

**EQUIPMENT PURCHASE AGREEMENT WITH GRESCO SUPPLY INC. FOR
POLICE DRONES**

THIS AGREEMENT is made as of the 1st day of October, 2023 (the "Effective Date") by and between the CITY OF APACHE JUNCTION, an Arizona municipal corporation ("City"), and GRESCO SUPPLY, INC., a Georgia limited liability corporation ("Supplier"), both of which may be hereinafter referred to collectively as the "Parties" or individually as a "Party".

RECITALS

A. City desires to retain a vendor to provide one (1) Matrice 30T, two (2) Mavic 3T, and one (1) DJI Matric 350 drones and accessories available through State Cooperative Contract # CTR065255(on file in the City's Finance Department) and to make payment for the same in accordance with the terms and conditions set forth in this Agreement, including all attachments and addenda which are appended hereto by mutual agreement of the Parties.

B. The open market procedures have been satisfied by use of the above referenced governmental cooperative agreement.

C. The Parties have set forth below contemplated services Supplier will provide City, including payment terms for such services and products.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals noted above, the mutual covenants and conditions below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **AGREEMENT:** Supplier hereby sells, conveys, and transfers to City all rights, title and interest in and unto the machinery, and other personal property, hereinafter referred to collectively as Equipment, detailed in Exhibit A and shall install such Equipment.

2. **SUPPLIER'S DUTIES:** Supplier shall provide, set up and provide training on the Equipment and make delivery of Equipment as detailed in Exhibit A.

3. **COMPENSATION:** In accordance with the terms and conditions of this Agreement, City shall compensate Supplier for Equipment and installation thereof in an amount not to exceed Six Thirty Five Dollars and Twenty Eight Cents (\$66,035.28) plus a 10% contingency fee of Six Thousand Six Hundred Three Dollars and Fifty Three Cents (\$6,603.53) for any change orders for a total of Seventy Two Thousand Six Hundred Thirty Eight Dollars and Eighty One Cents (\$72,638.81).

4. **SUPPLIER BILLING:** Supplier shall bill City a total amount not to exceed Section 3 above. City shall pay such billings within thirty (30) calendar days of the date of receipt.

5. **TERM/RENEWAL:** The term of this Agreement starts on October 17, 2023, and ends on June 30, 2024.

6. **DELIVERY AND ACCEPTANCE:** Upon acceptance City taking possession of the Equipment and after completed setup and training, City shall have thirty (30) calendar days to examine such Equipment and its functionality. Should City have any product quality concerns, it shall within thirty (30) calendar days after installation have the unconditional right for a full refund. Failure to notify supplier within this period of any concerns shall be deemed as acceptance of the individual Equipment and its functionality.

7. **WARRANTY:** Shall be provided by manufacturer (DJI) for a period of one (1) year. (Warranty on file with the Police Department).

8. **INSURANCE:** Supplier, at its own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of B++6, or approved unlicensed in the State of Arizona with policies and forms satisfactory to City.

All insurance required herein shall be maintained in full force and effect until all installation work required to be performed under the terms of the Agreement is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of City, constitute a material breach of this Agreement.

Supplier's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by City shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect City.

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against City, its agents, officers, officials and employees for any claims arising out of Contractor's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to City under such policies. Supplier shall be solely responsible for the deductible and/or self-retention and City, at its option, may require supplier to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

City reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the herein required insurance policies and/or endorsements. City shall not be obligated, however, to review same or to advise Supplier of any deficiencies in such policies and endorsements, and such receipt shall not relieve Supplier from, or be deemed a waiver of, City's right to insist on strict fulfillment of Supplier's obligations under this Agreement.

The insurance policies, except Workers' Compensation and Professional Liability, required by this Agreement, shall name City, its agents, officers, officials and employees as additional insured parties.

REQUIRED COVERAGE

Commercial General Liability

Supplier shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement, which coverage will be at least as broad as that on Insurance Service Office, Inc. Policy Form No. CG 00011093, or the equivalent thereof.

Such policy shall contain a severability of interest provision and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20101185, or the equivalent thereof, and shall include coverage for Supplier's operations and products and completed operations.

If required by this Agreement, if Supplier sublets any part of the work, services or operations, Supplier shall purchase and maintain, at all times during prosecution of the work, services or operations under this Agreement, Supplier's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of Supplier's work, service or operations under this Agreement. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues Supplier's Commercial General Liability insurance.

Cyber Liability

Cyber Liability insurance with limits not less than \$1,000,000 per occurrence or claim, with a \$2,000,000 aggregate limit. Coverage shall be sufficiently broad to respond to the duties and obligations as it undertaken by Consultant in this Agreement and shall include, not limit to, claims involving infringements of intellectual property, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties.

If the Consultation maintains broader coverage and/or higher limits than the minimums shown above, the Customer requires and shall be entitled to the broader coverage and/or higher limits maintained by the Company. Any available insurance proceeded in excess of the specified minimum limits of insurance and coverage shall be available to City. Policy shall name City as an additional insured.

Certificates of Insurance

Prior to commencing work or services under this Agreement, Supplier shall furnish City with certificates of Insurance, or formal endorsements as required by the Agreement, issued by Supplier's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect. The form of the certificates of insurance and endorsements shall be subject to the approval of the Apache Junction city attorney's office, shall comply with the terms of this Agreement, and shall be issued and delivered to The "City Attorney's Office, City of Apache Junction, 300 East Superstition Boulevard, Apache Junction, AZ 85119."

In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of Supplier's work or services and as evidenced by annual certificates of insurance.

All certificates of insurance shall be identified with bid serial number and title. policies or certificates and completed forms of City's additional insured endorsement (or a substantially equivalent insurance company form acceptable to the city attorney) evidencing the coverage required by this section shall be filed with the City and shall include the City as an additional insured Party. The policy or policies shall be in the usual form of a public liability insurance, but shall also include the following provision:

"Solely as respects work done by or on behalf of the named insured for the City of Apache Junction, it is agreed that the City of Apache

Junction and its officers and employees are added as additional insureds under this policy.”

Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) calendar days' prior written notice to City.

9. APPLICABLE LAW AND VENUE: The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona. Any action at law or in equity brought by either Party for the purpose of enforcing a right or rights provided for in this Agreement, shall be tried in a court of competent jurisdiction in Pinal County, State of Arizona. The Parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county. In the event either Party shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including: all litigation and appeal expenses, collection expenses, reasonable attorney fees, necessary witness fees and court costs to be determined by the court in such action.

10. TIME IS OF THE ESSENCE: Time is of the essence with respect to all provisions in this Agreement. Any delay in performance by either Party shall constitute a material breach of this Agreement.

11. PROHIBITION TO CONTRACT WITH PARTIES WHO ENGAGE IN BOYCOTT OF THE STATE OF ISRAEL: The Parties acknowledge A.R.S. §§ 35-393 through 35-393.03, as amended, which forbids public entities from contracting with anyone, or any business, who engage in boycotts of the State of Israel. Should Supplier or any of its subcontractors under this Agreement engage in any such boycott against the State of Israel, this Agreement shall be deemed automatically terminated by operation of law. Any such boycott is a material breach of contract.

12. CERTIFICATION PURSUANT TO A.R.S. § 35-394. In accordance with Arizona Revised Statutes § 35-394, Supplier hereby certifies and agrees that Supplier does not currently and shall not for the duration of this Agreement use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China, 2) any services or goods produced by the forced labor of ethnic Uyghurs in the People's Republic of China, and/or 3) any contractors or subcontractors that use the forced labor or any services or goods produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If Supplier becomes aware during the term of this Agreement that Supplier is not in compliance with this section, then Supplier shall notify the City within five (5) business days after becoming aware of such noncompliance. If Supplier does not provide the City with written certification that Supplier has remedied such noncompliance within one hundred eighty (180) days after notifying the City of such noncompliance, this Agreement

shall terminate, except that if the Agreement termination date occurs before the end of such one hundred eighty (180) day remedy period, this Agreement shall terminate on such contract termination date.

13. CONFLICTS OF INTEREST: This Agreement is subject to, and may be terminated by City in accordance with, the provisions of A.R.S. § 38-511.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be signed by their duly authorized representative as of this 20th day of September, 20 23.

SUPPLIER:

GRESKO SUPPLY, INC.
a Georgia limited liability corporation

Scott Ferguson
By: Scott Ferguson
Its: SVP

CITY:

CITY OF APACHE JUNCTION, ARIZONA,
an Arizona municipal corporation

By: Walter "Chip" Wilson

Its: Mayor

ATTEST:

Jennifer Pena
City Clerk

APPROVED AS TO FORM:

10.2.23
Richard J. Stern
City Attorney

STATE OF Georgia)
) ss.

COUNTY OF MONROE

The foregoing was subscribed and sworn to before me this 20th
day of September, 2023, by Scott Ferguson as SVP of
Gresco Supply, Inc., a Georgia limited liability corporation.



Expires: _____

Kimberly L. Diponzo
Notary Public

STATE OF ARIZONA)
) ss.
COUNTY OF PINAL)

The foregoing was subscribed and sworn to before me this _____
day of _____, 20____, by Walter "Chip" Wilson, as Mayor of the City of
Apache Junction, Arizona, an Arizona municipal corporation.

Notary Public

My Commission Expires:

EXHIBIT A



#1

Quote

Entered Date
6/29/23Taken By
jgra

PO #

Customer #
10419Order #
10215685-00Page #
1**Bill To**
CASH-GRESKO UAS SALES
1135 RUMBLE RD
FORSYTH, GA 31029-6350**Ship To**
Apache Junction Police Dept
1001 N Idaho Rd.
Apache Junction, AZ 85119**Remit To**
GRESKO
PO BOX 932918
ATLANTA, GA 31193-2918

Instructions

Ship Point
Gresco-Small Parts**Via**
Best Way**Shipped****Terms**
Upon Receipt**SlsRepIn/Out**
jgra / hwag

Notes

QUOTE EXPIRATION: Quote is valid 60 days from "Entered Date" as shown above.

FREIGHT: Complimentary ground shipping provided.

ARIZONA STATE CONTRACT NUMBER: CTR065255

TOTAL DISCOUNT: \$2,845.90

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)
1	DRK-DJI-M30T Drone Kit - Matrice 30T	1.00	ea	9,637.00	ea	9,155.15
1 Com 1	6941565929457 MATRICE 30T	1.00	EA			
1 Com 2	6941565927026 DJI Care Enterprise Basi	1.00	EA			
1 Com 3	6941565927620 MATRICE 30 SERIES TB30 I	2.00	EA			
2	6941565927620 MATRICE 30 SERIES TB30 I ntelligent Flight Batter	6.00	EA	329.00	EA	1,875.30
3	6958265145827 WB37 Intelligent Battery CrystalSky/Cendence RC	2.00	EA	59.00	EA	112.00
4	CT-LP12 Cytap LP12 Searchlight & Speaker, 2in1 for M30	1.00	EA	2,199.00	EA	2,089.05
5	GPC-DJI-M30 DJI MATRICE 30 CASE	1.00	EA	499.00	EA	474.05

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)
6	6941565930743 MATRICE 30 SERIES 1671 P ropeller	2.00	EA	49.00	EA	93.10
7	HDLP3 Hoodman Launch Pad 3' Hoodman Drone Launch Pad 3'	1.00	EA	69.99	EA	69.99
8	UAS-VIRTUAL-TRAINING-AIRCRAFT-ENT Virtual Training for Enterprise Aircraft Per Person Fee - Order Quantity = Per Person The virtual drone training program provided by Gresco UAS enables users to gain knowledge about their preferred drone model through a comprehensive exploration of its fundamental and advanced functionalities. The program caters to users of all proficiency levels and offers personalized training to enhance their expertise and self-assurance for practical drone usage.	1.00	EA	699.00	EA	0.00
9	UAS-STARTUP-ENTERPRISE Start Up Services for Enterprise Products START UP SERVICES: Aircraft setup, activation, updates, testing and calibration. This service ensures the aircraft is Ready-to-Fly (RTF) upon delivery.	1.00	EA	699.00	EA	0.00
10	UAS-SUPPORT-ENTERPRISE Support Service for Enterprise Products Gresco's UAS Service Center is staffed with certified repair technicians and product specialists who are available for any questions, troubleshooting, and other aircraft support needs. Access to Gresco Support Representatives via email, chat, text, phone, and video conference.	1.00	EA	499.00	EA	0.00
10	Lines Total	Total Order Quantity 17.00		Subtotal		13,865.24
				Taxes		1,189.30
				Total		15,054.54



Quote



Entered Date
6/29/23

Taken By
jgra

Customer #
10419

Order #
10215679-00

PO #

Page #
1

Bill To
CASH-GRESKO UAS SALES
1135 RUMBLE RD
FORSYTH, GA 31029-6350

Ship To
Apache Junction Police Dept
1001 N Idaho Rd
Apache Junction, AZ 85119

Remit To
GRESKO
PO BOX 932918
ATLANTA, GA 31193-2918

Instructions

Ship Point
Gresco-Small Parts

Via
Best Way

Shipped

Terms
Upon Receipt

SlsRepin/Out
uas1 / uas1

Notes

QUOTE EXPIRATION: Quote is valid 60 days from "Entered Date" as shown above.

FREIGHT: Complimentary ground shipping provided.

ARIZONA STATE CONTRACT NUMBER: CTR065255

TOTAL DISCOUNT: \$3,588.90

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)
1	DRK-M350 DJI Matrice 350 Kit	1.00	EA	11,729.00	EA	11,142.55
Com 1	6941565961389 Matrice 350 RTK Drone Un	1.00	EA			
Com 2	1 CP.QT.00008482.01 DJI Care Enterprise Basi	1.00	ea			
Com 3	1 6941565960146 TB65 Intelligent Flight	2.00	ea			
Com 4	1 6941565960498 BS65 Intelligent Battery	1.00	EA			
2	6958265100970 Zenmuse H20T (SP)	1.00	EA	9,809.00	EA	9,318.55
3	CP.QT.00003299.01 DJI Care Enterprise Basic Zenmuse H20T	1.00	EA	0.00	EA	0.00
4	6941565960146 TB65 Intelligent Flight Battery	6.00	ea	700.00	ea	3,990.00

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)
5	6941585924698 DJI RC Plus	1.00	EA	1,600.00	EA	1,520.00
6	CP.QT.00002497.01 Wingsland Z15 Gimbal Spotlight	1.00	EA	2,500.00	EA	2,375.00
7	UAS-IN-PERSON-TRAINING-AIRCRAFT-ENT In Person Training for Enterprise Aircraft Per Person Fee - Order Quantity = Per Person Gresco UAS offers in-person drone training for beginner and advanced pilots. Conducted by experienced instructors, the hands-on training covers regulations, safety, flight planning, operations, and maintenance. Participants learn about their different drone model(s), sensor(s), and payload(s) and can customize the training to their needs. The program provides a certificate of completion and equips participants with the skills to operate drones safely and confidently.	1.00	EA	899.00	EA	0.00
8	UAS-STARTUP-ENTERPRISE Start Up Services for Enterprise Products START UP SERVICES: Aircraft setup, activation, updates, testing and calibration. This service ensures the aircraft is Ready-to-Fly (RTF) upon delivery.	1.00	EA	699.00	EA	0.00
9	UAS-SUPPORT-ENTERPRISE Support Service for Enterprise Products Gresco's UAS Service Center is staffed with certified repair technicians and product specialists who are available for any questions, troubleshooting, and other aircraft support needs. Access to Gresco Support Representatives via email, chat, text, phone, and video conference.	1.00	EA	499.00	EA	0.00
10	UAS-CUSTOM-KIT Customized UAS Kit	1.00	EA	2,860.00	EA	2,860.00
10 Com 1	80-007 Multi Nomad Case	1.00	EA			
10 Com 2	200-900 Nomad 360 Scene	2.00	EA			
10 Com 3	200-400-102 Nomad NOW Scene Light:	2.00	EA			
10 Com 4	700-2DJIM Rugo 2 Drone Light Matrice and Inspire Series	2.00	EA			
10 Com 5	700-318 D10-IR	1.00	ea			
10 Com 6	700-313 D10 Drone Light	1.00	EA			
10 Com 7	700-310 D3060 Light	1.00	EA			

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)
11	UAS-CUSTOM-KIT Customized UAS Kit	1.00	EA	2,860.00	EA	2,860.00
11 Com 1	80-007 Multi Nomad Case	1.00	EA			
11 Com 2	200-9T56 Nomad T56 Production	1.00	ea			
11 Com 3	200-8P56 Nomad P56 Production	1.00	ea			
11 Com 4	200-4N56 Nomad N56 Production	1.00	ea			
11 Com 5	85-045 Puck Adaptor	1.00	ea			
11 Com 6	380-BT2P-BLR BT2+ Black Hybrid Light	1.00	EA			
11 Com 7	700-300C RUGO	2.00	EA			

11	Lines Total	Total Order Quantity	16.00	Subtotal	34,066.10
				Taxes	2,914.46
				Total	36,980.56

#1



Quote



Entered Date
6/29/23

Taken By
jgra

Customer #
10419

Order #
10215689-00

PO #

Page #
1

Bill To
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1135 RUMBLE RD
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Best Way

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Upon Receipt

SlsRepIn/Out
jgra / hwag

Notes

QUOTE EXPIRATION Quote is valid 60 days from "Entered Date" as shown above.

FREIGHT: Complimentary ground shipping provided.

ARIZONA STATE CONTRACT NUMBER. CTR065255

TOTAL DISCOUNT: \$3,037.49

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)
1	CB.202209230395 Mavic 3 Thermal(SP)	2.00	EA	5,498.00	EA	10,446.20
1	6941565944191	2.00	EA			
Com 1	Mavic 3 Thermal (NA)					
1	6941565943736	2.00	EA			
Com 2	DJI Care Enterprise					
2	6941565944825 Mavic 3 Ent. Series -PART 05- Battery Kit DJI Mavic 3 Intelligent Flight Battery × 3 DJI Mavic 3 Battery Charging Hub (100W) × 1	2.00	EA	659.00	EA	1,252.10
3	6941565944795 M3E Series -PART 02- Speaker	2.00	EA	159.00	EA	302.10
4	MICROSD-32GB-U3 32GB MicroSD Card U3	2.00	EA	29.00	EA	55.10
5	CP.MA.00000423.01 DJI Mavic 3 Intelligent Flight Battery	4.00	EA	209.00	EA	836.00

Line	Product and Description	Order Quantity	Qty UM	Unit Price	Price UM	Amount(Net)	
6	UAS-STARTUP-ENTERPRISE Start Up Services for Enterprise Products START UP SERVICES: Aircraft setup, activation, updates, testing and calibration. This service ensures the aircraft is Ready-to-Fly (RTF) upon delivery.	2.00	EA	699.00	EA	0.00	
7	UAS-SUPPORT-ENTERPRISE Support Service for Enterprise Products Gresco's UAS Service Center is staffed with certified repair technicians and product specialists who are available for any questions, troubleshooting, and other aircraft support needs. Access to Gresco Support Representatives via email, chat, text, phone, and video conference.	2.00	EA	499.00	EA	0.00	
7 Lines Total		Total Order Quantity	16.00	Subtotal		12,891.50	
						Taxes	1,108.68
						Total	14,000.18