8

SUBJECT: Piggyback City of Mesa, AZ Contract No. 2018011-02 Information Technology Solutions and Services for Plainview/Daptiv PPM Licenses

BID #: PSC-0368-22 **OPEN DATE: 10/23/2017**

GENERAL GOVERNMENT AWARDS COMMITTEE

KIND AND BASIS OF CONTRACT: PIGGYBACK CONTRACT – PERIOD OF SERVICE FROM MARCH 1, 2018 THROUGH FEBRUARY 28, 2023, WITH TWO (2) ONE (1) YEAR RENEWAL OPTIONS

AGENCY: INFORMATION TECHNOLOGIES DIVISION

BASIS OF AWARD: Piggyback City of Mesa, AZ Contract No. 2018011-02 Information Technology Solutions and Services

NUMBER OF BIDS INVITED: ( ) NUMBER RECEIVED: ( ) OTHER ( )

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
Recommend approval to Piggyback City of Mesa, AZ Contract No. 2018011-02 Information Technology Solutions and Services, with SHI International Corp. to purchase Plainview/Daptiv PPM Licenses. Period of service will be from April 11, 2022 through April 10, 2023. The requested total expenditure not-to-exceed $71,128.39.

FUNDING SOURCE: 53101.113001.531180.000000.00000000.00000.0000000
To be executed by formal contract through Office of General Counsel and process by purchase order(s)

ATTACHMENTS: Recommendation Memo; Risk Approval; AZ Contract; Vendor Proposal

ANALYST: _____ **RESPECTFULLY SUBMITTED** _____
RUBEN OLA
GREGORY PEASE, CHIEF
PROCUREMENT DIVISION

CONCURRENCE BY: Kenneth Lathrop, Chief of Information Technologies Division/CIO

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF GGAC COMMITTEE ON RECOMMENDATIONS ABOVE
MEMBERS APPROVING ____ MEMBERS DISAPPROVING ____ DATE: _____

_____ _____ OTHER: _____

_____ _____

_____ _____

ACTION OF AWARDING AUTHORITY DATE _____

APPROVED _____ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

INFORMATION TECHNOLOGIES DIVISION

CITY OF JACKSONVILLE

DATE: March 30, 2022

TO: Greg Pease, Chief of Procurement Division

THRU: Kenneth E. Lathrop, Chief of Information Technologies / CIO

FROM: Elizabeth Brown, IT Operations Manager

Kenneth E. Lathrop — Digitally signed by Kenneth E. Lathrop Date: 2022.03.30 14:41:40 -04'00'

Elizabeth Brown — Digitally signed by Elizabeth Brown Date: 2022.03.30 13:44:58 -04'00'

RE: **Piggyback City of Mesa, AZ Contract No. 2018011-02 with SHI International, Corp. for Planview/Daptiv PPM Licenses – Recommendation memo**

The Information Technologies Division (ITD) requests a piggyback award with SHI International, Corp. for the purchase of Planview/Daptiv PPM licenses. The Project Portfolio Management software licenses are used to manage IT project and maintenance work, bill customers and generate labor estimates for the internal services budget. The requirement consists of 124 licenses of various types for team members, managers, administrators and system connectors. The period of coverage for this request will begin on April 11, 2022 and continue through April 10, 2023.

ITD will utilize the City of Mesa, AZ Contract No. 2018011-02 through OMNIA Partners Public Sector. The City of Mesa, AZ contract rates are included in the SHI Omnia Pricing sheet. ITD is requesting the license types and quantities listed on the SHI International quote. The total not-to-exceed amount for this request is $71,128.39.

Upon award approval, a request for a formal contract will be made through the Office of General Counsel.

Funding Source: 53101.113001.531180.00000000.00000

Tracy Geake — Digitally signed by Tracy Geake Date: 2022.03.30 14:38:13 -04'00'

Your favorable consideration of ITD's request is appreciated.

Attachments: SHI International Quote
City of Mesa, AZ Contract No. 2018011-02
City of Mesa, AZ RFP #2018011 IT Solution
SHI Omnia Pricing Sheet for #2018011
Risk-approved SHI Certificate of Insurance

CC: Paul Freeman, Enterprise Applications Manager
Thomas Ossi, Technology Contract and Records Manager
Andre Conyers, IT Contract Administrator

INFORMATION TECHNOLOGIES DIVISION

CITY OF JACKSONVILLE

FINANCE AND ADMINISTRATION DEPARTMENT
214 N. Hogan St. 9th Floor | Jacksonville, FL 32202 | Phone: 904.255.8000 | Fax: 904.232.6932

Pricing Proposal
Quotation #: 21773522
Created On: 3/22/2022
Valid Until: 4/21/2022

CITY OF JACKSONVILLE

Elizabeth Brown
214 N. Hogan Street
9th Floor
Jacksonville, FL 32202
United States
Phone: 9046303632
Fax:
Email: ElizabethB@coj.net

Inside Account Manager

Lexi Ettman
290 Davidson Ave
Somerset, NJ 08873
Phone: 800-527-6389 EXT 5553610
Fax:
Email: Lexi_Ettman@SHI.com

All Prices are in US Dollar (USD)

	Product	Qty	Retail	Your Price	Total
1	Daptiv PPM Team Member User Subscription 1Y Planview - Part#: DPU1SUAD02 Contract Name: Omnia Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 4/11/2022 – 4/10/2023	94	$360.00	$343.80	$32,317.20
2	DP PPM Admin Planview - Part#: DPU1SUAU01 Contract Name: Omnia Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 4/11/2022 – 4/10/2023	8	$1,320.00	$1,260.60	$10,084.80
3	DP PPM Standard - Legacy Planview - Part#: DPU1SUAO01 Contract Name: Omnia Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 4/11/2022 – 4/10/2023	22	$720.00	$687.60	$15,127.20
4	DP Connect ? Connection Planview - Part#: DPI1SUBH01 Contract Name: Omnia Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 4/11/2022 – 4/10/2023	2	$3,950.00	$3,772.25	$7,544.50
5	DP Connect Platform Planview - Part#: DPI1SUAG01 Contract Name: Omnia Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 4/11/2022 – 4/10/2023	1	$5,950.00	$5,682.25	$5,682.25
6	DP PPM Limited Use User Subs 1Y Planview - Part#: DPU1SUBM01 Contract Name: Omnia Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 4/11/2022 – 4/10/2023	2	$195.00	$186.22	$372.44

Total	$71,128.39

Additional Comments

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

Please note, if Emergency Connectivity Funds (ECF) will be used to pay for all or part of this quote, please let us know as we will need to ensure compliance with the funding program.

Thank you for choosing SHI International Corp! The pricing offered on this quote proposal is valid through the expiration date listed above. To ensure the best level of service, please provide End User Name, Phone Number, Email Address and applicable Contract Number when submitting a Purchase Order. For any additional information including Hardware, Software and Services Contracts, please contact an SHI Inside Sales Representative at (888) 744-4084. SHI International Corp. is 100% Minority Owned, Woman Owned Business. TAX ID# 22-3009648; DUNS# 61-1429481; CCR# 61-243957G; CAGE 1HTF0

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

Client#: 38440 SHIINTER1

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/07/2022

APPROVED By WVerdejo at 12:19 pm, Mar 09, 2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Marsh & McLennan Agency LLC
One Executive Drive
Somerset, NJ 08873

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS: somersetclsupport@mma-ne.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Fire Insurance Co of Hartford	20478
INSURER B : Continental Insurance Company	35289
INSURER C : American Casualty Company of Reading PA	20427
INSURER D : Continental Insurance Co of NJ	42625
INSURER E : National Fire Insurance Co of Hartford	20478
INSURER F :	

INSURED
SHI International Corp.
290 Davidson Avenue
Somerset, NJ 08873

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC OTHER:	X	X	6050250197	09/30/2021	09/30/2022	EACH OCCURRENCE	$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
							MED EXP (Any one person)	$15,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
							PRODUCTS - COMP/OP AGG	$2,000,000
								$
E	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY X HIRED AUTOS ONLY SCHEDULED AUTOS X NON-OWNED AUTOS ONLY	X	X	6050291509	09/30/2021	09/30/2022	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $10000			6081819517	09/30/2021	09/30/2022	EACH OCCURRENCE	$15,000,000
							AGGREGATE	$15,000,000
								$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	X	650251110	09/30/2021	09/30/2022	X PER STATUTE OTH-ER	
							E.L. EACH ACCIDENT	$1,000,000
							E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
D	Error & Omission/ Cyber Liability			596831142	09/30/2021	09/30/2022	$6,000,000 Occ/Agg	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Jacksonville, its members, officials, officers, employees and agents are included as Additional Insured when required by written contract, agreement or permit, but only with respect to the General Liability and Automobile Liability insurance and subject to the provisions and limitations of the policies. General Liability and Automobile Liability is written on a primary and non-contributory basis when required by written contract, agreement or permit and subject to the provisions and limitations of the policies. (See Attached Descriptions)

CERTIFICATE HOLDER

FL-City of Jacksonville
117 W Duval Street, Suite 335
Jacksonville, FL 32202

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Wm. C. Cilento Jr.

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DESCRIPTIONS (Continued from Page 1)

Waiver of subrogation applies to General Liability and Automobile Liability policies when required by written contract, agreement or permit and subject to the provisions and limitations of the policy. Waiver of subrogation applies to the Workers Compensation coverage when required by written contract, agreement or permit and subject to the provisions and limitations of the policy where permissible by state law.

mesa·az

NOTICE OF SOLICITATION

SOLICITATION # 2018011

September 20, 2017

REQUEST FOR PROPOSAL FOR: INFORMATION TECHNOLOGY SOLUTIONS & SERVICES

PROPOSAL DUE DATE AND TIME: October 23, 2017 – 3:00 P.M. LOCAL ARIZONA TIME

Notice is hereby given sealed proposals will be received by the Purchasing Division, City of Mesa, Mesa City Plaza, 20 East Main Street, Suite #400, Mesa, Arizona 85201, until the date and time cited above. Proposals received by the correct date and time will be opened publicly and read aloud by the Purchasing Division's Procurement Administrator (or designated representative).

Issue Request for Proposals	**September 20, 2017**
Pre-Proposal Conference (Optional)	**October 3, 2017 – 10:00 am local Arizona time**
Questions due from Proposers	**October 6, 2017 – 3:00 pm local Arizona time**
City of Mesa response to Questions	**October 12, 2017**
Proposal Due Date	**October 23, 2017 – 3:00 pm local Arizona time**

VENDOR CONFERENCE / SITE VISIT:
Date and Time: October 3, 2017 – 10:00 am local Arizona time
Location: City of Mesa – Mesa City Plaza
20 E Main Street, Conference Room 450 South
Mesa, AZ 85201
Teleconference Number: 480-644-6120; PIN 319405

The conference provides interested parties an opportunity to discuss the City and National IPA's needs and ask questions. Please read the entire solicitation package and submit the proposal in accordance with the instructions. This document (less this invitation and the instructions) and any required response documents, attachments, and submissions will constitute the proposal. Proposal envelopes with insufficient postage will not be accepted by the City of Mesa.

Proposals must be in the actual possession of the Purchasing Division Office at the location indicated, on or prior to the exact date and time indicated above. Late submittals shall not be considered under any circumstances.

Questions concerning this solicitation should be directed, IN WRITING, to the following Purchasing contacts or their designees:

Technical Questions:
Sharon Brause, CPPO, CPPB, CPCP
Senior Procurement Officer
PHONE: 480-644-2815
FAX: (480) 644-2655
Sharon.Brause@MesaAZ.gov

General or Process Questions:
Cyndi Gonzales
Procurement Specialist
PHONE: 480-644-2179
FAX: (480) 644-2655
Cyndi.Gonzales@MesaAZ.gov

NOTE: THE CITY OF MESA PUBLISHES ITS SOLICITATIONS, ATTACHMENTS, AND ADDENDA ONLINE AND THEY ARE AVAILABLE FOR VIEWING AND/OR DOWNLOADING AT THE FOLLOWING INTERNET ADDRESS: http://www.mesaaz.gov/business/purchasing

All vendors wishing to conduct business with the City are required to register and maintain all information used for the notification of solicitation opportunities and issuance of payment in the Vendor Self Service (VSS) system. To register and view additional vendor information, go to http://mesaaz.gov/business/purchasing/vendor-self-service.

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City of Mesa, AZ

Contract # 2018011-02

for

Information Technology Solutions and Services

with

SHI International Corp.

Effective: March 1, 2018

The following documents comprise the executed contract between the City of Meza, AZ and SHI International Corp, effective March 1, 2018:

I. Executed Contract
II. Mayor and Council Approval
III. Supplier Response
IV. Original RFP

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AGREEMENT PURSUANT TO SOLICITATION

CITY OF MESA AGREEMENT NUMBER 2018011
INFORMATION TECHNOLOGY SOLUTIONS & SERVICES

CITY OF MESA, Arizona ("City")

Department Name	City of Mesa – Purchasing Division
Mailing Address	P.O. Box 1466 Mesa, AZ 85211-1466
Delivery Address	20 East Main St, Suite 400 Mesa, AZ 85201
Attention	Sharon Brause, CPPO, CPPB, CPCP Senior Procurement Officer
E-Mail	Sharon.Brause@MesaAZ.gov
Phone	(480) 644-2815
Fax	(480) 644-2655

AND

SHI INTERNATIONAL CORP., ("Contractor")

Mailing Address	290 Davidson Ave Somerset, NJ 08873
Remit Address	PO Box 952121 Dallas, TX 75395-2121
Attention	Meghan Flisakowski, Public Program Manager
E-Mail	Meghan.Flisakowski@shi.com
Phone	512-517-4088
Fax	732-652-6599
Website	www.publicsector.shidirect.com/

CITY OF MESA AGREEMENT PURSUANT TO SOLICITATION

This Agreement pursuant to solicitation ("Agreement") is entered into this 27th day of February, 2018, by and between the City of Mesa, Arizona, an Arizona municipal corporation ("City"), and **SHI INTERNATIONAL CORP**, a New Jersey corporation ("Contractor"). The City and Contractor are each a "Party" to the Agreement or together are "Parties" to the Agreement.

RECITALS

A. The City issued solicitation number **2018011** ("Solicitation") for **INFORMATION TECHNOLOGY SOLUTIONS & SERVICES**, to which Contractor provided a response ("Response"); and

B. The City Selected Contractor's Response as being in the best interest of the City and wishes to engage Contractor in providing the Services/Products described in the Solicitation and Response.

C. "Services" means the resale services provided by Contractor under this Agreement; i.e. sourcing and fulfilling the Product and/or providing deliverables identified in an Order.

D. "Products" means collectively third-party software, computer peripherals, computer hardware, and associated IT services provided by third parties or Contractor, as the case may be.

E. "Order" means the form of purchase order or other document used for the purpose of ordering Product and/or deliverables pursuant to this Agreement. Order shall also include a phone order or on-line order placed by the City employee to Contractor utilizing the City's corporate procurement card or the City's written or electronic form of purchase requisition.

In consideration of the reciprocal promises contained in the Agreement, and for other valuable and good consideration, which the Parties acknowledge the receipt and sufficiency of, the Parties agree to the following Terms & Conditions.

TERMS & CONDITIONS

1. Term. This Agreement is for a term beginning on **March 1, 2018** and ending on **February 28, 2023.** The use of the word "Term" in the Agreement includes the aforementioned period as well as any applicable extensions or renewals in accordance with this Section 1.

   1.1 **Renewals.** On the mutual written agreement of the Parties, the Term may be renewed up to a maximum of **two (2), one (1) year periods.** Any renewal(s) will be a continuation of the same terms and conditions as in effect immediately prior to the expiration of the then-current term.

   1.2 **Extension for Procurement Processes.** Upon the expiration of the Term of this Agreement, including any renewals permitted herein, at the City's sole discretion this Agreement may be extended on a month-to-month basis for a maximum of six (6) months to allow for the City's procurement processes in the selection of a Contractor to provide the Services/Products provided under this Agreement. The City will notify the Contractor in writing of its intent to extend the Agreement at least thirty (30) calendar days prior to the expiration of the Term. Any extension under this Subsection 1.2 will be a continuation of the same terms and conditions as in effect immediately prior to the expiration of the then-current term.

   1.3 **Delivery.** Delivery shall be made to the location(s) contained in the Scope of Work within thirty (30) days after receipt of an Order. Contractor agrees to deliver all Products to the desktop of the ordering customer be delivered F.O.B. destination, freight pre-paid and allowed to various locations throughout the City. The City of Mesa shall be responsible for extra incurred fees for expedited shipping or other special delivery requirements. In

many cases within the City, the Contractor may be asked to deliver all goods to the front counter within a given department; this is a City requirement and other participating agencies who utilize this Agreement as a cooperative contract (see **Exhibit C**, Mesa Standard Terms & Conditions) may have other delivery requirements.

2. **Scope of Work**. The Contractor will provide the necessary staff, Services and associated resources to provide the City with the Services, Products, and obligations attached to this Agreement as **Exhibit A** ("Scope of Work") Contractor will be responsible for all costs and expenses incurred by Contractor that are incident to the performance of the Scope of Work unless otherwise stated in **Exhibit A**. Contractor will supply all equipment and instrumentalities necessary to perform the Scope of Work. If set forth in **Exhibit A**, the City will provide Contractor's personnel with adequate workspace and such other related facilities as may be required by Contractor to carry out the Scope of Work.

   The Agreement is based on the Solicitation and Response which are hereby incorporated by reference into the Agreement as if written out and included herein. In addition to the requirements specifically set forth in the Scope of Work, the Parties acknowledge and agree that the Contractor shall perform in accordance with all terms, conditions, specifications and other requirements set forth within the Solicitation and Response unless modified herein.

3. **Orders**. Orders must be placed with the Contractor by either a: (i) Purchase Order when for a one-time purchase; (ii) notice to proceed, or (iii) Delivery Order off a Master Agreement for a requirements contract where multiple as-needed orders will be placed with the Contractor. The City may use the Internet to communicate with Contractor and to place Orders as permitted under this Agreement. The terms and conditions on any order form, quote, or similar document provided by Contractor to the City will not take precedence over the language set forth in this Agreement or any of the documents outlined in Section 4 below.

4. **Document Order of Precedence**. In the event of any inconsistency between the terms of the body of the Agreement, Exhibits, Solicitation, and Response, the language of the documents will control in the following order.

   a. Amendments to the Agreement
   b. Agreement
   c. Exhibits
      1. Mesa Standard Terms & Conditions (Exhibit C)
      2. Pricing (Exhibit B)
      3. Scope of Work (Exhibit A)
      4. Other Exhibits not listed above
   d. Solicitation including any addenda
   e. Contractor's Response

5. **Payment**. Subject to the provisions of the Agreement, the City will pay Contractor the sum(s) described in **Exhibit B** ("Pricing") in consideration of Contractor's performance of the Scope of Work during the Term.

6. **Pricing.** Contractor's pricing shall be in the format of a minimum percentage discount off a verifiable price index. Contractor may submit discounts for various manufacturers. At the time of purchase, Contractor may offer deeper discounts beyond the discounted price list, based on volume or other factors, as applicable. Minimum discounts will remain firm during the entirety of the Term of the Agreement, unless the Contractor requests to increase its discount percentage, and will include all charges that may be incurred in fulfilling requirement(s). In addition to decreasing prices for the balance of the Term due to a change in market conditions, a Contractor may conduct sales promotions involving price reductions for a specified lesser period. In the event a Product is discontinued, Contractor will provide a Product of the same or greater functionality, utilizing the discount structure.

It is the Contractor's responsibility to provide the City with an up-to-date price list for the duration of the Agreement.

6.1 **Prices.** All pricing discounts shall be firm for the Term and all extensions or renewals of the Term except where otherwise provided in this Agreement, and will include all costs of the Contractor providing the Products/Service including transportation and insurance costs. No fuel surcharges will be accepted unless allowed in this Agreement. The City shall not be invoiced at prices higher than those stated in the Agreement.

The Contractor further agrees that any reductions in the price of the Products or Services covered by this Agreement will apply to the undelivered balance. The Contractor shall promptly notify the City of such price reductions.

No price modifications will be accepted without proper request by the Contractor and response by the City's Purchasing Division.

6.2 **Price Adjustment**. Any requests for reasonable price adjustments must be submitted in accordance with this section. Requests for adjustment in cost of labor and/or Products must be supported by appropriate documentation. There is no guarantee the City will accept a price adjustment therefore Contractor should be prepared for the Pricing to be firm over the Term of the Agreement. The City is only willing to entertain price adjustments based on an increase to Contractor's actual expenses or other reasonable adjustment in providing the Services/Products under the Agreement. If the City agrees to the adjusted price terms, the City shall issue written approval of the change.

During the sixty (60) day period prior to expiration date of the then-current term of the Agreement, the Contractor may submit a written request to the City to allow an increase to the prices in an amount not to exceed the twelve (12) month change in the ***Consumer Price Index for All Urban Consumers*** (CPI-U), US City Average, All Items, Not Seasonally Adjusted as published by the U.S. Department of Labor, Bureau of Labor Statistics (http://www.bls.gov/cpi/home.htm). The City shall review the request for adjustment and respond in writing; such response and approval shall not be unreasonably withheld.

6.3 **Renewal and Extension Pricing.** Any extension of the Agreement will be at the same pricing as the initial term. If the Agreement is renewed in accordance with Section 1, pricing may be adjusted for amounts other than inflation that represent actual costs to the Contractor based on the mutual agreement of the Parties. Contractor may submit a request for a price adjustment along with appropriate supporting documentation demonstrating the cost to the Contractor. Renewal prices shall be firm for the term of the renewal period and may be adjusted thereafter as outlined in Subsection 6.2. There is no guarantee the City will accept a price adjustment.

6.4 **Invoices**. Payment will be made to Contractor following the City's receipt of a properly completed invoice. Any issues regarding billing or invoicing must be directed to the City Department/Division requesting the Service or Product from the Contractor. A properly completed invoice should contain, at a minimum, all of the following:

a. Contractor name, address, and contact information;
b. City billing information;
c. City contract number as listed on the first page of the Agreement;
d. Invoice number and date;
e. Payment terms;
f. Date of Service or delivery of Product;
g. Description of Products or Services provided;
h. If Products provided, the quantity delivered and pricing of each unit;

i. Applicable taxes; and
j. Total amount due.

6.5 **Payment of Funds**. Contractor acknowledges the City may, at its option and where available use a Procurement Card/e-Payables to make payment for orders under the Agreement; otherwise, payment will be through a traditional method of a check or Electronic Funds Transfer (EFT) as available.

6.6 **Disallowed Costs, Overpayment**. If at any time the City determines that a cost for which payment was made to Contractor is a disallowed cost, such as an overpayment or a charge for Products/Service not in accordance with the Agreement, the City will notify Contractor in writing of the disallowance; such notice will state the means of correction which may be, but is not limited to, adjustment of any future claim/invoice submitted by Contractor in the amount of the disallowance, or to require repayment of the disallowed amount by Contractor. Contractor will be provided with the opportunity to respond to the notice.

7. **Insurance**.

7.1 Contractor must obtain and maintain at its expense throughout the Term of the Agreement, at a minimum, the types and amounts of insurance set forth in this Section 7 from insurance companies authorized to do business in the State of Arizona; the insurance must cover the Products/Service to be provided by Contractor under the Agreement. For any insurance required under the Agreement, Contractor will name the City of Mesa, its agents, representatives, officials, volunteers, officers, elected officials, and employees as additional insured, as evidenced by providing either an additional insured endorsement or proper insurance policy excerpts.

Nothing in this Section 7 limits Contractor's responsibility to the City. The insurance requirements herein are minimum requirements for the Agreement and in no way limit any indemnity promise(s) contained in the Agreement.

7.2 The City does not warrant the minimum limits contained herein are sufficient to protect Contractor and subcontractor(s) from liabilities that might arise out of performance under the Agreement by Contractor, its agents, representatives, employees, or subcontractor(s). Contractor is encouraged to purchase additional insurance as Contractor determines may be necessary.

7.3 Each insurance policy required under the Agreement must be in effect at or prior to the execution of the Agreement and remain in effect for the Term of the Agreement.

7.4 Prior to the execution of the Agreement, Contractor will provide the City with a Certificate of Insurance (using an appropriate "ACORD" or equivalent certificate) signed by the issuer with applicable endorsements. The City reserves the right to request additional copies of any or all of the policies, endorsements, or notices relating thereto required under the Agreement.

7.5 When the City requires a Certificate of Insurance to be furnished, Contractor's insurance is primary of all other sources available. When the City is a certificate holder and/or an additional insured, Contractor agrees no policy will expire, be canceled, or be materially changed to affect the coverage available without advance written notice to the City.

7.6 The policies required by the Agreement must contain a waiver of transfer rights of recovery (waiver of subrogation) against the City, its agents, representatives, officials, volunteers, officers, elected officials, and employees for any claims arising out of the work of Contractor where permitted by law.

7.7 All insurance certificates and applicable endorsements are subject to review and approval by the City's Risk Management Division.

7.8 **Types and Amounts of Insurance.** Contractor must obtain and retain throughout the term of the Agreement, at a minimum, the following:

7.8.1 Worker's compensation insurance in accordance with the provisions of Arizona law. If Contractor operates with no employees, Contractor must provide the City with written proof Contractor has no employees. If employees are hired during the course of this Agreement, Contractor must procure worker's compensations in accordance with Arizona law.

7.8.2 The Contractor shall maintain at all times during the term of this contract, a minimum amount of $1 million per occurrence/$2 million aggregate Commercial General Liability insurance, including Contractual Liability. For Commercial General Liability insurance, the City of Mesa, their agents, officials, volunteers, officers, elected officials or employees shall be named as additional insured, as evidenced by providing an additional insured endorsement.

7.8.3 Automobile liability, bodily injury and property damage with a limit of $1 million per occurrence including owned, hired and non-owned autos.

8. **Requirements Contract**. Contractor acknowledges and agrees the Agreement is a requirements contract; the Agreement does not guarantee any purchases will be made (minimum or maximum). Orders will only be placed when the City identifies a need and issues a purchase order or a written notice to proceed. The City reserves the right to cancel purchase orders or a notice to proceed within a reasonable period of time of issuance; any such cancellation will be in writing. Should a purchase order or notice to proceed be canceled, the City agrees to reimburse Contractor for any actual and documented costs incurred by Contractor. If the City cancels a purchase order following shipment of the Products but prior to delivery, the City shall pay all freight and handling charges for shipment and return shipment of such Products to Contractor. All returns shall be made in accordance with Contractor's Return Policy found at www.shi.com/returnpolicy and this Agreement, with the terms of this Agreement controlling. The City will not reimburse Contractor for any avoidable costs incurred after receipt of cancellation including, but not limited to, lost profits, shipment of Product, or performance of Services. The City reserves the right to purchase contracted items through other sources if determined in the best interests of the City to do so.

9. **Notices.** All notices to be given pursuant to the Agreement will be delivered to the Contractor at the address listed on Page 1 of this Agreement. Notice will be delivered pursuant to the requirements set forth the Mesa Standard Terms and Conditions that are attached to the Agreement as **Exhibit C**.

10. **WARRANTY.** Contractor warrants that the Services and Products will conform to the requirements of the Agreement. Additionally, Contractor warrants that all Services will be performed in a good, workman-like and professional manner. The City's acceptance of Services or Products provided by Contractor will not relieve Contractor from its obligations under this warranty. If any Products or Services are of a substandard or unsatisfactory manner as determined by the City, Contractor, at no additional charge to the City, will provide Products or redo such Services until in accordance with this Agreement and to the City's reasonable satisfaction.

11. **OEM PRODUCT WARRANTY.** Contractor is a value-added reseller ("VAR") of Products, not the Original Equipment Manufacturer ("OEM") or licensor, and, except as provided herein, Contractor disclaims any warranty responsibility regarding warranties provided by the OEM for the Products provided under this Agreement ("OEM Product Warranty"). Contractor shall forward the OEM Product Warranties to the City which are provided to Contractor from the OEM of the Product and, to the extent granted by the OEM, the City shall be the beneficiary of the OEM's Product Warranties

with respect to the Product. Contractor is not a party to any such terms of the OEM Product Warranty between the City and OEM and the City agrees to look to the OEM for satisfaction of any and all OEM Product Warranty claims related to that OEM's Product.

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, CONTRACTOR HEREBY DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF NONINFRINGEMENT, OR ANY WARRANTY RELATING TO THIRD PARTY SERVICES OR PRODUCTS. THE DISCLAIMER CONTAINED IN THIS PARAGRAPH DOES NOT AFFECT THE TERMS OF ANY OEM PRODUCT WARRANTY.

12. **Representations of Contractor**. To the best of Contractor's knowledge, Contractor agrees that:

    a. Contractor has no obligations, legal or otherwise, inconsistent with the terms of the Agreement or with Contractor's undertaking of the relationship with the City;

    b. Performance of the Services called for by the Agreement do not and will not violate any applicable law, rule, regulation, or any proprietary or other right of any third party;

    c. Contractor will not use in the performance of Contractor's responsibilities under the Agreement any proprietary information or trade secret of a former employer of its employees (other than City, if applicable); and

    d. Contractor has not entered into and will not enter into any agreement, whether oral or written, in conflict with the Agreement.

13. **Mesa Standard Terms and Conditions**. Exhibit C to the Agreement is the Mesa Standard Terms and Conditions as modified by the Parties, which are incorporated by reference into the Agreement as though fully set forth herein. In the event of any inconsistency between the terms of the Agreement and the Mesa Standard Terms and Conditions, the language of the Agreement will control. The Parties or a Party are referred to as a "party" or "parties" in the Mesa Standard Terms and Conditions. The Term is referred to as the "term" in the Mesa Standard Terms and Conditions.

14. **Counterparts and Facsimile or Electronic Signatures.** This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original and all of which, taken together, will constitute one agreement. A facsimile or other electronically delivered signature to the Agreement will be deemed an original and binding upon the Party against whom enforcement is sought.

15. **Incorporation of Recitals and Exhibits**. All Recitals and Exhibits to the Agreement are hereby incorporated by reference into the Agreement as if written out and included herein. In the event of any inconsistency between the terms of the body of the Agreement and the Exhibits, the language of the Agreement will control.

    Exhibits to this Agreement are the following:
    (A) Scope of Work / Technical Specifications
    (B) Pricing
    (C) Mesa Standard Terms and Conditions

16. **Attorneys' Fees**. The prevailing Party in any litigation arising out of the Agreement will be entitled to the recovery of its reasonable attorney's fees, court costs, and other litigation related costs and fees from the other Party.

17. **Title, Risk of Loss, Returns.** Contractor shall transfer to the City good and merchantable title to the Product, free from all liens, encumbrances and claims of others, upon delivery of the Product to and its receipt by the City, at which time title and risk of loss shall vest fully in the City, unless

notice of rejection is provided to Contractor's authorized representative within three (3) business days after such delivery. All returns of Product shall be made in accordance with this Agreement and Contractor's Return Policy found at www.shi.com/returnpolicy, with the terms of the Agreement controlling.

18. **Additional Acts**. The Parties agree to execute promptly such other documents and to perform such other acts as may be reasonably necessary to carry out the purpose and intent of the Agreement.

19. **Headings**. The headings of the Agreement are for reference only and will not limit or define the meaning of any provision of the Agreement.

By executing below, each Party acknowledges that it understands, approves, and accepts all of the terms of the Agreement and the attached exhibits.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MESA, ARIZONA	SHI INTERNATIONAL CORP.
By:	By:
Edward Quedens	Cassie Skelton
Printed Name	Printed Name
Business Services Director	Contracts Manager
Title	Title
2-27-18	2/27/18
Date	Date

REVIEWED BY:

By:

EXHIBIT A
SCOPE OF WORK

1. **MINIMUM REQUIREMENTS**. Contractor must meet the following minimum qualifications:
   a. A full range of information technology solution Products and Services to meet varying requirements of governmental agencies.
   b. Have a strong national presence as a computer solutions provider.
   c. Have a distribution model capable of delivering Products, free of charge, in a timely manner on a nationwide basis.
   d. Have a demonstrated sales presence.
   e. Ability to provide a toll-free telephone and state of the art electronic facsimile and internet ordering and billing capabilities.
   f. Be able to meet the minimum requirements of the cooperative purchasing program detailed herein.

2. **ORDERING**. Although the City is open to alternate ordering methods, the primary methods for customers placing orders with the Contractor is through the following:

   a. Online
   b. Telephone
   c. Fax
   d. Email

3. **SCOPE OF PRODUCTS**. Contractor will provide the ability to purchase a comprehensive, wide variety of Information Technology Solution Products including but not limited to the following categories:

   a. Personal Computer Systems: National brand name desktop PCs, notebooks and laptops from Enterprise Tier and Middle Tier Contractors that are business related computers, manufactured by companies, such as, Apple, COMPAQ, Dell, Gateway, Hewlett Packard, IBM / Lenovo and Toshiba.

   b. Standard Business Workstation: These will be used for typical tasks, which will include word processing, spreadsheet analysis, database management, business graphics, statistical analysis, internet, and other office automation activities. Product will include the operating system license, software media and documentation in the hardware shipment.

   c. High End Workstation: These will be used by application developers using GIS, CASE or other high-level language development tools, Computer Aided Design and Drafting professional, Internet Application developers or other sophisticated application work. Product will include the operating system license, software media and documentation in the hardware shipment.

   d. Laptop Computer or Notebook: These will be used by traveling or remote access users for typical office automation and business productivity use. With a port replicator or docking station, it may also be used as a standard desktop. Product will include the operating system license, software media and documentation in the hardware shipment.

   e. Network Equipment: This includes equipment primarily used for communications over an IP network. This includes layer 2 and layer 3 switches, routers, area wireless access points, point-to-point wireless access, optics, media interfaces (i.e. serial, T1, T3, OC3) and fiber channel. Class of equipment should include home office, small and medium business, and enterprise. Contractors may include, but not limited to, Cisco Systems, Dell,

Juniper Networks, HP, Extreme Networks, Enterasys Networks, D-Link, Netgear, and Brocade Communications Systems.

f. Monitors: These will include plug and play compatible monitors that are manufactured for the above systems and/or any other brand that may be specifically called for by the ordering entity and which meet the most current UL and OSHA requirements.

g. Computer and Network Products and Peripherals: Complete availability of major manufacturers Product lines on items such as, but not limited to RAM, graphic accelerator cards, network interface cards, cables, printers, scanners, keyboards, drives, memory cards, cables, batteries, etc.

h. Services: Services such as cloud computing, consulting, technical support, leasing/financing, trade-ins, repair, design, analysis, configuration, implementation, installation, training, and maintenance, etc. In addition, Services which are related to the design, use or operation of the Products being purchased such as system configurations, testing, hardware/software installation, upgrades, imaging, etc.

Note: All hardware must come fully assembled. For example, if extra memory, additional drives or peripherals are ordered, the Contractor must install them unless the Participating Agency request they not be installed. Contractor shall provide these assembly and installation services as stated in the applicable Order; any additional terms and costs that may apply will be identified in the quote.

In cases of custom configuration (e.g.: imaging, etching, kitting, build to order machines, rack and stack servers) and large roll outs, there may be an additional cost associated with assembly. Any additional costs will be noted at the time of quoting.

Installation/deployment projects typically are governed by a scope of work specific to the project which may require an additional cost. If installation is requested the Contractor will review options and provide the scope of work as well as any associated costs at the time of quoting.

i. Comprehensive Product Offering: Contractor's complete catalog and Services set forth in Exhibit B shall be available. The City reserves the right to accept or reject any or all items offered.

j. Financing: Options available such as lease programs and conditional sales contracts.

4. **LICENSES**. Participating Agencies may be required to sign a separate agreement, rider or End User Licensing Agreement ("EULA") as required by manufacturers.

5. **DEFECTIVE PRODUCT**. All defective Products shall be replaced and exchanged by the Contractor at no cost to the City in accordance with this Agreement and Contractor's Return Policy found at www.shi.com/returnpolicy, with the terms of this Agreement controlling. Contractor will order a replacement unit within one (1) business day of notice of damage, defect or DOA from the City. The cost of transportation, unpacking, inspection, re-packing, re-shipping or other like expenses shall be paid by the Contractor. All replacement Products must be received by the City within seven (7) days of initial notification.

EXHIBIT B
PRICING

Item #	Product	Product / Group	Discount	Manufacturer Name
1)	Group 1 - Systems	1) Desktops	4.50%	SHI's Full Catalog of Systems
		2) Notebooks	4.50%	SHI's Full Catalog of Systems
		3) Tablets	4.50%	SHI's Full Catalog of Systems
		4) Servers (1 Processor, 2 Processor, 4+ Processor, Blade, Tower, Unix, Handhelds, etc)	4.50%	SHI's Full Catalog of Systems
2)	Group 2 - Input Devices	5) Keyboards	5.00%	SHI's Full Catalog of Input Devices
		6) Mice	5.00%	SHI's Full Catalog of Input Devices
		7) Imaging Scanners	4.00%	SHI's Full Catalog of Input Devices
		8) POS Scanners	4.00%	SHI's Full Catalog of Input Devices
		9) Pointing Devices	4.00%	SHI's Full Catalog of Input Devices
		10) Bar Code Readers	4.00%	SHI's Full Catalog of Input Devices
		11) Audio Input	4.00%	SHI's Full Catalog of Input Devices
		12) Input Adapters	4.00%	SHI's Full Catalog of Input Devices
		13) PC and Network Cameras	4.00%	SHI's Full Catalog of Input Devices
		14) Input Cables	4.00%	SHI's Full Catalog of Input Devices
		15) Input Accessories	4.00%	SHI's Full Catalog of Input Devices
3)	Group 3 - Output Devices	16) Displays	4.50%	SHI's Full Catalog of Output Devices
		17) Printers	4.50%	SHI's Full Catalog of Output Devices

		18) Inkjet Printers	4.50%	SHI's Full Catalog of Output Devices
		19) Inkjet Photo Printers	4.50%	SHI's Full Catalog of Output Devices
		20) Laser Printers	4.50%	SHI's Full Catalog of Output Devices
		21) Label Printers	4.50%	SHI's Full Catalog of Output Devices
		22) Dot Matrix Printers	4.50%	SHI's Full Catalog of Output Devices
		23) Multi-Function Printers	4.50%	SHI's Full Catalog of Output Devices
		24) Wide Format Printers	4.50%	SHI's Full Catalog of Output Devices
		25) Multi-Function Inkjet Printers	4.50%	SHI's Full Catalog of Output Devices
		26) Wide Format Printers	4.50%	SHI's Full Catalog of Output Devices
		27) Fax Machine Printers	4.50%	SHI's Full Catalog of Output Devices
		28) Printer Accessories	4.50%	SHI's Full Catalog of Output Devices
		29) Projectors	4.50%	SHI's Full Catalog of Output Devices
		30) Projector Accessories	4.50%	SHI's Full Catalog of Output Devices
		31) Audio Input	4.50%	SHI's Full Catalog of Output Devices
		32) Video Cards	4.50%	SHI's Full Catalog of Output Devices
		33) Sound Cards	4.50%	SHI's Full Catalog of Output Devices
		34) Output Accessories	4.50%	SHI's Full Catalog of Output Devices
		35) Printer Consumables	4.50%	SHI's Full Catalog of Output Devices
4)	Group 4 - Memory	36) Desktop	4.50%	SHI's Full Catalog of Memory
		37) Flash	4.50%	SHI's Full Catalog of Memory

		38) Networking	4.50%	SHI's Full Catalog of Memory
		39) Notebook	4.50%	SHI's Full Catalog of Memory
		40) Printer / Fax	4.50%	SHI's Full Catalog of Memory
		41) Server	4.50%	SHI's Full Catalog of Memory
5)	Group 5 - Storage Devices	42) Adapters Fiber Channel	4.00%	SHI's Full Catalog of Storage Devices
		43) Adapters FireWire / USB	4.00%	SHI's Full Catalog of Storage Devices
		44) Adapters IDE/ATA/SATA	4.00%	SHI's Full Catalog of Storage Devices
		45) Adapters RAID	4.00%	SHI's Full Catalog of Storage Devices
		46) Adapters SCSI	4.00%	SHI's Full Catalog of Storage Devices
		47) Bridges & Routers	4.00%	SHI's Full Catalog of Storage Devices
		48) Disk Arrays	4.00%	SHI's Full Catalog of Storage Devices
		49) Disk Arrays JBOD	4.00%	SHI's Full Catalog of Storage Devices
		50) Drives Magneto-Optical	4.00%	SHI's Full Catalog of Storage Devices
		51) Drives Removable Disks	4.00%	SHI's Full Catalog of Storage Devices
		52) Fiber Channel Switches	4.00%	SHI's Full Catalog of Storage Devices
		53) Hard Disks - External	4.00%	SHI's Full Catalog of Storage Devices
		54) Hard Disks - Fiber Channel	4.00%	SHI's Full Catalog of Storage Devices
		55) Hard Disks - IDE/ATA/S	4.00%	SHI's Full Catalog of Storage Devices
		56) Hard Disks - Notebook	4.00%	SHI's Full Catalog of Storage Devices
		57) Hard Disks - SCSI	4.00%	SHI's Full Catalog of Storage Devices

		58) Networking Accessories	4.00%	SHI's Full Catalog of Storage Devices
		59) Optical Drives - CD-ROM	4.00%	SHI's Full Catalog of Storage Devices
		60) Optical Drives - CD-RW	4.00%	SHI's Full Catalog of Storage Devices
		61) Optical Drives - DVD-CD	4.00%	SHI's Full Catalog of Storage Devices
		62) Optical Drives - DVD-RW	4.00%	SHI's Full Catalog of Storage Devices
		63) Storage Accessories	4.00%	SHI's Full Catalog of Storage Devices
		64) Storage - NAS	4.00%	SHI's Full Catalog of Storage Devices
		65) Storage - SAN	4.00%	SHI's Full Catalog of Storage Devices
		66) Tape Autoloaders -AIT	4.00%	SHI's Full Catalog of Storage Devices
		67) Tape Autoloaders - DAT	4.00%	SHI's Full Catalog of Storage Devices
		68) Tape Autoloaders - DLT	4.00%	SHI's Full Catalog of Storage Devices
		69) Tape Autoloaders - LTO	4.00%	SHI's Full Catalog of Storage Devices
		70) Tape Drives - 4mm	4.00%	SHI's Full Catalog of Storage Devices
		71) Tape Drives - 8mm/VXA	4.00%	SHI's Full Catalog of Storage Devices
		72) Tape Drives - AIT	4.00%	SHI's Full Catalog of Storage Devices
		73) Tape Drives - DAT	4.00%	SHI's Full Catalog of Storage Devices
		74) Tape Drives - DLT	4.00%	SHI's Full Catalog of Storage Devices
		75) Tape Drives - LTO/Ultrium	4.00%	SHI's Full Catalog of Storage Devices
		76) Tape Drives SDLT	4.00%	SHI's Full Catalog of Storage Devices
		77) Tape Drives - Travan	4.00%	SHI's Full Catalog of Storage Devices

6)	Group 6 - Network Equipment	78) 10/100 Hubs & Switches	5.00%	SHI's Full Catalog of Network Equipment
		79) Bridges & Routers	5.00%	SHI's Full Catalog of Network Equipment
		80) Gigabit Hubs & Switches	5.00%	SHI's Full Catalog of Network Equipment
		81) Concentrators & Multiplexers	5.00%	SHI's Full Catalog of Network Equipment
		82) Hardware Firewalls	5.00%	SHI's Full Catalog of Network Equipment
		83) Intrusion Detection	5.00%	SHI's Full Catalog of Network Equipment
		84) KVM	5.00%	SHI's Full Catalog of Network Equipment
		85) Modems	5.00%	SHI's Full Catalog of Network Equipment
		86) Network Test Equipment	5.00%	SHI's Full Catalog of Network Equipment
		87) Network Adapters	5.00%	SHI's Full Catalog of Network Equipment
		88) Network Cables	5.00%	SHI's Full Catalog of Network Equipment
		89) Network Accessories	5.00%	SHI's Full Catalog of Network Equipment
		90) Repeaters & Transceivers	5.00%	SHI's Full Catalog of Network Equipment
		91) Wireless LAN Accessories	5.00%	SHI's Full Catalog of Network Equipment
		92) Token Authentication	5.00%	SHI's Full Catalog of Network Equipment
		93) 10G Fiber Optic Transceivers	5.00%	SHI's Full Catalog of Network Equipment
		94) 1G Fiber Optic Transceivers	5.00%	SHI's Full Catalog of Network Equipment
7)	Group 7 - Software	95) Licensing Packages (e.g. Microsoft)	4.50%	SHI's Full Catalog of Software
		96) Licensing Backup	4.50%	SHI's Full Catalog of Software
		97) Licensing Barcode/OC	4.50%	SHI's Full Catalog of Software

		98) Licensing Business Application	4.50%	SHI's Full Catalog of Software
		99) Licensing CAD/CAM	4.50%	SHI's Full Catalog of Software
		100) Licensing - Cloning	4.50%	SHI's Full Catalog of Software
		101) Licensing - Computer Services	4.50%	SHI's Full Catalog of Software
		102) Licensing - Database	4.50%	SHI's Full Catalog of Software
		103) Licensing - Development	4.50%	SHI's Full Catalog of Software
		104) Licensing - Entertainment	4.50%	SHI's Full Catalog of Software
		105) Licensing - Financial	4.50%	SHI's Full Catalog of Software
		106) Licensing - Flow Chart	4.50%	SHI's Full Catalog of Software
		107) Licensing - Graphic Design	4.50%	SHI's Full Catalog of Software
		108) Licensing - Handheld	4.50%	SHI's Full Catalog of Software
		109) Licensing - Network OS	4.50%	SHI's Full Catalog of Software
		110) Licensing - OS	4.50%	SHI's Full Catalog of Software
		111) Licensing - Personal Organization	4.50%	SHI's Full Catalog of Software
		112) Licensing - Presentation	4.50%	SHI's Full Catalog of Software
		113) Licensing - Reference	4.50%	SHI's Full Catalog of Software
		114) Licensing - Report Analysis	4.50%	SHI's Full Catalog of Software
		115) Licensing - Spreadsheet	4.50%	SHI's Full Catalog of Software
		116) Licensing - Utilities	4.50%	SHI's Full Catalog of Software
		117) Licensing - Warranties	4.50%	SHI's Full Catalog of Software

		118) Licensing - Web Development	4.50%	SHI's Full Catalog of Software
		119) Licensing - Word Processing	4.50%	SHI's Full Catalog of Software
		120) Software - Backup	4.50%	SHI's Full Catalog of Software
		121) Software - Barcode / OCR	4.50%	SHI's Full Catalog of Software
		122) Software - Business Application	4.50%	SHI's Full Catalog of Software
		123) Software - CAD/CAM	4.50%	SHI's Full Catalog of Software
		124) Software - Cloning	4.50%	SHI's Full Catalog of Software
		125) Software - Computer Services	4.50%	SHI's Full Catalog of Software
		126) Software - Database	4.50%	SHI's Full Catalog of Software
		127) Software - Development	4.50%	SHI's Full Catalog of Software
		128) Software - Entertainment	4.50%	SHI's Full Catalog of Software
		129) Software - Financial	4.50%	SHI's Full Catalog of Software
		130) Software - Flow Chart	4.50%	SHI's Full Catalog of Software
		131) Software - Graphic Design	4.50%	SHI's Full Catalog of Software
		132) Software - Handheld	4.50%	SHI's Full Catalog of Software
		133) Software - OS	4.50%	SHI's Full Catalog of Software
		134) Software - Personal Organization	4.50%	SHI's Full Catalog of Software
		135) Software - Presentation	4.50%	SHI's Full Catalog of Software
		136) Software - Reference	4.50%	SHI's Full Catalog of Software
		137) Software - Report Analysis	4.50%	SHI's Full Catalog of Software

		138) Software - Spreadsheet	4.50%	SHI's Full Catalog of Software
		139) Software - Utilities	4.50%	SHI's Full Catalog of Software
		140) Software - Warranties	4.50%	SHI's Full Catalog of Software
		141) Software - Web Development	4.50%	SHI's Full Catalog of Software
		142) Software - Word Processing	4.50%	SHI's Full Catalog of Software
8)	Group 8 - Media Supplies	143) Media - 4mm tape	4.00%	SHI's Full Catalog of Media Supplies
		144) Media - AIT tape	4.00%	SHI's Full Catalog of Media Supplies
		145) Media - DAT tape	4.00%	SHI's Full Catalog of Media Supplies
		146) Media - DLT tape	4.00%	SHI's Full Catalog of Media Supplies
		147) Media LTO / Ultrium tape drive	4.00%	SHI's Full Catalog of Media Supplies
		148) Media - Magneto - Optical	4.00%	SHI's Full Catalog of Media Supplies
		149) Media - Optical	4.00%	SHI's Full Catalog of Media Supplies
		150) Media - SLR tape	4.00%	SHI's Full Catalog of Media Supplies
		151) Media - Travan tape	4.00%	SHI's Full Catalog of Media Supplies
		152) Media - VXA tape	4.00%	SHI's Full Catalog of Media Supplies
		153) Media - zip	4.00%	SHI's Full Catalog of Media Supplies
9)	Group 9 - Collaboration & IP Telephony	154) IP phones	4.00%	SHI's Full Catalog of Collaboration and IP Telephony
		155) Video conferencing products	4.00%	SHI's Full Catalog of Collaboration and IP Telephony
		156) Voice gateways / servers	4.00%	SHI's Full Catalog of Collaboration and IP Telephony

		157) Headsets	4.00%	SHI's Full Catalog of Collaboration and IP Telephony
		158) Audio conferencing products	4.00%	SHI's Full Catalog of Collaboration and IP Telephony
		159) Analog phones	4.00%	SHI's Full Catalog of Collaboration and IP Telephony
		160) Accessories	4.00%	SHI's Full Catalog of Collaboration and IP Telephony
10)	Group 10 - Other	161) Advanced Integration	4.00%	SHI's Full Catalog of Other
		162) Asset Disposal	4.00%	SHI's Full Catalog of Other
		163) Asset Management	4.00%	SHI's Full Catalog of Other
		164) Cables	4.00%	SHI's Full Catalog of Other
		165) Cables - custom	4.00%	SHI's Full Catalog of Other
		166) Cables - printer	4.00%	SHI's Full Catalog of Other
		167) Complex warranties	4.00%	SHI's Full Catalog of Other
		168) Desktop Accessories	4.00%	SHI's Full Catalog of Other
		169) Display Accessories	4.00%	SHI's Full Catalog of Other
		170) Electronic Services	4.00%	SHI's Full Catalog of Other
		171) Handheld Accessories	4.00%	SHI's Full Catalog of Other
		172) Imaging Accessories	4.00%	SHI's Full Catalog of Other
		173) Imaging - Camcorders	4.00%	SHI's Full Catalog of Other
		174) Imaging - Digital Cameras	4.00%	SHI's Full Catalog of Other

		175) Internal Lab Service	4.00%	SHI's Full Catalog of Other
		176) Lab fees	4.00%	SHI's Full Catalog of Other
		177) Managed Services	4.00%	SHI's Full Catalog of Other
		178) Miscellaneous solutions	4.00%	SHI's Full Catalog of Other
		179) Mounting hardware for vehicles	4.00%	SHI's Full Catalog of Other
		180) Networking Warranties	4.00%	SHI's Full Catalog of Other
		181) Notebook Accessories	4.00%	SHI's Full Catalog of Other
		182) Notebook Batteries	4.00%	SHI's Full Catalog of Other
		183) PC Lab order services	4.00%	SHI's Full Catalog of Other
		184) POS Accessories	4.00%	SHI's Full Catalog of Other
		185) POS Displays	4.00%	SHI's Full Catalog of Other
		186) Power Accessories	4.00%	SHI's Full Catalog of Other
		187) Power Surge Protection	4.00%	SHI's Full Catalog of Other
		188) Power UPS	4.00%	SHI's Full Catalog of Other
		189) Server Accessories	4.00%	SHI's Full Catalog of Other
		190) Service Charge	4.00%	SHI's Full Catalog of Other
		191) System Components	4.00%	SHI's Full Catalog of Other
		192) Training Courses	4.00%	SHI's Full Catalog of Other
		193) Training Reference Manuals	4.00%	SHI's Full Catalog of Other
		194) Warranties - Electronic	4.00%	SHI's Full Catalog of Other

		195) iPAD / Tablet Stylus	4.00%	SHI's Full Catalog of Other
		196) Mouse / Wrist Pads	4.00%	SHI's Full Catalog of Other
		197) Security Locks and Hardware	4.00%	SHI's Full Catalog of Other
		198) Tools	4.00%	SHI's Full Catalog of Other
		199) Document Scanner Accessories	4.00%	SHI's Full Catalog of Other
		200) Flatbed Scanners	4.00%	SHI's Full Catalog of Other
		201) Mobile Scanners	4.00%	SHI's Full Catalog of Other
		202) Network Scanners	4.00%	SHI's Full Catalog of Other
		203) Sheet fed Scanners	4.00%	SHI's Full Catalog of Other
		204) Wide Format Scanners	4.00%	SHI's Full Catalog of Other
		205) Workgroup / Department Scanner	4.00%	SHI's Full Catalog of Other
		206) Build to Order Desktops	4.00%	SHI's Full Catalog of Other
		207) Nettop	4.00%	SHI's Full Catalog of Other
		208) Point of Sale	4.00%	SHI's Full Catalog of Other
		209) Ultra Small Form Factor	4.00%	SHI's Full Catalog of Other
		210) Apple / Mac Memory Upgrades	4.00%	SHI's Full Catalog of Other
		211) Chips / SIMMs/SIPPs / ROMs	4.00%	SHI's Full Catalog of Other
		212) Computer Cases	4.00%	SHI's Full Catalog of Other
		213) CPUs / Fans	4.00%	SHI's Full Catalog of Other
		214) Memory Accessories	4.00%	SHI's Full Catalog of Other

		215) Motherboards / Chassis	4.00%	SHI's Full Catalog of Other
		216) 1 - 2 port Serial Boards	4.00%	SHI's Full Catalog of Other
		217) 3+ port Serial Boards	4.00%	SHI's Full Catalog of Other
		218) Console Server	4.00%	SHI's Full Catalog of Other
		219) Device Server	4.00%	SHI's Full Catalog of Other
		220) Terminal Server	4.00%	SHI's Full Catalog of Other
		221) Content Management	4.00%	SHI's Full Catalog of Other
		222) Firewall / VPN Appliances	4.00%	SHI's Full Catalog of Other
		223) Multifunction Security Appliances	4.00%	SHI's Full Catalog of Other
		224) Network Camera Accessories	4.00%	SHI's Full Catalog of Other
		225) Network Cameras	4.00%	SHI's Full Catalog of Other
		226) Physical/Environmental Security	4.00%	SHI's Full Catalog of Other
		227) Security Appliance Accessories	4.00%	SHI's Full Catalog of Other
		228) Security Tokens	4.00%	SHI's Full Catalog of Other
		229) Unified Threat Management	4.00%	SHI's Full Catalog of Other
		230) 2-way Radios / Walkie Talkies	4.00%	SHI's Full Catalog of Other
		231) Apple Notebooks	4.00%	SHI's Full Catalog of Other
		232) Convertible PCs / Slate PCs / iPAD	4.00%	SHI's Full Catalog of Other
		233) iPAD	4.00%	SHI's Full Catalog of Other
		234) Slate Tablet Computers	4.00%	SHI's Full Catalog of Other

		235) GPS / PDA	4.00%	SHI's Full Catalog of Other
		236) Wireless Communication Devices	4.00%	SHI's Full Catalog of Other
		237) Batteries	4.00%	SHI's Full Catalog of Other
		238) Power Supplies / Adapters	4.00%	SHI's Full Catalog of Other
		239) Rackmountain Equipment	4.00%	SHI's Full Catalog of Other
		240) Remote Power Management	4.00%	SHI's Full Catalog of Other
		241) Surge Suppressors	4.00%	SHI's Full Catalog of Other
		242) UPS / Battery Backup	4.00%	SHI's Full Catalog of Other
		243) 14" & smaller LCD Display	4.00%	SHI's Full Catalog of Other
		244) 15-19" LCD Display	4.00%	SHI's Full Catalog of Other
		245) 15-19" Wide LCD Display	4.00%	SHI's Full Catalog of Other
		246) 15-19" Wide LED Display	4.00%	SHI's Full Catalog of Other
		247) 20-30" LCD Display	4.00%	SHI's Full Catalog of Other
		248) 20-30" Wide LCD Display	4.00%	SHI's Full Catalog of Other
		249) 20-30" Wide LED Display	4.00%	SHI's Full Catalog of Other
		250) PCoIP and Zero Client Displays	4.00%	SHI's Full Catalog of Other
		251) Arm Mounts	4.00%	SHI's Full Catalog of Other
		252) Ceiling Mounts	4.00%	SHI's Full Catalog of Other
		253) Combo Mounts	4.00%	SHI's Full Catalog of Other
		254) Desktop Stands / Risers	4.00%	SHI's Full Catalog of Other

		255) Flat Wall Mounts	4.00%	SHI's Full Catalog of Other
		256) Mount Accessories	4.00%	SHI's Full Catalog of Other
		257) Pole Display	4.00%	SHI's Full Catalog of Other
		258) Stands / Carts / Feet	4.00%	SHI's Full Catalog of Other
		259) Tilt Wall Mounts	4.00%	SHI's Full Catalog of Other
		260) C-Cure Products	4.00%	SHI's Full Catalog of Other
		261) Istar Products	4.00%	SHI's Full Catalog of Other
11)	Group 11 - Services	SERVICE	STANDARD HOURLY RATE	DISCOUNT FROM STANDARD RATE
		Design and Analysis	$ 125.00	4%
		Configuration	$ 165.00	4%
		Implementation	$ 185.00	4%
		Installation	$ 185.00	4%
		Training	$ 99.00	4%
		Maintenance & Support	$ 99.00	4%
		All other Current and Future Products not specifically identified here will be offered at a 4% discount off SHI Advertised List price. Please see description below for more information on SHI's discount model for this contract.		

All discounts articulated here represent the minimum discounts off SHI Advertised List Price; actual discounts may be significantly higher.

The comprehensive SHI offering for National IPA consists of all hardware, software, and services available to our customers in the public sector marketplace. The discount structure offered to National IPA is based on our Advertised Price List which can be located on www.shi.com. In many cases, SHI Advertised List Price already reflects a substantial discount off of Manufacturer Published List prices. Given the breadth of manufacturers and products that SHI offers, there will be many opportunities for SHI to secure additional discounts for eligible contract users. We work to provide your contract users with the most advantageous pricing available, above and beyond the minimum discounts offered, whenever possible.

SHI prides ourselves on being honest and transparent with our customers especially when it comes to pricing. We base our discount structure on SHI Advertised Price as this is a verifiable source. We do not inflate this Advertised Price for RFPs in order to make our discounts appear larger. Other vendors may use MSRP or Publisher List price, which can be unreliable as a pricelist may not exist for every product, a pricelist can change from day to day, and a pricelist can be inconsistent depending on where you source the information from. When a vendor manipulates contract language in this manner or uses a loose definition of cost, it results in an increase in profit for them and higher prices for customers.

SHI is willing to provide complete transparency over the life of the contract as it relates to our costs and what we charge National IPA customers.

EXHIBIT C
MESA STANDARD TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR.** It is expressly understood that the relationship of Contractor to the City will be that of an independent contractor. Contractor and all persons employed by Contractor, either directly or indirectly, are Contractor's employees, not City employees. Accordingly, Contractor and Contractor's employees are not entitled to any benefits provided to City employees including, but not limited to, health benefits, enrollment in a retirement system, paid time off or other rights afforded City employees. Contractor employees will not be regarded as City employees or agents for any purpose, including the payment of unemployment or workers' compensation. If any Contractor employees or subcontractors assert a claim for wages or other employment benefits against the City, Contractor will defend, indemnify and hold harmless the City from all such claims.

2. **SUBCONTRACTING.** Contractor may not subcontract work under this Agreement without the express written permission of the City. If Contractor has received authorization to subcontract work, it is agreed that all subcontractors performing work under the Agreement must comply with its provisions. Further, all agreements between Contractor and its subcontractors must provide that the terms and conditions of this Agreement be incorporated therein.

3. **ASSIGNMENT.** This Agreement may not be assigned either in whole or in part without first receiving the other Party's written consent. Any attempted assignment, either in whole or in part, without such consent will be null and void and in such event the other Party will have the right at its option to terminate the Agreement. No granting of consent to any assignment will relieve either Party from any of its obligations and liabilities under the Agreement. Notwithstanding the foregoing, either Party may assign this Agreement and its rights, interests, liabilities and obligations thereunder to a successor pursuant to a merger, consolidation or sale of all or substantially all its assets following sixty (60) days written notice.

4. **SUCCESSORS AND ASSIGNS, BINDING EFFECT.** This Agreement will be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.

5. **NO THIRD-PARTY BENEFICIARIES.** This Agreement is intended for the exclusive benefit of the parties. Nothing set forth in this Agreement is intended to create, or will create, any benefits, rights, or responsibilities in any third parties.

6. **NON- EXCLUSIVITY.** The City, in its sole discretion, reserves the right to request the Products or Services set forth herein from other sources when deemed necessary and appropriate. No exclusive rights are encompassed through this Agreement.

7. **AMENDMENTS.** There will be no oral changes to this Agreement. This Agreement can only be modified in a writing signed by both parties. No charge for extra work or Product will be allowed unless approved in writing, in advance, by the City and Contractor.

8. **TIME OF THE ESSENCE.** Time is of the essence to the performance of the parties' obligations under this Agreement.

9. **COMPLIANCE WITH APPLICABLE LAWS.**

    a. **General.** Contractor must procure all permits and licenses, and pay all charges and fees necessary and incidental to the lawful conduct of business. Contractor must stay fully informed of existing and future federal, state, and local laws, ordinances, and regulations that in any manner affect the fulfillment of this Agreement and must comply with the same at its own expense. Contractor bears full responsibility for training, safety, and providing necessary equipment for all Contractor personnel to achieve throughout the term of the Agreement. Upon request, Contractor will demonstrate to the City's satisfaction any programs, procedures, and other activities used to ensure compliance.

b. **Drug-Free Workplace.** Contractor is hereby advised that the City has adopted a policy establishing a drug-free workplace for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor will require a drug-free workplace for all Contractor personnel working under this Agreement. Specifically, all Contractor personnel who are working under this Agreement must be notified in writing by Contractor that they are prohibited from the manufacture, distribution, dispensation, possession, or unlawful use of a controlled substance in the workplace. Contractor agrees to prohibit the use of intoxicating substances by all Contractor personnel, and will ensure that Contractor personnel do not use or possess illegal drugs while in the course of performing their duties.

c. **Federal and State Immigration Laws.** Contractor agrees to comply with the Immigration Reform and Control Act of 1986 (IRCA) in performance under this Agreement and to permit the City and its agents to inspect applicable personnel records to verify such compliance as permitted by law. Contractor will ensure and keep appropriate records to demonstrate that all Contractor personnel have a legal right to live and work in the United States.

   i. As applicable to Contractor, under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter "Contractor Immigration Warranty").

   ii. A breach of the Contractor Immigration Warranty will constitute as a material breach of this Agreement and will subject Contractor to penalties up to and including termination of this Agreement at the sole discretion of the City.

   iii. The City retains the legal right to inspect the papers of all Contractor personnel who provide services under this Agreement to ensure that Contractor or its subcontractors are complying with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections.

   iv. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any subcontractor to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed.

   v. Neither Contractor nor any subcontractor will be deemed to have materially breached the Contractor Immigration Warranty if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by Sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. § 23-214 (A).

d. **Nondiscrimination.** Contractor represents and warrants that it does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and represents and warrants that it complies with all applicable federal, state, and local laws and executive orders regarding employment. Contractor and Contractor's personnel will comply with applicable provisions of Title VII of the U.S. Civil Rights Act of 1964, as amended, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.), and applicable rules in performance under this Agreement.

e. **State Sponsors of Terrorism Prohibition.** Per A.R.S. § 35-392, Contractor must not be in violation of section 6(j) of the Federal Export Administration Act and subsequently prohibited by the State of Arizona from selling goods of services to the City.

10. **SALES/USE TAX, OTHER TAXES.**

a. Contractor is responsible for the payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's Services under this Agreement, including by way of illustration but not limitation, federal and state income tax, Social Security tax,

unemployment insurance taxes, and any other taxes or business license fees as required. If any taxing authority should deem Contractor or Contractor employees an employee of the City, or should otherwise claim the City is liable for the payment of taxes that are Contractor's responsibility under this Agreement, Contractor will indemnify the City for any tax liability, interest, and penalties imposed upon the City.

b. The City is exempt from paying certain federal excise taxes and will furnish an exemption certificate upon request. The City is not exempt from state and local sales/use taxes.

11. **AMOUNTS DUE THE CITY.** Contractor must be current and remain current in all obligations due to the City during the performance of Services under the Agreement. Payments to Contractor may be offset by any delinquent amounts due the City or fees and charges owed to the City.

12. **PUBLIC RECORDS.** Contractor acknowledges that the City is a public entity, subject to Arizona's public records laws (A.R.S. § 39-121 et. seq.) and that any documents related to this Agreement may be subject to disclosure pursuant to state law in response to a public records request or to subpoena or other judicial process.

12.1. If Contractor believes document related to the Agreement contains trade secrets or other proprietary data, Contractor must notify the City and include with the notification a statement that explains and supports Contractor's claim. Contractor also must specifically identify the trade secrets or other proprietary data that Contractor believes should remain confidential.

12.2. In the event the City determines it is legally required to disclose pursuant to law any documents or information Contractor deems confidential trade secrets or proprietary data, the City, to the extent possible, will provide Contractor with prompt written notice by certified mail, fax, email or other method that tracks delivery status of the requirement to disclose the information so Contractor may seek a protective order from a court having jurisdiction over the matter or obtain other appropriate remedies. The notice will include a time period for Contractor to seek court ordered protection or other legal remedies as deemed appropriate by Contractor. If Contractor does not obtain such court ordered protection by the expiration of said time period, the City may release the information without further notice to Contractor.

13. **AUDITS AND RECORDS.** Contractor must preserve the records related to this Agreement for six (6) years after completion of the Agreement. The City or its authorized agent reserves the right to inspect any records related to the performance of work specified herein. In addition, the City may inspect any and all payroll, billing or other relevant records kept by Contractor in relation to the Agreement. Contractor will permit such inspections and audits during normal business hours and upon reasonable notice by the City. The audit of records may occur at Contractor's place of business or at City offices, as determined by the City.

14. **BACKGROUND CHECK.** The City may conduct criminal, driver history, and all other requested background checks of Contractor personnel who would perform Services under the Agreement or who will have access to the City's information, data, or facilities in accordance with the City's current background check policies. Any officer, employee, or agent that fails the background check must be replaced immediately for any reasonable cause not prohibited by law.

15. **SECURITY CLEARANCE AND REMOVAL OF CONTRACTOR PERSONNEL.** The City will have final authority, based on security reasons: (i) to determine when security clearance of Contractor personnel is required; (ii) to determine the nature of the security clearance, up to and including fingerprinting Contractor personnel; and (iii) to determine whether or not any individual or entity may provide Services under this Agreement. If the City objects to any Contractor personnel for any reasonable cause not prohibited by law, then Contractor will, upon notice from the City, remove any such individual from performance of Services under this Agreement.

16. **DEFAULT.**

a. A party will be in default if that party:

i. Is or becomes insolvent or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's capability to perform under the Agreement;

ii. Is the subject of a petition for involuntary bankruptcy not removed within sixty (60) calendar days;

iii. Conducts business in an unethical manner as set forth in the City Procurement Rules Article 7 or in an illegal manner; or

iv. Fails to carry out any term, promise, or condition of the Agreement.

b. Contractor will be in default of this Agreement if Contractor is debarred from participating in City procurements and solicitations in accordance with Article 6 of the City's Procurement Rules.

c. **Notice and Opportunity to Cure.** In the event a party is in default then the other party may, at its option and at any time, provide written notice to the defaulting party of the default. The defaulting party will have thirty (30) days from receipt of the notice to cure the default; the thirty (30) day cure period may be extended by mutual agreement of the parties, but no cure period may exceed ninety (90) days. A default notice will be deemed to be sufficient if it is reasonably calculated to provide notice of the nature and extent of such default. Failure of the non-defaulting party to provide notice of the default does not waive any rights under the Agreement.

d. **Anticipatory Repudiation.** Whenever the City in good faith has reason to question Contractor's intent or ability to perform, the City may demand that Contractor give a written assurance of its intent and ability to perform. In the event that the demand is made and no written assurance is given within five (5) calendar days, the City may treat this failure as an anticipatory repudiation of the Agreement.

17. **REMEDIES.** The remedies set forth in this Agreement are not exclusive. Election of one remedy will not preclude the use of other remedies. In the event of default:

a. The non-defaulting party may terminate the Agreement, and the termination will be effective immediately or at such other date as specified by the terminating party.

b. The City may purchase the Services required under the Agreement from the open market, complete required work itself, or have it completed at the expense of Contractor. If the cost of obtaining substitute Services exceeds the contract price, the City may recover the excess cost by: (i) requiring immediate reimbursement to the City; (ii) deduction from an unpaid balance due to Contractor; (iii) collection against the proposal and/or performance security, if any; (iv) collection against liquidated damages (if applicable); or (v) a combination of the aforementioned remedies or other remedies as provided by law. Costs includes any and all, fees, and expenses incurred in obtaining substitute Services and expended in obtaining reimbursement, including, but not limited to, administrative expenses, attorneys' fees, and costs.

c. The non-defaulting party will have all other rights granted under this Agreement and all rights at law or in equity that may be available to it.

d. Neither party will be liable for incidental, indirect, special, or consequential damages.

18. **CONTINUATION DURING DISPUTES.** Contractor agrees that during any dispute between the parties, Contractor will continue to perform its obligations until the dispute is settled, instructed to cease performance by the City, enjoined or prohibited by judicial action, or otherwise required or obligated to cease performance by other provisions in this Agreement.

19. **TERMINATION FOR CONVENIENCE.** The City reserves the right to terminate this Agreement in part or in whole upon thirty (30) calendar days' written notice.

20. **TERMINATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511).** Pursuant to A.R.S. § 38-511, the City may cancel this Agreement within three (3) years after its execution, without penalty or further obligation, if any person significantly involved in initiating, securing, drafting, or creating the Agreement for the City becomes an employee or agent of Contractor.

21. **TERMINATION FOR NON-APPROPRIATION AND MODIFICATION FOR BUDGETARY CONSTRAINT.** The City is a governmental agency which relies upon the appropriation of funds by its governing body to satisfy its obligations. If the City reasonably determines that it does not have funds to meet its obligations under this Agreement, the City will have the right to terminate the Agreement without penalty on the last day of the fiscal period for which funds were legally available. In the event of such termination, the City agrees to provide written notice of its intent to terminate thirty (30) calendar days prior to the stated termination date.

22. **PAYMENT TO CONTRACTOR UPON TERMINATION.** Upon termination of this Agreement, Contractor will be entitled only to payment for those Services performed up to the date of termination, and any authorized expenses already incurred up to such date of termination. The City will make final payment within thirty (30) calendar days after the City has both completed its appraisal of the Products and Services provided and received Contractor's properly prepared final invoice.

    Termination of this Agreement shall not affect the obligations of the City or Contractor under any existing Order issued under this Agreement, and such Order shall continue in effect as though this Agreement has not been terminated, and was still in effect with respect to such Order.

23. **NON-WAIVER OF RIGHTS.** There will be no waiver of any provision of this agreement unless approved in writing and signed by the waiving party. Failure or delay to exercise any rights or remedies provided herein or by law or in equity, or the acceptance of, or payment for, any Services hereunder, will not release the other party of any of the warranties or other obligations of the Agreement and will not be deemed a waiver of any such rights or remedies.

24. **INDEMNIFICATION/LIABILITY.**

    a. To the fullest extent permitted by law, Contractor agrees to defend, indemnify, and hold the City, its officers, agents, and employees, harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments, including costs, attorneys', witnesses', and expert witnesses' fees, and expenses incident thereto, relating to, arising out of, or resulting from: (i) misconduct by Contractor personnel under this Agreement; (ii) any negligent acts, errors, mistakes or omissions by Contractor or Contractor personnel; and (iii) Contractor or Contractor personnel's failure to comply with this Agreement.

    b. Contractor will update the City during the course of the litigation to timely notify the City of any issues that may involve the independent negligence of the City that is not covered by this indemnification.

    c. The City assumes no liability for actions of Contractor and will not indemnify or hold Contractor or any third party harmless for claims based on this Agreement or use of Contractor-provided supplies or Services.

    d. IN THE EVENT OF ANY LIABILITY INCURRED BY CONTRACTOR OR ANY OF ITS AFFILIATES HEREUNDER, INCLUDING INDEMNIFICATION OF CITY BY CONTRACTOR, THE ENTIRE LIABILITY OF CONTRACTOR AND ITS AFFILIATES FOR DAMAGES FROM ANY CAUSE WHATSOEVER WILL NOT EXCEED $5,000,000.00 OVER THE ENTIRE TERM OF THE AGREEMENT.

25. **(RESERVED)**

26. **THE CITY'S RIGHT TO RECOVER AGAINST THIRD PARTIES.** Contractor will do nothing to prejudice the City's right to recover against third parties for any loss, destruction, or damage to City property, and will at the City's request and expense, furnish to the City reasonable assistance and

cooperation, including assistance in the prosecution or defense of suit and the execution of instruments of assignment in favor of the City in obtaining recovery.

27. **NO GUARANTEE OF WORK.** Contractor acknowledges and agrees that it is not entitled to deliver any specific amount of Products or Services or any Products or Services at all under this Agreement and acknowledges and agrees that the Products or Services will be requested by the City on an as needed basis at the sole discretion of the City. Any document referencing quantities or performance frequencies represent the City's best estimate of current requirements, but will not bind the City to purchase, accept, or pay for Products or Services which exceed its actual needs.

28. **OWNERSHIP.** All deliverables, Services, and information provided by Contractor or the City pursuant to this Agreement (whether electronically or manually generated) including without limitation, reports, test plans, and survey results, graphics, and technical tables, originally prepared in the performance of this Agreement, are the property of the City and will not be used or released by Contractor or any other person except with prior written permission by the City. Notwithstanding the foregoing, Contractor shall retain ownership rights to (1) all of its previously existing intellectual property, including any systems, derivatives, modifications and enhancements thereto, (2) confidential information of contractor, and (3) any tools or scripting applications used, developed or created by Contractor or its third-party licensors during the performance of this Agreement.

29. **USE OF NAME.** Contractor will not use the name of the City of Mesa in any advertising or publicity without obtaining the prior written consent of the City.

30. **PROHIBITED ACTS.** Pursuant to A.R.S. § 38-504, a current or former public officer or employee within the last twelve (12) months shall not represent another organization before the City on any matter for which the officer or employee was directly concerned and personally participated in during their service or employment or over which they had a substantial or material administrative discretion. Further, while employed by the City and for two (2) years thereafter, public officers or employees are prohibited from disclosing or using, without appropriate authorization, any confidential information acquired by such personnel in the course of his or her official duties at the City.

31. **FOB DESTINATION FREIGHT PREPAID AND ALLOWED.** All deliveries will be FOB destination freight prepaid and allowed unless otherwise agreed.

32. **RISK OF LOSS.** Contractor agrees to bear all risks of loss, injury, or destruction of goods or equipment incidental to providing these Services and such loss, injury, or destruction will not release Contractor from any obligation hereunder.

33. **SAFEGUARDING CITY PROPERTY.** Contractor will be responsible for any damage to City real property or damage or loss of City personal property when such property is the responsibility of or in the custody of Contractor or its employees.

34. **WARRANTY OF RIGHTS.** Contractor warrants it has title to, or the right to allow the City to use, the Products and Services being provided and that the City may use same without suit, trouble or hindrance from Contractor or third parties.

35. **PROPRIETARY RIGHTS INDEMNIFICATION.** Without limiting the foregoing, Contractor will without limitation, at its expense defend the City against all claims asserted by any person that anything provided by Contractor infringes a patent, copyright, trade secret or other intellectual property right and must, without limitation, pay the costs, damages and attorneys' fees awarded against the City in any such action, or pay any settlement of such action or claim. Each party agrees to notify the other promptly of any matters to which this provision may apply and to cooperate with each other in connection with such defense or settlement. If a preliminary or final judgment is obtained against the City's use or operation of the items provided by Contractor hereunder or any part thereof by reason of any alleged infringement, Contractor will, at its expense and without limitation, either: (a) modify the item so that it becomes non-infringing; (b) procure for the City the right to continue to use the item; (c) substitute for the infringing item other item(s) having at least equivalent capability; or (d) refund to the City an amount equal to the price paid, less reasonable usage, from the time of installation acceptance through cessation of use, which amount will be

calculated on a useful life not less than five (5) years, plus any additional costs the City may incur to acquire substitute Products or Services.

36. **CONTRACT ADMINISTRATION.** The contract will be administered by the Purchasing Administrator and/or an authorized representative from the using department. All questions regarding the contract will be referred to the administrator for resolution. Supplements may be written to the contract for the addition or deletion of Services. Payment will be negotiated and determined by the contract administrator(s).

37. **FORCE MAJEURE.** Failure by either party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, fire, explosion, legislation, and governmental regulation. The party whose performance is so affected will within five (5) calendar days of the unforeseeable circumstance notify the other party of all pertinent facts and identify the force majeure event. The party whose performance is so affected must also take all reasonable steps, promptly and diligently, to prevent such causes if it is feasible to do so, or to minimize or eliminate the effect thereof. The delivery or performance date will be extended for a period equal to the time lost by reason of delay, plus such additional time as may be reasonably necessary to overcome the effect of the delay, provided however, under no circumstances will delays caused by a force majeure extend beyond one hundred-twenty (120) calendar days from the scheduled delivery or completion date of a task unless agreed upon by the parties.

38. **COOPERATIVE USE OF CONTRACT.** This contract is available through National IPA to agencies nationwide. The City has also entered into various cooperative purchasing agreements with other Arizona government agencies, including the Strategic Alliance for Volume Expenditures (SAVE) cooperative. Under the SAVE Cooperative Purchasing Agreement, any contract may be extended for use by other municipalities, school districts and government agencies through National IPA or SAVE in the State of Arizona with the approval of Contractor. Any such usage by other entities must be in accordance with the statutes, codes, ordinances, charter and/or procurement rules and regulations of the respective government agency.

    A contractor, subcontractor or vendor or any employee of a contractor, subcontractor or vendor who is contracted to provide Services on a regular basis at an individual school shall obtain a valid fingerprint clearance card pursuant to title 41, chapter 12, article 3.1. A school district governing board shall adopt policies to exempt a person from the requirements of this subsection if the person's normal job duties are not likely to result in independent access to or unsupervised contact with pupils. A school district, its governing board members, its school council members and its employees are exempt from civil liability for the consequences of adoption and implementation of policies and procedures pursuant to this subsection unless the school district, its governing board members, its school council members or its employees are guilty of gross negligence or intentional misconduct.

    Additionally, Contractor will comply with the governing body's fingerprinting policy of each individual school district and public entity. Contractor, subcontractors, vendors and their employees will not provide Services on school district properties until authorized by the school district.

    Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The City is not responsible for any disputes arising out of transactions made by others. The City is not a party to any agreements between the Contractor and National IPA, National IPA and other agencies, the Contractor and other agencies, or any third-party contracts in any way related to this Agreement or the cooperative use of this Agreement.

39. **FUEL CHARGES AND PRICE INCREASES.** No fuel surcharges will be accepted. No price increases will be accepted without proper request by Contractor and response by the City's Purchasing Division.

40. **NOTICES.** All notices to be given pursuant to this Agreement must be delivered to the parties at their respective addresses. Notices may be (i) personally delivered; (ii) sent via certified or registered mail, postage prepaid; (iii) sent via overnight courier; or (iv) sent via email or facsimile.

If provided by personal delivery, receipt will be deemed effective upon delivery. If sent via certified or registered mail, receipt will be deemed effective three (3) calendar days after being deposited in the United States mail. If sent via overnight courier, email or facsimile, receipt will be deemed effective two (2) calendar days after the sending thereof.

41. **GOVERNING LAW, FORUM.** This Agreement is governed by the laws of the State of Arizona. The exclusive forum selected for any proceeding or suit in law or equity arising from or incident to this Agreement will be Maricopa County, Arizona.

42. **INTEGRATION CLAUSE.** This Agreement, including all attachments and exhibits hereto, supersede all prior oral or written agreements, if any, between the parties and constitutes the entire agreement between the parties with respect to the work to be performed.

43. **PROVISIONS REQUIRED BY LAW.** Any provision required by law to be in this Agreement is a part of this Agreement as if fully stated in it.

44. **SEVERABILITY.** If any provision of this Agreement is declared void or unenforceable, such provision will be severed from this Agreement, which will otherwise remain in full force and effect. The parties will negotiate diligently in good faith for such amendment(s) of this Agreement as may be necessary to achieve the original intent of this Agreement, notwithstanding such invalidity or unenforceability.

45. **SURVIVING PROVISIONS.** Notwithstanding any completion, termination, or other expiration of this Agreement, all provisions which, by the terms of reasonable interpretation thereof, set forth rights and obligations that extend beyond completion, termination, or other expiration of this Agreement, will survive and remain in full force and effect. Except as specifically provided in this Agreement, completion, termination, or other expiration of this Agreement will not release any party from any liability or obligation arising prior to the date of termination.

46. **A.R.S. SECTIONS 1-501 and 1-502.** Pursuant to Arizona Revised Statutes Sections 1-501 and 1-502, any person who applies to the City for a local public benefit (the definition of which includes a grant, contract or loan) must demonstrate his or her lawful presence in the United States. As the Agreement is deemed a local public benefit, if Contractor is an individual (natural) person or sole proprietorship, Contractor agrees to sign and submit the necessary documentation to prove compliance with the statutes as applicable.

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OFFICE OF THE CITY CLERK

COUNCIL MINUTES

February 5, 2018

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on February 5, 2018 at 5:45 p.m.

COUNCIL PRESENT	COUNCIL ABSENT	OFFICERS PRESENT
John Giles	None	Christopher Brady
David Luna		Dee Ann Mickelsen
Mark Freeman		Jim Smith
Christopher Glover		
Francisco Heredia		
Kevin Thompson		
Jeremy Whittaker		

Mayor's Welcome.

Invocation by Pastor Ben Diaz with Palabra de Vida (Word of Life).

Pledge of Allegiance was led by Councilmember Thompson.

Awards, Recognitions and Announcements.

There were no awards, recognitions or announcements.

1. Take action on all consent agenda items.

All items listed with an asterisk (*) will be considered as a group by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Councilmember or citizen requests, in which event the item will be removed from the consent agenda and considered as a separate item. If a citizen wants an item removed from the consent agenda, a blue card must be completed and given to the City Clerk prior to the Council's vote on the consent agenda.

It was moved by Councilmember Thompson, seconded by Councilmember Glover, that the consent agenda items be approved.

Carried unanimously.

*2. Approval of minutes from previous meetings as written.

Minutes from the January 8, 11, and 22, 2018 Council meetings.