

Green River Regional Educational Cooperative  
Kentucky Educational Development Corporation  
Northern KY Cooperative for Educational Services



Ohio Valley Educational Cooperative  
Southeast/Southcentral Educational Cooperative  
West Kentucky Educational Cooperative

**KPC – KENTUCKY PURCHASING COOPERATIVES**  
**GRREC – KEDC - NKCES – OVEC - SE/SC - WKEC**  
**KENTUCKY EDUCATIONAL DEVELOPMENT CORPORATION (KEDC)**  
**904 ROSE ROAD, ASHLAND, KY 41102-7104**  
**Member Services (606) 928-0205**  
[www.kedc.org](http://www.kedc.org) or [www.kybuy.org](http://www.kybuy.org)

**\* \* \* INVITATION TO BID \* \* \***

BID TYPE: PREFERRED VENDOR

BID REFERENCE: PV-BUS-2013-08

BID PUBLIC NOTICE DATE: August 2, 2013

BID OPENING TIME, DATE: August 15, 2013, 9:00 AM

BID ITEMS: Bus Parts and Accessories

#### **STANDARD TERMS AND CONDITIONS**

1. **BID PURPOSE:** The Kentucky Educational Development Corporation (KEDC) Board of Directors, as the Legal Education Agency (LEA) for the Kentucky Purchasing Cooperatives (KPC) solicits sealed bids that would, if accepted by the KEDC Board of Directors or its designee, establish a contract for commercially purchased bus parts and accessories, with the general and detailed terms, conditions, and specifications contained in these standard terms and conditions and in the bid specific terms and conditions.
2. **INSTRUCTIONS FOR BIDDERS:** These standard terms and conditions along with the bid specific terms and conditions apply to all bids submitted. Any deviations or exceptions are to be explained as a part of the bid response. KEDC may, at its discretion, accept or reject any or all deviations or exceptions proposed. In the event of a discrepancy between the standard and bid specific terms the bid specific terms will govern.

The public notice for this invitation, the invitation itself, and any addendums can be viewed, downloaded, or printed from the Internet at [www.kybuy.org](http://www.kybuy.org) or [www.kedc.org](http://www.kedc.org) on the bid public notice date and until the time and date specified for the bid opening. Bid tabulations will be made by KEDC staff and, after the Board or its designee has taken official action, will be posted to the above websites.

3. **BID FORMS AND RETURN INSTRUCTIONS:** KPC has licensed the ESM Solutions Sourcing Suite for secure, confidential, and encrypted electronic bid submission. Bidders must register with ESM prior to bidding by visiting [www.esmsolutions.com](http://www.esmsolutions.com). Once a bidder has registered with ESM they should contact KPC at [KPCMemberServices@kybuy.org](mailto:KPCMemberServices@kybuy.org) and request that the specific bid of interest be published to them. For assistance with registration or technical questions regarding the bid interface contact ESM Customer Care at (877) 969-7246.

Submit all bids and any attachments via the online application. No other form of bid submission (e.g., paper, telephone, facsimile, telegraph, mail, etc.) will be accepted. Bids submitted on company forms are subject to rejection.

The bidder acknowledges that the bidder has read this invitation, understands it, and agrees to bind by its terms and conditions. Any unauthorized contact with any other official or employee in connection with this invitation is prohibited and may be cause for disqualification of the bidder.

4. **CLARIFICATION:** For clarification or additional information relative to this bid invitation contact the KEDC Member Services Team by email at [KPCMemberServices@kybuy.org](mailto:KPCMemberServices@kybuy.org) or phone (606) 928-0205. For issues related to the online bid application contact ESM Solutions Customer Care at (877) 969-7246. **DO NOT CONTACT MEMBERS.**
5. **PROCUREMENT CONSIDERSTIONS:** KEDC conducts all procurement transactions in full compliance with all applicable federal and state statutes, regulations and rules.

It is the clear intention of the Kentucky Educational Development Corporation to foster all procurement transactions in a manner to provide to the maximum extent practicable, open and free competition. (20 U.S.C. 1221e-3(a)(1) and 3474, 22 CFR 135)

KEDC shall make positive efforts toward procuring and utilizing small business and minority-owned business sources of supplies and services. All such efforts shall be made to allow these sources the maximum feasible opportunity to compete for contracts.

All procurement procedures developed and implemented by KEDC shall assure that unnecessary or duplicative items are not purchased. Where appropriate, considerations of lease and purchase alternatives will be made to determine which would be the most economical and practical procurement.

All KEDC bids and solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not, in competitive procurements, contain features that unduly restrict competition. Brand name or equal clause may be used as a means to define the performance of other salient requirements of procurement, and when so used to specify features of the named brand that must be met by bidders/offer's.

A contract will be entered into by KEDC with only responsible bidders who possess the potential ability to perform successfully under the terms and conditions. Consideration shall be made for such matters as a bidder's integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

KEDC shall follow the principles of cost analysis in the review and evaluation of proposals or bids to determine if the bidder meets the requirements or reasonableness, allocability, and allowability.

6. **AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST AND COMPLIANCE WITH THE KENTUCKY MODEL PROCUREMENT CODE:** By my signature on the bid certification, I hereby swear or affirm under penalty of false swearing as provided by KRS 523.040:

I am the bidder (if bidder is an individual), a partner in the bidder (if the bidder is a partnership), or an officer or employee of the bidding corporation having authority on its behalf (if the bidder is a corporation).

The costs quoted in the bid response are correct and have been arrived at by the bidder independently and have been submitted without collusion and without agreement, understanding, or planned common course of action, with any vendor of materials, equipment, or services described in the invitation to bid, designed to limit independent bidding or competition.

The contents of the bid or bids have not been communicated by the bidder, or its employees, or agents to any person not an employee or agent of the bidder or its surety on any bond furnished with the bids and will not be communicated to any such person prior to the official opening of the bid or bids. Bidder certifies that this proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud. The bidder certifies that collusive bidding is a violation of federal law and can result in fines, prison sentences and civil damage awards.

The KEDC collective bidding process is conducted consistent with KRS Chapter 45A:345 through 45A:460, the Model Procurement Code. The contents of the bid response and the actions taken by the bidder in preparing and submitting the bid response are in compliance with above sections of the Model Procurement Code.

The bidder is legally entitled to enter into contracts with agencies of the Commonwealth of Kentucky and is not in violation of any prohibited conflict of interest, gratuities and kickbacks including those prohibited by the provisions of the Model Procurement Code (KRS Chapter 45A). Any employee or official of KEDC or member institution, who shall take, receive, or offer to take or receive, either directly or indirectly, any rebate, percentage of contract, money, or things of value as an inducement or intended inducement, or in the procurement of business, or the giving of business, for or to or from, any person, or in open market seeking to make sales to the membership shall be deemed guilty of a felony and upon conviction such person or persons shall be subject to punishment or fine in accord with state and/or federal laws.

7. CERTIFICATION REGARDING LOBBYING: The undersigned certifies, to the best of his or her knowledge and belief, that:
- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
  - (2) If any funds other than 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 in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

8. CERTIFICATION CONCERNING DISBARMENT AND SUSPENSION: I certify on behalf of myself, the company and its key employees that I, the company, or its key employees have not been proposed for debarment, debarred, or suspended by KPC, the Commonwealth of Kentucky, or any Federal Agency and are not listed on the Excluded Parties List System provided by the United States Government General Services Administration at [www.epls.gov](http://www.epls.gov).
9. CORRECTION OF MISTAKES: Recheck bid for possible errors; KPC will not accept any alterations or corrections, including signatures, once the bid opens. Errors discovered after public opening cannot be corrected and bidder will be required to accept a bid contract if offered.
10. ERROR IN BID: No bid will be altered, or amended after the specified time and date set for the bid opening. The KEDC Board or its designee reserves the right to waive defects and informalities in bids, to reject any or all bids, or to accept any bid as may be deemed to its interest. KEDC may allow the withdrawal of a bid where there is a patent error on the face of the bid document, or where the bidder presents sufficient evidence, substantiated by bid worksheets, that the bid was based upon an error in the formulation of the bid price.
11. WITHDRAWAL OF BID: All bids shall be valid for a period of thirty (30) days from the bid opening date to allow for tabulation, evaluation, and consideration by the KEDC Board or its designee. The bidder may withdraw a bid, without prejudice, prior to the published bid opening date.
12. ADDENDA: KEDC may issue addenda to the bid after the bid has been released.
13. REVIEW: After the public opening of bids received from the Bid Invitation, KEDC staff and member officials will review the results, develop a preliminary tabulation, and may contact bidders for the purpose of clarification only.
14. BID PROTEST PROCEDURES: The KEDC Board of Directors or its designee, shall have authority to determine protests and other controversies of actual or prospective bidders in connection with the solicitations or selection for award of a contract.

Any actual or prospective bidder, who is aggrieved in connection with solicitation or selection for award of a contract, may file protest with the Executive Director of KEDC. A protest or notice of other controversy must be filed promptly within two (2) calendar weeks after award of bid. All protests or notices of other controversies must be in writing and shall be addressed to:

**Executive Director  
KEDC  
904 Rose Road  
Ashland, KY 41102  
(606) 928-0205**

The KEDC Board of Directors or its designee shall issue a decision in writing. A copy of that decision shall be mailed or otherwise furnished to the aggrieved party and shall state the reasons for the action taken.

The decision of the KEDC Board of Directors shall be final and conclusive.

15. PRE-QUALIFICATION: KPC reserves the right to pre-qualify a potential bidder. Criteria for qualification shall include:
  - a. Product Line - The potential bidder shall provide proof that it can provide all bid items attached hereto.
  - b. Physical Facilities - Bidder must have the warehouse facilities required to safely and securely store the products required by these specifications. Refrigeration facilities used for storing chilled and frozen products must meet recommendations of the Refrigeration Research Council. Delivery temperatures of frozen and chilled food shall be in compliance with AFDOS code as recommended by the Federal Food and Drug Administration. KEDC reserves the right to pre-qualify any or all bidders and to reject any bidder not meeting the requirements in the areas of warehouse facilities and equipment associated with and necessary for the safe and sanitary storage and delivery of food items requested in these specifications. The facilities and operating practices must, at all times, be in compliance with the United State Food, Drug, and Cosmetic Act as well as any State and Local Statute, Regulation or Ordinance.
  - c. Financial Capacity - The potential bidder shall have financing adequate to purchase items in the most economical quantities. References may be requested to document adequate financial capacity.
  - d. Service Level - If KPC does not have adequate historical data to determine the bidder's ability to comply with the service level requirement outlined in this bid invitation, then three letters of reference from previous school district customers shall be provided.
  - e. Past Performance – The bidder must demonstrate an acceptable level of past performance under previously awarded contracts including conformance to contract requirements, industry standards of performance, reasonable and cooperative behavior, commitment to customer satisfaction, and record of integrity and business ethics.
16. NON-ASSIGNABILITY OF AWARDED BID: The awarded bidder cannot convey this contract to its successors or assigns without the prior, express approval of the Board of Directors of KEDC or its designee.
17. TRANSMITTAL OF ORDERS: The bidder shall issue purchasing guidelines to KPC members. The members will use formal purchase orders in ordering from the awarded bidder. The successful bidder acknowledges that orders from KPC members transmitted from KEDC's office on the member's behalf are acceptable. The successful bidder may use salespeople for in-person and/or telephone solicitation of orders in accordance with a mutually arrived schedule developed between the members and the awarded bidder.

KEDC has licensed the ESM Direct Buy module for the KPC online catalog. At KEDC's option, the bidder will

1. provide a listing of all items on the contract in an electronic format specified by KEDC (including description, pricing, picture of item, etc.) to be imported into KEDC's online catalog,
2. accept faxed orders, or
3. accept e-mailed orders.

The bidder shall accept orders electronically from KEDC and/or KPC members. The bidder is responsible for all costs associated with compiling the data file containing the list of items in the bid contract. KEDC may provide setup assistance at an additional charge.

18. **QUANTITIES:** It shall be understood that the awarded contract does not obligate KPC members to receive any quantity in excess of actual requirements.
19. **WARRANTY:** The awarded bidder shall make available and honor all manufacturer's warranties, both standard and extended, to all KPC members.
20. **RECALLS:** The awarded bidder shall notify KPC and its members immediately of any product recalls. The bidder will issue a credit or comparable substitute for any delivered, recalled product at the member's discretion. All costs associated with voluntary and involuntary product recalls shall be borne by the awarded bidder.
21. **PENALTY:** The awarded bidder agrees to provide total requirements as listed herein, thereby minimizing occurrences when a member may have to seek other interim product sources. The bidder is to deliver 97% of stock items within 10 business days; repeated failure to do so will result in default.
22. **LIABILITY:** The awarded bidder agrees to protect, defend, and save harmless KEDC, KPC, and members from any suits or demands for payment that may be brought against it for the use of any patented material, process, article, or device that may enter into the manufacture, construction, or form a part of the work covered by either order or contract; and awarded bidder further agrees to indemnify and save harmless KEDC, KPC, and members from suits or actions of every nature and description brought against it for, or on account of any injuries or damages received or sustained by any party or parties by, or for any of the acts of the bidders, his servants or agents. The awarded bidder will hold KEDC and participating members harmless for any and all damages resulting from consumption of products delivered under this contract when such damages are attributed to foreign materials or other defects in products delivered by the awarded bidder.
23. **ACCOUNTING PRACTICES -** During the life of any contract awarded as a result of this bid, the successful bidder must clearly demonstrate the capacity to provide accurate, reliable, and timely reports in terms of invoices, statements, credits, and usage data. Further, they must demonstrate the ability and capability to provide any and all data necessary to accomplish an accurate and time efficient audit of cost on items being purchased under the cost process. Discounts, rebates and credits shall be clearly identified on each invoice to KPC members.
24. **VELOCITY REPORTS:** Velocity reports in an electronic format (Microsoft Excel, Access, or SQL) specified by KPC shall be issued to KPC upon request. The awarded bidder shall compile velocity reports by member. The reports shall indicate purchasing entity, awarded bidder's item number, manufacturer item number, item description, quantity sold, and dollar value of each item sold. KEDC may request procurement data from participating KPC members to verify velocity report accuracy.
25. **SEVERABILITY:** If any provision of this Agreement is determined by any court or governmental authority to be unenforceable, the parties intend that this Agreement be enforced as if the unenforceable provisions were not present and that any partially valid and enforceable provisions be enforced to the extent that they are enforceable.

26. **NO WAIVER:** A party does not waive any right under this Agreement by failing to insist on compliance with any of the terms of this Agreement or by failing to exercise any right hereunder. Any waivers granted hereunder are effective only if recorded in a writing signed by the party granting such waiver.
27. **CUMULATIVE RIGHTS/CONSTRUCTION:** The rights and remedies of the parties under this Agreement are cumulative, and either party may enforce any of its rights or remedies under this Agreement or other rights and remedies available to it at law or in equity.
28. **CONTRACT SUSPENSION:** KPC may, at its sole discretion, suspend a bidder for a period of up to 90 days to investigate alleged instances of material breach of contract or material non-compliance. The awarded bidder will not accept new orders from KPC members while suspended. However, the awarded bidder may complete orders already in process. Breach of contract, default, or noncompliance renders the contract null and void. The awarded bidder agrees that they have no legal recourse of any nature against KEDC, KPC, or member entities except for payment of goods, supplies and services that are due for prior purchases sold under the awarded contract. The decision of KPC regarding suspension and/or termination is final.
29. **WARNING AND TERMINATION OF CONTRACT:** KEDC may terminate the contract with 30 day notice without cause. KEDC may terminate the contract in a shorter timeframe if the bidder violates the contract terms and conditions. In the event of termination, the members shall not be liable for any costs other than the cost of items delivered and accepted prior to the date of termination. The bidder may terminate the contract if the members fail to meet mutually agreeable and specified payment terms.

Each party shall follow the following procedure if the contract is to be terminated:

Step 1 - Issue a warning letter outlining the violations and state the length of time to correct the problem(s).

Step 2 - Issue a letter of intent to cancel contract, if the problem(s) is not resolved by a given date.

Step 3 - Issue a letter to cancel contract.

In the event the physical facilities of the awarded bidder are destroyed or a labor dispute makes performance under the terms of the contract impossible, the awarded bidder shall not be held liable by KPC or the members.

30. **OTHER CONDITIONS:**

- a. The awarded bidder shall be in compliance and will comply with any and all local, state, and federal laws and regulations related to the awarded contract and the rendering of goods and /or services.
- b. The awarded contract shall be governed in all respects as to validity, construction, capacity, performance, or otherwise by the laws of the Commonwealth of Kentucky.
- c. The bidder assures KEDC they are conforming and will continue to conform to the provisions of the Civil Rights Act of 1964 as amended.
- d. Kentucky Sales and Use Tax Certificate of Exemption Form will be issued upon request.
- e. The awarded bidder shall provide access to KPC members, KEDC, the Comptroller General of the United States, the Kentucky Department of Education, the Kentucky Auditor of Public Accounts, or any of their

duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Such access shall be used to ensure compliance with all applicable Federal and state statutes, regulations and rules, including but not limited to cost principles set forth in 2 CFR § 225.

- f. The awarded bidder shall comply with all applicable cost principles (2 CFR § 225).
- g. The awarded bidder shall retain all required records for three years after KPC members make final payments and all other pending matters are closed.
- h. The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or if all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. The awarded bidder is and shall remain in compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).
- i. The awarded bidder is and shall remain in compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3).
- j. The awarded bidder is and shall remain in compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5).
- k. The awarded bidder is and shall remain in compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- l. The awarded bidder is and shall remain in compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 U.S.C.) 187 [h], Section 508 of the Clean Water Act (33 U.S.C. 1368, Executive Order 11738 and Environmental Protection Agency (EPA) regulations, (40 CFR Part 15).
- m. The awarded bidder is and shall remain in compliance with all mandatory standards and policies relating to energy efficiency contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
- n. By signing this document, the bidder certifies that this proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud. The bidder acknowledges that collusive bidding is a violation of federal law and can result in fines, prison sentences and civil damage awards.
- o. The bidder is legally entitled to enter into contracts with agencies of the Commonwealth of Kentucky and is not in violation of any prohibited conflict of interest, including those prohibited by provisions of



KRS 164.390, KRS 61.092-61.096, KRS 42.990, KRS 45A.335-490. Any employee or official of KEDC or member institution, elective or appointive, who shall take, receive, or offer to take or receive, either directly or indirectly, any rebate, percentage of contract, money, or things of value as an inducement or intended inducement, or in the procurement of business, or the giving of business, for or to or from, any person, or in open market seeking to make sales to the membership shall be deemed guilty of a felony and upon conviction such person or persons shall be subject to punishment or fine in accord with state and/or federal laws.

- p. KEDC reserves the right to reject any and/or all bids and to waive informalities. A contract, based on this sealed bid, may or may not be awarded.

**BID SPECIFIC TERMS AND CONDITIONS:**

- 1. PARTICIPATING MEMBER INSTITUTIONS: Any institution that is a member of the Kentucky Purchasing Cooperatives (hereinafter referred to as member or members) is eligible to utilize the Awarded Contract; however this does not mean that all members will participate. This statement of intent does not obligate any district to utilize this bid. Districts MUST be a member of KPC to be eligible for bid pricing. For the current list of all KPC members go to: <http://www.kybuy.org/bidding/archive/KPCMEMBERS.pdf>.

District participation in all KPC bid opportunities is strictly voluntary and subject to change. KPC and all KPC member institutions reserve the right to waive defects and informalities in bids, to reject any or all bids, or to accept any bid as may be deemed to its interest.

- 2. AWARD: After the review of the bid proposals, the KEDC Board or its designee may award a bid contract based on the needs of the members. In the case of identical bids, KEDC reserves the right to select and to award the contract on the basis of its reasonable determination of which bid is likely to be most beneficial to its members. The bid responses will be evaluated based on the points awarded to each bidder utilizing the following scale:

	POINTS
1. Discount calculation	50
2. Number of categories bid	20
3. Number of bus manufacturers supported	20
4. References	<u>10</u>
<b>POINT TOTAL</b>	<b>100</b>

- 3. REFERENCES: Each bidder is to provide a name, email address, and phone number of at least three public school or educational cooperative customers as references.
- 4. SOLICITATION OF QUOTES: KPC members may exercise their rights to solicit quotes from the bidder in accordance with all rules, regulations, and governing small purchase procedure policies. Quotes for non-bid items shall be at the price mutually agreeable between the bidder and the school and shall be inclusive of all delivery and other associated fees.
- 5. CONTRACT PERIOD: The initial contract period of any contract awarded as a result of this bid is from the actual date of contract award to August 31, 2014. The contract may be extended on an annual basis by KEDC not to exceed five years in total including the first contract period. KEDC shall notify the awarded bidder in writing of its intent to extend or not to extend the contract by June 15<sup>th</sup> of each year. If KEDC notifies awarded bidder of intent

to extend the contract by one year, awarded bidder shall respond in writing by July 1<sup>st</sup> that it either does or does not intend to extend the contract. The determination to renew the contract beyond the initial year shall be determined in part by the performance of the awarded bidder and by price stability during the contract period. If both parties agree to extend the contract by one year, awarded bidder shall respond by July 1<sup>st</sup> with any necessary discount increases or decreases for the first bid period of the extended year. If discount decreases submitted at July 1<sup>st</sup> are deemed excessive (defined as greater than CPI-U index) by KEDC then KEDC shall have cause not to extend the contract.

Any contract extension is contingent upon written agreement of KEDC and the awarded bidder. The bid will not be extended beyond any current year unless expressly approved by KEDC. KEDC reserves the right on any contract extension to revise, update, or supplement the contract terms and conditions including the assessment of administrative fees to the awarded bidder as needed to cover the cost of KEDC servicing the bid contract for the members.

KEDC reserves the right to extend the term for up to 180 days to continue a source of supply until new or replacement contracts are completed.

6. **PRICING:** All prices must include transportation and delivery charges to the location (school district, KEDC, etc.) specified during ordering. Fuel surcharges and other similar charges are not permitted. The awarded bidder shall provide each item on this bid to all KPC members at the same price for like quantities in the same sales period.
7. **DISCOUNT ADJUSTMENTS:** All discounts shall remain firm for the duration of the awarded contract. Upward and downward discount adjustments are permissible based on documented changes in the Consumer Price Index for All Urban Consumers (CPI-U). The awarded bidder shall notify KEDC 30-days prior to the start of each bid period of any requested increases or decreases for the upcoming bid period.
8. **PROMOTION:** KPC will actively market the awarded bidder to its members. Marketing includes inclusion of your logo and contact information on the KPC website, a copy of the awarded contract sent to every KPC member, and promotion of all KPC Preferred Vendors during regular visits by KPC staff. Awarded bidder will also have access to the KPC Logo for use in promotional materials. Similarly, the awarded bidder will support the efforts of KPC by participating and sponsoring in the KEDC-KPC regional meetings and trainings.
9. **PRODUCT SAFETY AND MSDS INFORMATION:** The successful bidder shall provide upon request by any member, the most recent MSDS information sheets for any products the bidder may deliver to said member. It is the bidder's responsibility to comply with all local, state, and federal regulations.
10. **PRODUCT PROTECTION GUARANTEES:** Members have automatic product protection recourse against suppliers for products that are misrepresented. According to federal regulations, the supplier whose name and address appear on the package is the responsible party. Awarded bidder is expected to take immediate action to correct any situation in which product integrity is violated.
11. **ORDERING, PAYMENTS, AND ADMINISTRATIVE FEE:** Each member shall be responsible for making payment to the contractor, unless KEDC has been established as the Purchasing Agent for the contractor, in which case, KEDC will coordinate orders and payments directly to the contractor with the individual members being the ship to party. Normally, members pay bills only after approval from the member board which meets monthly. KEDC reserves the right to negotiate upon mutual agreement to serve as Purchasing Agent for any Bid Contract including charging an additional administrative fee to the contractor beyond the two percent (2%) fee detailed below.

The bidder's price will include an administrative fee of two percent (2%) on all purchases made by members under this contract that the bidder will remit to KEDC on a quarterly basis. The bidder will also compile and provide to KEDC a quarterly report showing all purchases made by members under this contract in a format provided by KEDC. The bidder will make all administrative fee payments to KEDC by the 25th of the succeeding month and all checks are to be made payable to KEDC and sent to KEDC, 904 Rose Road, Ashland, KY 41102-7104. In consideration of receiving a KPC PREFERRED VENDOR BID CONTRACT bidder agrees to report and pay KEDC's administrative fees for all sales to KEDC/KPC districts even if orders are placed directly by the district to the bidder.

The bidder will remit reports and fees to KEDC on the following schedule:

Bid Period	Reporting and Payment Schedule
January 1 – March 31	April 25 <sup>th</sup>
April 1 – June 30	July 25 <sup>th</sup>
July 1 – September 30	October 25 <sup>th</sup>
October 1 – December 31	January 25 <sup>th</sup>

12. **DELIVERY CHARGES: All products or services procured from the Bid Contract are to be delivered free of freight charges (FOB destination).** All bid prices must include transportation and delivery charges to the location (school district, KEDC, etc.) specified during ordering. Fuel surcharges and other similar charges are not permitted.
13. **RETURNS:** The awarded bidder must provide a Return Material Authorization within one (1) working day of the request by KPC member. Returned materials shall be restocked at no charge to the KPC member. Unwanted materials, equipment, or supplies must be removed by the successful bidder from the premises of the member within fourteen (14) days of notification. Items left longer than fourteen (14) days will be regarded as abandoned, and the member shall have the right to dispose of them as its own property.
14. **ITEM SUBSTITUTION AND OUT-OF-STOCK BACK-ORDERS:** No substitutions are allowed without prior written authorization from the member. Member must be notified if item is out of stock, backordered or if timely delivery cannot be made.
15. **PAYMENTS:** Each school district and/or school shall be responsible for making payment to the awarded bidder. Normally, school districts pay bills only after approval from the Board of Education which meets monthly.
16. **AUDITS:**
  - a. KEDC reserves the right to make audits of a awarded bidder's costs records as follows:
    - i. Prior to award of contract
    - ii. Prior to approval of request for price change and following any allowed price change.
    - iii. At time of one year contract extension if awarded.
    - iv. An unscheduled audit one time during each one year bid period upon appropriate notice given to awarded bidder.
  - b. The awarded bidder shall be given notice of the intent of the cooperative to conduct an audit a minimum of four weeks in advance.
  - c. The audit may be conducted electronically via the internet or at a site mutually agreeable to KPC and the awarded bidder.
  - d. The awarded bidder shall provide acceptable documentation as follows:
    - i. Manufacturer's invoices
    - ii. Freight bills

- iii. Perpetual inventory records
- iv. Market bulletins (used for distributor manufactured items and inner company billing items when price change occurs).

17. **PRODUCT EVALUATION:** Samples requested must be furnished free of expense to KEDC and or the KPC member for evaluation. If not destroyed or consumed in testing or evaluating, or required in connection with the award, furnished samples will, upon request, be returned at the bidder's expense. Right is reserved to mutilate or destroy any samples if considered necessary for testing purposes.

18. **PROMPT PAYMENT DISCOUNT:** Awarded bidder may provide a prompt payment percentage discount for invoice payments postmarked less than 30 days from the invoice date, and awarded bidder must provide a satisfactory explanation to KPC of how this provision will be administered so as to enable KPC to effectively monitor and verify the discounts, and to ensure that such discounts are returned to the member districts..

The discount may take the form of either a deduction from the total invoice or a check in an amount equal to the same.

**BID CERTIFICATION**

We have read all the conditions and requirements of the bid invitation. In compliance with all general and specific terms and conditions of the bid invitation, in consideration of the detailed description attached hereto, and subject to the statements thereof, the undersigned agrees that, upon proper acceptance by the KEDC Board of Directors or its designee, of any part of the bid offer within the time stipulated, a contract shall thereby be created in accordance with the specifications for that part of the bid offer accepted.

We offer a DISCOUNT for payment of bills of \_\_\_\_\_% for payment within \_\_\_\_\_ Days.

\*\*\*\*\*

\_\_\_\_\_  
**Bidding Firm**

\_\_\_\_\_  
**Authorizing Signature**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Email Address**

\_\_\_\_\_  
**Phone #**

\_\_\_\_\_  
**Fax #**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**City, State, Zip**

REFERENCE LIST

Reference 1

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
District or Cooperative

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Phone #

Reference 2

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
District or Cooperative

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Phone #

Reference 3

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
District or Cooperative

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Phone #