

# MATERIALS PURCHASE CONTRACT

Contract No. 2026-153

This Contract by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and PFVT Motors, LLC DBA Peoria Ford, an Arizona limited liability company ("Contractor") shall be effective as of the date of the last signature below. The City and Contractor may be referred to as "Party" or jointly as "Parties."

## RECITALS

**WHEREAS**, the City desires to receive Five (5) Ford Interceptors; and

**WHEREAS**, Contractor is able to provide the materials; and

**NOW THEREFORE**, in consideration for the mutual promises herein, the Parties agree as follows:

## AGREEMENT

### 1. Scope of Work

#### 1.1 General Description

Contractor shall provide the materials generally described as: Five (5) Ford Interceptors.

#### 1.2 Specific Purchase

The specific requirements of the materials to be purchased are identified in the Materials & Price List, attached hereto as Exhibit A (the "Materials").

### 2. Term and Renewal

#### 2.1 Contract Term

The term of the Contract shall expire upon completion of the purchase identified in Exhibit A unless terminated pursuant to the provisions of the Contract. The Contract will be effective as of the date signed by both parties. The City Council has the authority to amend the term of the Contract.

### 3. Compensation and Materials & Price List

#### 3.1 Compensation

Contractor shall be paid for satisfactory performance of the Contract in an amount not to exceed two hundred forty-nine thousand nine hundred thirty-six dollars and eighty cents (\$249,936.80) including fees and taxes.

#### 3.2 Price

Contractor shall, in the quantities set forth in any purchase order that the City may submit to the Contractor, sell to the City the Materials at the prices stated in the Materials & Price List, attached as Exhibit A.

#### 3.3 Price Adjustments

Price adjustments may be negotiated annually, at the date of the execution of the original Contract, at the discretion of the City. Any request for a price increase must be submitted no later than thirty (30) days in advance of the execution date and include supporting documentation demonstrating that the increase in contract price is based on an increased cost to the Contractor and that the proposed pricing is still competitive in the marketplace.

### 3.4 Formal Amendment Required

Any price adjustment must be approved by mutual written consent of the parties through a formal amendment. The City Manager or his/her designee may approve an amendment if the total amount of the Contract, as amended, is less than \$100,000; otherwise, City Council approval is required.

## 4. Termination and Cancellation Clauses

### 4.1 Non-Appropriation

The City may terminate the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

### 4.2 For Convenience

Either Party may terminate the Contract for any reason by giving the other Party written notice of such termination no less than fifteen (15) days prior to the date of termination. If the Contract is so terminated, the City's only payment obligation under the Contract shall be for those Services completed prior to the effective date of the termination.

### 4.3 Conflict of Interest

The Contract is subject to the terms of A.R.S. § 38-511.

### 4.4 Payment Upon Termination

Upon termination of the Contract, the City shall pay Contractor for satisfactory performance up until the effective date of termination. The City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.

## 5. Insurance

### 5.1 Minimum Scope and Limits of Insurance

Contractor shall maintain the necessary insurance to provide the Materials described within the Contract.

## 6. Indemnity

### 6.1 Indemnity

Contractor shall be fully liable for the actions of its agents, employees, partners, and assigns and shall fully indemnify, defend, and hold harmless the City, and their officers, agents, and employees from third party suits, actions, damages, and costs of every name and description, including attorneys' fees to the extent arising from or relating to personal injury and damage to real or personal property, caused in whole or in part by the negligence or willful misconduct of Contractor, its agents, employees, partners, or assigns. This indemnification shall survive termination or expiration of the Contract.

## 7. Employees, Assignment, and Subcontractors

### 7.1 Assignment/Subcontracting

Contractor shall not assign, sell, transfer, or subcontract rights, or delegate responsibilities of this Contract, in whole or in part, without the City's prior written approval.

### 7.2 Independent Contractor

Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, compulsory

Workers' Compensation laws of the State of Arizona under A.R.S. § 23-901 (et. seq.) and/or unemployment insurance laws.

### 7.3 Nondiscrimination

Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides Services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, and/or familial status and represents and warrants that it complies with all applicable federal, state, and local laws, ordinances and executive orders regarding employment.

### 7.4 Drug Free Workplace

The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor's personnel shall abstain from use or possession of illegal drugs while engaged in performance of the Contract.

### 7.5 Immigration Laws

Pursuant to A.R.S. § 41-4401, Contractor hereby warrants that it and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and/or federal immigration laws and regulations shall constitute a material breach of the Contract.

### 7.6 Forced Labor of Ethnic Uyghurs

Contractor hereby certifies that it does not use the forced labor of ethnic Uyghurs in the People's Republic of China as defined in A.R.S. § 35-394, et seq.

## 8. Invoicing and Payment after Delivery

### 8.1 Payment

Unless otherwise stated in the Materials & Price List, payment for the Materials is due within thirty (30) days of the date of the Contractor's delivery of Materials conforming to the Contract and receipt of the Contractor's invoice, whichever is later.

### 8.2 Invoice

Contractor should invoice the City by an itemized list of charges. The City's Purchase Order Number and/or the Contract Number should be referenced on each invoice. Invoices shall include the Contract and/or Purchase Order number and dates when the work has been performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory Services received and accepted by City.

### 8.3 Taxes

Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees.

### 8.4 Exception

The City will pay any taxes which are specifically identified as a line-item dollar amount in Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the award process. Such taxes shall be identified as a separate line item in Contractor's invoices.

## 9. Materials

### 9.1 Quality

Contractor warrants that all Materials supplied under the Contract will be new and free from defects in material or workmanship. The Materials will conform to any statements made on the containers or labels or advertisements for the Materials and will be safe and appropriate for use as normally used. The City's inspection, testing, acceptance, or use of Materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.

### 9.2 Manufacturer's Warranties

Contractor shall deliver all Manufacturer's Warranties to the City upon the City's acceptance of the Materials.

### 9.3 Delivery

Contractor shall deliver the Materials FOB destination to the City's receiving address as set forth in the relevant purchase order under the Contract. All transportation and handling charges shall be paid by the Contractor, unless the Parties agree otherwise in a writing signed by the Parties. Risk of loss of the Materials will pass to the City upon Contractor's delivery of Materials conforming to the Contract pursuant to a purchase order from the City under this Contract. Contractor shall take all reasonable measures to ensure that any Materials purchased under this Contract shall be delivered within thirty (30) days of the City's issuance of the relevant purchase order unless the Parties agree otherwise in writing. Contractor will not be liable for delays in performance or for non-performance due to unforeseen circumstances or causes beyond the Contractor's reasonable control.

### 9.4 Default in One Installment to Constitute Total Breach

Contractor may not substitute nonconforming materials. Delivery of nonconforming materials, or a default of any nature, shall constitute a breach of the Contract as a whole.

## 10. General Terms

### 10.1 Governing Law and Venue

The Contract shall be governed by and construed in accordance with the laws of the State of Arizona. In the event of litigation, exclusive venue arising under this Contract is Coconino County, Arizona.

### 10.2 Attorneys' Fees

If any action at law or in equity is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, professional fees, and expenses.

### 10.3 Public Records

The Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law. A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential," the City will endeavor to notify Contractor prior to release of such information.

### 10.4 Inspection

The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five (5) years after completion of the Contract.

### 10.5 Cooperative Use

If Contractor agreed during the procurement process, Contractor may enter into cooperative purchase arrangements, as sanctioned by state and federal law, to allow Contractor to sell the Materials identified on the

Materials & Price List to any member of a cooperative group under the same pricing, terms, and conditions of the Contract awarded to the Contractor.

10.6 No Boycott of Israel

Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents (\$100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

10.7 Compliance with Laws

Contractor shall comply with all applicable federal, state, and local laws, regulations, standards, codes, and ordinances, including acquiring the requisite insurance, licenses, permits, and approvals, required to perform the Contract, and provide copies to City upon request.

11. Amendment

The Contract is intended to be the complete and final agreement of the Parties. The Contract may be amended through a formal written amendment Parties. A “change order” is not a sufficient mechanism for amending the Contract.

12. Notice

Any formal notice under the Contract shall be in writing via certified mail and email as follows:

To the City:

Jennifer Brown  
Public Works - Fleet Services  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
Email:jennifer.brown@flagstaffaz.gov  
Phone:(928) 213-2108

To Contractor:

Pete Czyznik  
PFVT MOTORS, LLC dba Peoria Ford  
9130 West Bell Road  
Peoria, AZ 85382  
Email: [pete.czyznik@governmentautosales.com](mailto:pete.czyznik@governmentautosales.com)  
Phone: (623) 777-2772

With a copy to:

Emily Markel  
City of Flagstaff  
211 W. Aspen Ave.  
Flagstaff, AZ 86001  
Email: emarkel@flagstaffaz.gov

13. Authority

Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

**IN WITNESS WHEREOF**, the City and Contractor, by their duly authorized representatives, have executed this Contract effective as of the date of the last signature below.

CONTRACTOR

CITY OF FLAGSTAFF

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**FULL NAME**

\_\_\_\_\_  
**FULL NAME**

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**DATE SIGNED**

\_\_\_\_\_  
**DATE SIGNED**

**ATTEST:**

\_\_\_\_\_  
**SIGNATURE**

Stacy Saltzburg

\_\_\_\_\_  
**FULL NAME**

City Clerk

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**DATE SIGNED**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**FULL NAME**

City Attorney's Office

\_\_\_\_\_  
**TITLE**

\_\_\_\_\_  
**DATE SIGNED**

# Exhibits List

A - Exhibit A - Bid Schedule

**Exhibit A**

**Exhibit A - Bid Schedule**

**Exhibit A**

<b>PFVT Motors, LLC dba Peoria Ford</b>		<b>Unit Cost</b>	<b>Total (1) Unit</b>	<b>5 Units</b>
Ford Police				
Interceptor Utility		\$46,231.0		
SUV (one unit)	1	0	\$46,231.00	\$231,155.00
Tax	1	\$3,744.71	\$3,744.71	\$18,723.55
Freight/Delivery	1	\$0.00	\$0.00	\$0.00
Other Fees				
(Description)	1	\$11.65	\$11.65	\$58.25
<b>Total</b>			<b>\$49,987.36</b>	<b>\$249,936.80</b>

5 units from PFVT for **\$249,936.80**