policy Manual which was initiated by staff in 2010. The Manual currently contains Board adopted policies as shown in the attached Table of Contents.

Each policy is developed by the staff Policy Review Committee and fully reviewed by the Management Team before it is placed on a Board of Supervisors' (BOS) work session agenda. After the BOS has had the opportunity to review, discuss and modify (if needed) the policy in the work session, the policy is placed on a BOS regular meeting agenda for adoption.

Evaluation

The purpose of Development, Review & Approval of Policies & Procedures Policy No. BOS-ADM-001 is to outline the development and approval process for all policies and procedures that are adopted by the Board of Supervisors and which apply Countywide. The policy has been reviewed by the Policy Review Committee and the Management Team.

Conclusion

The development of a Countywide Policy Manual will greatly assist in the operational decisions of County government. It will provide uniformity, consistency and fairness throughout all County Elected Offices and Divisions/Departments.

Recommendation

Staff recommends that the Board of Supervisors review and discuss proposed policy number BOS-ADM-001, Development, Review & Approval of Policies & Procedures.

Suggested Motion

Information/Discussion regarding the following Countywide Operational policy to be included in the Countywide Policy Manual: Policy No. BOS-ADM-001, Development, Review & Approval of Policies & Procedures. **(Don McDaniel)**

Attachments

BOS-ADM-001 - Policy

BOS-ADM-001-Procedures

Countywide Policy Manual Table of Contents

Gila County Policy DEVELOPMENT, REVIEW & APPROVAL OF POLICIES & PROCEDURES	Policy Number: BOS-ADM-001	Page
	Adopted by BOS:	1 of 1

I. PURPOSE:

The purpose of this policy is to outline the development, review and approval process for all policies and procedures (if necessary) that are adopted by the Board of Supervisors and which apply Countywide.

II. APPLICABILITY:

This policy applies to all Gila County departments/divisions and elected offices.

III. POLICY:

Gila County has a uniform and systematic procedure for creating and maintaining policies and procedures which are adopted by the Board of Supervisors. The official policies and procedures are filed within the “*Board of Supervisors’ Countywide Policies and Procedures Manual,*” which is maintained by the Clerk of the Board of Supervisors and housed in a central electronic repository (“Countywide Policies”) on the Board of Supervisors’ web page within the Gila County website.

SIGNATURES:

CHAIRMAN, BOARD OF SUPERVISORS

DATE

+ See attached administrative procedures.

GILA COUNTY
DEVELOPMENT, REVIEW & APPROVAL OF POLICIES & PROCEDURES
PROCEDURES

I. DEFINITIONS:

None

II. DEVELOPMENT OF POLICY & PROCEDURE:

A County department/division or elected office proposing a new policy and procedure to be adopted by the Board of Supervisors (BOS) will draft the policy and procedure in the established format as shown in Exhibit A. The policy number will be assigned by the Clerk of the Board in accordance with the *Board of Supervisors' Countywide Policies & Procedures Manual - Table of Contents* as shown in Exhibit B. The responsible department/division head or elected official will submit the proposed new policy and procedure to the office of the County Manager.

III. COUNTYWIDE POLICY COMMITTEE REVIEW:

The County Manager will establish the meeting date and time to review the proposed new policy and procedure with the Countywide Policy Committee (Committee). The department/division head or elected official will be invited to the meeting with the Committee in order to respond to any questions or concerns of the Committee. If any revisions are made to the policy or procedure, the department/division head or elected official will be required to submit the revised new policy and procedure to the office of the County Manager within a time frame established by the County Manager.

IV. MANAGEMENT TEAM REVIEW:

The County Manager will establish the meeting date and time to review the new proposed policy and procedure with the Management Team after it has been approved by the Committee. If any additional revisions are made to the policy or procedure, the County Manager will notify the department/division head or elected official and a time frame will be established for the return of the revised new policy and procedure to the office of the County Manager.

V. COUNTY ATTORNEY REVIEW:

The new proposed policy and procedure will be sent to the Deputy County Attorney/Civil Bureau Chief after it has been reviewed by the Committee. If any additional revisions are made to the policy or procedure, they will be provided to the Clerk of the Board for the

County Manager. Note: The Deputy County Attorney/Civil Bureau Chief will also review and approve the proposed new policy and procedure at the time it is placed on a BOS meeting work session agenda and a BOS regular meeting agenda.

VI. BOARD OF SUPERVISORS REVIEW:

The County Manager will establish the meeting date and time to review the new policy and procedure with the BOS during a BOS Work Session. The Clerk of the Board will submit the proposed new policy and procedure into the BOS electronic meeting agenda system. The department/division head or elected official will be invited to the BOS Work Session to present the proposed new policy and procedure to the BOS and address any questions or concerns of the BOS. If any revisions are made to the policy or procedure, the department/division head or elected official will be required to submit the revised draft policy and procedure to the Clerk of the Board for placement on a future BOS Regular Meeting agenda within a time frame established by the County Manager. Depending on the outcome of the discussion with the BOS, the policy and procedure may or may not continue to a BOS Regular Meeting agenda for the BOS' consideration to adopt the policy and procedure.

VII. BOARD OF SUPERVISORS ADOPTION OF POLICY AND PROCEDURE:

The County Manager will establish the meeting date and time to request the BOS to adopt the policy and procedure during a BOS Regular Meeting. The Clerk of the Board will submit the proposed new policy and procedure into the BOS electronic meeting agenda system. The County Manager will present the proposed new policy and procedure to the BOS during a BOS Regular Meeting.

VIII. ADOPTED POLICY AND PROCEDURE PUBLICATION:

After obtaining the BOS Chairman's signature on the newly adopted policy and procedure, the Clerk of the Board will make them available, both electronically and physically, by publishing them on the Gila County website and filing the original document in the *Board of Supervisors' Countywide Policies & Procedures Manual* that is maintained by the Clerk of the Board.

IX. POLICY AND PROCEDURE REVISIONS:

Any proposed revision to a policy or procedure previously adopted by the BOS must go through the same process as presenting a new policy and procedure.

EXHIBIT A

**FORMAT FOR POLICIES AND PROCEDURES ADOPTED BY THE
BOARD OF SUPERVISORS (BOS)**

POLICY – The policy shall be a one-page document.

Margins: Top 1.0”
 Bottom 1.0”
 Left 1.0”
 Right 1.0”
 Footer 0.5”

Justification: Align text to the left.

Spacing: Single, except for double spacing between each section title.

Font: Times New Roman 12

Heading: The policy heading should be in the following format with all wording in bold lettering and the policy title and number capitalized:

Gila County Policy MINUTES OF THE BOARD OF SUPERVISORS’ MEETINGS	Policy Number: BOS-COB-001	Page
	Adopted by BOS: 08-05-14	1 of 1
	Revised:	

Policy No.: The numbering system for all policies adopted by the BOS shall follow the *Board of Supervisors’ Countywide Policy Manual - Table of Contents* as shown in Exhibit B, and will be assigned by the Clerk of the Board.

Sections: Each section shall be numbered using Roman numerals with the section title and number in bold lettering and capitalized. The remainder of each section would not be in bold lettering. The first section of the policy shall state the purpose of the policy; the second section shall state the departments/divisions or elected offices which are affected by the policy and procedures; and the third section shall state the policy, as follows:

SECTION I. PURPOSE

Sections: Each section shall be numbered using Roman numerals with the section title and number in bold lettering and capitalized. The remainder of each section would not be in bold lettering.

The first section of all procedures shall contain the definitions in order to define common words and key terms.

Footer: The footer for the procedures shall be centered on the page. The font shall be Times New Roman 9. The first line shall contain the policy title and number and the second line shall contain the page number, as follows:

Minutes of the Board of Supervisors' Meeting Procedures Referencing Policy No. BOS-COB-001

Page 1 of 2

EXHIBIT B

GILA COUNTY BOARD OF SUPERVISORS'

COUNTYWIDE POLICY MANUAL

TABLE OF CONTENTS

<u>ASSESSOR</u>	<u>SECTION</u>
ASR-001	001
<u>ATTORNEY</u>	
ATTY-001	002
<u>BOARD OF SUPERVISORS</u>	
BOS-ADM (ADMINISTRATIVE).....	003
BOS-COB (CLERK OF THE BOARD)	004
BOS-FIN (FINANCE)	007
BOS-HRS (HUMAN RESOURCES)	009
BOS-SSE (SAFETY, SECURITY & EMERGENCY).....	010
<u>CLERK OF THE COURT</u>	
COC-001	011
<u>COMMUNITY SERVICES</u>	
CSS-001.....	012
<u>CONSTABLE-GLOBE</u>	
CNG-001	013
<u>CONSTABLE-PAYSON</u>	
CNP-001	014
<u>COMMUNITY DEVELOPMENT</u>	
DSS-001	015

ELECTIONS

ELS-001.....016

HEALTH & EMERGENCY SERVICES

HES-001017

JUSTICE COURT-GLOBE

JCG-001.....018

JUSTICE COURT-PAYSON

JCP-001019

LIBRARY DISTRICT

LD-001020

PROBATION

PB-001021

PUBLIC FIDUCIARY

PFD-001022

PUBLIC WORKS

PWS-001023

RECORDER

RCR-001.....024

SCHOOL SUPERINTENDENT

SCS-001.....025

SHERIFF

SHF-001026

SUPERIOR COURT

SPC-001.....027

TREASURER

TRR-001028

**GILA COUNTY
COUNTYWIDE POLICIES & PROCEDURES
TABLE OF CONTENTS**

Note: Policies in black have been adopted by the BOS. Policies in blue are being presented to the BOS for adoption. Policies in red are pending, so the number and name may change.

ADMINISTRATIVE - 003		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-ADM-001	DEVELOPMENT, REVIEW & APPROVAL OF POLICIES & PROCEDURES	
BOS-ADM-002	COMPUTING AND COMMUNICATION TECHNOLOGY USE AND ETHICS	8/5/2014
BOS-ADM-003	VACANT	
BOS-ADM-004	VACANT	
BOS-ADM-005	COUNTY VEHICLE USE & TAKE HOME ADMINISTRATION	

CLERK OF THE BOARD - 004		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-COB-001	MINUTES OF THE BOARD OF SUPERVISORS' MEETINGS	8/5/2014
BOS-COB-002	BOARDS, COMMISSIONS & COMMITTEES	2/5/2013
BOS-1-2005	REQUEST FOR PUBLIC RECORDS (New# BOS-COB-003 & name change to ACCESS TO PUBLIC RECORDS)	12/13/2005
BOS-COB-003	ACCESS TO PUBLIC RECORDS	
BOS-COB-004	CALL TO THE PUBLIC (BOS-1-2009 approved 02/17/09) revised	9/3/2013

ELECTIONS - 006		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
ELS-001	ELECTION SECURITY AND INTEGRITY	6/5/2012

FINANCE - 007		
<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-FIN-001	DEPARTMENTAL BANK ACCOUNTS	9/20/2011
BOS-FIN-002	PROCUREMENT CONTRACTS	9/20/2011
BOS-FIN-003	PROCUREMENT PURCHASING	9/20/2011
BOS-FIN-004	VACANT	
BOS-FIN-005	CAPITALIZATION OF FIXED ASSETS	8/20/2012
BOS-FIN-006	TRAVEL & RELATED EXPENSES	
BOS-FIN-007	CREDIT CARD ISSUANCE & USE	
BOS-FIN-008	FUNDS TRANSFER	8/20/2012
BOS-FIN-009	FUND BALANCE	8/20/2012
BOS-FIN-010	CASH RECEIPT & DEPOSITS	8/20/2012
BOS-FIN-011	MILEAGE REIMBURSEMENT	

BOS-FIN-012	VACANT	
BOS-FIN-013	MEMBERSHIPS IN PROFESSIONAL ASSOCIATIONS REIMBURSEMENT	
BOS-FIN-014	DISPOSAL OF FIXED ASSETS & INVENTORY	8/20/2012
BOS-3-2005	ACCEPTING AND ADMINISTERING GRANTS (name change to GRANTS MANAGEMENT and new policy number BOS-FIN-015)	12/13/2005
BOS-FIN-015	GRANTS MANAGEMENT	
BOS-FIN-016	COMMUNITY AGENCY & ECONOMIC DEVELOPMENT FUNDING	2/5/2013

HUMAN RESOURCES - 009

<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-HRS-001	TEMPORARY EMPLOYEES	
BOS-HRS-002	EMERGENCY EMPLOYEES	
BOS-HRS-003	VOLUNTEERS	
BOS-HRS-004	NEW EMPLOYEE ORIENTATION	
BOS-HRS-005	PAYROLL TIME REPORTING	
BOS-HRS-006	PAYROLL AUTHORIZATIONS	9/20/2011
BOS-HRS-007	DISCLOSURE OF CONFLICT OF INTEREST (name change to Conflict of Interest and new policy number of BOS-HRS-140 on 8/5/14)	1/22/2013
BOS-HRS-008	PREVENTION OF WORK PLACE VIOLENCE	
BOS-HRS-009	AUTHORIZED POSITION LIST	
BOS-HRS-010	VACANT	
BOS-HRS-110	EQUAL OPPORTUNITY UNLAWFUL DISCRIMINATION, HARRASSMENT AND RETALIATION	12/17/2013
BOS-HRS-115	AMERICANS WITH DISABILITIES AND REASONABLE ACCOMMODATION	12/17/2013
BOS-HRS-140	CONFLICT OF INTEREST	8/5/2014
BOS-HRS-410	COMPENSATION PLAN	4/29/2014
BOS-HRS-415	CLASSIFICATION PLAN	4/29/2014

SAFETY, SECURITY & EMERGENCY - 010

<i>Policy Number</i>	<i>Gila County Policy</i>	<i>Adopted by BOS</i>
BOS-SSE-001	NOTIFICATION IN EMERGENCY SITUATIONS	
BOS-SSE-002	FACILITIES SECURITY PLAN	
BOS-SSE-003	DISASTER EVACUATION PLAN	
BOS-SSE-004	INCIDENT REPORTING	
BOS-SSE-005	BOMB THREATS	
BOS-SSE-006	DISASTER DRILLS	
BOS-SSE-007	HOSTILE INTRUDER	
<i>BOS-SSE-008</i>	<i>VACANT</i>	
BOS-SSE-009	BUILDING ACCESS-KEY & CARD ISSUANCE	
BOS-SSE-010	HAZARDOUS MATERIAL CONTROL	
BOS-SSE-011	HANDICAPPED ACCESSIBILITY	