

**PARTICIPATING ADDENDUM
NASPO ValuePoint**

FACILITIES MAINTENANCE AND REPAIR & OPERATIONS (MRO) AND INDUSTRIAL SUPPLIES

Administered by the State of Oregon (hereinafter "Lead State")

MASTER AGREEMENT

Master Agreement No: 8496

W.W. Grainger, Inc.
(hereinafter "Contractor")

and

State of Washington
(hereinafter "Participating State")

Washington Master Contract No.: 01018

This Participating Addendum for the above referenced Master Agreement ("Participating Addendum") is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and W.W. Grainger, an Illinois Corporation ("Contractor") and is dated and effective as of July 1, 2018.

1. **SCOPE:** This Participating Addendum covers Facilities Maintenance and Repair & Operations (MRO) 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:** Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state contracts are subject to the prior approval of the respective State chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the State chief procurement official. Pursuant to this Participating Addendum, the Master Agreement may be utilized by the following ("Purchasing Entities"):
 - (a) **WASHINGTON STATE AGENCIES.** Washington state agencies, departments, offices, divisions, boards, and commission; and any of the following institutions of higher education in Washington: state universities, regional universities, state college, community colleges, and technical colleges.
 - (b) **MCUA PARTIES.** The Master Agreement also may be utilized by any of the following types of entities that have executed a Master Contract Usage Agreement (MCUA) with Enterprise Services:
 - Political subdivisions (e.g., counties, cities, school districts, public utility districts);
 - Federal governmental agencies or entities;
 - Public-benefit nonprofit corporations (i.e., § 501(c) (3) nonprofit corporations that receive federal, state, or local funding); and
 - Federally-recognized Indian Tribes located in the State of Washington.

3. PARTICIPATING STATE MODIFICATIONS OR ADDITIONS TO MASTER AGREEMENT:

- 3.1. **WASHINGTON'S ELECTRONIC BUSINESS SOLUTIONS (WEBS) SYSTEM:** Within seven (7) days of execution of this Participating Addendum, Contractor shall register in the Washington State Department of Enterprise Services' Electronic Business Solutions (WEBS) System at <https://fortress.wa.gov/ga/webcust/home.html>. Contractor shall ensure that all of its information therein is current and accurate and that, throughout the term of the Master Agreement, Contractor shall maintain an accurate profile in WEBS.
- 3.2. **WASHINGTON'S STATEWIDE PAYEE DESK:** To be paid for contract sales, Contractors must register with Washington's Statewide Payee Desk. Washington state agencies cannot make payments to a contractor until it is registered. Registration materials are available here: [Receiving Payment from the State](#).
- 3.3. **CONTRACTOR AUTHORITY AND INFRINGEMENT.** Contractor must not intentionally infringe on established or future contracts awarded by Enterprise Services. The following chart is a non-exhaustive list of the Participating State's contracts which may already offer supplies, services, equipment and/or materials offered by the Contractor:

Category		Existing State Contracts
1.	HVAC	07815 HVAC Parts 00418 HVAC Maint & Components
2.	Air Filters	05809 Air Filters for HVAC
3.	Lamps, Ballasts, Fixtures	07510 Lamps and Ballasts
4.	Cleaning	00812 Janitorial/Industrial Paper Supplies - Green
5.	Material Handling	N/A
6.	Security	05416 Doors, Frames, & Hardware
7.	Electrical	05114 Electrical Supplies
8.	Batteries and Flashlights	N/A
9.	Outdoor Garden	08506 Lawn and Ground Equipment
10.	Plumbing	00417 Plumbing Repair Parts 01118 Plumbing Fixtures & Supplies
11.	Safety	03317 Highway Signal Flares 03810 NASPO Laboratory Equipment & Supplies 00812 Janitorial/Industrial Paper Supplies - Green
12.	Janitorial Equip & Supplies (doesn't include sanitation cleaning chemicals)	00812 Janitorial/Industrial Paper Supplies - Green
13.	Sanitation cleaning chemicals (does not include janitorial equip)	N/A
14.	Fasteners	N/A
15.	Power Sources	N/A
16.	Hand tools	04316 Small Hand & Power Tools and Accessories (NASPO) 02517 Walk-In Building Supplies (NASPO)
17.	Power tools (excludes automotive)	04316 Small Hand & Power Tools and Accessories (NASPO) 02517 Walk-In Building Supplies (NASPO)
18.	Paint	02517 Walk-In Building Supplies (NASPO)
19.	Medical Gloves	05311 Gloves, Disposable, Hospital/Medical

Contractor understands and agrees that the intent of this Participating Addendum is to create a supplemental contract. The Master Agreement and this Participating Addendum are not an exclusive purchasing relationship. Contractor further understands and agrees that Enterprise Services, in its sole discretion, may extend any current contract or procure and create any new contract for any goods or services notwithstanding this Participating Addendum.

3.4. **CONTRACT SALES REPORTING.** Contractor shall report total contract sales quarterly to Enterprise Services, as set forth below.

- (a) **REPORTING.** Contractor shall report quarterly Contract sales in Enterprise Services' Contract Sales Reporting System. Enterprise Services will provide Contractor with a login password and a vendor number.
- (b) **DATA.** Each sales report must identify every authorized Purchasing Entity by name as it is known to Enterprise Services and its total combined sales amount invoiced during the reporting period (i.e., sales of an entire agency or political subdivision, not its individual subsections). The "Miscellaneous" option may be used only with prior approval by Enterprise Services. Upon request, Contractor shall provide contact information for all authorized Purchasing Entities specified herein during the term of this Participating Addendum. Refer sales reporting questions to the Primary Contact set forth below. If there are no contract sales during the reporting period, Contractor must report zero sales.
- (c) **DUE DATES FOR CONTRACT SALES REPORTING.** Quarterly Contract Sales Reports must be submitted electronically by the following deadlines for all sales invoiced during the applicable calendar quarter:

For Calendar Quarter Ending	Contract Sales Report Due
March 31	April 30
June 30	July 31
September 30	October 31
December 31	January 31

3.5. **QUARTERLY REPORT OF SMALL AND DIVERSE BUSINESS INCLUSION.** Contractor shall report quarterly to Enterprise Services, an Affidavit of Subcontractor Inclusion under the Distributor Alliance Program. Such Affidavit of Subcontractor Inclusion shall specify the amount paid to each such Subcontractor. Contractor shall maintain records supporting the Affidavit of Subcontractor Inclusion in accordance with this Master Contract's records retention requirements.

3.6. **VENDOR MANAGEMENT FEE:** Contractor shall pay to Enterprise Services a vendor management fee ("VMF") of 1.5 percent on the purchase price for all contract sales (the purchase price is the total invoice price less applicable sales tax).

- (a) The sum owed by Contractor to Enterprise Services as a result of the VMF is calculated as follows:

$$\text{Amount owed to Enterprise Services} = \text{Total contract sales invoiced (not including sales tax)} \times .0150.$$

- (b) The VMF must be rolled into Contractor's current pricing. The VMF must not be shown as a separate line item on any invoice unless specifically requested and approved by Enterprise Services.

- (c) Enterprise Services will invoice Contractor quarterly based on contract sales reported by Contractor. Contractor shall not remit payment until it receives an invoice from Enterprise Services. Contractor's VMF payment to Enterprise Services must reference the following:
 - This Washington Master Contract No.: **01018**
 - The NASPO Master Agreement No.: **8496**
 - The year and quarter for which the VMF is being remitted, and
 - Contractor's name as set forth in this Contract, if not already included on the face of the check.
 - (d) Contractor's failure accurately and timely to report total net sales, to submit usage reports, or remit payment of the VMF to Enterprise Services, may be cause for suspension or termination of this Participating Addendum or the exercise of any other remedies as provided by law.
 - (e) Enterprise Services reserves the right, upon thirty (30) days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases.
 - (f) For purposes of the VMF, the parties agree that the initial management fee is included in the pricing. Therefore, any increase or reduction of the management fee must be reflected in contract pricing commensurate with the adjustment.
- 3.7. **CONTRACTOR REPRESENTATIONS AND WARRANTIES.** Contractor makes each of the following representations and warranties as of the effective date of this Participating Addendum and at the time any order is placed pursuant to the Master Agreement. If, at the time of any such order, Contractor cannot make such representations and warranties, Contractor shall not process any orders and shall, within three (3) business days notify Enterprise Services, in writing, of such breach.
- (a) **WAGE VIOLATIONS.** Contractor represents and warrants that, during the term of this Participating Addendum and the three (3) year period immediately preceding the date hereof, it is not determined, by a final and binding citation and notice of assessment issued by the Washington Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction, to be in willful violation of any provision of Washington state wage laws set forth in RCW chapters 49.46, 49.48, or 49.52.
 - (b) **PAY EQUALITY.** Contractor represents and warrants that, as required by Washington state law (Laws of 2017, Chap. 1, § 147), during the term of this Participating Addendum for the time period of July 1, 2018 through June 30, 2019, it agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals. For purposes of this provision, employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed. Contractor may allow differentials in compensation for its workers based in good faith on any of the following: a seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels. A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential. A bona fide regional difference

in compensation level must be consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential. Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) days, Enterprise Services may suspend or terminate this Participating Addendum (and resulting Master Contract) and any Purchaser hereunder similarly may suspend or terminate its use of the Master Contract and/or any agreement entered into pursuant to this Participating Addendum.

(c) **GREEN/SUSTAINABLE.** Contractor represents and warrants that Contractor shall endeavor to supply and delivery goods in alignment with the State of Washington's green/sustainability strategy which, at a minimum is designed to minimize the use of unnecessary product packaging, reduce the use of toxic chemicals, and offer Purchasers, where practicable, 'green products' that provide equivalent performance.

3.8. **COMPLIANCE WITH LAW: TAXES, LICENSES, & REGISTRATION:** Contractor shall comply with all applicable law. Contractor shall register to conduct business in the State of Washington and promptly acquire and maintain all necessary licenses and registrations and pay all applicable taxes and fees. In addition, for all sales to purchasers in the State of Washington, Contractor shall calculate, collect, and remit, as appropriate, the applicable state and local sales tax on all invoices.

4. **PRIMARY CONTACTS:** The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor	Participating State
W.W. Grainger, Inc. 6335 N Basin Ave Portland, OR 97217	State of Washington Department of Enterprise Services Contracts & Procurement P.O. Box 41411 Olympia, WA 98504-1411
Attn: Casey Banks Tel: (425) 251-5030 Email: casey.banks@grainger.com	Attn: Leslie Edwards Tel: (360) 407-8416 Email: leslie.edwards@des.wa.gov

5. **SUBCONTRACTORS:** All Contractor's Distributors authorized in the State of Washington, as shown on the dedicated Contractor NASPO ValuePoint website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The Contractor's Distributor's participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

6. **ORDERS:** Unless the parties to the Order agree in writing that another contract or agreement applies to such order, 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 as conditioned by this Participating Addendum.

7. **GENERAL:**

(a) **INTEGRATED AGREEMENT; MODIFICATION.** This Participating Addendum and Master Agreement,

together with its exhibits, set forth the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. This Participating Addendum may not be modified except in writing signed by the Parties

- (b) **AUTHORITY.** Each party to this Participating Addendum, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Participating Addendum and that its execution, delivery, and performance of this Participating Addendum has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- (c) **ELECTRONIC SIGNATURES.** A signed copy of this Participating Addendum or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Participating Addendum or such other ancillary agreement for all purposes.
- (d) **COUNTERPARTS.** This Participating Addendum may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Participating Addendum at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Participating Addendum.

EXECUTED as of the date and year first above written.

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

By:

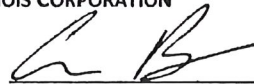


Eci Ameh

Its: Assistant Director, Contracts &
Procurement

W.W. GRAINGER,
AN ILLINOIS CORPORATION

By:



Its: Government Sales Manager