

CITY CLERK ORIGINAL

C-8103
06/26/2012

SERVICE AGREEMENT FOR CITY OF GLENDALE

6830 North 57th Drive
Glendale, Arizona 85301

City of Glendale, to be referred to herein as "Customer", and Copper State Communications Inc., to be referred to herein as "Company", enter into this Agreement for the equipment listed on the attached Exhibit(s), to be referred to as "System", from the effective date of Agreement through its termination.

AGREEMENT PRICE AND PAYMENT TERMS: The total price for Agreement is \$ 65,186.00 (plus any applicable sales taxes)

Customer's Preferred Payment Terms (please select your desired payment terms)

| | |
|---|---|
| <input checked="" type="checkbox"/> Annual: \$65,186.00 (plus any applicable sales taxes) | <input type="checkbox"/> Semi-Annual: \$32,593.00 (plus any applicable sales taxes) |
|---|---|

Copper State Communications Inc shall not be bound by any term of Agreement if Customer's payment is not current

TERM OF AGREEMENT: Agreement shall become effective on Sunday, July 01, 2012, and shall remain in effect under the current price, terms, and conditions for twelve months. Upon the anniversary date of Agreement, Company shall automatically renew Agreement for another twelve months at a price based upon then current rates and inventory, to include any additions and deletions made throughout the year, and bill Customer based on Customer's preferred payment term checked above in accordance with the terms of the RFP response and award. All terms and conditions of Agreement shall remain in effect as long as Company continues to send invoices for Agreement and Customer continues to pay the invoices pertaining to the same. Both parties have the option of canceling this contract after the initial term, as long as thirty (30) days written notice is given to Company. In the case of non-payment, Company shall reserve the right to retroactively cancel Agreement back to the end of the last period paid and invoice Customer for any work performed under the cancelled term of Agreement or cancel Agreement and collect for the pro-rated portion of Agreement's price through the cancellation date.

SERVICES PROVIDED UNDER AGREEMENT (SBB): Company agrees to provide the following services at no charge under the terms of this Agreement:

- Respond to requests for emergency service according to our company practices [i.e. within two (2) hours for customers with the Tucson, Phoenix, and Flagstaff metro regions and four (4) hours for all others]. Emergency service is defined as services that are required due to a complete system failure.
- Respond to requests for non-emergency services within 24 hours of notification, excluding weekends, holidays, and non-business days.
- Repair services shall include the parts and labor necessary to restore System to normal operation.

Customer and Company further agree to the following:

- Parts and equipment replaced under Agreement may be new, remanufactured, or refurbished (at Company's option) but will be equivalent to new in performance. Removed parts and/or equipment will become the property of Company. Replacement parts become the property of Customer upon installation as long as Customer is current in its payment for Agreement;
- Company may, at its discretion, electronically or otherwise monitor System for the purposes of providing accurate remote diagnostics and correcting actions and for determining the applicable renewal charges on the respective anniversary dates of Agreement. Customer agrees to cooperate with Company in such data collection, including making remote access available to Company for this purpose;
- Agreement does not cover the costs of labor or materials to provide additions to, moves of, changes to, or the rearrangement of System listed in the attached Exhibit(s), and charges for these services will be billed separately on a time and materials or quoted basis. In the event that any work (adds, moves, changes, or service) is done by any party other than Company and damages or expenses are incurred, Company reserves the right to charge to repair these damages and/or cancel Agreement;
- Agreement shall not cover the cost to replace batteries or other wear-and-tear items;
- Agreement shall only cover peripheral devices specifically identified in the attached Exhibit(s).

Purchaser's Initials

Seller's Initials

LIMITATIONS & EXCLUSIONS

- I. Any equipment added by Customer to System or any other additions electronically identified pursuant to the above shall be automatically added to Agreement either upon warranty expiration of such additional equipment or on the anniversary date of the purchase of such equipment. Equipment purchased from a party other than Company or an authorized agent of Company ("Third Party Equipment") is subject to certification by Company at Company's then current rate for such certification. Coverage will be effective immediately after Company certifies the Third Party Equipment. Coverage for any such additional equipment shall be charged at the Company's standard rates for such equipment;
- II. Agreement does not cover any work on System when it is determined that damage occurred due to abuse, tampering, negligence, fire, flood, or act of nature or damage due to loss or theft. Company shall not be liable for incidental or consequential damages for commercial loss or otherwise. Company shall not be responsible for failure to render service due to strikes, fire, flood, or causes beyond its control;

CUSTOMER'S OBLIGATIONS: In connection with the services provided under Agreement, Customer agrees to provide the following:

- I. A suitable equipment environment, easy to work in and not hazardous to the health of Company's employees;
- II. Notification to Company of the presence of any hazardous material prior to commencement of services;
- III. Permit Company's employees and agents access in and to the premises at reasonable hours;
- IV. Sufficient conduit, ductwork, electrical current, and other amenities of the premises which are required for the maintenance and operation of the equipment;
- V. Obtain and pay for all licenses, permits, and authorizations necessary or required in connection with the installation, use, and maintenance of the equipment.

TCP/IP, LOCAL AND WIDE AREA NETWORK: If System supports telephony over Transmission Control Protocol / Internet Protocol (TCP/IP) facilities, Customer may experience certain compromises in performance, reliability, and security, even when System performs as warranted. Customer acknowledges that it is aware of these risks and that it has determined that they are acceptable for its application of System. Customer acknowledges that their TCP/IP Local and Wide Area Network must be designed or redesigned for voice traffic with priority over data. Customer also acknowledges that, unless expressly provided in another agreement, Customer is solely responsible for (i) ensuring that its networks and systems are adequately secured against unauthorized intrusion and (ii) backing up its data and files. Customer further agrees that it is completely and solely responsible for its network, infrastructure, application load, and any network quality of service repairs or modifications as needed for satisfactory Voice Over Internet Protocol (VOIP) transmissions and expressly releases Company from any responsibility for same. Customer agrees to modify its work network to Company's satisfaction or to fully accept the operation of all VOIP elements and functionality as provided by Company.

SOFTWARE CLIENTS: Company will maintain any software clients, as listed on the attached Exhibit(s), on one workstation and test for proper operation. Any additional workstation software client maintenance will be at Company's prevailing rates unless provided for under a separate written agreement. Customer must provide and maintain client workstations that meet the minimum software provider's specification for the maintained application.

EQUIPMENT PASSWORD / CUSTOMER ACCESS: Customer acknowledges that passwords for the system administration and maintenance of maintained equipment will only be provided by Company when Customer is current with payment for Agreement. Customer further acknowledges that the services provided under Agreement shall not extend to software changes performed by other than Company's personnel, and any repairs necessitated by software changes made by other than Company are billable at Company's prevailing rates.

UTILITY SERVICE: Customer acknowledges it is responsible for the payment of all charges to any telephone company for the installation and use of trunk lines, business, and private lines and all special equipment relating to the connection of the equipment with any telephone company and that Company is not responsible for the provision or sufficiency thereof.

LIMITATION OF LIABILITY AND FORCE MAJEURE: Company shall not be liable for any damages or losses sustained by Customer directly or indirectly caused by the equipment nor shall Company be liable for any direct, special, incidental, or consequential damages or losses resulting from any delay in Customer's use or inability to use the equipment or resulting from Company's failure to perform any of the terms of Agreement caused by any event beyond the reasonable control of Company.

ADDITIONAL LIMITATIONS OF LIABILITY AND INDEMNIFICATION: In no event shall Company be liable for any special, incidental, direct or consequential damages, loss or expense (hereinafter "damages") for personal injury, loss, or destruction of property arising from Customer's use of the equipment; nor shall Company be liable for damages resulting from routing and programming errors, and trespass of programming, software, or equipment and modem lines and long distance carrier service. Company makes no express or implied warranty that equipment is immune from or prevents fraudulent intrusion, unauthorized use or disclosure or loss of proprietary information. Certain features of equipment could be improperly used in violation of privacy laws. By ordering equipment with these features or separately ordering such features, Customer assumes all responsibility for assuring their proper and lawful use. Customer agrees to indemnify and hold Company harmless from all claims, suits and actions for damages, including reasonable attorneys' fees, arising out of or in connection with the equipment, the maintenance thereof, and its use, operation and condition.

NON-SOLICITATION: Neither party shall solicit for employment any personnel of the other party who has performed work for or received services from the other party under Agreement during or within twelve (12) months of the performance of such services.

WARRANTY-REMEDY: Company warrants that it will provide services as specified herein and that all parts furnished hereunder will be free of defects in materials and workmanship at the time of installation. In the event of any equipment failure, provided Agreement is still in effect as to the system involved, Company will make all necessary adjustments, repairs, and replacements, subject to the terms and conditions of Agreement, and replace any parts which were installed hereunder and found to be defective as of the time of installation. Company's warranty does not cover failure of network carriers or transmission errors experienced over the Internet or other facilities. Company does not warrant uninterrupted or error free operation of equipment. NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, SHALL APPLY TO SERVICE OR PARTS.

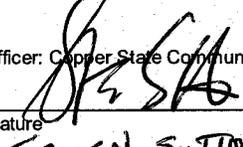
ADDITIONAL TERMS & CONDITIONS: Company accepts no responsibility for Customer's LAN/WAN network and Customer understands that any and all configuration of the data network is the responsibility of Customer. This includes all Quality of Service ("QOS") issues. Agreement does not include any soft IP telephones located at sites other than those sites listed within Agreement. Customer is responsible for all data traffic on the network (including server traffic, network applications, e-mail, etc.). The end responsibility of network applications and performance lies with Customer. Customer is responsible for any and all existing data equipment. All repair or reconfiguration of customer-owned equipment not specifically listed on the attached Exhibit(s) shall be billable at Company's current rates. Company shall not be responsible for Customer's use of remote applications which may impact the performance of any voice application. Customer may need to modify its use of remote applications when utilized in conjunction with a voice application. Customer will assist Company with any issues on customer-owned LAN/WAN and incur any cost associated with getting voice applications to function properly on Customer's LAN.

ACCEPTANCE: Agreement shall not be binding on seller until it is approved in writing by a corporate officer.

GENERAL: Agreement constitutes the entire contract between Company and Customer with respect to service of System and no representation or statement not expressed herein shall be binding on Company.

Customer's Signature
 By: 
 Signature
CHARLES MURRILL
 Name & Title
 CEO

Date
6/19/12
 Date

Approved by Officer: Copper State Communications Inc
 By: 
 Signature
STEVEN SUTTON
 Name & Title
 Pres.
 Date
6/19/12
 Date

WITNESSES:

 Doree McCreary
 City Clerk


 Craig Tindall
 City Attorney

EXHIBIT A

CITY OF GLENDALE
6830 North 57th Drive
Glendale, Arizona 85301

1. This Exhibit describes the equipment and software to be covered by Company under Agreement at the above referenced address and further defines obligations and requirements which shall become part of Agreement.
2. Additional provisions herewith agreed to, supplementing the maintenance agreement are: Maintenance contract is based upon City of Glendale providing basic repair interface to its end users. Maintenance Agreement also covers monthly system monitoring, as equipped. Further, City of Glendale will provide basic repair troubleshooting and resolution. CSC will resolve any repair unresolved by City of Glendale that is covered by this Maintenance Agreement. City of Glendale agrees to provide all troubleshooting and replacement of all station apparatus covered by this agreement. CSC will provide pool stock replacement or repair of defective station apparatus via picking up said defective product at City of Glendale Telecom Department. Cost associated with the pool stock replacement or repair of defective station apparatus is covered by this Maintenance Agreement. Maintenance Agreement is "Switch Only". CSCs repairs are considered complete when problem is resolved at the MDF; no station cabling is included in the Agreement. Protracted isolation, negotiation and repair of PSTN (CenturyLink Telephone Network) are not covered by this Agreement.
3. Equipment Itemization:

Please see attached site and equipment list provided by City of Glendale for locations and equipment covered by this Agreement.

This Exhibit is verified as correct on this 19th day of June, 20 12.

Customer's Signature

By [Signature] 6/19/12
Signature Date
Charles Murphy CIO
Name & Title

Approved by Officer, Copper State Communications Inc

By: [Signature] 6/18/12
Signature Date
STEVEN SUTTON PARKS
Name & Title

EXHIBIT B

CITY OF GLENDALE
6830 North 57th Drive
Glendale, Arizona 85301

1. Copper State has registered with and will continue to participate in the E-Verify program established by the United States Department of Homeland Security and Social Security Administration or any successor program; that it warrants compliance with all federal immigration laws and understands that any breach of this warranty subjects Copper State to penalties, including termination of this Agreement; and finally, understands that Customer has the right to inspect the papers of Copper State or any of its employees participating in this Maintenance Agreement to ensure compliance with this paragraph.
2. Copper State certifies, to the extent applicable under A.R.S §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have "scrutinized" business operations, as defined in the preceding statutory authority, in the countries of Sudan or Iran.
3. All agreements with Customer are subject to cancellation for conflicts of interest under the provision of A.R.S. §38-511.

EXHIBIT C

CITY OF GLENDALE
6830 North 57th Drive
Glendale, Arizona 85301

1. COST OF ADDS, MOVES & CHANGES/MAC SERVICES:

On-site technical service rate is \$95.00/hour with a 1-hour minimum charge and then billable in 15-minutes increments. Remote access is billable at the same rate with a 30-minutes minimum charge and then billable in 15-minutes increments.

2. The terms of this agreement will be complied with in conjunction with the terms, conditions and specific responses to RFP 12-28 for the, up to 5-years, term of the agreement.

5.0

PRICE SHEET

| SERVICES | | COST | |
|---|---|-----------------------------------|----------------------------------|
| Provide Initial Year Maintenance Cost Based on Equipment Listed in the RFP. | | \$ 65,186.00 | |
| Services | Est. Annual Number of hrs per Service | Hourly Rate Per Service (On Site) | Hourly Rate Per Service (Remote) |
| Moves, adds and changes | 120 hours | \$ 95.00/hour | \$ 47.50 |
| Minimum Charge (remote access & on-site) | N/A | \$95.00 1-hour | \$ 47.50 30-mins. |
| Remote Access, moves, adds and changes AMC/MAC | 60 hours | \$ 95.00 1-hour | \$ 47.50 30-mins. |
| Normal Business Hours (8-5, M-F) | 200 hours | \$95.00 | \$47.50 30-mins. |
| Overtime (Evening and Weekends) | 30 hours | \$ 142.50 | \$ 71.25 30-mins. |
| Holidays | 20 hours | \$ 190.00 | \$95.00 30-mins. |
| Telecom, Data | N/A | \$ 140.00 | \$ 70.00 30-mins. |
| Services | Est. Annual Number of Hours per Service | Hourly Rate Per Service (On Site) | Hourly Rate Per Service |
| Trip Charge | 20 hours | \$ n/a | \$ |
| Project Mgr | N/A | \$ 80.00 | \$ |
| Trainer | N/A | \$ 80.00 | \$ |
| Consultation/Engineering/Design | N/A | \$ No charge | \$ |

5.0 PRICE SHEET (Continued)

| Additional Pricing | |
|--|--|
| Provide percent discount off Avaya MSRP for any Avaya parts, software and services; are all Nortel price book items eligible, If not, describe What categories are not eligible for discount? The percentage off the Avaya list price varies by product family and service offering. Avaya "Heritage" products are those which were previously sold under the name | Avaya Heritage Parts 34% Support 4% IP Office 34% Avaya Enterprise % |
| <u>Nortel. Avaya Enterprise and Heritage products have different discounts and services</u> <u>have a different discount level. Pricing discounts are provided to the right.</u> | Parts 36% Support 4% *PASS 0% |
| Specify price book or catalog discount is being taken from: <u>Avaya publishes a List Price catalog for all their hardware, software and managed services offerings. This list is available to you from an authorized Avaya dealer and we will provide one upon your request.</u> | % |
| *Avaya PASS Services are NOT discountable from Avaya List Price | |
| Initial Year Maintenance Cost | \$ 65,186.00 |

**RFP Response Special Terms and Conditions
Paragraph 2.4**

To provide the City of Glendale, and other S.A.V.E. members, with the most comprehensive and beneficial telecommunications contract, Copper State Communications is including the following additional items. These items and labor rates are offered in addition to the Avaya products and support requested in the RFP.

ShoreTel Voice Over IP unified communication solutions at the following price structure:
ShoreTel Hardware and Software: 23% off MSRP
ShoreTel Support/Services: 9% off MSRP
Technical Labor Rate: Same as Avaya Price Sheet

Voice & Data Cable/Fiber Optic Infrastructure components and labor services:
AllenTel
Chatsworth racks, ladders and cabinets
Hubbell
Leviton
Miscellaneous Installation Components
Panduit

Cable component pricing is a "Fixed Price" format and will be updated periodically during the term of the contract based on current cost variances. For submittal purposes, a separate cable component price sheet is attached to the "Original" response and included on the response CD.
Cable Labor Rate \$ 60.00/hour - regular hours
\$ 90.00/hour - over-time hours