

**ATTACHMENT A**

**CONTRACT FOR  
ESCRAP RECYCLING CONTRACT**

**BETWEEN**

**THE COMMONWEALTH OF KENTUCKY  
FINANCE AND ADMINISTRATION CABINET  
COMMONWEALTH OFFICE OF TECHNOLOGY (COT) and  
ENERGY AND ENVIRONMENT CABINET, DIVISION OF WASTE MANAGEMENT  
(DWM)**

**AND**

**GLOBAL ENVIRONMENTAL SERVICES, LLC (GES)**

**MA 758 150000518**

**Vendor Contact Information:**

**Charles V. Landreville  
109 Triport Road, Suite 1  
Georgetown, KY 40324  
(502) 509-9225**

**[Chuck.landreville@gesrecycles.com](mailto:Chuck.landreville@gesrecycles.com)**

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This Master Agreement ("Contract", "Award", or "Agreement") is entered into, by and between the Commonwealth of Kentucky, Finance and Administration Cabinet and the Energy and Environment Cabinet ("the Commonwealth", "Customer") and Global Environmental Services, LLC ("GES") as the Prime Contractor to establish a Contract for eScrap Recycling Services. Use of this contract for eScrap purposes will be mandatory for all Executive Branch agencies, and voluntary use by all other political subdivisions of the state (school districts, universities, and community colleges, local governments, the Judicial and Legislative Branches).

The Commonwealth and Contractor agree to the following:

**I. Scope of Contract**

The purpose of this Contract is to provide eScrap Recycling Services. Use of this contract for eScrap purposes will be mandatory for all Executive Branch

**agencies, and voluntary use by all other political subdivisions of the state (school districts, universities, and community colleges, local governments, the Judicial and Legislative Branches).**

## **II. Contract Components and Order of Precedence**

The Commonwealth's acceptance of the Contractor's offer in response to the Solicitation RFP 758 1500000089, indicated by the issuance of a Contract Award by the Office of Procurement Services, shall create a valid Contract between the Parties consisting of the following:

1. Any written Agreement between the Parties;
2. Any Addenda to the Solicitation RFP 758 1500000089;
3. Solicitation RFP 758 1500000089 and all attachments thereto, including Section 40--Terms and Conditions of a Contract with the Commonwealth of Kentucky;
4. General Conditions contained in 200 KAR 5:021 and Office of Procurement Services' FAP110-10-00;
5. Any Best and Final Offer;
6. Any clarifications concerning the Contractor's proposal in response to Solicitation RFP 758 1500000089;
7. The Contractor's proposal in response to Solicitation RFP 758 1500000089.

In the event of any conflict between or among the provisions contained in the Contract, the order of precedence shall be as enumerated above.

## **III. Negotiated Items**

1. The Commonwealth agreed to accept per pound charges only on the following:
  - Monitor or Terminal CRT (excluding televisions) shall be charged per pound to the Commonwealth at \$0.00. Per unit not allowed.
  - Monitor or Terminal LCD (excluding televisions) shall be charged per pound to the Commonwealth at \$0.00. Per unit not allowed.
  - Television CRT shall be charged per pound to the Commonwealth at \$0.10. Per unit not allowed
  - Television LCD shall be charged per pound to the Commonwealth at \$0.00. Per unit not allowed.
2. The Commonwealth and GES shall finalize the SLA thirty (30) days after the award. Such SLA shall become a part of this Contract pursuant to Section 40.7, Changes and Modifications to the Contract.
3. The Commonwealth reserves the right to negotiate with GES on the addition of destruction services specific to Executive Branch Agencies.

#### **IV. Terms and Conditions (Per Sections 30 - 50 of RFP 758 150000089)**

##### **30.1 Commonwealth Information Technology Policies and Standards**

The Vendor and any subcontractors shall be required to adhere to applicable Commonwealth policies and standards related to technology use and security.

##### **30.2 Compliance with Commonwealth IT Enterprise Architecture and Standards**

The Commonwealth IT Enterprise Architecture and Standards reflect a set of principles for information, technology, applications, and organization. These standards provide guidelines, policies, directional statements and sets of standards for information technology. It defines, for the Commonwealth, functional and information needs so that technology choices can be made based on business objectives and service delivery. The Vendor shall stay knowledgeable and shall abide by these standards for all related work.

<http://technology.ky.gov/governance/Pages/architecture.aspx>

##### **30.3 Compliance with Commonwealth Security Standards**

The software deployment and all Vendor services shall abide by security standards as outlined in the Commonwealth's Enterprise Information Technology Policies.

Enterprise Policies

<http://technology.ky.gov/ciso/Pages/InformationSecurityPolicies,StandardsandProcedures.aspx>

**Finance and Administration Cabinet Commonwealth Office of Technology  
Enterprise IT Policies**

<http://finance.ky.gov/services/policies/Pages/default.aspx>

##### **30.4 Compliance with Industry Accepted Reporting Standards Based on Security Controls and Trust Principles**

The vendor must employ a comprehensive risk and threat management approach based on defined industry standards for service organizations such as the Statement on Standards for Attestation Engagements (SSAE 16). The vendor must undergo annual controls reviews based on these standards and have the ability to demonstrate compliance through the applicable reporting mechanisms associated with these reviews. This shall include providing access to any publicly available reports (i.e. SSAE 16 SOC 3) as well as on site reviews of reports available specifically for business partners (i.e. SSAE 16 SOC 2).

##### **30.5 Privacy, Confidentiality and Ownership of Information**

The Commonwealth Office of Technology (COT) is the designated owner of all data and shall approve all access to that data. The Vendor shall not have ownership of Commonwealth data at any time. The Vendor shall be in compliance with privacy policies established by governmental agencies or by state or federal law. Privacy policy statements may be developed and amended

from time to time by the Commonwealth and will be appropriately displayed on the Commonwealth portal (Ky.gov). The Vendor should provide sufficient security to protect the Commonwealth and COT data in network transit, storage, and cache. **All sensitive data, as defined in Enterprise Standards, must be encrypted in-transit.**

### 30.6 **Identity Theft Prevention and Reporting Requirements**

The Vendor shall ensure the delivery and/or provision of Information Technology hardware, software, systems, and/or services in accordance with KRS 42.726 and KRS 61.931 to 61.934. The vendor shall prevent unauthorized access to "Identity Information" of Commonwealth citizens, clients, constituents and employees. "Identity Information" includes, but is not limited to, an individual's first name or initial and last name or any two items of the following information listed in combination as to singularly identify an individual or entity associated with the data:

- A. **Social Security Number;**
- B. **Driver's License Number;**
- C. **Email address, or Physical Mailing or Residential Address**
- D. **Telephony Communication Data: Phone Numbers Land Line/Cellular**
- E. **Any Specific Privacy Addenda inclusive to FERPA or HIPAA**
- F. **System Access ID's and associated passwords; and**
- G. **Account Information—such as account number(s), credit/debit/ProCard number(s), and/or passwords and/or security codes.**
- H. **In regards to student specifics exclusive of FERPA:**
  - **Attached data of parent or guardian to the above list.**

The Vendor shall adhere to CIO-091 Enterprise Information Security Program - The Commonwealth applies the moderate-impact controls defined in The National Institute of Standards and Technology (NIST) Special Publication 800-53 Security and Privacy Controls to systems that will be in our environment.

<http://finance.ky.gov/services/policies/Documents/CIO-091.pdf>

The vendor shall also immediately notify as soon as it is known, but not to exceed twenty-four (24) hours, the contracting agency, the Office of Procurement Services, and the Commonwealth Office of Technology of breach or knowledge of breach in addition to any breach under investigation or breach not yet confirmed of Commonwealth data containing "Identity Information."

The vendor agrees that the Commonwealth may terminate the contract(s) and/or may withhold payment(s) owed to the vendor for any violation of the Identity Theft Prevention Reporting Requirements.

### 30.7 **Section 508 Compliance**

All user interfaces to the solution(s) provided, shall be warranted by the vendor to comply with Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) and the World Wide Web Consortium's (W3C) Web Content Accessibility Guidelines (WCAG) 1.0, conformance level Double-A or greater.

### 30.8 **Applicable Security Control Framework Compliance**

The vendor must have an awareness and understanding of the NIST Special Publication 800-53 Security Control Framework and employ safeguards that meet or exceed the moderate level controls as defined within the standard. These controls must provide sufficient safeguards to provide reasonable protections around the Commonwealth's data to ensure that the confidentiality, integrity, and availability are maintained at an appropriate level. These include but are not limited to:

- *Access Control*  
The vendor must employ policy and process that provide for stringent control to limit physical and logical access to systems that house Commonwealth data to a need to know basis and provide clear separation of duties.
- *Awareness and Training*  
The vendor must provide the appropriate role specific training for staff to ensure that there is awareness and understanding of roles and responsibilities as they relate to the protections around the Commonwealth's data.
- *Audit and Accountability*  
There must be sufficient auditing capability to ensure that actions are tracked and there is individual accountability for all actions taken by vendor staff.
- *Configuration Management*  
The vendor must work within established baselines that provide minimal functionality needed to ensure service delivery without exposing unnecessary risk. The vendor must also employ structured change control processes that provide a level of coordination with the client agreed upon in a Service Level Agreement (SLA).
- *Contingency Planning*  
The vendor must employ contingent planning policy and procedures that ensure service delivery based on agreed SLA levels while maintaining all Commonwealth data within the continental United States.
- *Identification and Authorization*  
The vendor must employ appropriate identity and access management policies and procedures to ensure that access is appropriately authorized and managed at a level to ensure that access is provisioned and de-provisioned in a timely and efficient manner.
- *Incident Response*  
The vendor must employ policy and procedures to ensure that an appropriate response to all identified security incidents are addressed in a timely manner and are reported to the appropriate parties in an agreed upon SLA

timeframe. The vendor must also ensure that all staff are sufficient trained to ensure that they can identify situations that are classified as security incidents.

- ***Maintenance***  
The vendor must employ policy and procedures that ensure that all maintenance activities are conducted only by authorized maintenance staff leveraging only authorized maintenance tools.
- ***Media Protection***  
The vendor must employ policy and procedure to ensure that sufficient protections exist to protect Commonwealth data on all storage media throughout the media lifecycle and maintain documentation from media creation through destruction.
- ***Physical and Environmental Controls***  
The vendor must employ physical and environmental policies and procedures that ensure that the service and delivery infrastructure are located in a physically secure and environmentally protected environment to ensure the confidentiality, integrity, and availability of Commonwealth data.
- ***Personnel Security***  
The vendor must employ policies and procedures to ensure that all staff that have access to systems that house, transmit, or process Commonwealth data have been appropriate vetted and have been through a background check at the time of hire and periodically thereafter.
- ***System and Communications Protections***  
The vendor must employ physical and logical protection that protect system communications and communication media from unauthorized access and to ensure adequate physical protections from damage.

#### 40.1 **Procurement Requirements**

Procurement requirements are listed under “**Procurement Laws, Preference, Regulations and Policies**” and “**Response to Solicitation**” located on the eProcurement Web page at <http://eprocurement.ky.gov> and <http://finance.ky.gov/services/eprocurement/Pages/VendorServices.aspx> respectively. The vendor must comply with all applicable statutes, regulations and policies related to this procurement.

#### 40.2 **Contract Components and Order of Precedence**

The Commonwealth's acceptance of the Contractor's offer in response to the Solicitation RFP 758 1500000089, indicated by the issuance of a Contract Award by the Office of Procurement Services, shall create a valid Contract between the Parties consisting of the following:

1. Any written Agreement between the Parties;
2. Any Addenda to the Solicitation RFP 758 1500000089;
3. The Solicitation RFP 758 1500000089 and all attachments
4. Procurement Statutes, Regulations and Policies

5. Any Best and Final Offer;
6. Any clarifications concerning the Contractor's proposal in response to the Solicitation RFP 758 1500000089;
7. The Contractor's proposal in response to the Solicitation RFP 758 1500000089.

In the event of any conflict between or among the provisions contained in the Contract, the order of precedence shall be as enumerated above.

**40.3 Final Agreement**

This Contract represents the entire agreement between the parties with respect to the subject matter hereof. Prior negotiations, representations, or agreements, either written or oral, between the parties hereto relating to the subject matter hereof shall be of no effect upon this Contract.

**40.4 Contract Provisions**

If any provision of this Contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both the Commonwealth and the Contractor shall be relieved of all obligations arising under such provision. If the remainder of this Contract is capable of performance, it shall not be affected by such declaration or finding and shall be fully performed.

**40.5 Type of Contract**

This contract shall be on the basis of a **firm fixed unit price**.

**40.6 Contract Usage**

The contractual agreement with the Vendor will in no way obligate the Commonwealth of Kentucky to purchase any services or equipment under this Contract. The Commonwealth agrees, in entering into any contract, to purchase only such services in such quantities as necessary to meet the actual requirements as determined by the Commonwealth.

**40.7 Addition or Deletion of Items or Services**

The Office of Procurement Services reserves the right to add new and similar items, by issuing a Contract Modification, to this Contract with the consent of the Vendor. Until such time as the Vendor receives a Modification, the Vendor shall not accept Delivery Orders from any agency referencing such items or services.

**40.8 Changes and Modifications to the Contract**

Pursuant to KRS 45A.210 (1) and 200 KAR 5:311, no modification or change of any provision in the Contract shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the Contractor and the Commonwealth, and incorporated as a written amendment to the Contract and processed through the Office of Procurement Services and approved by the Finance and Administration Cabinet prior to the effective date of such

modification or change pursuant to KRS 45A.210(1) and 200 KAR 5:311. Memorandum of understanding, written clarification, and/or correspondence shall not be construed as amendments to the Contract.

If the Contractor finds at any time that existing conditions made modification of the Contract necessary, it shall promptly report such matters to the Commonwealth Buyer for consideration and decision.

**40.9 Changes in Scope**

The Commonwealth may, at any time by written order, make changes within the general scope of the Contract. No changes in scope are to be conducted except at the approval of the Commonwealth.

**40.10 Contract Conformance**

If the Commonwealth Buyer determines that deliverables due under the Contract are not in conformance with the terms and conditions of the Contract and the mutually agreed-upon project plan, the Buyer may request the Contractor to deliver assurances in the form of additional Contractor resources and to demonstrate that other major schedules will not be affected. The Commonwealth shall determine the quantity and quality of such additional resources and failure to comply may constitute default by the Contractor.

**40.11 Assignment**

The Contract shall not be assigned in whole or in part without the prior written consent of the Commonwealth Buyer.

**40.12 Payment**

The Commonwealth will make payment within thirty (30) working days of receipt of Contractor's invoice or of acceptance of goods and/or services in accordance with KRS 45.453 and KRS 45.454.

Payments are predicated upon successful completion and acceptance of the described work, services, supplies, or commodities, and delivery of the required documentation. Invoices for payment shall be submitted to the Agency Contact Person or his representative.

**40.13 Contractor Cooperation in Related Efforts**

The Commonwealth of Kentucky may undertake or award other contracts for additional or related work, services, supplies, or commodities, and the Contractor shall fully cooperate with such other contractors and Commonwealth employees. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Commonwealth employees.

**40.14 Contractor Affiliation**

"Affiliate" shall mean a branch, division or subsidiary that is effectively controlled by another party. If any affiliate of the Contractor shall take any action that, if

done by the Contractor, would constitute a breach of this agreement, the same shall be deemed a breach by such party with like legal effect.

**40.15 Commonwealth Property**

The Contractor shall be responsible for the proper custody and care of any Commonwealth-owned property furnished for Contractor's use in connections with the performance of this Contract. The Contractor shall reimburse the Commonwealth for its loss or damage, normal wear and tear excepted.

**40.16 Confidentiality of Contract Terms**

The Contractor and the Commonwealth agree that all information communicated between them before the effective date of the Contract shall be received in strict confidence and shall not be necessarily disclosed by the receiving party, its agents, or employees without prior written consent of the other party. Such material will be kept confidential subject to Commonwealth and Federal public information disclosure laws.

Upon signing of the Contract by all Parties, terms of the Contract become available to the public, pursuant to the provisions of the Kentucky Revised Statutes.

The Contractor shall have an appropriate agreement with its Subcontractors extending these confidentiality requirements to all Subcontractors' employees.

**40.17 Confidential Information**

The Contractor shall comply with the provisions of the Privacy Act of 1974 and instruct its employees to use the same degree of care as it uses with its own data to keep confidential information concerning client data, the business of the Commonwealth, its financial affairs, its relations with its citizens and its employees, as well as any other information which may be specifically classified as confidential by the Commonwealth in writing to the Contractor. All Federal and State Regulations and Statutes related to confidentiality shall be applicable to the Contractor. The Contractor shall have an appropriate agreement with its employees, and any subcontractor employees, to that effect, provided however, that the foregoing will not apply to:

- A. Information which the Commonwealth has released in writing from being maintained in confidence;
- B. Information which at the time of disclosure is in the public domain by having been printed or published and available to the public in libraries or other public places where such data is usually collected;  
or
- C. Information, which, after disclosure, becomes part of the public domain as defined above, through no act of the Contractor.

**40.18 Advertising Award**

The Contractor shall not refer to the Award of Contract in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the Commonwealth of Kentucky without the expressed written consent of the Agency Technical Contact person listed.

**40.19 Patent or Copyright Infringement**

The Contractor shall report to the Commonwealth promptly and in reasonable written detail, each notice of claim of patent or copyright infringement based on the performance of this Contract of which the Contractor has knowledge.

The Commonwealth agrees to notify the Contractor promptly, in writing, of any such claim, suit or proceeding, and at the Contractor's expense give the Contractor proper and full information needed to settle and/or defend any such claim, suit or proceeding.

If, in the Contractor's opinion, the equipment, materials, or information mentioned in the paragraphs above is likely to or does become the subject of a claim or infringement of a United States patent or copyright, then without diminishing the Contractor's obligation to satisfy any final award, the Contractor may, with the Commonwealth's written consent, substitute other equally suitable equipment, materials, and information, or at the Contractor's options and expense, obtain the right for the Commonwealth to continue the use of such equipment, materials, and information.

The Commonwealth agrees that the Contractor has the right to defend, or at its option, to settle and the Contractor agrees to defend at its own expense, or at its option to settle, any claim, suit or proceeding brought against the Commonwealth on the issue of infringement of any United States patent or copyright or any product, or any part thereof, supplied by the Contractor to the Commonwealth under this agreement. The Contractor agrees to pay any final judgment entered against the Commonwealth on such issue in any suit or proceeding defended by the Contractor.

If principles of governmental or public law are involved, the Commonwealth may participate in the defense of any such action, but no costs or expenses shall be incurred for the account of the Contractor without the Contractor's written consent.

The Contractor shall have no liability for any infringement based upon:

- A. the combination of such product or part with any other product or part not furnished to the Commonwealth by the Contractor
- B. the modification of such product or part unless such modification was made by the Contractor
- C. the use of such product or part in a manner for which it was not designed

- 40.20 Permits, Licenses, Taxes and Commonwealth Registration**  
The Contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations, and ordinances of all Federal, State, and local governments in which work under this Contract is performed.
- The Contractor shall maintain certification of authority to conduct business in the Commonwealth of Kentucky during the term of this Contract. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. Additional local registration or license may be required.
- The Contractor shall pay any sales, use, and personal property taxes arising out of this Contract and the transaction contemplated hereby. Any other taxes levied upon this Contract, the transaction, or the equipment or services delivered pursuant hereto shall be borne by the Contractor.
- 40.21 EEO Requirements**  
The Equal Employment Opportunity Act of 1978 applies to All State government projects with an estimated value exceeding \$500,000. The Contractor shall comply with all terms and conditions of the Act.
- <http://finance.ky.gov/services/eprocurement/Pages/VendorServices.aspx>.
- 40.22 Provisions for Termination of the Contract**  
This Contract shall be subject to the termination provisions set forth in 200 KAR 5:312.
- 40.23 Bankruptcy**  
In the event the Contractor becomes the subject debtor in a case pending under the Federal Bankruptcy Code, the Commonwealth's right to terminate this Contract may be subject to the rights of a trustee in bankruptcy to assume or assign this Contract. The trustee shall not have the right to assume or assign this Contract unless the trustee (a) promptly cures all defaults under this Contract; (b) promptly compensates the Commonwealth for the monetary damages incurred as a result of such default, and (c) provides adequate assurance of future performance, as determined by the Commonwealth.
- 40.24 Conformance with Commonwealth & Federal Laws/Regulations**  
This Contract is subject to the laws of the Commonwealth of Kentucky and where applicable Federal law. Any litigation with respect to this Contract shall be brought in state or federal court in Franklin County, Kentucky in accordance with KRS 45A.245.
- 40.25 Accessibility**

Vendor hereby warrants that the products or services to be provided under this Contract comply with the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, part 1194. Vendor further warrants that the products or services to be provided under this Contract comply with existing federal standards established under Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255), and its implementing regulations set forth at Title 36, Code of Federal Regulations, part 1193, to the extent the Vendor's products or services may be covered by that act. Vendor agrees to promptly respond to and resolve any complaint regarding accessibility of its products or services which is brought to its attention.

**40.26 Access to Records**

The Contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884.

In the event of a dispute between the contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004).

**40.27 Prohibitions of Certain Conflicts of Interest**

In accordance with KRS 45A.340, the contractor represents and warrants, and the Commonwealth relies upon such representation and warranty, that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services. The contractor further represents and warrants that in the performance of the contract, no person, including any subcontractor, having any such interest shall be employed.

In accordance with KRS 45A.340 and KRS 11A.040 (4), the contractor agrees that it shall not knowingly allow any official or employee of the Commonwealth who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this contract to voluntarily acquire any ownership interest, direct or indirect, in the contract prior to the completion of the contract.

**40.28 No Contingent Fees**  
No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, excepting bona fide employees of the Offeror or bona fide established commercial or selling agencies maintained by the Offeror for the purpose of securing business. For breach or violation of this provision, the Commonwealth shall have the right to reject the proposal or cancel the contract without liability.

**40.29 Intentionally Left Blank**

**40.30 Contract Claims**  
The Parties acknowledge that KRS 45A.225 to 45A.290 governs contract claims.

**40.31 Limitation of Liability**  
The liability of the Commonwealth related to contractual damages is set forth in KRS 45A.245.

**50.1 Agencies to Be Served**  
This contract shall be for use by **All State Agencies. Use for the Executive Branch will be mandatory for the purposes of the disposition of their eScrap. All other political subdivisions of the state will be encouraged to continue to participate.** No shipments shall be made except upon receipt by Vendor of an official Delivery Order from a using agency.

**50.2 Term of Contract and Renewal Options**  
The initial term of the Contract shall be for a period of **two (2) years** from the effective date of the Award of Contract.

This Contract may be renewed at the completion of the initial Contract period for **three (3) additional two (2) year** periods upon the mutual agreement of the Parties. Such mutual agreement shall take the form of a Contract Modification as described in Section 40.8.

At the end of the contract the Vendor shall provide all agency data in a form that can be converted to any subsequent system of the agency's choice. The Vendor shall cooperate to this end with the Vendor of the agency's choice, in a timely and efficient manner.

The Commonwealth reserves the right not to exercise any or all renewal options. The Commonwealth reserves the right to extend the contract for a period less than the length of the above-referenced renewal period if such an extension is determined by the Commonwealth Buyer to be in the best interest of the Commonwealth.

The Commonwealth reserves the right to renegotiate any terms and/or conditions as may be necessary to meet requirements for the extended period. In the event proposed revisions cannot be agreed upon, either party shall have the right to withdraw without prejudice from either exercising the option or continuing the contract in an extended period.

**50.3 Basis of Price Revisions**

**PRICE ADJUSTMENTS:** Unless otherwise specified, the prices established by the Contract shall remain firm for the contract period subject to the following:

**A: Price Increase:** A price increase shall not occur during the first twelve (12) months of the contract. A vendor may request a price increase after twelve (12) months of the contract, which may be granted or denied by the Commonwealth. Any such price increase shall be based on industry wide price changes. The Contract holder must request in writing a price increase at least thirty (30) days prior to the effective date, and shall provide firm proof that the price increase(s) is justified. The Office of Procurement Services may request additional information or justification. If the price is denied, the Contract holder may withdraw from the Contract without prejudice upon written notice and approval by the Office of Procurement Services. Provided, however, that the Vendor must continue service, at the Contract prices, until a new Contract can be established (usually within sixty (60) days).

**B: Price Decreases:** The Contract price shall be reduced to reflect any industry wide price decreases. The Contract holder is required to furnish the Office of Procurement Services with notice of any price decreases as soon as such decreases are available.

**C: Extended Contract Periods:** If the Contract provides for an optional renewal period, a price adjustment may be granted at the time the Contract is renewed, subject to price increase justification as required in Paragraph A "Price Increases" as stated above.

**50.4 Notices**

After the Award of Contract, all programmatic communications with regard to day-to-day performance under the contract are to be made to the Agency technical contact(s) identified during the negotiation phase of this procurement.

**DWM PROJECT CONTACT:**  
**Thomas Heil**  
**Division of Waste Management**  
**200 Fair Oaks Lane, 2<sup>nd</sup> Floor**  
**Frankfort, KY 40601**  
**Phone: (50) 564-6717 x 4640**  
**Email: [Thomas.Heil@ky.gov](mailto:Thomas.Heil@ky.gov)**

After the Award of Contract, all communications of a contractual or legal nature are to be made to the Commonwealth Buyer.

**Susan S. Noland**  
**Commonwealth of Kentucky**  
**Finance and Administration Cabinet**  
**Office of Procurement Services**  
**702 Capitol Avenue, Room 096**  
**Frankfort, KY 40601**  
**Phone: (502) 564-5951**  
**Email: Susan.Noland@ky.gov**

**50.5 Subcontractors**

The Contractor is permitted to make subcontract(s) with any other party for furnishing any of the work or services herein. The Contractor shall be solely responsible for performance of the entire Contract whether or not subcontractors are used. The Commonwealth shall not be involved in the relationship between the prime contractor and the subcontractor. Any issues that arise as a result of this relationship shall be resolved by the prime contractor. All references to the Contractor shall be construed to encompass both the Contractor and any subcontractors of the Contractor.

## V. Pricing

	Reimbursement Rate Per Unit	Reimbursement Rate Per Pound
Server (CPU/s, drive/s & accessories)	\$20.00	\$0.14
Desktop Computer (CPU & accessories)	\$7.00	\$0.18
Laptop, Netbook or Tablet Computer	\$15.00	\$0.20
eReader Device (iPad, Kindle, etc.)	\$50.00	\$25.00
Printer or Fax Machine	\$0.00	\$0.00
Copy Machine or Multi Function Device	\$75.00	\$0.03
Cell Phone or Pager	\$2.00	\$6.00
Smart Phone or PDA	\$20.00	\$15.00
Hard Drive	\$0.00	\$0.00
Memory	\$2.50	\$35.00
Misc. Computer or Video Component	\$0.00	\$0.00
Landline Telephony Component	\$0.25	\$0.05
LAN Component (hub, switch, etc.)	\$0.00	\$0.05
WAN Component (router, firewall, etc.)	\$0.00	\$0.05
Wiring & Cable		\$0.38

	Charge to the Commonwealth Per Unit	Charge to the Commonwealth Per Pound
Monitor or Terminal CRT (excluding televisions)	Not applicable	\$0.00
Monitor or Terminal LCD (excluding televisions)	Not applicable	\$0.00
Television CRT	Not applicable	\$0.10
Television LCD	Not applicable	\$0.00

**VI. Approvals**

This Contract is subject to the terms and conditions as stated. By executing this Contract, the parties verify that they are authorized to bind this Agreement and that they accept the terms of this Agreement.

This Contract may be executed electronically in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Contract.

This Contract is invalid until properly approved and executed by the Finance and Administration Cabinet.

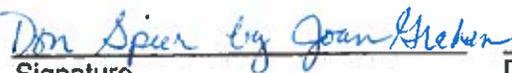
**1st Party: Global Environmental Services, LLC, as Contracting Agent  
("Contractor" or "Vendor")**

<u>Kenneth Gravitt</u>	<u>President / CEO</u>
Printed name	Title
<u></u>	<u>11/11/14</u>
Signature	Date

**2nd Party: Energy and Environment Cabinet, Division of Waste Management**

<u>THOMAS A. HEIL</u>	<u>ENVIRONMENTAL SCIENTIST IV</u>
Printed name	Title
<u></u>	<u>11/12/14</u>
Signature	Date

**Approved by the Finance and Administration Cabinet  
Office of Procurement Services**

<u>Donald R. Speer</u>	<u>Executive Director</u>
Printed name	Title
<u></u>	<u>11/12/14</u>
Signature	Date