

60936  
05-1309

THE STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

**I. PARTIES**

A. Address

**THIS AGREEMENT FOR FLIGHT INFORMATION DISPLAY SYSTEMS SUPPORT MAINTENANCE SERVICES FOR THE HOUSTON AIRPORT SYSTEM AT GEORGE BUSH INTERCONTINENTAL AIRPORT/HOUSTON (IAH) AND WILLIAM P. HOBBY AIRPORT (HOU) ("Agreement") is made on the date of countersignature by the City Controller ("Effective Date") between the CITY OF HOUSTON, TEXAS ("City"), a municipal corporation, and INFAX, INC. ("Contractor"), a Georgia corporation authorized to do business in Texas.**

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

<u>City</u>	<u>Contractor</u>
Director, Houston Airport System or Designee City of Houston P.O. Box 60106 Houston, Texas 77205-01061	Infax, Inc. 3400 Corporate Way Suite D Duluth, Georgia 30096 Attn: Mike Davis President

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

TABLE OF CONTENTS

	Page No.
<b>I. PARTIES.....</b>	<b>1</b>
<b>A. Address.....</b>	<b>1</b>
<b>B. Table of Contents.....</b>	<b>1</b>
<b>C. Parts Incorporated.....</b>	<b>4</b>
<b>D. Controlling Parts.....</b>	<b>4</b>
<b>E. Signatures.....</b>	<b>5</b>
<b>II. DEFINITIONS.....</b>	<b>6</b>
<b>III. DUTIES OF CONTRACTOR.....</b>	<b>8</b>
<b>A. Scope of Services.....</b>	<b>8</b>
<b>B. Duty to Inspect.....</b>	<b>8</b>
<b>C. Invoicing.....</b>	<b>9</b>
<b>D. Payment of Subcontractors.....</b>	<b>9</b>
<b>E. Personnel of Contractor.....</b>	<b>9</b>
<b>F. RELEASE.....</b>	<b>9</b>
<b>G. INDEMNIFICATION.....</b>	<b>10</b>
<b>H. RELEASE AND INDEMNIFICATION - (PATENT, COPYRIGHT,     TRADEMARK, AND TRADE SECRET INFRINGEMENT).....</b>	<b>10</b>
<b>I. INDEMNIFICATION PROCEDURES.....</b>	<b>11</b>
<b>J. Insurance.....</b>	<b>12</b>
<b>K. Confidentiality.....</b>	<b>14</b>
<b>L. Conflicts of Interest.....</b>	<b>15</b>
<b>M. Use of Work Products.....</b>	<b>15</b>
<b>N. Licenses and Permits.....</b>	<b>16</b>
<b>O. Compliance with Laws.....</b>	<b>16</b>
<b>P. Compliance with Equal Opportunity Ordinance.....</b>	<b>16</b>
<b>Q. Minority and Women Business Enterprises.....</b>	<b>16</b>
<b>R. Drug Abuse Detection and Deterrence.....</b>	<b>17</b>
<b>S. Environmental Laws.....</b>	<b>18</b>
<b>T. Airport Security.....</b>	<b>18</b>
<b>U. Maintenance Audit.....</b>	<b>18</b>
<b>IV. DUTIES OF CITY.....</b>	<b>19</b>
<b>A. Payment Terms.....</b>	<b>19</b>
<b>B. Taxes.....</b>	<b>19</b>
<b>C. Method of Payment - Disputed Payments.....</b>	<b>19</b>
<b>D. Limit of Appropriation.....</b>	<b>20</b>
<b>E. Changes.....</b>	<b>21</b>
<b>F. Access to Site.....</b>	<b>23</b>

<b>V. TERM AND TERMINATION .....</b>	<b>23</b>
<b>A. Contract Term.....</b>	<b>23</b>
<b>B. Renewals .....</b>	<b>23</b>
<b>C. Termination for Convenience by City.....</b>	<b>23</b>
<b>D. Termination for Cause by City.....</b>	<b>24</b>
<b>E. Termination for Cause by Contractor .....</b>	<b>24</b>
<b>VI. MISCELLANEOUS.....</b>	<b>25</b>
<b>A. Independent Contractor.....</b>	<b>25</b>
<b>B. Force Majeure .....</b>	<b>25</b>
<b>C. Severability .....</b>	<b>26</b>
<b>D. Entire Agreement.....</b>	<b>26</b>
<b>E. Written Amendment.....</b>	<b>26</b>
<b>F. Applicable Laws.....</b>	<b>27</b>
<b>G. Notices .....</b>	<b>27</b>
<b>H. Captions .....</b>	<b>27</b>
<b>I. Non-Waiver .....</b>	<b>27</b>
<b>J. Inspections and Audits .....</b>	<b>27</b>
<b>K. Enforcement .....</b>	<b>28</b>
<b>L. Ambiguities.....</b>	<b>28</b>
<b>M. Survival.....</b>	<b>28</b>
<b>N. Publicity .....</b>	<b>28</b>
<b>O. Parties In Interest.....</b>	<b>28</b>
<b>P. Successors and Assigns.....</b>	<b>28</b>
<b>Q. Business Structure and Assignments .....</b>	<b>28</b>
<b>R. Dispute Resolution .....</b>	<b>29</b>
<b>S. Remedies Cumulative.....</b>	<b>29</b>
<b>T. Contractor Debt .....</b>	<b>29</b>

## EXHIBITS

- A. PERFORMANCE/WORK STATEMENT
- B. PRICE SCHEDULE
- C. SCROLL SIGN ACQUISITION AND INSTALLATION
- D. EQUAL EMPLOYMENT OPPORTUNITY
- E. MWBE SUBCONTRACT TERMS
- F. DRUG POLICY COMPLIANCE AGREEMENT
- G. CERTIFICATION OF NO SAFETY IMPACT POSITIONS
- H. DRUG POLICY COMPLIANCE DECLARATION

C. Parts Incorporated

All of the above-described sections and exhibits are incorporated into this Agreement.

D. Controlling Parts

If a conflict among the sections or exhibits arises, the sections control over the exhibits.

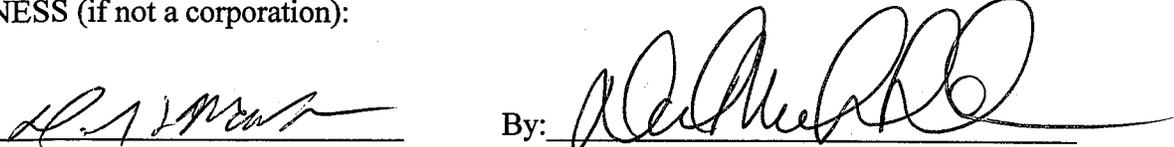
E. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):  
WITNESS (if not a corporation):

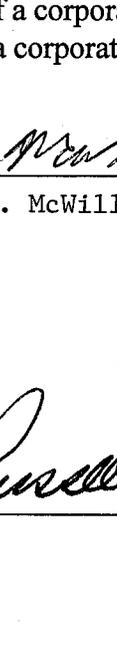
INFAX, INC.

By:   
Name: Daniel L. McWilliams  
Title: CFO

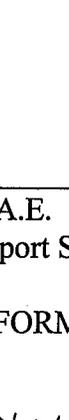
By:   
Name: David Michael Davis  
Title: President  
Tax Identification No. 58-1402039

ATTEST/SEAL:

CITY OF HOUSTON, TEXAS

  
City Secretary

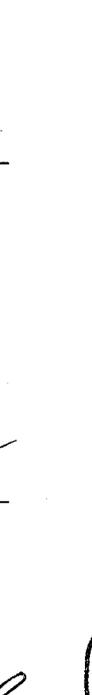
Signed by:



Mayor 

APPROVED:

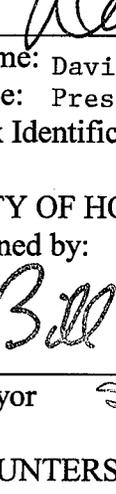
COUNTERSIGNED BY:

  
Purchasing Agent

  
City Controller 

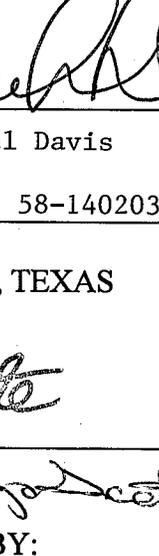
APPROVED:

DATE COUNTERSIGNED:

  
Richard M. Vacar, A.A.E.  
Director, Houston Airport System

12-19-05

APPROVED AS TO FORM:

  
Sr. Assistant City Attorney  
L.D. File No. 0040500113001

## II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

**"Airport"** means George Bush Intercontinental Airport/Houston (IAH), and William P. Hobby Airport (HOU).

**"Business Days"** mean all days of a calendar year except Saturdays, Sundays and City Council approved City holidays, unless Contractor receives written notice(s) from the Director on a preceding Thursday modifying the work days for the following week(s), in which case, the modified work days become Business Days only for the period of time designated in such notice.

**"Business Hours"** means the time period between 8:00 a.m. and 5:00 p.m. on Business Days.

**"City"** is defined in Section I. hereof.

**"City Council"** refers to the City's governing body.

**"City Purchasing Agent"** means the purchasing agent for the City of Houston, Texas.

**"Contract or Agreement"** means the Agreement and all amendments or change orders thereto made and entered into by and between the Houston Airport System and the Contractor whereby the Contractor shall provide all specified work in connection with the Agreement, in the manner and form as provided by the Agreement Documents.

**"Contractor"** is defined in Section I. of this Agreement and includes its successors and assigns.

**"Countersignature Date"** means the date shown as the date countersigned on the signature page of this Agreement.

**"Director"** means the Director of the Houston Airport System, or his designee. The Agreement designates certain functions to be performed by the Director. For the purposes of the Agreement those functions may be assigned to the Assistant Director of Aviation, Technical Services Division or other designee. The Assistant Director of Aviation, Technical Service Division may delegate certain functions to other HAS employees, with the approval of the Director.

**"Dynamic Display Systems" or "DDS"** means the display media which is operated and controlled by FIDS. The DDS, which is part of FIDS, includes Scroll Signs, LED Signs, Flip Dot Signs, LED Clocks and FIDS screens.

**"Effective Date"** is defined in Section I. hereof.

**"Emergency Service Request"** means a verbal request from the Director to Contractor to perform remedial maintenance due to a Major Failure, a Minor Failure, or a Non-critical Failure that Contractor must respond to in accordance with the Response Times set forth in Exhibit "A".

**"EPROM"** is the acronym for Erasable Programmable Read Only Memory.

**"Equipment"** means an assembly of components for a defined function.

**"Equipment Failure"** means equipment not capable of being repaired due to wear/damage resulting from normal or catastrophic causes.

**"Firmware"** means a chip containing software (e.g. ROM, EPROM) which does not technically qualify as Hardware or Software.

**"Flat Rate Repair Cost"** means the fixed cost to provide all labor and materials necessary to repair the devices and components specified in Exhibit "B" at Contractor's repair facility.

**"Flight Information Display System" or "FIDS"** means an integrated computer based system for operating and controlling flight information and general display media.

**"Flip Dot Sign"** means a sign consisting of an array of color-coded metal flaps that have an on-board digital interpreter for presentation of text and font. These signs are used to support carrier name and destination at the ticket counters, gate assignments on the departure level and claim belt directory at the Customs baggage area.

**"Houston Airport System (HAS)"** means the property and facilities of the City of Houston Department of Aviation which include, but are not limited to, George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), Ellington Field (EFD), and the Houston Airport System Administration Buildings.

**"Hardware"** means parts or components manufactured or modified (including OEM equipment) by Contractor for use in Flight Information or Dynamic Display Systems in service at the Airport.

**"IAB"** means Terminal D - International Airlines Building.

**"Manufacturer"** means the original manufacturer or producer of a part or component.

**"Materials"** means any substance specified for use in the accomplishment of the work.

**"Notice to Proceed"** refers to a written notice from the Director instructing Contractor to begin performance.

**"Original Equipment Manufacturer" or "OEM"** refers to a company authorized by a Manufacturer to modify or produce a part or component in accordance with such Manufacturer's specifications.

**"Project Manager"** refers to the individual designated by Contractor to perform the obligations of Contractor under the terms of this Agreement.

**"ROM"** is the acronym for Read Only Memory.

**"Repair"** means to restore to good or sound working condition.

**"Response Time"** means the maximum elapsed time in which Contractor must respond to an Emergency Service Request. The maximum elapsed time is measured from Contractor's receipt of an Emergency Service Request to Contractor's arrival at the specified work site.

**"Scroll Sign"** means a sign approximately 5' x 3' containing a mylar curtain which has the corporate logos of an air carrier embedded in the material. Scroll Sign includes those signs existing now or in the future which are located at the ticket counters, baggage transfer counters and boarding gates in the IAB.

**"Software"** means Contractor systems software including ROM, EPROM or other software media required to operate FIDS or other DDS in service at the Airport.

**"Spare Parts"** means new or repaired parts or components manufactured or modified (including OEM equipment) by Contractor, to be used as replacements for failed parts or components.

### **III. DUTIES OF CONTRACTOR**

#### **A. Scope of Services**

In consideration of the payment specified in this Agreement, Contractor shall provide support services on an "as requested" basis for all Flight Display Systems located at George Bush Intercontinental Airport (IAH) and William P. Hobby Airport (HOU), as more particularly described in Exhibit "A".

#### **B. Duty to Inspect**

Contractor represents that it or its agent has inspected all sites affected by this Agreement and that it is not entitled to additional compensation for its failure to accurately account for all of the work required to be performed under this Agreement.

C. Invoicing

Contractor shall submit its invoices on forms approved in advance by the Director. Each invoice must be accompanied by support documents as may be requested by the Director. Each invoice Contractor submits must be in duplicate and each copy must include required support documents. Each invoice must be identified by the Contract name and Contractor number. All invoices are to be delivered or mailed to the following location:

The City of Houston  
Houston Airport System  
Accounts Payable Section  
P.O. Box 60106  
Houston, Texas 77205-0106

D. Payment of Subcontractors

Contractor shall make timely payments to all persons and entities supplying labor, materials, services, or equipment for the performance of this Agreement. CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS. Contractor shall submit disputes relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

E. Personnel of Contractor

Contractor shall provide sufficient, fully qualified personnel to meet the performance requirements set forth in Exhibit "A". Contractor shall replace any of its personnel or subcontractors whose work product is deemed unsatisfactory by the Director.

F. RELEASE

**EXCEPT FOR THE CITY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT, CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.**

G. INDEMNIFICATION

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- (1) CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- (2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND
- (3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$600,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

H. RELEASE AND INDEMNIFICATION - (PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT)

CONTRACTOR AGREES TO AND SHALL RELEASE AND DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY")

FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY BY ANY PARTY, INCLUDING CONTRACTOR, ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED.

CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT.

WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

#### I. INDEMNIFICATION PROCEDURES

- (1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:
  - (a) a description of the indemnification event in reasonable detail,
  - (b) the basis on which indemnification may be due, and
  - (c) the anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

- (a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.
- (b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

J. Insurance

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

- (1) Risks and Limits of Liability. Contractor shall maintain the following coverages and limits of liability:

<u>(Coverage)</u>	<u>(Limit of Liability)</u>
Workers' Compensation	Statutory for Workers' Compensation
Employer's Liability	Bodily Injury by accident \$100,000 (each accident) Bodily Injury by Disease \$100,000 (policy limit) Bodily Injury by Disease \$100,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, Combined Limits of \$500,000 each Occurrence and \$1,000,000 aggregate

Automobile Liability Insurance  
(for vehicles Contractor  
uses in performing under this  
Agreement, including Employer's  
Non-Owned and Hired Auto  
Coverage)

\$1,000,000 combined single limit

Defense costs are excluded from the face amount of the policy.  
Aggregate Limits are per 12-month policy period  
unless otherwise indicated.

- (2) Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.
- (3) Issuers of Policies. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide.
- (4) Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- (5) Deductibles. Contractor shall be responsible for and pay any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.
- (6) Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.
- (7) Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees.
- (8) Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary

to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.

- (9) Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- (10) Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.
- (11) Proof of Insurance.

(a) On the Effective Date and at any time during the Term of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.

(b) Contractor shall continuously and without interruption, maintain in force the required insurance coverages specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may:

- (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

(12) Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

#### K. Confidentiality

Contractor and its agents, employees, contractors, and subcontractors shall hold all City information, data, and documents (collectively, "the Information") that they receive, prepare, or to which they have access, in strictest confidence. Contractor, its agents, employees, contractors, and subcontractors shall not disclose, disseminate, or use the Information unless the Director authorizes it in writing. Contractor shall establish procedures to ensure confidentiality of the Information and to prevent its unauthorized use and disclosure.

Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors who perform work under this Agreement, which bind them to the terms in this paragraph.

L. Conflicts of Interest

If an actual or potential conflict arises between the City's interests and the interests of other clients Contractor represents, Contractor shall immediately notify the Director by fax transmission, e-mail, or telephone. If the Director consents to Contractor's continued representation of the other clients, he or she shall notify Contractor in writing. If the Director does not issue written consent within 3 business days after receipt of Contractor's notice, Contractor shall immediately terminate its representation of the other client whose interests are or may be in conflict with those of the City.

M. Use of Work Products

Contractor conveys and assigns to the City its entire interest and full ownership worldwide in and to any work, invention, and all Documents, and the copyrights, patents, trademarks, trade secrets, and any other proprietary rights therein (collectively "Proprietary Rights") that Contractor, its agents, employees, contractors, and subcontractors (collectively "Authors") develop, write, or produce under this Agreement (collectively "Works").

The Authors shall not claim or exercise any Proprietary Rights related to the Works. If requested by the Director, Contractor shall place a conspicuous notation on any Works which indicates that the City owns the Proprietary Rights.

Contractor shall execute all documents required by the Director to further evidence this assignment and ownership. Contractor shall cooperate with the City in registering, creating, and enforcing Proprietary Rights arising under this Agreement. If Contractor's assistance is requested and rendered under this Section, the City shall reimburse Contractor for all out-of-pocket expenses it incurs in rendering assistance, subject to the availability of funds. On termination of this Agreement, or if requested by the Director, Contractor shall deliver all Works to the City. Contractor shall obtain written agreements from the Authors which bind them to the terms in this Section.

All Works developed, written, or produced under this Agreement for use as a contribution to a collective work; a part of a motion picture or other audiovisual work; a translation; a supplementary work; a compilation; an instructional text; a test; answer material for a test; or an atlas, are "works made for hire."

Contractor may retain copies of the Works for its archives. Contractor shall not otherwise use, sell, license, or market the Works.

N. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by this Agreement, any statute, ordinance, rule, or regulation. This requirement includes, without limitation, certification of the on-site technicians. Contractor shall immediately notify the Director of any suspension, revocation, or other detrimental action against required licenses or certifications.

O. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations; the City Charter and Code of Ordinances; and HAS' rules and regulations.

P. Compliance with Equal Opportunity Ordinance

Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "D".

Q. Minority and Women Business Enterprises

It is the City's policy to ensure that Minority and Women Business Enterprises ("MWBEs") have the full opportunity to compete for and participate in City contracts. The objectives of Chapter 15, Article V of the City of Houston Code of Ordinances, relating to City-wide Percentage Goals for contracting with MWBEs, are incorporated into this Agreement.

Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 0 % of the value of this Agreement to MWBEs. The City's policy does not require Contractor to in fact meet or exceed this goal, but it does require Contractor to objectively demonstrate that it has made good faith efforts to do so. To this end, Contractor shall maintain records showing:

- (1) subcontracts and supply agreements with Minority Business Enterprises,
- (2) subcontracts and supply agreements with Women's Business Enterprises, and
- (3) specific efforts to identify and award subcontracts and supply agreements to MWBEs. Contractor shall submit periodic reports of its efforts under this Section to the Affirmative Action Director in the form and at the times he or she prescribes.

Contractor shall require written subcontracts with all MWBE subcontractors and suppliers and shall submit all disputes with MWBE subcontractors to binding arbitration if directed to do so by the Affirmative Action Director. All agreements must contain the terms set out in Exhibit "E." If Contractor is an individual person (as distinguished from a corporation,

partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, then the subcontract must also be signed by the attorneys of the respective parties.

R. Drug Abuse Detection and Deterrence

- (1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.
- (2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"),
  - (a) a copy of its drug-free workplace policy,
  - (b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "F," together with a written designation of all safety impact positions and,
  - (c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "G."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "H." Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

- (3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.
- (4) Contractor shall require that its subcontractors comply with the Executive Order and Contractor shall secure and maintain the required documents for City inspection.

S. Environmental Laws

Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TCEQ"), and any other governmental agency with the authority to promulgate environmental rules and regulations ("Environmental Laws"). Contractor shall promptly reimburse the City for any fines or penalties levied against the City because of Contractor's failure to comply.

Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. "Hazardous Materials" mean any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease, lubricants, or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary sewer system or elsewhere on City Property in violation of the Environmental Laws.

T. Airport Security

Contractor shall comply with all HAS, TSA, FAA and any other governmental agency security directives, rules and regulations. The FAA and/or the TSA may assess fines and/or penalties for Contractor's non-compliance with the provisions of 49 CFR 1540 and 1542, as amended from time to time, or by other agencies for noncompliance with laws or regulations applicable to Contractor's operations. Within 10 days of notification in writing, Contractor shall reimburse the City for any fine or penalty assessed against the City because of Contractor's non-compliance with 49 CFR 1540 and 1542 or other applicable laws or regulations.

U. Maintenance Audit

- (1) At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor and at HAS' expense, may provide for a third party maintenance audit. Contractor shall rectify any deficiencies in performance discovered by such audit for which Contractor is responsible to the Director's satisfaction at no cost to the City within 10 days of receipt of a notice of any deficiency. Further, the Contractor shall provide the Director with a written explanation for such deficiency in performance and a plan to prevent future deficiencies within 15 days of receipt of such notice. Failure of the Contractor to timely rectify the deficiency or provide the written explanation and plan to the Director shall be grounds for termination for cause as provided in Section V.
- (2) At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor, may conduct his own inspections of Contractor's

work performance, equipment, inventory, logs and work sites. Contractor shall rectify any deficiencies discovered by such inspection to the Director's satisfaction within 10 days of receipt of a notice of any such deficiency at no cost to the City if caused by the Contractor or its subcontractors.

#### IV. DUTIES OF CITY

##### A. Payment Terms

- (1) Subject to all the terms and conditions of this Agreement, the City shall pay to Contractor, and Contractor accepts the fees specified in Exhibit "B," Price Schedule, for all work provided by Contractor and its subcontractors under this Agreement. If hourly rates and fees for support services are not stated in Exhibit "B", the rates will be based on the Parties' written agreement.
- (2) If the City pays Contractor for work performed by any subcontractor or for parts, supplies, equipment, or materials provided by any supplier, and Contractor withholds or has withheld payment to the subcontractor or supplier because of a deficiency in the quality or quantity of that subcontractor's or supplier's work or materials, the City may withhold a corresponding amount from any pending or future payments to Contractor until the next regular payment to Contractor occurring after the City receives reasonable documentation that the deficiency has been remedied.
- (3) All invoices are subject to approval by the Director and are due and payable on or about 30 days after receipt and approval by the Director. All payments must be made by check made payable to Contractor. The City will not unreasonably delay or withhold payment or approval of any invoice. Neither payments made nor approval of invoices or services by the Director shall be construed as final acceptance or approval of that part of Contractor's services to which such payment or approval relates. Such payments do not relieve Contractor of any of its obligations under this Agreement.

##### B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

##### C. Method of Payment - Disputed Payments

If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute

and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

D. Limit of Appropriation

- (1) The City's duty to pay money to Contractor for any purpose under this Agreement is limited in its entirety by the provisions of this Section.
- (2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$600,000 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies.
- (3) The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor and, where in excess of the amount specified in Paragraph (4) below, approved by motion or ordinance of City Council in substantially the following form:

**"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"**

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of \$\_\_\_\_\_, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Agreement, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is \$\_\_\_\_\_.

SIGNED:

(Signature of the City Controller)  
City Controller of the City

REQUESTED:

(Signature of the Director)  
Director

- (4) City Council delegates to the Director the authority to approve up to \$2,400,000 in supplemental allocations for this Agreement without returning to Council.
- (5) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

E. Changes

- (1) At any time during the Agreement Term, the Director may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.
- (2) The Director will issue the Change Order in substantially the following form:

**CHANGE ORDER**

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of Notice]

SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

**[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]**

Signed:

[Signature of Director]

- (3) The Director may issue more than one Change Order, subject to the following limitations:
  - (a) Council expressly authorizes the Director to approve a Change Order up to \$25,000. A Change Order in excess of \$25,000 must be approved by the City Council.
  - (b) If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
  - (c) The Total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.
- (4) Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The Director's decision regarding a time extension is final.
- (5) A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.
- (6) Change Orders are subject to the Allocated Funds provisions of this Agreement.

F. Access to Site

Subject to HAS rules and regulations, Contractor may enter and leave work sites at all reasonable times without charge. Contractor and its employees may use the common areas and roadways at the Airport where the work sites are located. This excludes parking for Contractor's personnel and does not extend to any restricted area of the Airport, including without limitation, the AOA, which requires the Director's prior written approval and an HAS escort. Contractor shall repair any damage it or its employees caused as a result of its use of the common areas.

V. TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Effective Date and continues for 3 consecutive years from the date set forth in the Notice to Proceed, unless sooner terminated under this Agreement. Performance begins on the date specified in the Notice to Proceed issued by the Director. Contractor acknowledges that time is of the essence of this Agreement.

B. Renewals

If the Director, at his or her sole discretion, gives written notice of renewal to Contractor at least 30 days before expiration of the then-current term and subject to the limit of appropriation in Section IV(D) then, upon expiration of the initial term, this Agreement is renewed for up to 2 successive one-year terms under the same terms and conditions.

C. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section IV(A) unless the fees exceed the allocated funds remaining under this Agreement.

**TERMINATION OF THIS AGREEMENT AND PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY**

**CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.**

C. Termination for Cause by City

If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (4) a receiver or trustee is appointed for Contractor.

If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

D. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives the notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City

does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

## VI. MISCELLANEOUS

### A. Independent Contractor

Contractor is an independent contractor and shall perform the services provided for in this Agreement in that capacity. The City has no control or supervisory powers over the manner or method of Contractors' performance under this Agreement. All personnel Contractor uses or provides are its employees or subcontractors and not the City's employees, agents, or subcontractors for any purpose whatsoever. Contractor is solely responsible for the compensation of its personnel, including but not limited to: the withholding of income, social security, and other payroll taxes and all worker's compensation benefits coverage.

### B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for reasonable delays in performing its obligations under this Agreement to the extent the delay is caused by Force Majeure that directly impacts the City or Contractor. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Agreement. Force Majeure means: fires, interruption of utility services, epidemics in the City, floods, hurricanes, tornadoes, ice storms and other natural disasters, explosions, war, terrorist acts against the City or Contractor, riots, court orders, and the acts of superior governmental or military authority, and which the affected party is unable to prevent by the exercise of reasonable diligence. The term does not include any changes in general economic conditions such as inflation, interest rates, economic downturn or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Force Majeure does not entitle Contractor to extra Reimbursable Expenses or payment.

2. This relief is not applicable unless the affected party does the following:

- (a) uses due diligence to remove the effects of the Force Majeure as quickly as possible and to continue performance notwithstanding the Force Majeure; and
- (b) provides the other party with prompt written notice of the cause and its anticipated effect.

3. The Director will review claims that a Force Majeure that directly impacts the City or Contractor has occurred and render a written decision within 14 days. The decision of the Director is final.

4. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.

5. If the Force Majeure continues for more than 7 days from the date performance is affected, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT UP TO THE TIME THE WORK IS HALTED DUE TO FORCE MAJEURE.**

6. Contractor is not relieved from performing its obligations under this Agreement due to a strike or work slowdown of its employees. Contractor shall employ only fully trained and qualified personnel during a strike.

7. If a Force Majeure condition damages all or a portion of the HAS Flight Information Display Systems and the Director elects to repair the damage, Contractor shall repair the damage upon the Director's written request at the labor rates and fees set forth in Exhibit "B". Contractor shall continue to maintain that portion of the Flight Information Display Systems, which have not been damaged by the Force Majeure condition, in accordance with the terms of this Agreement.

8. The Director shall determine when a Force Majeure condition has been removed. Contractor shall then provide all services and parts required under this Agreement in accordance with the Price Schedule in Exhibit "B".

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

G. Notices

All notices required or permitted by this Agreement must be in writing and are deemed delivered on the earlier of the date actually received or the third day following: (1) deposit in a United States Postal Service post office or receptacle; (2) with proper postage (certified mail, return receipt requested); and (3) addressed to the other party at the address set out in the preamble of this Agreement or at such other address as the receiving party designates by proper notice to the sending party.

H. Captions

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

I. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law.

J. Inspections and Audits

Representatives of the City have the right to perform, or to have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

K. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

L. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

M. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

N. Publicity

Contractor shall make no announcement or release of information concerning this Agreement unless the release has been submitted to and approved, in writing, by the Director.

O. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

P. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

Q. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest as described in §9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment

and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the Director's prior written consent.

R. Dispute Resolution

For purposes of this Section "Project Administrator" means the person the Director designates to monitor the progress of all Parties' performance under this Agreement.

Except as may otherwise be provided by law, a dispute that (1) does not involve a question of law; (2) arises during the performance of this Agreement; and (3) is not resolved between the Project Administrator and Contractor must be handled as described below:

- (a) The Project Administrator shall put its decision in writing and mail or otherwise furnish Contractor with a copy. Contractor may abide by the decision or may appeal the decision to the Director.
- (b) If Contractor desires to appeal a decision of the Project Administrator, Contractor must submit a written appeal to the Director. Contractor must file its written appeal within 7 working days following receipt of the Project Administrator's original decision. The Director shall provide Contractor with a written response to the appeal within 14 working days following its receipt. The decision of the Director is final.

S. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

T. Contractor Debt

IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT CONTRACTOR HAS INCURRED A DEBT, SHE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FOR ANY PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR.

## EXHIBIT "A"

### PERFORMANCE/WORK STATEMENT FLIGHT INFORMATION DISPLAY SYSTEMS (FIDS) SUPPORT SERVICES FOR THE HOUSTON AIRPORT SYSTEM

#### 1.0 SCOPE OF WORK

##### 1.1 Services in General

Contractor shall provide support services on an as requested basis for all Flight Display Systems located at George Bush Intercontinental Airport (IAH) and William P. Hobby Airport (HOU). Support Services shall include, without limitation, Software modifications, on-site services, equipment repairs, Spare Parts, Scroll Sign acquisition and installation, and system upgrades and enhancements, as more fully described in Section 1.2.

##### 1.2 Request for Support Services

With the exception of on-site emergency services where the request shall be verbal and immediately followed in writing, all requests for Support Services shall be in writing, signed by the Director and forwarded to Contractor. Such requests shall delineate applicable specifications including, without limitation, part number, part description, quantity, description of malfunction and any additional information as may be required to assist Contractor in preparing a written proposal in response to the request for Support Services. Within fifteen (15) Business Days of receipt of a written request for Support Services, Contractor shall submit a proposal to the Director which shall contain the applicable labor rates, Flat Rate Repair Cost and/or unit cost of Spare Parts as described in Exhibit "B" for the purpose of computing Support Services costs. Upon approval of each proposal, the HAS shall issue a written Notice to Proceed instructing Contractor to commence performance within forty-eight hours. Specific Support Services include, but are not limited to, the following:

- 1.2.1 Software Services - All modifications to system Software, including, but not limited to modifications to code, ROM, EPROM or other Software or Firmware media required to operate FIDS or DDS that are located at the Airport on the Countersignature Date. All applicable manual updates shall be provided.
- 1.2.2 On-Site Services - On-site visit at the Airport by a Contractor technician(s) to perform repairs and installation to any and all system components at the Airport.
- 1.2.3 Equipment Repair and Return - Contractor pickup, packaging, shipping (to Contractor repair facility), repair and return to the Airport of all Contractor supplied devices and components that have expired warranties.
- 1.2.4 Spare Parts - The acquisition of new parts and components manufactured or modified (including OEM equipment) by Contractor for use in FIDS or DDS.
- 1.2.5 Scroll Sign Acquisition and Installation - Provide for additions, deletions and changes to the Scroll Signs following the scheduled project sequence as described in Exhibit "C". All applicable Software modifications shall be included in this item.
- 1.2.6 System Upgrades and Enhancements - Any improvements or additions to existing FIDS or DDS systems that are located at the Airport on the Countersignature Date.

## **2.0 MISCELLANEOUS PROVISIONS**

### **2.1 Coordination of Performance**

Contractor shall coordinate all of its performance with the HAS and such other person(s) as the HAS may specify. Contractor shall keep said person(s) advised on a regular basis of developments relating to the performance of this Agreement, and Contractor shall at all appropriate times advise and consult with the Director.

### **2.2 Reports**

Contractor shall submit reports and progress updates as required by the Director. Reports may include, but are not limited to, the following:

2.2.1 Monthly service activity detail reports identifying equipment type, model number, part number, in service date, asset number, description of each malfunction, work performed, and time required to restore service.

2.2.2 Monthly documentation on the number of user equipment picked up for service and returned; number of Contractor's spares provided and returned. Documentation shall include time and date of pickups, deliveries, and returns; identification of equipment by type, model number, and asset number.

2.2.3 Monthly documentation of system failure/problems within the current HAS FIDS or DDS.

### **2.3 Contractor's Personnel**

2.3.1 Contractor represents that its employees, agents and subcontractors are fully competent and qualified to perform all the services required to be performed under this Agreement. Contractor further represents that it is experienced in this type of service and that all services performed hereunder shall be of the highest professional quality.

2.3.2 Contractor shall be responsible for the supervision and workmanship of its employees including, but not limited to, the following duties:

(1) Contractor shall at all times enforce strict discipline and good order among its employees and shall employ on the job only reliable persons who are skilled and experienced in the assigned task;

(2) Contractor shall provide a supervisory work force sufficient to maintain efficient performance of this Agreement;

(3) Contractor shall designate in writing to the Director a Project Manager. The Project Manager shall be available at all times during the performance of Contractor's obligations under this Agreement. The Project Manager shall have full authority to represent Contractor in making decisions and in the execution of the services to be performed under this Agreement. Contractor shall supply the Director with the Project Manager's name, address and telephone number,

(4) Upon written demand from the Director, Contractor shall preclude an unsatisfactory employee or subcontractor from performing services under this Agreement; and,

(5) Contractor shall comply with rules, regulations or operating instructions promulgated by the Director for governance of the HAS, including without limitation, rules, regulations or operating instructions related to conduct of work on HAS premises and access to sites where the FIDS or DDS are located.

## **2.4 Airport Security Badging**

2.4.1 Contractor shall comply with all applicable Federal rules governing security at the Airport, as may be amended from time to time.

- (1) All on-site personnel of Contractor, including subcontractors, who perform services under the Agreement, are required to undergo a fingerprint-based criminal history records check. Fingerprints are collected at the Airport Badging Office and submitted electronically for investigation.
- (2) Contractor shall obtain HAS security badges for its personnel performing services on-site, including its subcontractor's personnel. On-site personnel shall wear identification badges at all times while on Airport property. The cost of badges, which is subject to change, is currently \$45.00 each at IAH and HOU and \$6.00 each at EFD. Costs for the fingerprint-based criminal history records check are reflected in the cost of the badges. Contractor is responsible for the cost of badges, including replacements thereof. Contractor personnel losing badges will be charged for replacement badges at the then current rate.
- (3) Contractor acknowledges that fines or penalties associated with non-compliance with security regulations must be reimbursed to HAS.

## **2.5 Parking**

Contractor shall park its vehicles in areas designated by HAS at Contractor's cost.

## **2.6 Safety**

Contractor shall not require any person employed in the performance of the Agreement to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to their health or safety, or contrary to any provision of the Occupational Health and Safety Act (OSHA).

2.6.1 Contractor shall be completely familiar with, and shall enforce all City, State of Texas and Federal OSHA regulations and requirements as applicable for services performed herein, including but not limited to the following:

- (1) Contractor personnel shall wear applicable personal protection equipment at all times.
- (2) Contractor personnel operating equipment and /or handling materials shall be fully trained in the safe operation of the equipment or materials.
- (3) Contractor personnel shall follow and apply safety practices prevailing in their applicable industry.

2.6.2 Contractor shall develop, implement and maintain an on-going safety program concerned with equipment, maintenance work, and related procedures. Safety warnings shall be posted on equipment as necessary to ensure safe operations. Equipment shall never be installed, tested or operated in an unsafe condition.

## **2.7 Warranty**

Contractor guarantees that all materials (including Hardware, Software, Firmware and Spare Parts) and labor furnished by Contractor (including all programming furnished by Contractor) shall be of the highest quality prevailing in the industry and shall be free from defects at the time of acceptance by

the City. Contractor shall be responsible for enforcing, on behalf of the City, any manufacturer's warranty on components of work or Software supplied by Contractor for any defect occurring within the warranty period. Any manufacturer's warranties applying to components or work or Software furnished to the HAS shall be delivered to the Director with the product. For any defects occurring during the warranty period, Contractor shall correct any defective work, Software, equipment, or materials, or remove the defective work, equipment, or materials and replace the same in a timely manner.

The Contractor further agrees as follows:

- 2.7.1 Contractor warrants all new Spare Parts and components to be free from defects for a period of one (1) year from actual receipt by the City at the HAS. During the warranty period, Contractor shall correct any defects, at its own cost, within 48 hours of notification by the Director. Warranty maintenance performed by Contractor shall include the cost of retrieving the Spare Part or component, packaging and shipping the defective unit to Contractor's repair facility for repair or replacement and the return of the Spare Part or component to the HAS.
- 2.7.2 Contractor warrants all repaired Contractor-supplied parts and components to be free from defects for a period of 180 days from actual receipt by the City at the HAS. During the warranty period, Contractor shall correct any defects, at its own cost, within 48 hours of notification by the Director. Warranty maintenance performed by Contractor shall include the cost of retrieving the repaired Contractor-supplied parts or component, packaging and shipping the defective unit to Contractor's repair facility for repair or replacement and the return of the repaired Contractor-supplied parts or component to the HAS.
- 2.7.3 Contractor warrants on-site repairs to any and all system components to be free from defects for a period of 90 days after date of acceptance by the Director. During the warranty period, Contractor shall correct any defects, at its own cost, within 24 hours of notification by the Director. Warranty maintenance performed by Contractor shall include the cost of sending a technician to the HAS to work continuously until cited deficiencies are resolved.
- 2.7.4 Contractor warrants all Software services to be free from defects for a period of 90 days from date of acceptance. During the warranty period, Contractor shall correct any defects, at its own cost, within 48 hours of notification by Director. Warranty maintenance performed by Contractor shall include the cost of downloading repairs to the system via modem.
- 2.7.5 Contractor warrants all IAB Scroll Signs to be free from defects for a period of one year from date of acceptance and all associated Software modifications for a period of 90 days from date of acceptance. During the warranty period, Contractor shall correct any defects in the Scroll Signs, at its own cost, within 48 hours of notification by the Director. Warranty maintenance shall include the cost of retrieving the Scroll Sign, packaging and shipping the defective unit to Contractor's repair facility for repair or replacement and the return of the Scroll Sign to the Airport. Defects in all associated Software modifications shall be corrected, at the cost of Contractor, within 24 hours of notification by the Director, and Contractor's cost shall include repairs downloaded to the system via modem.

## **2.8 Reimbursable Costs**

Reimbursable Costs shall include the following costs incurred by Contractor in the performance of on-site services at the HAS or for costs incurred by Contractor for certain shipping costs in accordance with the terms and conditions of this Agreement:

- 2.8.1 With the exception of on-site emergency maintenance services where the approval shall be verbal and immediately followed in writing, travel from Contractor's place of business to the Airport and return shall require the prior written approval of the Director. Such travel expenses must not exceed the amount established under the City's then-current travel reimbursement policy for its employees, including automobile mileage reimbursement, common carrier coach or economy fares, ground transportation expenses, and for over night trips, the cost of lodging and meals, if such travel is reasonably necessary to accomplish a task directly related to work under this Agreement, and if reservations are made as far in advance as feasible;
- 2.8.2 The cost incurred for pickup, packaging and shipping to Contractor's repair facility and return to the HAS of all Contractor-supplied devices and components that have expired warranties.

## **2.9 Price Reduction and Model/Version Changes**

During the Term of the Agreement, the City shall have the right of acceptance of Contractor's written notification of OEM model/version changes for new Hardware and Software components not listed in Exhibit "B", and OEM price reductions on new Hardware and Software components listed in Exhibit "B", in accordance with the following conditions:

- 2.9.1 Contractor shall promptly report to the Director any conditions, transactions, situations, or circumstances encountered by Contractor which would impede or impair the proper and timely performance of the Agreement.
- 2.9.2 Contractor shall promptly report to the Director any manufacturer's price reductions or model/version changes. Contractor will promptly request the Director's and City Purchasing Agent's approval for any new prices on model/version changes not listed in Exhibit "B".
- 2.9.3 All requests for price adjustments or new prices must include the Contract number and title of the Contract, product description, current price, and requested change.
- 2.9.4 Notification of acceptance or denial of price adjustment or new price requests will be issued in writing by the City Purchasing Agent no later than thirty (30) days following the receipt of the request.
- 2.9.5 All promotional price reductions shall be passed on to the City.

**EXHIBIT "B"**  
**PRICE SCHEDULE**

I. Contractor Labor Rates in effect for the Term of the Contract, including option periods

- A. Software Services Hourly Rate \$125.00
- B. On-Site Services Hourly Rate \$115.00

NOTE: Hourly rates for items A and B above does not include Reimbursable Costs.

- C. Equipment Repair Hourly (Bench Technician) \$ 95.00

NOTE 1: Hourly rate does not include pickup, delivery, packaging and freight from and to the Airport (reimbursable costs) for parts and components out of warranty. Contractor shall utilize original packaging materials whenever possible for return shipment to the Airport.

NOTE 2: Contractor shall provide an invoice which itemizes repair costs for each part/component sent for Repair and Return including probable cause for malfunction, number of labor hours (to the nearest tenth of an hour), and repair parts including part number and unit price.

II. Flat Rate Repair Cost (Contractor Selected Items)

A fixed cost throughout the Term, including option periods, to provide all labor and materials to repair the following parts and components at Contractor's repair facility.

<u>Part #</u>	<u>Description</u>	<u>Flat Rate Repair Cost</u>
175099	Sign, LED, 4" Character Clock, Single Face	\$206.00
175139	Sign, LED, 4" Character Clock, Double Face	\$206.00
173072	Monitor, Sony 25" (does not include CRT replacement)	\$250.00
173144	DVC, RGB, 1756 Fomat (software included)	\$150.00
173184	DVC, RGB, 1756 Fomat with Scroll Software (included)	\$150.00
173163	DVC, Mono, Switchable 1756 Format (software included)	\$150.00
173056	Regen Repeater, SDLC Data	\$150.00
173059	DVC Keypad	\$ 75.00

174043	Bag Claim Input Controller (Tugman entry device to be used with Part No. 172605 software)	\$270.00
101180	PCBA, LED Sign Interface Board (sub-component for LED signs, network interface)	\$150.00
151108	Massy, Monolithic LED Display Board (sub-component for LED signs)	\$ 90.00
173016	Monitor, Infax DM9B, 9" Mono	\$150.00
173106	DVC, Mono, 4 Channel (to be used with Part No. 172623 software)	\$150.00
175091	Converter, Baud Rate, Scroll Sign (to be used with Part No. 172630 software)	\$175.00
175091	Converter, Baud Rate, 9600 to SDLC (to be used with Part No. 172706 software)	\$175.00
173103	Data Amp, Single Ended In/Out, 1200-31.5K Data	\$150.00
101181	PCBA, LED Display Type II	\$ 90.00
101205	PCBA, Flipdot Parallel Interface	\$160.00
101269	PCBA, LED Display with Standoff MTG	\$ 90.00
151144	Massy, FA23B Drawer	\$150.00
NOTE:	Flat rate repair cost does not include pickup, delivery, packaging and freight from and to the Airport (reimbursable costs) for parts and components out of warranty. Contractor shall utilize the original packaging materials whenever possible for return shipment to the Airport.	

III. Sole Source Spare Parts

The acquisition of new parts and components manufactured or modified (including OEM equipment) by Contractor for use in FIDS or DDS shall not exceed the unit cost stated below for the Term of the Contract including any option periods.

<u>Part #</u>	<u>Description</u>	<u>Unit Cost</u>
175099	Sign, LED, 4" Character Clock, Single Face	\$1,242.00
175157	Sign, LED, 4" Character Clock, Double Face with Pedestal Mount	\$2,096.00
175139	Sign, LED, 4" Character Clock, Double Face	\$2,088.00
113190	Kit, Yoke Tray, Sony 25" Monitor	\$ 240.00
173226	Monitor, Infax DM9C, 9" Mono	\$ 400.00

175107	Sign, Scroll without Continental Logo (Ticket Counter)	\$10,376.00
175124	Sign, Scroll with Continental Logo (Recheck, Gates)	\$10,376.00
173214	DVC, RGB, 1756 Format (software included)	\$2,015.00
173264	DVC, RGB, 1756 Fomat with Scroll Software	\$2,265.00
173219	DVC, Mono, Switchable 1756 Format (software included)	\$ 750.00
173221	DVC, Mono, 4 Channel	\$2,015.00
175091	Converter, Baud Rate, Scroll Sign (to be used with Part No. 172630 software)	\$2,015.00
172630	Software, Converter, Baud Rate, Scroll Sign	\$ 75.00
175091	Converter, Baud Rate, 9600 to SDLC (to be used with Part No. 172706 software)	\$2,015.00
172706	Software, Baud Rate Converter, 9600 to SDLC	\$ 50.00
173056	Regen Repeater, SDLC Data	\$ 885.00
173103	Data Amp, Single Ended In/Out, 1200-31.5K Data	\$ 885.00
175022	Modem, ME800, Short Haul	\$ 255.00
175101	Modem, 202T, Transmit Configuration	\$ 625.00
175102	Modem, 202T, Receive Configuration	\$ 625.00
175173	Modem, Fiber Optics, FiberMux FX 102C/L/ST	\$ 460.00
174042	Terminal, Wyse 370 Operator	\$1,350.00
174043	Bag Claim Input Controller (Tugman entry device to be used with Part No. 172605 software)	\$2,025.00
172605	Software, Bag Claim Input Controller	\$ 75.00
171111	CSYS, 586 PC, Hard Drive, VGA (Gate Schedule CPU)	\$4,575.00
171107	CSYS, System 9 (Welcome PC CPU)	\$4,375.00
101153	PCBA, Infax Serial Communications Expansion	\$ 860.00
101179	PCBA, LED Sign Interface Board, with 16 Row Driver	\$ 760.00
101180	PCBA, LED Sign Interface Board	\$ 360.00
101181	PCBA, LED Display Type II	\$ 165.00

101205	PCBA, Flipdot Parallel Interface	\$ 410.00
101206	PCBA, Small Dot Driver	\$ 310.00
101212	PCBA, Vultron 3" - 25 CLM	\$ 940.00
101213	PCBA, Vultron 3" - 30 CLM	\$ 980.00
101215	PCBA, Vultron 4.5" - 30 CLM	\$1,110.00
101216	PCBA, Heurikon HK68-M130 CPU	\$5,815.00
101269	PCBA, LED Display with Standoff MTG	\$ 160.00
101151	PCBA, MFB I/O	\$ 860.00
105029	P/S, SPL-130-1005	\$ 260.00
105030	P/S, ESQ-180	\$ 714.00
105034	P/S, SPL-250, 5V, 50A	\$ 560.00
105036	P/S, ECM 16W	\$ 148.00
105037	P/S, EMR-300K 54W	\$ 285.00
105039	P/S, MRW 150W	\$ 184.00
105043	P/S, FAK5-10K	\$ 220.00
105046	P/S, ERX5-24, 120W	\$ 395.00
151108	Massy, Monolithic LED Display Board	\$ 180.00
173207	DVC Keypad, Passive	\$ 104.00
171253	CSYS, WinFIDS Terminal, IAH	\$3,240.00
171251	CSYS, WinFIDS CPU, 586, NT, IAH	\$6,875.00
173217	DS4 Converter Analog	\$2,100.00
173214	DS1 Converter Analog	\$1,500.00
173286	DS2 Converter VGA	\$1,800.00
101433	DIGI Syn 570i	\$1,900.00
172900	WinFIDS Server Software	\$7,500.00
172901	WinFIDS Single Channel HTML DVC License	\$200.00

172902	WinFIDS Four Channel HTML DVC License	\$400.00
172903	WinFIDS Eight Channel HTML DVC License	\$800.00
172904	FIDS Builder	\$5,000.00
172905	ComNet Interface	\$5,000.00
172906	AA/US Sabre Interface	\$5,000.00

## EXHIBIT "C"

### SCROLL SIGN ACQUISITION AND INSTALLATION

#### 1.0 Purpose:

To establish a procedure whereby additions, deletions and changes to the scroll sign curtains may be achieved in minimal time with consistent results.

#### 2.0 Procedure:

##### 2.1 Project Task Sequence and Lead Times

<u>TASK</u>	<u>LEAD TIME</u>
1. Request for Proposal	
2. Proposal Preparation	2 Weeks
3. Proposal Acceptance	2 Weeks
4. Notice Proceed	2 Weeks
5. Prototype Development	4 Weeks
6. Prototype Acceptance	2 Weeks
7. Curtain Production	6 Weeks
8. Delivery	1 Week
9. Installation	1 Week*
10. Final Acceptance	

Total.....20 Weeks

\* Dependent on number of signs to be installed

##### 2.2 Project Task Description

###### 2.2.1 Request for Proposal

The Houston Airport System (HAS) shall submit a request for a proposal to Contractor. The request shall state the intended purpose of the addition/modification and shall include camera ready artwork in an 8"x10" format that can be used for the creation of the Logo curtain. The HAS shall identify the desired logo in accordance with the airport tenant's requirements. The logo shall be plainly marked or identified in such a way as not to deface or mark the actual logo symbol itself or the surrounding borders. Actual PMS color reference samples and numbers are to be submitted with the logo artwork. Other information pertaining to quantity, location (gate, ticket counter, transfer counter, etc.) and disposition of the submitted artwork shall be included.

###### 2.2.2 Proposal

After receipt of the proposal request and artwork, Contractor shall prepare a quotation for the requested work. For budgetary pricing, refer to the "General Price Guidelines."

###### 2.2.3 Proposal Acceptance

Contractor shall submit the proposal to the HAS for review. To expedite the process, a facsimile or electronic file shall be sent upon completion of the proposal. If problems or questions arise, the HAS representative shall immediately contact Contractor for clarification. During the clarification process, if issues arise that require a revision to the proposal, Contractor shall resubmit. Some issues may require additional information that may not be

### 3.0 General Price Guidelines

Since each company logo is different, prices (especially for the Prototype Logo) may vary. The figures below are intended as a guideline estimate only and are not, submitted or quoted as actual pricing. The actual pricing shall be submitted by Contractor as part of the proposal process and may vary according to logo complexity and quantity.

#### Unit Pricing Guideline

Prototype Logo.....	\$600.00
Production Logo.....	\$180.00
Freight.....	\$150.00 ea. order
Installation, Labor.....	\$115.00 hr. (See Exhibit "A", 1-B)
Installation, Expense.....	\$150.00 staff-day
Installation, Travel, RT.....	\$850.00 per person

#### Quantity Pricing Guideline

Prototype Logo..... (1).....	\$600.00
Production Logos	
Boarding Gate..... (12).....	\$2,160.00
Ticket Counter..... (34).....	\$6,120.00
Transfer Counter..... (13).....	\$2,340.00
Spares..... (4).....	\$720.00
Freight..... (1).....	\$150.00
Installation	
Labor (104 hrs x \$115.00 hr).....	\$11,960.00
Expenses (13 days x \$150).....	\$1,950.00
Travel (2 men).....	<u>\$1,700.00</u>
Estimated Total.....	<u>\$25,540.00</u>

## EXHIBIT "D"

### EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.

2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.

3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.

5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.

6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.

7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.