



A Joint Purchasing Program For Local Government Agencies

March 02, 2011

Mr. Spencer Touchie
Warehouse Direct Office Products
1601 West Algonquin Road
Mount Prospect, IL 60056

Dear Mr. Touchie,

This letter is to inform you that the Suburban Purchasing Cooperative's Governing Board has approved award of the SPC Office Supplies Program to Warehouse Direct Office Products through Independent Stationers utilizing the U.S. Communities National Contract MICPA (Exhibit A) and ISG County of Los Angeles Master Agreement (Exhibit B) according to the State of Illinois Statutes Chapter 5 General Provisions Act 220 Intergovernmental Cooperation Act 5 ILCS 220/2 Sec. 2.

REBATE

Under this Agreement, all Suburban Purchasing Cooperative members will be grouped under one Master SPC Account to aggregate all purchases towards volume rebate incentives (Exhibit C). Additionally, individual entities will receive up to a 1% e-commerce rebate paid in the form of a credit towards future purchases no later than 45 days from the end of each quarter (40-79% online =0.5% rebate; 80% or more purchased online =1% rebate).

In addition to SPC member, the following entities are eligible to participate in the SPC Joint Purchase Program: Municipalities, Townships, Counties, Park Districts, Libraries, School Districts and Non-Profit Organizations. Their purchases will also be included in the SPC volume rebate. Reports from Independent Stationers will be received on a quarterly basis based on the SPC fiscal year of May 1 through April 30. Payments will be issued within 30 days of the end of each fiscal quarter upon reaching the minimum rebate threshold. Fiscal quarters are defined as:

- May 1 through July 31 – payment due by August 30
- August 1 through October 31 – payment due by November 30
- November 1 through January 31 – payment due by February 28
- February 1 through April 30 – payment due by May 31

Independent Stationers will pay a 1% rebate on volume up to \$999,999.99 and a 2% rebate from dollar one on purchases over \$1 million. Warehouse Direct will pay a 4% rebate on products that are "out of Scope" of the U.S. Communities Program such as furniture and design, promotional items and clothing, janitorial supplies, printing, document management products and services. Additionally, Warehouse Direct will pay a 4% rebate on SPC members who choose to purchase from Warehouse Direct, but do not participate in the Independent Stationers U. S. Communities Program.

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Fax: (630) 571-0484

*Northwest Municipal
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*Will County
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3180 Theodore Sireet, Suite 101
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Cherie Belom
Phone: (815) 722-7280
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PROGRAM REGISTRATION

Members may register with U.S. Communities directly on their website, <http://uscommunitites.org> or by contacting their Warehouse Direct Account Executive. Rick Schackle may be reached at 847-631-7428, cell 630-697-1096, or rickschackle@warehousedirect.com. Spencer Touchie may be reached at 847-631-7188, cell 708-473-2907, or stouchie@warehousedirect.com.

Each member will need to meet with their Warehouse Direct representative to complete paperwork prior to going live on the program.

CANCELLATION

The Suburban Purchasing Cooperative (SPC) reserves the right to terminate this contract at any time and for any reason during its period of performance upon giving thirty (30) days written notice to the vendor of such cancellation. The award vendor may terminate this contract at any time and for any reason during its period of performance upon giving sixty (60) days written notice to the NWMC Purchasing Manager. Parties agree to meet and confer promptly in the event of any discrepancy or concern. In the event termination notice is served, the awarded vendor and participating ordering agencies of this program shall continue to honor the terms of this contract until each participating ordering agency 's existing contract with the awarded vendor has expired.

TERM OF CONTRACT

The duration of the U.S. Communities contract with Independent Stationers is three years, from September 1, 2010 through August 31, 2013, with an option for two additional one year terms for a maximum total Contract term of 5 years.

The SPC Contract shall be in force from March 6, 2011 until March 5, 2012 provided terms of the contract are honored and the right to terminate described above has not been exercised. All confirmed orders will be protected under this contract until delivered to the participant. The SPC reserves the right to extend the contract for the duration of the U.S. Communities contract with Independent Stationers upon mutual agreement of both the vendor and the Conference on a negotiated basis.

TAXES

SPC is exempt by law from paying Federal, State and Village Retailer's Occupation Tax, State Service Occupation and Use Tax and Federal Excise Tax. Each participating entity will supply the Contractor with their purchaser's tax exempt numbers.

COMPLIANCE WITH ALL LAWS

All work under the Contract must be executed in accordance with all applicable federal, state and local laws, ordinances, rules and regulations.

NON-ASSIGNABILITY

The Contractor shall not assign the Contract, or any part thereof, to any other person, firm or corporation without the previous written consent of SPC Governing Board. Such assignment shall not relieve the Contractor from its obligations, or change the terms of the Contract.

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INDEMNITY

The Contractor shall indemnify, save harmless and defend SPC, its officers and employees from any and all liability, losses or damages, including attorney’s fees and costs of defense SPC may suffer as a result of claims, demands, suits, actions or proceedings of any kind or nature, including worker’s compensation claims, in any way resulting from or arising out of or relating to any act, omissions or the operations of Contractor under the Contract, including operations of its employees and subcontractors, and the Contractor shall, at its own expense, appear, defend and pay all fees of attorneys and all costs and other expenses arising there from or incurred in connection therewith; and, if any judgments shall be rendered against SPC in any such action, the Contractor shall, at its own expense, promptly satisfy and discharge same.

INSURANCE

The Contractor shall, within ten (10) days after notification of the award shall carry insurance acceptable to SPC covering public liability, property damage and worker’s compensation, or performance bond and payment bonds when required.

The Contractor agrees to grant SPC an “additional insured” status on all applicable insurance policies and said policies will not be canceled unless SPC is provided a thirty (30) day prior written notice. Nothing contained in the insurance requirement shall be construed as limiting the extent of the Contractor’s responsibilities for payment of damages resulting from Contractor’s, its employees or subcontractors acts, omissions or operations under the Contract. The Contractor shall have all contract participants added as “additionally insured” on all applicable insurance policies.

A new Certificate of Insurance and Broad Form Vendor’s Endorsement must be provided to SPC each year prior to the expiration of the Product Liability policy. This annual obligation remains in force for as long as Contractor continues to offer products or services under the Contract.

Workers Compensation

Statutory for Illinois

Employer’s Liability

\$1,000,000

It is required that the Contractor supplies SPC a certificate evidence of insurance.

DEFAULT

In case of default by the Contractor, SPC will procure articles or service from other sources and hold the Contractor responsible for any excess cost incurred as provided for in Article 2 of the Uniform Commercial Code.

SPC may terminate the whole or any part of the Contract in any one of the following circumstances:

- (a) If the Contractor fails to make delivery of materials or to perform services within the time specified in this proposal; or
- (b) Fails to make progress so as to endanger performance of the Contract, or
- (c) Fails to provide or maintain in full force and effect, the liability and indemnification coverage if required.

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FAVORED NATIONS CLAUSE

In the event the Contractor introduces a program with more favorable terms than those available to customers of similar status to SPC or its contract participants, the Contractor shall immediately make that program available to SPC and its contract participants.

PERMITS AND LICENSES

The vendor shall obtain, at their own expense, all permits and licenses which may be required to complete the Contract.

REGULATORY COMPLIANCE

The Contractor shall submit a Material Safety Data Sheet (MSDS) prior to or at the time of delivery if any toxic substance is contained in the product per Public Act 83-240, OSHA standards or any other applicable law.

SPECIAL HANDLING

Prior to delivery of any material which is caustic, corrosive, flammable or dangerous to handle, the Contractor will provide written directions as to methods of handling such products, as well as the antidote or neutralizing material required for its first aid before delivery.

All applicable portions of the Uniform Commercial Code shall govern the Contract between the Contractor and SPC.

SERVICES

The vendor shall assign (at minimum) one in-house customer service representative (account executive) to handle all routine issues with regards to orders, deliveries, back-orders and invoices. The representative shall be accessible by telephone during normal working hours, Monday through Friday.

JOINT PURCHASING AGREEMENT

Illinois revised statutes, 1989, CH. 85, PAR. 1601 ET SEQ. (The joint purchases by governmental units act), authorizes certain local governmental units and not-for-profit workshops for the severely handicapped (as defined in Illinois Revised Statutes, 1989, CH. 127, PAR. 132.7-1, meeting the requirements of CH. 85, PAR. 1602.2) to purchase personal property and supplies jointly.

(30 ILCS 525/0.01) (from Ch. 85, par. 1600) The Governmental Joint Purchasing Act. (Source: P.A. 86-1324.)

(30 ILCS 525/1) (from Ch. 85, par. 1601) Sec. 1. For the purposes of this Act, "governmental unit" means State of Illinois, any public authority which has the power to tax, or any other public entity created by statute. (Source: P.A. 86-769.)

30 ILCS 525/2) (from Ch. 85, par. 1602) Sec. 2. (a) Any governmental unit may purchase personal property, supplies and services jointly with one or more other governmental units. All such joint purchases shall be by competitive bids as provided in Section 4 of this Act. (Source: P.A. 87-960.)

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Any authorized local unit of government or qualified workshop that may participate in this contract shall be responsible for issuing purchase orders direct to vendor, processing invoice vouchers and making payments due the vendor. Cash on delivery terms without the consent of the local governmental unit is prohibited.

RESERVATION OF RIGHTS

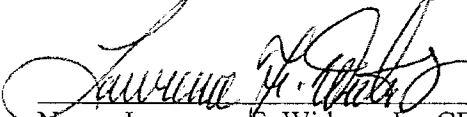
The SPC reserves the right to take bids and buy outside of the contract for any orders, in the event the awarded vendor is unable to deliver for causes beyond his or her control and not the result of fault or negligence of the awarded vendor.

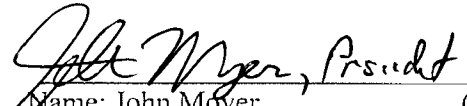
We look forward to continuing our relationship with Warehouse Direct in this new venture with Independent Stationers and U.S. Communities.

Please sign and date this agreement below, retaining copies for your files and returning the original to my attention.

Sincerely,

Lawrence F. Widmer Jr.
Program Manager for Purchasing


Name: Lawrence F. Widmer Jr., CPPB (Date) 03-02-11
Northwest Municipal Conference


Name: John Moyer (Date) 3/2/11
Warehouse Direct

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