CONTRACT AWARD

Date of Award: July 01, 2018

Contract ID: 000000000000000000044988
Replace Contract: 35633

Procurement Officer: Todd Herman
Telephone: 785-296-2375
E-Mail Address: todd.herman@ks.gov
Web Address: http://admin.ks.gov/offices/procurement-and-contracts

Item: MRO Industrial / Janitorial Supplies

Agency/Business Unit: Statewide Optional use

Period of Contract: July 01, 2018 through June 30, 2019
(With the option to renew for four (4) additional 12 month periods)

Contractor: FASTENAL COMPANY
PO BOX 1286
WINONA, MN 55987-7286

Vendor ID: 0000032712

FEIN: 410948415
Contact Person: Adam Gabriel
E-Mail: agabriel@fastenal.com
Local Telephone: 785-423-3208
Cell Phone Number: 785-423-3208
Fax: 913-422-8833

Payment Terms: NET 30

Political Subdivisions: Pricing is available to the political subdivisions of the State of Kansas.

Procurement Cards: Agencies may use a P-Card for purchases from this contract.

Administrative Fee: Administrative Fees have been incorporated into the unit prices of this contract.

The above referenced contract award was recently posted to Procurement and Contracts website. The document can be downloaded by going to the following website: http://www.da.ks.gov/purch/Contracts/
1. Specifications

Exhibit A to NASPO ValuePoint Master Agreement

PARTICIPATING ADDENDUM

MASTER AGREEMENT # 8497
Exhibit A
FORM PARTICIPATING ADDENDUM

NASPO ValuePoint
PARTICIPATING ADDENDUM

Facilities Maintenance and Repair & Operations
Industrial Supplies
Lead by the State of Oregon

Master Agreement #: 8497
Contractor: Fastenal Company (Contractor)
Participating Entity: State of Kansas (Contract # 44988)

The following Goods or services are included in this Addendum:
- All Categories, Goods and accessories including Sourcing listed on the Contractor page of the NASPO ValuePoint website.

Master Agreement Terms and Conditions:
1. **Scope:** This addendum covers the **Maintenance and Facilities Repair & Operations and Industrial Supplies** led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State’s statutes to utilize State contracts with the prior approval of the State’s Chief Procurement Official.

2. **Participation:** This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Kansas. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. **Primary Contacts:** The primary contact individuals for this Participating Addendum are as follows (or their named successors):
   - **Contractor**
     - Name: Monica Nelton
     - Address: 4730 North Service Drive, Winona, MN 55987
     - Telephone: 507-313-7633
     - Fax: 507-456-7145
     - Email: mnelton@fastenal.com
4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity. Participating Entity must check one of the boxes below.

[ ] The following changes are modifying or supplementing the Master Agreement terms and conditions.

a. The laws of the State of Kansas shall govern this Addendum.

b. Order of precedence is modified as follows:
   1. State of Kansas Contractual Provisions Attachment, DA-146a attached and incorporated into this Addendum.
   2. This Participating Addendum.

c. **Shipping and F.O.B. Point:** Prices shall be F.O.B. DESTINATION, PREPAID AND ALLOWED (included in the price), which means delivered to a state agency’s receiving dock without additional charge. Shipments shall be made in order to arrive at the destination at a satisfactory time for unloading during regular working hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, except holidays.

d. **Political Subdivisions:** Political subdivisions (State Agencies, Cities, Counties, School Districts and etc.) are permitted to utilize contracts administered by Procurement and Contracts. Conditions included in this contract shall be the same for political subdivisions. The State has no responsibility for payments owed by political subdivisions. The vendor must deal directly with the political subdivision.

e. **Business Procurement Card:** Agencies may use a Business Procurement Card (Visa) in lieu of a state warrant to pay for its purchases. No additional charges will be allowed for using the card.

f. **State of Kansas Administrative Fee:** Contractor must pay a one (1) percent Administrative Fee to the State of Kansas on all purchases (including political subdivisions) made against this contract. The Administrative Fee is to be based upon the total dollars invoiced under the contract. The Administrative Fee shall be made in check form, payable to the “State of Kansas – Procurement and Contracts” and must be paid within 30 days following the end of each quarter.
g. **Quarterly Reports:** The vendor is required to submit a quarterly report to Procurement and Contracts (reports@ks.gov) detailing all acquisitions made by the State from this contract. This report should include as a minimum the agency name, quantity, description and amount.

h. **Contract Reference Number:** The above number has been assigned to this Contract and MUST be shown on all correspondence or other documents associated with this Request and MUST be referred to in all verbal communications.

i. **Termination for Convenience:** The Kansas Director of Purchases may terminate performance of work under this contract in whole or in part whenever, for any reason, the Kansas Director of Purchases shall determine that the termination is in the best interest of the State of Kansas. In the event that the Director of Purchases elects to terminate this contract pursuant to this provision, it shall provide the Contractor written notice at least thirty (30) days prior to the termination date. The termination shall be effective as of the date specified in the notice. The Contractor shall continue to perform any part of the work that may have not been terminated by the notice.

j. **Rights and Remedies:** If this contract is terminated, the State, in addition to any other rights provided for in this contract, may require the Contractor to transfer title and deliver to the State in the manner and to the extent directed, any completed materials. The State shall be obligated only for those services and materials rendered and accepted prior to the date of termination.

   If it is determined, after notice of termination for cause, that Contractor's failure was due to causes beyond the control of or negligence of the Contractor, the termination shall be a termination for convenience.

   In the event of termination, the Contractor shall receive payment prorated for that portion of the contract period services were provided to and/or goods were accepted by State subject to any offset by State for actual damages including loss of federal matching funds.

   The rights and remedies of the State provided for in this contract shall not be exclusive and are in addition to any other rights and remedies provided by law.

k. **Hold Harmless:** The Contractor shall indemnify the State against any and all claims for injury to or death of any persons; for loss or damage to any property; and for infringement of any copyright or patent occurring in connection with or in any way incidental to or arising out of the occupancy, use, service, operations or performance of work under this contract.

   The State shall not be precluded from receiving the benefits of any insurance the Contractor may carry which provides for indemnification for any loss or damage to property in the Contractor's custody and control, where such loss or destruction is to state property. The Contractor shall do nothing to prejudice the State's right to recover against third parties for any loss, destruction or damage to State property.
l. **Retention of Records:** Unless the State specifies in writing a shorter period of time, the Contractor agrees to preserve and make available all of its books, documents, papers, records and other evidence involving transactions related to this contract for a period of five (5) years from the date of the expiration or termination of this contract.

Matters involving litigation shall be kept for one (1) year following the termination of litigation, including all appeals, if the litigation exceeds five (5) years.

m. **Antitrust:** If the Contractor elects not to proceed, the Contractor assigns to the State all rights to and interests in any cause of action it has or may acquire under the anti-trust laws of the United States and the State of Kansas relating to the particular products or services purchased or acquired by the State pursuant to this contract.

n. **Severability:** If any provision of this contract is determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this contract shall not be affected and each provision of this contract shall be enforced to the fullest extent permitted by law.

o. **Mandatory Provisions:** The provisions found in Contractual Provisions Attachment (DA-146a) which is attached, are incorporated by reference and made a part of this contract.

p. **Subcontractors:** All contactors, dealers, and resellers authorized in the State of Kansas, as shown on the dedicated Contractor [www.fastenal.com/naspo-value-point](http://www.fastenal.com/naspo-value-point) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor’s dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

q. **Orders:** Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

r. **Cumulative Ordering Volume Discounts:**

s. Fastenal is offering an additional cumulative ordering volume discount if total cumulative product spend as reported under contract (inclusive of all Participating Entities within a Participating State) exceeds the volume target established in a given contract year. The additional discount will apply to product category discounts offered. The volume discount excludes market basket priced items. Additional discounts resulting from meeting cumulative ordering volumes will be effective no later than the 1st day of the 14th month (allowing a one-month evaluation period) of the contract for the second year of the contract and run for 12 consecutive months, at which time spend for the next year will be evaluated for minimum spend requirements to achieve the additional volume discount continuation. The maximum additional discount for the life of the contract is 3%. The Cumulative Ordering Volume Discount will be adjusted each contract year to coincide with the 1%, 2%, or 3% discount achieved*.

<table>
<thead>
<tr>
<th>CONTRACT YEAR SPEND of all Purchasing Entities within Participating State</th>
<th>Annual Spend $2.5+million</th>
<th>Annual Spend $4+million</th>
<th>Annual Spend $6+million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Discount per Spend Level</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

* Illustration of Cumulative Volume Discount
<table>
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</thead>
<tbody>
<tr>
<td>Spend</td>
<td>$2 Million</td>
<td>$2.5 Million</td>
<td>$2 Million</td>
<td>$4 Million</td>
<td>$7 Million</td>
</tr>
<tr>
<td>Contract Year Qualified</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Add'l Discount %</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Add'l Discount Start Date &amp; End Date</td>
<td>N/A</td>
<td>8/1/2020 – 7/31/2021</td>
<td>N/A</td>
<td>8/1/2021 – 7/31/2022</td>
<td>8/1/2022 – 6/30/2023</td>
</tr>
</tbody>
</table>

**t. Growth Incentive** – 1% fees paid on annual sales growth.

**u. Fastenal Brands Incentive** - 1% paid on annual purchases of Fastenal Brands when total Fastenal Brand spend increases over previous year.

**v.** Annual sales growth is defined as (contract spend in excess of previous year’s contract spend). Eligible annual activity includes all product spend (gross product spend less product returns) and excludes freight (if charged) and sales taxes (if charged). The benchmark for year 1 will be determined by the eligible activity.

**w. Solutions incentive** – 2% fee paid on all sales through Fastenal Vending solution or Onsite program (irrespective of contract vehicle) for the previous contract year.
Exhibit B to NASPO ValuePoint Master Agreement

Description of Products, Prices and Services

1. Products: Contractor may provide Products and Services from the following categories (including sourcing):

   - Janitorial Equip. & Supplies (does not include Sanitation cleaning chemicals)
   - Sanitation Cleaning Chemicals (does not include Janitorial Equip. & Supplies)
   - Fasteners
   - Material Handling
   - Plumbing
   - Power Sources
   - Outdoor Garden
   - Lamps, Lighting, Ballast
   - HVAC
   - Hand Tools
   - Power Tools (excluding automotive related tools and products)
   - Electrical
   - Paint
   - Security
   - Safety (does not include any public safety equipment)

Purchasing Entities may access Contractors catalog for above products at link: https://www.fastenal.com/login

Services Offered listed on attached Statement of Capabilities.
2. Supplemental

FASTENAL STORE LOCATIONS:

1416 south Santa Fe, Chanute, KS 66720
2270 Southwind Ave, Colby, KS 67701
1306 W. 11th St., Coffeyville, KS 67337
115 E. 13th St., Concordia, KS 66901
11140 Kliesen St., Dodge City, KS 67801
2502 W. Central Ave., El Dorado, KS 67042
2914 W. Hwy 50 Suite E, Emporia, KS 66801
2411 South Main Street, Fort Scott, KS 66701
1706 E Harding Ave, Garden City, KS 67846
4114 W. 10th St., Great Bend, KS 67530
1110 E 13th, Hays, KS 67601
705 E. 30th, Hutchinson, KS 67502
2801 West Main Suite C, Independence, KS 67301
2824 South 44th St, Kansas City, KS 66106
9154 Woodend Road Ste B, Edswardsville, KS 66111
829 E Warren, Gardner, KS 66030
1368 S. Enterprise Street, Olathe, KS 66061
15209 West 99th Street, Lenexa, KS 66219
3104 D. Haskell Ave, Lawrence, KS 66046
5100 South 13th, Leavenworth, KS 66048
832 E Pancake Blvd, Liberal, KS 67901
8075 E Hwy 24, Manhattan, KS 66502
301 North 81 Bypass, McPherson, KS 67460
1605 W. 1st St., Newton, KS 67114
514 North Main, Ottawa, KS 66067
800 S. 16th St, Parsons, KS 67357
122 E 3rd ST, Pittsburg, KS 66762
117 W 4th Street, Pratt, KS 67124
1615 South Highway 75, Sabetha, KS 66534
330 E. Schilling Rd., Salina, KS 67401
8168 Monticello Terrace, Sabetha, KS 66227
100 S.E. Monroe, Topeka, KS 66603
3040 N Ohio, Wichita, KS 67219
800 Nelson Drive, Derby, KS 67037
1635 E. 37th St. Suite 3, Wichita, KS 67219
2461 South Leonine Street, Wichita, KS 67217
1700 N. Summit, Arkansas City, KS 67005
3. Contractual Provisions Attachment
DA-146a Rev. 06/12

3.1. Terms Herein Controlling Provisions
It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control
over the terms of any other conflicting provision in any other document relating to and a part of the contract
in which this attachment is incorporated. Any terms that conflict or could be interpreted to conflict with this
attachment are nullified.

3.2. Kansas Law and Venue
This contract shall be subject to, governed by, and construed according to the laws of the State of Kansas,
and jurisdiction and venue of any suit in connection with this contract shall reside only in courts located in
the State of Kansas.

3.3. Termination Due To Lack Of Funding Appropriation
If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds
are not appropriated to continue the function performed in this agreement and for the payment of the
charges hereunder, State may terminate this agreement at the end of its current fiscal year. State agrees to
give written notice of termination to contractor at least 30 days prior to the end of its current fiscal year, and
shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this
contract, except that such notice shall not be required prior to 90 days before the end of such fiscal year.
Contractor shall have the right, at the end of such fiscal year, to take possession of any equipment provided
State under the contract. State will pay to the contractor all regular contractual payments incurred through
the end of such fiscal year, plus contractual charges incidental to the return of any such equipment. Upon
termination of the agreement by State, title to any such equipment shall revert to contractor at the end of the
State's current fiscal year. The termination of the contract pursuant to this paragraph shall not cause any
penalty to be charged to the agency or the contractor.

3.4. Disclaimer Of Liability
No provision of this contract will be given effect that attempts to require the State of Kansas or its agencies
to defend, hold harmless, or indemnify any contractor or third party for any acts or omissions. The liability
of the State of Kansas is defined under the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.).

3.5. Anti-Discrimination Clause
The contractor agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.)
and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111 et seq.) and the applicable
provisions of the Americans With Disabilities Act (42 U.S.C. 12101 et seq.) (ADA) and to not discriminate
against any person because of race, religion, color, sex, disability, national origin or ancestry, or age in the
admission or access to, or treatment or employment in, its programs or activities; (b) to include in all
solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to comply with
the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in
every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a
failure to comply with the reporting requirements of (c) above or if the contractor is found guilty of any
violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of
contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting
state agency or the Kansas Department of Administration; (f) if it is determined that the contractor has
violated applicable provisions of ADA, such violation shall constitute a breach of contract and the contract
may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the
Kansas Department of Administration.

Contractor agrees to comply with all applicable state and federal anti-discrimination laws.

The provisions of this paragraph number 5 (with the exception of those provisions relating to the ADA) are
not applicable to a contractor who employs fewer than four employees during the term of such contract or
whose contracts with the contracting State agency cumulatively total $5,000 or less during the fiscal year of
such agency.
3.6. **Acceptance Of Contract**
This contract shall not be considered accepted, approved or otherwise effective until the statutorily required approvals and certifications have been given.

3.7. **Arbitration, Damages, Warranties**
Notwithstanding any language to the contrary, no interpretation of this contract shall find that the State or its agencies have agreed to binding arbitration, or the payment of damages or penalties. Further, the State of Kansas and its agencies do not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the State of Kansas or its agencies at law, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.

3.8. **Representative’s Authority To Contract**
By signing this contract, the representative of the contractor thereby represents that such person is duly authorized by the contractor to execute this contract on behalf of the contractor and that the contractor agrees to be bound by the provisions thereof.

3.9. **Responsibility For Taxes**
The State of Kansas and its agencies shall not be responsible for, nor indemnify a contractor for, any federal, state or local taxes which may be imposed or levied upon the subject matter of this contract.

3.10. **Insurance**
The State of Kansas and its agencies shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this contract, nor shall this contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.), the contractor shall bear the risk of any loss or damage to any property in which the contractor holds title.

3.11. **Information**
No provision of this contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101 et seq.

3.12. **The Eleventh Amendment**
"The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the State to reiterate that nothing related to this contract shall be deemed a waiver of the Eleventh Amendment."

3.13. **Campaign Contributions / Lobbying**
Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.