



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

19

2. Council Meeting Date:
January 31, 2008

TO: **MAYOR & COUNCIL**

3. Date Prepared: January 7, 2008

THROUGH: **CITY MANAGER**

4. Requesting Department: Community Services

5. **SUBJECT:** Award a one-year agreement with six one-year optional extensions for NEC Telephone System Maintenance/Equipment to Design Business Communications, Inc., dba American Telephone in an amount not to exceed \$60,936.

6. **RECOMMENDATION:** Recommend awarding a one-year agreement with six one-year optional extensions for NEC Telephone System Maintenance/Equipment to Design Business Communications, Inc., dba American Telephone in an amount not to exceed \$60,936.

7. **HISTORICAL BACKGROUND/DISCUSSION:** The current contract for telephone system maintenance expires in February 2008, and it was necessary to solicit proposals for a new contract that would provide maintenance and support on the telephone system and all related components including all parts and labor. Service will be provided seven days a week, twenty-four hours a day, with a maximum two hour response time for emergency and twenty four hour response time for non-emergency outages. The contract also includes the purchase of equipment for upgrades and additions. It is estimated that approximately \$60,936 will be expended for annual maintenance for the one-year contract, which includes an estimate of 400 hours for unforeseen repairs at a cost of \$75.00 per hour.

8. **EVALUATION PROCESS:** The City issued a Request for Proposals (RFP) for vendors experienced in providing NEC Telephone System Maintenance/Equipment. Proposals were received from Design Business Communications, Inc., dba American Telephone and NEC Unified Solutions, Inc. The RFP was evaluated in accordance with established City policies and procedures. The evaluation committee included: Glenda Shackelford, Procurement Officer; Kris Kircher, Parks & Grounds Maint. Manager and Bruce Enlund, Telephone Services Coordinator. An agreement was negotiated with Design Business Communications, Inc., dba American Telephone to provide the services described above.

9. **FINANCIAL IMPLICATIONS:** Funds for NEC Telephone System Maintenance/Equipment will be from each cost center's telephone non-toll account (5511). The amount charged to each cost center will be prorated based on the number of telephones each area currently has.

10. **PROPOSED MOTION:** Move to award a one-year agreement with six one-year optional extensions for NEC Telephone System Maintenance/Equipment to Design Business Communications, Inc., dba American Telephone in an amount not to exceed \$60,936, per staff recommendation.

APPROVALS

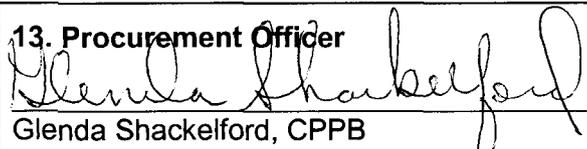
11. Requesting Department


Kris Kircher, Parks & Grounds Maint. Manager

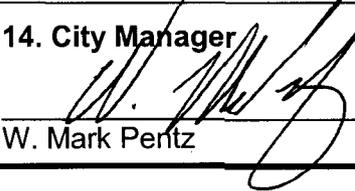
12. Department Head


Mark M. Eynatten, Community Services Director

13. Procurement Officer


Glenda Shackelford, CPPB

14. City Manager


W. Mark Pertz

**CITY OF CHANDLER SERVICES AGREEMENT
NEC TELEPHONE SYSTEM MAINTENANCE/EQUIPMENT
CONTRACT NO.: CS8-915-2526**

THIS AGREEMENT is made and entered into this _____ day of _____, 200, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and Design Business Communications, Inc. dba American Telephone, hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR represents that CONTRACTOR has the expertise and is qualified to perform the services described in the Agreement.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. **CONTRACT ADMINISTRATOR:** CONTRACTOR shall act under the authority and approval of the Parks & Grounds Maintenance Manager/designee, to provide the services required by this Agreement.
2. **SCOPE OF WORK:** CONTRACTOR shall provide NEC Telephone system maintenance services, support and equipment, all as more specifically set forth in the Scope of Work, labeled Exhibit A, attached hereto and made a part hereof by reference and as set forth in the Scope of Work and details included therein.
 - 2.1. **Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
 - 2.2. **Licenses.** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by the CONTRACTOR as applicable to this contract.
 - 2.3. **Advertising, Publishing and Promotion of Contract.** The CONTRACTOR shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the CITY.
 - 2.4. **Compliance With Applicable Laws.** CONTRACTOR shall comply with all applicable Federal, state and local laws.
3. **ACCEPTANCE AND DOCUMENTATION:** Service(s) shall be reviewed and approved by the Contract Administrator to determine acceptable completion.
 - 3.1. **Records.** The CONTRACTOR shall retain and shall contractually require each SUBCONTRACTOR to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
 - 3.2. **Audit.** At any time during the term of this Contract and five (5) years thereafter, the CONTRACTOR'S or any SUBCONTRACTOR'S books and records shall be subject to audit by the City to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, the CONTRACTOR shall produce a legible copy of any or all such records.
4. **PRICE:** CITY shall pay to CONTRACTOR(s) a total sum not to exceed Sixty Thousand Nine Hundred Thirty Six dollars \$60,936 for the completion of all services described herein for the one year contract. CONTRACTOR(s) shall be paid only as service(s) are provided and invoiced, payable as set forth in Exhibit B, attached hereto and made a part hereof by reference.

- 4.1. **Taxes.** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of the CONTRACTOR'S performance of this Agreement. The CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by the CONTRACTOR.
- 4.2. **Payments.** Payments are conditioned upon receipt of applicable, accurate, and complete reports to be submitted by the contractor. Billing must be sent to the Building & Facilities Division for all services. Invoices/monthly statements must be itemized and sent in billing format indicated. Invoices must be individually numbered.
- 4.3. **IRS W9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless not required by law.
- 4.4. **Acceptance by City.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
5. **TERM:** The base term of the Contract term is one (1) year but may be extended by mutual agreement of the parties for up to six (6) additional successive terms of one year each.
- 5.1 Anticipated start date for this contract shall be March 1, 2008.
6. **USE OF THIS CONTRACT:**
- 6.1. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.
7. **CITY'S CONTRACTUAL REMEDIES:**
- 7.1. **Right to Assurance.** If the City in good faith has reason to believe that the CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Contract Administrator may demand in writing that the CONTRACTOR give a written assurance of intent to perform. Failure by the CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at the City's option, be the basis for terminating the Contract in addition to any other rights and remedies provided by law or this Contract.
- 7.2. **Stop Work Order.** The City may, at any time, by written order to the CONTRACTOR, require the CONTRACTOR to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the City after the order is delivered to the CONTRACTOR. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the CONTRACTOR shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
 - 7.2.1 If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the CONTRACTOR shall resume work. The Contract Administrator shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- 7.3. **Non-exclusive Remedies.** The rights and the remedies of the City under this Contract are not exclusive.

- 7.4. **Nonconforming Tender.** Services and materials supplied under this Contract shall fully comply with Contract requirements and specifications. Services or materials that do not fully comply constitute a breach of contract.
- 7.5. **Right of Offset.** The City shall be entitled to offset against any sums due CONTRACTOR, any expenses or costs incurred by the City, or damages assessed by the City concerning the CONTRACTOR'S non-conforming performance or failure to perform the Contract, including expenses to complete the work and other costs and damages incurred by CITY.

8. TERMINATION:

- 8.1. **Termination for Convenience.** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and SUBCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed for each task detailed in the Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.
- 8.2. **Termination for Cause.** CITY may, upon written notice, terminate this Agreement for CONTRACTOR'S failure to comply with the terms of this Agreement.
- 8.3. **Cancellation for Conflict of Interest.** Pursuant to A.R.S. § 38-511, CITY may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the City is or becomes at any time while this Contract or an extension of this Contract is in effect, an employee of or a consultant to any other party to this Contract. The cancellation shall be effective when the CONTRACTOR receives written notice of the cancellation unless the notice specifies a later time.
- 8.4. **Gratuities.** CITY may, by written notice, terminate this Contract, in whole or in part, if CITY determines that employment or a Gratuity was offered or made by CONTRACTOR or a representative of CONTRACTOR to any officer or employee of CITY for the purpose of influencing the outcome of the procurement or securing this Contract, an amendment to this Contract, or favorable treatment concerning this Contract, including the making of any determination or decision about contract performance. The CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by CONTRACTOR.
- 8.5. **Suspension or Debarment.** CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY determines that CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a SUBCONTRACTOR of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the CONTRACTOR is not currently suspended or debarred. If CONTRACTOR becomes suspended or debarred, CONTRACTOR shall immediately notify CITY.
- 8.6. **Continuation of Performance Through Termination.** The CONTRACTOR shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.
- 8.7. **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or

acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

9. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
10. **ALTERNATE DISPUTE RESOLUTION:** Notwithstanding anything to the contrary provided elsewhere in the Contract documents, the alternate dispute resolution (ADR) process provided herein shall be the exclusive means for resolution of claims or disputes and other matters in question between the City and the CONTRACTOR arising out of, or relating to the Contract documents, interpretation of the Contract, or the performance of or the breach by any party thereto, including but not limited to, original claims or disputes asserted as cross claims, counterclaims, third party claims or claims for indemnity or subrogation, in any threatened or ongoing litigation or arbitration with third parties, if such disputes involve parties to contracts containing this ADR provision.
11. **INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees individually and collectively; from and against all losses, claims, suits, actions, payments and judgments, demands, expenses, damages, including consequential damages and loss of productivity, attorney's fees, defense costs, or actions of any kind and nature relating to, arising out of, or alleged to have resulted from CONTRACTOR'S work or services. CONTRACTOR'S duty to defend, hold harmless and indemnify the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees shall arise in connection with any claim or amounts arising or recovered under Worker Compensation Laws, damage, loss or expenses relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of CONTRACTOR, anyone directly or indirectly employed by them or anyone for whose acts CONTRACTOR may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including the City of Chandler. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.
12. **INSURANCE:**
 - 12.1. **Insurance Representations and Requirements:**
 - A. CONTRACTOR, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.
 - B. Policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager.
 - C. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
 - D. If any of the insurance policies are not renewed prior to expiration, payments to the CONTRACTOR may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the CONTRACTOR.

- E. All insurance policies, except Workers' Compensation required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
- F. CONTRACTOR'S insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.
- G. The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of CONTRACTOR'S acts, errors, mistakes, omissions, work or service.
- H. The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of CONTRACTOR. CONTRACTOR shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require CONTRACTOR to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will only be accepted with the permission of the Management Services Director/Designee.
- I. All policies and certificates shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.
- J. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the CONTRACTOR with reasonable promptness in accordance with the CONTRACTOR'S information and belief.
- K. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the CONTRACTOR until such time as the CONTRACTOR shall furnish such additional security covering such claims as may be determined by the CITY.

12.2. Proof of Insurance – Certificates of Insurance

- A. Prior to commencing work or services under this Agreement, CONTRACTOR shall furnish to CITY Certificates of Insurance, issued by CONTRACTOR'S insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
- B. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.
- C. All Certificates of Insurance shall identify the policies in effect on behalf of CONTRACTOR, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
- D. REQUIRED CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not

be obligated, however, to review same or to advise CONTRACTOR of any deficiencies in such policies and endorsements, and such receipt shall not relieve CONTRACTOR from, or be deemed a waiver of CITY'S right to insist on, strict fulfillment of CONTRACTOR'S obligations under this Agreement.

12.3. Coverage

- A. Such insurance shall protect CONTRACTOR from claims set forth below which may arise out of or result from the operations of CONTRACTOR under this Contract and for which CONTRACTOR may be legally liable, whether such operations be by the CONTRACTOR or by a SUBCONTRACTOR by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.
- B. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;
- C. Claims for damages because of bodily injury, occupational sickness or disease, or death of the CONTRACTOR'S employees;
- D. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the CONTRACTOR'S employees;
- E. Claims for damages insured by usual personal injury liability coverage;
- F. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- G. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.
- H. Claims for bodily injury or property damage arising out of completed operations;
- I. Claims involving contractual liability insurance applicable to the CONTRACTOR'S obligations under the Indemnification Agreement;
- J. Claims for injury or damages in connection with one's professional services;
- K. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included.
- L. Errors & Omissions insurance in an amount of at least one million dollars shall be included with Contractor's response. In addition, the City of Chandler shall be listed as additional insured.

12.4. Commercial General Liability - Minimum Coverage Limits.

The Commercial General Liability insurance required herein shall be written for not less than \$500,000 limits of liability. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for CONTRACTOR'S operations and products, and completed operations.

12.5. Automobile Liability

CONTRACTOR shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the CONTRACTOR'S work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof).

12.6. Worker's Compensation and Employer's Liability

CONTRACTOR shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CONTRACTOR'S employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit.

In case any work is subcontracted, CONTRACTOR will require the SUBCONTRACTOR to provide Workers' Compensation and Employer's Liability to at least the same extent as required of CONTRACTOR.

13. NOTICES: All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of the CITY
Contract Administrator:

Telephone System
Coordinator

Contact:
Mailing Address:

Bruce Enlund
MS 906 P.O. Box 4008

Physical Address:
City, State, Zip

249 East Chicago St.
Chandler, AZ 85225

Phone:
FAX:

480-782-2505
480-782-2560

In the case of the CONTRACTOR

Firm Name: Design Business
Communications, Inc.
dba American
Telephone

Contact:
Address:

Tami Boling
7363 E. Tierra Buena
Lane, Suite 140

City, State, Zip

Scottsdale, AZ 85260

Phone:
FAX:

480-991-7780
480-948-5176

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. CONFLICT OF INTEREST:

14.1 No Kickback. CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to the CITY.

14.2 Kickback Termination. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONTRACTOR to any other party to the Agreement with respect to the subject matter of the

Agreement. The cancellation shall be effective when written notice from CITY is received by all other parties, unless the notice specifies a later time (A.R.S. §38-511).

- 14.3 No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.
- 15. GENERAL TERMS:**
- 15.1 Entire Agreement.** This Agreement, including Exhibits A - B attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives or each party.
- 15.2 Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 15.3 Assignment:** Services covered by this Agreement shall not be assigned in whole or in part without the prior written consent of the CITY.
- 15.4 Amendments.** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the City in writing or made unilaterally by the CONTRACTOR are violations of the Contract. Any such changes, including unauthorized written Contract Amendments shall be void and without effect, and the CONTRACTOR shall not be entitled to any claim under this Contract based on such changes.
- 15.5 Independent CONTRACTOR.** The CONTRACTOR under this Contract is an independent CONTRACTOR. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 15.6 No Parole Evidence.** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 15.7 OWNERSHIP.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

15.8 **Authority:** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this
day of 2008.

FOR THE CITY OF CHANDLER

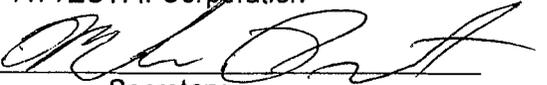
FOR THE CONTRACTOR

MAYOR

By: 
Signature

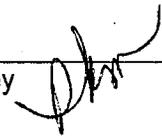
ATTEST:

City Clerk

ATTEST: If Corporation

Secretary

SEAL

Approved as to form:

City Attorney 

**EXHIBIT A
SCOPE OF WORK**

NEC 2400/2000 Telephone System Maintenance

The CONTRACTOR shall keep all hardware, software, station equipment, existing voice-cabling and ancillary equipment in good working condition. The CONTRACTOR shall provide all necessary qualified personnel, equipment, parts, supplies and services to perform the work specified. Surveys or quotes obtained by the CONTRACTOR for new installations, moving, and relocation costs are to be included in the monthly maintenance cost.

1. Performance

- a. All work shall be performed in accordance with original equipment manufacturer (OEM) standards, and in accordance with all applicable laws, codes and standards.
- b. Broken, damaged or deteriorated parts or equipment shall be repaired or replaced. Adjustable equipment shall be adjusted as necessary when found to be in unsatisfactory working condition.
- c. The CONTRACTOR shall make all reasonable efforts to prevent any interruptions of service. If interruptions occur, the CONTRACTOR shall re-establish service with the shortest possible delay.
- d. The CONTRACTOR shall inform the CITY as soon as possible of any occurrence of an unusual nature that may result in a prolonged interruption of service.

2. Response time

- a. Upon notification of a routine equipment/service trouble request, the CONTRACTOR shall repair or replace proper service within 24 hours.
- b. Emergency service calls shall require an onsite response within 2 hours of notification.
- c. The CITY defines emergency trouble call as the PBX being in a major alarm mode or completely down, the voice-mail or ACD system down, and or 20% or more stations or circuits are effected at any one time.
- d. The CONTRACTOR shall provide service on a seven day a week, twenty-four hours per day basis.
- e. The primary hours for routine maintenance are 7:00 AM to 5:00 PM, Monday through Friday.
- f. Upon receipt of a request for moves, adds, or changes the CONTRACTOR shall complete the work required within 5 working days.
- g. The CONTRACTOR shall provide a means for remote alarm monitoring for early detection of system outages or alarms.

3. Parts

- a. All replacement parts used by the CONTRACTOR shall be original manufacturer's parts or functionally equivalent. Equivalent parts shall be approved by the CITY prior to installation
- b. The CONTRACTOR shall provide all parts associated with the maintenance of the system and they must be included in the price of the contract.

- c. All replacement parts must be immediately available at the CONTRACTORS local facility within the Phoenix metropolitan area. The CITY reserves the right to inspect local inventory at their discretion.
- d. The CITY reserves the right to purchase parts and equipment directly from the manufacturer or from other vendors if it is in the CITY'S best interest.

4. Personnel

- a. The CONTRACTOR shall provide competent, experienced and highly qualified personnel to perform the required maintenance and future installations under this contract, and they must live within the local Phoenix metropolitan area.
- b. The CONTRACTOR must be an NEC factory authorized distributor.
- c. The CONTRACTOR must provide copies of all certifications on the NEC 2400 product for multiple service technicians working within their local organization that will be servicing the CITY'S system.
- d. The CONTRACTOR shall be held responsible for the actions of its employees while on the premises of any CITY facility.
- e. The CONTRACTOR shall be responsible for good housekeeping in all equipment areas.

5. Repair Coordination

- a. The CONTRACTOR shall be responsible for all contacts and coordination with the local telephone company and/or other suppliers of service concerning maintenance of lines.
- b. The CONTRACTOR shall not order, install or place any type of equipment or services where there is an obligation of charges to the CITY unless the CITY has issued a written request.
- c. The CONTRACTOR shall maintain and provide the CITY at the termination of the contract or upon request a record of all moves, adds, changes, installations or removals that the CONTRACTOR has completed during this contract.

6. Equipment/Software to be maintained

Quantity	Description
1	NEC Univerge NEAX 2400 Phone System Version R20e.03.03.000 with ACD and CCIS. Currently have 1263 digital ports and 517 analog ports in use.
4	NEC NEAX 2000 IPS Phone Systems – McQueen Yard currently has 99 digital and 33 analog ports in use; PD West currently has 75 digital and 13 analog ports in use; PD South currently has 80 digital and 10 analog ports in use; Tumbleweed Recreation Center currently has 28 digital and 5 analog ports in use.
1	Centigram/Nupoint 120R voice-mail system with 32 ports and 120 hours of storage.
2	Ratelco 100amp –48V constant volt rectifier with 16 batteries
1	NEC Express 5800 120Lh ACD Navigator Server with Gnav Pro version 6.0.14 software
1	Dell Poweredge 1900 UAPLX System server with OAI Call Forwarding Control Package.

- 1 Telco Systems 828A Fiber Mux.
- 1 Telco Systems Hyperspan 828 Fiber Mux.
- 1 Adtran MX2800 Fiber Mux
- 27 NEC Digital Remote Units (DRU).
- 19 Verilink/TXPort 2100 series CSU's.
- 70 Verilink/TXPort 3100 series CSU/DSU's.
- 4 Verilink 12 slot CSU/DSU Chassis

EXHIBIT B

- a. Provide a monthly cost to maintain equipment listed in the RFP for the one-year contract.
Year one \$3828* per month.
- b. Provide a cost for years 2 – 6.
 - Year 2 - \$ 3828* / month
 - Year 3 - \$ 3828* / month
 - Year 4 - \$ 3828* / month
 - Year 5 - \$ 3828* / month
 - Year 6 - \$ 3828* / month
 - Year 7 - \$ 3828* / month

*Based upon same equipment configuration
- c. Provide a cost per hour for any additional services over and above maintenance calls should they be required \$75 per hour.
- d. Provide a discount from manufacturer's published list prices for the purchase of equipment for future upgrades and additions 10%.
- e. Maintenance on analog telephone. \$23

Below is a list of parts and equipment that the City may purchase off of this contract, please provide a cost that the City would pay for each item.

(City will review any request for price increases after year one. Contractor must provide fully documented reasons such as manufacturer's price increase before a price increase will be approved)

NEC	Year One
DTH-1-1 S/L analog phone	<u>\$23</u>
ETJ-8-2 (BK) 8-button phone	<u>\$93</u> Refurbish Only Available
ETJ-16DC-1 (BK) 16-button phone	<u>\$132</u> Refurbish Only Available
ETJ-24DS-1 (BK) 24-button phone	<u>\$178</u> Refurbish Only Available
DTH-4R-2 (BK) D-term cordless multi-line	<u>\$282</u>
DTR-8D-2 (BK) 8-button phone	<u>\$185</u>
DTR-16D-2 (BK) 16-button phone	<u>\$202</u>
DTR-32D-2 (BK)	<u>\$239</u>
WMU-W (BK) unit	<u>\$17</u>
APR-J (BK) unit	<u>\$70</u>
ADA-J (BK) unit	<u>\$70</u>
DRU-23-SE digital remote unit	<u>\$3132</u>
DAIJA-D DRU card	<u>\$1239</u>
16 ELCJ digital line card	<u>\$2880</u>
16 LCBJ 24V analog line card	<u>\$1618</u>
16 LCBE 48V analog line card	<u>\$2092</u>
4 DATA digital announcement trunk card	<u>\$1206</u>
4 DATB digital announcement trunk card	<u>\$1206</u>
16 COTBE central office trunk card	<u>\$3330</u>

Verilink/TXPort

Stand-alone CSU/DSU model #F-3001-100-10021	<u>\$1528</u>
Chassis mount CSU/DSU model # F- 3001-101--110210	<u>\$1446</u>
Stand-alone CSU model # F-2100-100-1120	<u>\$651</u>
Chassis mount CSU model # F-2100-101-1100	<u>\$523</u>
-48 volt power supply model # 30-00087	<u>\$35</u>