

**Department of Transformation and Shared Services**

Governor Asa Hutchinson
Secretary Amy Fecher
Director Edward Armstrong

October 7, 2020

The Honorable Cecile Bledsoe, Co-Chairperson
The Honorable Jeff Wardlaw, Co-Chairperson
Arkansas Legislative Council
State Capitol Building, Room 315
Little Rock, Arkansas 72201

Dear Senator Bledsoe and Representative Wardlaw:

According to Ark. Code Ann. §19-11-264, all contracts with a member of the General Assembly, his or her spouse, or with any business in which such person or his or her spouse is an officer, a director, or a stockholder owning more than ten percent (10%) of the stock in the business must be presented to the Arkansas Legislative Council (ALC) before the execution date of the contract.

The Office of State Procurement (OSP) of the Department of Transformation and Shared Services (TSS) conducted TSS OSP solicitation SP-21-0015 for state vehicle contract pricing. It resulted in the anticipated award of state contracts for two types of vehicles to JSJ Ford, Inc. (JSJ Ford) of Morrilton because its bid was the lowest submitted for those two types of vehicles. The first item was item 16 of the solicitation which was for extended cab, ¾ ton pickup trucks. Of the five bidders for that item, JSJ Ford's bid of \$25,646 was the lowest. The second item awarded them was item 47 of the solicitation which was for 8-passenger SUVs. Of three bids for that item, JSJ Ford submitted the lowest bid of \$36,998.

The contract to be awarded is 4600047790. It is being presented to ALC as required by Ark. Code Ann. §19-11-264 because State Representative Stephen Magie owns a 33% share of JSJ Ford. Based on the fact that the contract is being awarded on the basis of the lowest price, TSS OSP asks for ALC's favorable review of the contract.

Respectfully,

A handwritten signature in black ink that reads 'Edward R. Armstrong'. The signature is fluid and cursive.

Edward R. Armstrong
State Procurement Director

cc: Amy Fecher
Secretary, TSS

Ann Purvis
Chief of Staff, TSS

Copy of Term Contract - DO NOT PROCESS

Vendor No. 100190534
 Contact John Magie
 Your reference SP-21-0015

JSJ FORD, INC
 MAGIE FORD LINCOLN CO
 PO Box 843
 MORRILTON AR 72110

Contract No. 4600047790
 Date 10/05/2020

Contact John Leverett
 Telephone 501-683-2222
 Fax 501-324-9311

Our ref. ST
 Incoterms FOB
 DESTINATION

Send Invoice To:
 AS SPECIFIED ON PO

Ship To:
 STATEWIDE DELIVERY
 LITTLE ROCK AR 72201

Valid from: 10/16/2020
 Valid to: 10/15/2021

Target value 626,440.00 USD
 AWARD NO: SP-21-0015
 COMMODITY: New Vehicles, 2021 or newer

VENDOR CONTACT: John Magie 501-354-4541
 EMAIL: john.magie@magieford.com

THIS IS A TERM CONTRACT ISSUED BY THE OFFICE OF STATE PROCUREMENT. THIS DOES NOT REPRESENT YOUR AUTHORITY TO SHIP. THE ORDERING AGENCY WILL ISSUE A PURCHASE ORDER TO AUTHORIZE SHIPMENT.

THIS CONTRACT CONSTITUTES ACCEPTANCE OF YOUR BID ALONG WITH ALL TERMS AND CONDITIONS THEREIN AND SIGNIFIES THE OFFERER'S KNOWLEDGE AND ACCEPTANCE OF ALL TERMS AND CONDITIONS SET FORTH WITHIN THE INVITATION FOR BID AND ALL ADDENDA.

CONTRACT PERIOD: The term of this contract shall begin October 16, 2020 through October 15, 2021 with option to renew in six (6) one (1) year increments or a portion thereof upon mutual agreement. In no event shall the total contract term be more than seven (7) years.

NOTE: Line item quantities are estimates only and do not represent actual numbers.

Availability of individual line items will depend on factory order cut-off dates.

Item	Material/Description	Target Qty	UM	Unit Price	Amount

GENERAL CONDITIONS AND INSTRUCTIONS TO VENDOR:

All purchasing rules and regulations defined by the State of Arkansas apply to this document.

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Contract No. 4600047790
 Date 10/05/2020
 Our reference ST

Item	Material/Description	Target QtyUM	Unit Price	Amount
0001	10011635 VEHICLE,TRUCK,3/4T,EXTENDED,PJB	10 each	25,646.00	\$ 256,460.0
0002	10011657 VEHICLE,CARRYALL,EIGHT PASS,TYPE PMA	10 each	36,998.00	\$ 369,980.0
Estimated Net Value				626,440.0

OUTLINE AGREEMENT AWARD TERMS AND CONDITIONS

1. GENERAL: All terms and conditions stated in the invitation for bid govern this contract.
2. PRICES: Prices are firm and not subject to escalation, unless otherwise specified in the invitation for bid.
3. DISCOUNTS: All cash discounts offered will be taken if earned.
4. TAXES: Most state agencies must pay state sales tax. Before billing, the contractor should contact the ordering agency to find out if that agency must pay sales tax. Itemize state sales tax when applicable on invoices.
5. BRAND NAME REFERENCES: The contractor guarantees that the commodity delivered is the same as specified in the bid.
6. GUARANTY: All items delivered are to be newly manufactured, in first- class condition, latest model and design, including, where applicable, containers suitable for shipment and storage unless otherwise indicated in the bid invitation. The contractor guarantees that everything furnished hereunder will be free from defects in design, workmanship, and material; that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which furnished. The contractor further guarantees that if the items furnished hereunder are to be installed by the contractor, such items will function properly when installed. The contractor also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling, and registration. The contractor's obligations under this paragraph shall survive for a period of one year from the date of delivery, unless otherwise specified in the invitation for bid.
7. AWARD: This contract award does not authorize shipment. Shipment against this contract is authorized by the receipt of a purchase order from the ordering agency. A written purchase order mailed or otherwise furnished to the contractor results in a binding obligation without further action by either party.
8. DELIVERY: The term of the contract is shown on the face of the contract award. The contractor is required to supply the state's needs during this term. The number of days required to place the commodity in the receiving agency's designated location under normal conditions is also shown. Consistent failure to meet delivery without a valid reason may cause removal from the bidders' list or suspension of eligibility for award.

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9. **BACK ORDERS OR DELAY IN DELIVERY:** Back orders or failure to deliver within the time required may be default of the contract. The contractor must give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. If the reason is not acceptable, the contractor is in default. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere.

10. **DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery shall be made during agency work hours only, 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda shall be enclosed with each shipment.

11. **STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.

12. **DEFAULT:** All commodities furnished will be subject to inspection and acceptance of the ordering agency after delivery. Default in promised delivery or failure to meet specifications authorizes the Office of State Procurement to cancel this contract or any portion of same and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor.

13. **VARIATION IN QUANTITY:** The state assumes no liability for commodities produced, processed or shipped in excess of the amount specified herein.

14. **INVOICING:** The contractor shall submit an original and two copies of an itemized invoice showing the bid number and purchase request number when itemized in the invitation for bid. Invoices must be sent to "Invoice to" point shown on the purchase order.

15. **STATE PROPERTY:** Any specifications, drawing, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for the use hereunder shall remain property of the state, be kept confidential, be used only as expressly authorized, and be returned at the contractor's expense to the F.O.B. point, properly identifying what is being returned.

16. **ASSIGNMENT:** This contract is not assignable nor the duties hereunder delegable by either party without the written consent of the other party to the contract.

17. **OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the state have the right to pursue any other remedy permitted by law or in equity.

18. **LACK OF FUNDS:** The state may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the contractor by the state. If the state is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.

19. **QUANTITIES:** The state may order more or less than the estimated quantity in the invitation for bid.

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20.DISCLOSURE: Failure to make any disclosure required by the Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

GENERAL CONDITIONS AND INSTRUCTIONS TO VENDOR:

All purchasing rules and regulations defined by the State of Arkansas apply to this document.

CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM

Failure to complete all of the following information may result in a delay in obtaining a contract, lease, purchase agreement, or grant award with any Arkansas State Agency.

SOCIAL SECURITY NUMBER	FEDERAL ID NUMBER	SUBCONTRACTOR:	SUBCONTRACTOR NAME:
TAXPAYER ID #: --- --- OR 71	--- 0706005	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
IS THIS FOR:			
TAXPAYER ID NAME: JSJ Ford Inc. DBA Magie Ford Lincoln Co. <input type="checkbox"/> Goods? <input type="checkbox"/> Services? <input checked="" type="checkbox"/> Both?			
YOUR LAST NAME: Magie		FIRST NAME: John	M.I.: L
ADDRESS: PO Box 843			
CITY: Morrilton		STATE: AR	ZIP CODE: 72110 ... COUNTRY: USA

AS A CONDITION OF OBTAINING, EXTENDING, AMENDING, OR RENEWING A CONTRACT, LEASE, PURCHASE AGREEMENT, OR GRANT AWARD WITH ANY ARKANSAS STATE AGENCY, THE FOLLOWING INFORMATION MUST BE DISCLOSED:

FOR INDIVIDUALS *

Indicate below if: you, your spouse or the brother, sister, parent, or child of you or your spouse *is* a current or former: member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee:

Position Held	Mark (v)		Name of Position of Job Held <small>[senator, representative, name of board/ commission, data entry, etc.]</small>	For How Long?		What is the person(s) name and how are they related to you? <small>[i.e., Jane Q. Public, spouse, John Q. Public, Jr., child, etc.]</small>	
	Current	Former		From MM/YY	To MM/YY	Person's Name(s)	Relation
General Assembly	X		Representative	01/13	Present	Stephen K. Magie	Brother
Constitutional Officer							
State Board or Commission Member							
State Employee							

None of the above applies

FOR AN ENTITY (BUSINESS) *

Indicate below if any of the following persons, current or former, hold any position of control or hold any ownership interest of 10% or greater in the entity: member of the General Assembly, Constitutional Officer, State Board or Commission Member, State Employee, or the spouse, brother, sister, parent, or child of a member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee. Position of control means the power to direct the purchasing policies or influence the management of the entity.

Position Held	Mark (v)		Name of Position of Job Held <small>[senator, representative, name of board/commission, data entry, etc.]</small>	For How Long?		What is the person(s) name and what is his/her % of ownership interest and/or what is his/her position of control?		
	Current	Former		From MM/YY	To MM/YY	Person's Name(s)	Ownership Interest (%)	Position of Control
General Assembly	X		Representative	01/13	Present	Stephen K. Magie	33%	Secretary
Constitutional Officer								
State Board or Commission Member								
State Employee								

None of the above applies

Contract and Grant Disclosure and Certification Form

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

As an additional condition of obtaining, extending, amending, or renewing a contract with a state agency I agree as follows:

1. Prior to entering into any agreement with any subcontractor, prior or subsequent to the contract date, I will require the subcontractor to complete a **CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM**. Subcontractor shall mean any person or entity with whom I enter an agreement whereby I assign or otherwise delegate to the person or entity, for consideration, all, or any part, of the performance required of me under the terms of my contract with the state agency.

2. I will include the following language as a part of any agreement with a subcontractor:

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the contractor.

3. No later than ten (10) days after entering into any agreement with a subcontractor, whether prior or subsequent to the contract date, I will mail a copy of the **CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM** completed by the subcontractor and a statement containing the dollar amount of the subcontract to the state agency.

I certify under penalty of perjury, to the best of my knowledge and belief, all of the above information is true and correct and that I agree to the subcontractor disclosure conditions stated herein.

Signature  Title President Date 9/14/2020

Vendor Contact Person John Magie Title President Phone No. 501-354-4541

Agency use only

Agency Number _____ Agency Name _____ Agency Contact Person _____ Contact Phone No. _____ Contract or Grant No. _____

Award Recommended To: _____

Bid Number: **SP-21-0015** New Vehicles

By: _____ Date: _____

Date Opened: 9/24/2020 Read By: John Leverett john.leverett@dfa.arkansas.gov

Approved: _____ Date: _____

Time Opened: 2:00 p.m. CT Tabulated By: Brandi Schroeder

SP-21-0015		McLarty Nissan of Little Rock	Smart Chrysler Dodge Jeep Ram	Smart Ford	Smart Chevrolet Company	Bale Chevrolet	Lewis Ford Sales Incorporated
Item	Qty	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each
4	1						
5	1						
6	1			22,118.00	21,480.00	21,435.00	21,612.00
7	1			23,496.00	22,589.00	22,510.00	22,990.00
9	1			20,418.00	18,310.00		20,719.00
10	1			22,249.00	20,080.00		22,165.00
12	1			25,669.00	24,650.00		23,864.00
13	1			26,301.00	25,291.00		24,226.00
14	1			33,238.00	27,400.00	27,310.00	31,433.00
15	1			23,906.00	26,200.00	24,562.00	23,822.00
16	1			25,956.00	26,500.00	26,782.00	25,872.00
17	1			27,069.00	28,700.00	27,692.00	26,985.00
18	1			26,382.00	27,800.00	26,565.00	26,298.00
19	1			28,441.00	27,890.00	27,828.00	28,171.00
20	1			29,563.00	30,820.00	28,695.00	29,393.00
21	1			27,373.00	26,848.00		27,489.00
25	1			36,434.00	38,420.00		36,550.00
29	1			23,594.00	21,541.00		24,360.00
30	1			24,437.00	21,582.00		25,203.00
31	1			26,677.00	23,821.00	23,663.70	26,312.00
32	1			29,385.00	24,780.00		29,892.00
33	1			28,626.00	24,502.00	24,432.00	
34	1			29,385.00	24,810.00	24,725.00	30,351.00
35	1			30,675.00	26,310.00	26,295.00	31,441.00
38	1						
39	1	23,050.00			20,920.00		20,529.00

SP-21-0015		McLarty Nissan of Little Rock	Smart Chrysler Dodge Jeep Ram	Smart Ford	Smart Chevrolet Company	Bale Chevrolet	Lewis Ford Sales Incorporated
Item	Qty						
40	1	24,375.00			22,490.00		23,190.00
41	1				20,902.00		18,851.00
42	1				22,485.00		20,315.00
43	1				26,233.00	23,998.00	
44	1				28,110.00	25,845.00	
45	1				37,610.00	23,998.00	
46	1				40,210.00	25,845.00	
47	1				37,420.00	37,247.00	
49	1						
51	1						24,614.00
55	1						
57	1	18,200.00				17,339.00	
58	1		26,869.00				
59	1		24,688.00				
60	1				35,690.00	33,892.00	
61	1				37,852.00	36,024.00	
62	1				38,531.00	36,640.00	
63	1				29,820.00	28,392.00	
64	1			30,889.00			30,865.00
65	1						
66	1			34,294.96			35,288.00
67	1						
68	1						
69	1						
70	1		27,622.00				
71	1						
72	1						39,286.00
73	1						41,336.00
74	1						42,630.00

SP-21-0015		Lewis Chrysler Dodge Incorporated	Steve Landers Chrysler Dodge Jeep Ram	JSJ Ford, Incorporated dba Magie Ford Lincoln Company	Superior Automotive Group	Lancaster T LLC dba Red River Dodge	
Item	Qty	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each
4	1	24,313.00	23,992.00			23,958.00	
5	1						
6	1						
7	1						
9	1		18,441.00	20,539.00		18,357.00	
10	1		18,877.00	21,965.00		18,927.00	
12	1		21,725.00	25,384.00	21,980.00	21,641.00	
13	1		23,693.00	25,666.00	23,998.00	23,609.00	
14	1		24,657.00	28,868.00	24,962.00	24,573.00	
15	1		23,207.00	23,596.00		23,376.00	
16	1			25,646.00			
17	1		26,456.00	26,784.00		26,576.00	
18	1		24,316.00	26,097.00		24,436.00	
19	1			28,131.00			
20	1		26,864.00	29,188.00	27,659.00	26,983.00	
21	1		25,991.00	27,063.00		26,130.00	
25	1		34,360.00	36,149.00		34,600.00	
29	1		28,159.00			28,159.00	
30	1		29,103.00			29,277.00	
31	1		30,679.00			30,679.00	
32	1						
33	1						
34	1						
35	1						
38	1		22,471.00			22,465.00	
39	1		20,114.00			20,082.00	

SP-21-0015		Lewis Chrysler Dodge Incorporated	Steve Landers Chrysler Dodge Jeep Ram	JSJ Ford, Incorporated dba Magie Ford Lincoln Company	Superior Automotive Group	Lancaster T LLC dba Red River Dodge	
Item	Qty	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each	UNIT \$ Per Each
40	1		20,183.00			20,150.00	
41	1		22,670.00			19,515.00	
42	1		23,250.00			20,387.00	
43	1		24,809.00	26,159.00		24,777.00	
44	1		27,195.00	27,174.00		27,163.00	
45	1			36,998.00			
46	1			39,735.00			
47	1			36,998.00			
49	1						
51	1						
55	1						
57	1						
58	1	27,003.00	26,782.00		26,669.00	26,644.00	
59	1	25,060.00	24,839.00		24,731.00	24,700.00	
60	1				34,549.00		
61	1				36,711.00		
62	1				37,327.00		
63	1				29,243.00		
64	1				29,118.00		
65	1						
66	1				37,723.00		
67	1	26,749.00	26,294.00		26,352.00	26,067.00	
68	1		27,399.00		27,994.00	27,500.00	
69	1		30,821.00		31,414.00	30,961.00	
70	1		27,011.00		27,007.00	26,981.00	
71	1	30,359.00	29,564.00		29,685.00	29,550.00	
72	1						
73	1						
74	1						