

Automated Materials Handling Agreement

3-Year Service & Maintenance



June 10th, 2018



RFID Library Solutions

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(952) 400-1260

AMH Service & Maintenance Agreement

This AMH Service & Maintenance Agreement (SMA) is a legal document between the Pueblo City-County Library District (the Customer) and RFID Library Solutions, Inc. (the Vendor), which governs the terms and conditions under which Vendor will perform Automated Material Handling (AMH) system maintenance and repair during a malfunction on any installed system.

This agreement is prepared for the AMH systems located at following PCCLD libraries: Rawlings, Pueblo West, Lamb and Barkman. The Vendor agrees to provide an all-inclusive maintenance and support program for an additional term of three (3) years for each machine. The start date of the agreement shall commence on the last day of the original 5-year Service Agreement ending on Dec. 31st, 2017. The total fee for the new 3-yr all-inclusive AMH Service & Maintenance Agreement to be paid to the Vendor shall not exceed \$191,400.00. This SMA may be extended following this three-year period by written mutual agreement by the Library and the Vendor.

Non-Appropriation: The Pueblo City-County Library District (PCCLD) presently intends to carry out and perform all the terms and conditions of this contract, and reasonably believes that funds in amounts sufficient to pay all amounts payable hereunder can legally be provided and made available for that purpose, and PCCLD shall include in its annual budget request amounts sufficient to pay all sums payable pursuant to an awarded contract. Notwithstanding the foregoing, the parties hereto recognize that it is possible that in any given fiscal year PCCLD funds might not be available. PCCLD shall have the right to cancel any the contract at the end of any calendar year during the term hereof that governmental funding from Pueblo County, Colorado is not granted for the subsequent calendar year. PCCLD shall advise vendor of its intention to cancel the awarded contract due to lack of funds on or before the end of any such calendar year and submit therewith to vendor satisfactory evidence showing PCCLD's inability to obtain the required revenues for the coming calendar year. Upon such cancellation PCCLD shall be released from all further liability under any awarded contract. The right granted to PCCLD by this provision may only be exercised for the express reason stated and for no other reason.

The Customer agrees to provide on-site access to the system when required and remote internet monitoring as needed to return it to acceptable operation. The annual service fee is payable in full at the beginning of each anniversary period. The price of this Service & Maintenance Agreement is **\$63,800.00** per year, will be charged as a fixed price for the services and is summarized below.

RAWLINGS LIBRARY

• 11-zone sorter, transport conveyors, control panels, CPU, RFID readers & all other hardware	\$20,000.00
• Bin Induction Module, all hardware & induction bins	\$2,100.00
• Tote Induction Module & all hardware	\$2,100.00
• (8) sort bins & (3) tote carts	<u>\$800.00</u>
TOTAL	\$25,000.00

PUEBLO WEST LIBRARY

• 7-zone sorter, transport conveyors, control panels, CPU, RFID readers & all other hardware	\$15,200.00
• Bin Induction Module, all hardware & induction bins	\$2,100.00
• (7) sort bins	<u>\$700.00</u>
TOTAL	\$18,000.00

BARKMAN LIBRARY

• 4-zone sorter, transport conveyors, control panels, CPU, RFID reader & all other hardware	\$10,000.00
• (4) sort bins	<u>\$400.00</u>
STOTAL	\$10,400.00

LAMB LIBRARY

• 4-zone sorter, transport conveyors, control panels, CPU, RFID reader & all other hardware	\$10,000.00
• (4) sort bins	<u>\$400.00</u>
TOTAL	\$10,400.00

The service on the AMH systems is straightforward; it includes all labor and expenses necessary to return the system to its normal functioning state. Maintenance will include the following: replacement or repair cost of faulty and/or damaged parts, technician labor, all associated expenses and consumable supplies (e.g. motor brushes, bin springs, fuses, etc). Support will include such services as technical assistance with alarm notifications, interface settings adjustments and software upgrades. This agreement also provides for semi-annual Preventative Maintenance (PM) visits to be scheduled in advance with the Customer.

Included in the two (2) Preventative Maintenance visits are the following planned tasks. Foremost, the on-site visit will be conducted by a certified RFID LS Technician familiar with the Rawlings AMH system. The trained technician will thoroughly inspect the entire system and keep a log. Each visit record is to indicate the system's condition, repairs made as well as any areas of concern. Prior to leaving, the technician will review observations and work completed with staff. After the service report is approved, the Customer will receive a copy for examination and follow-up discussion. All Preventative Maintenance visits will be coordinated and scheduled at the Customer's convenience. After hour access may be required to minimize system down time.

Vendor will be available by calling our toll free number, **(877) 924-7434** and selecting 'Support', **Option 1**. Support will include a service level agreement (SLA) guaranteeing a response time of two (2) hours or less; Twenty Four hours-a-day, Seven days-a-week, Three Hundred Sixty Five days-a-year through our toll-free telephone number, e-mail alert or direct cellular phone contact with the technician responsible for the

system. On-site response time will be guaranteed within 24 hours of the time the Customer and Vendor determine an on-site presence required. In such instances, the vendor will have arranged for a certified local service technician to be on-call and available. All service and support should be coordinated directly through the vendor by calling the toll free number first, the responsible technicians mobile phone next, and then sending a follow-up e-mail detailing the issue.

Whether support is initiated by the Customer on the first call or the vendors return call, the Vendor technician will direct staff through the discovery period. A simple Q & A session should produce the problem area. To facilitate, it is always helpful if staff can provide a list of what lead up to the service call, supply any pictures and/or describe in detail current observations. If necessary, remote access can be arranged with the technician to achieve a more in-depth investigation. Because a system restart might be needed or mandatory, staff access or presence may be required. Once beyond remote access resolution, Vendor will make arrangements for the local technician to arrive on-site. The Vendor will synchronize arrival with the Customer's staff as well as outline a resolution timeline. As a final element of this Service & Maintenance Agreement, Vendor will maintain a spare parts package to minimize system downtime. It will include essential hardware, atypical equipment and parts that wear more easily.

The maintenance fee does not include, and Vendor is not obligated to repair damage/failure caused by:

HARDWARE:

- (i) Failure of Customer to provide, during the entire term of Agreement and while the Equipment is in use, a proper operating environment and supply of power as prescribed by Vendor
- (ii) Accident
- (iii) Acts of God, including but not limited to fire, flood, water, wind and lightning
- (iv) Neglect, abuse or misuse of the Equipment
- (v) Failure of Customer to follow Vendor's published operating instructions
- (vi) Modification, service or repair of the Equipment by other than Vendor's authorized personnel;
- (vii) Use of Equipment for purposes other than the purpose for which it was designed
- (viii) Removal/ relocation of the Equipment
- (ix) Electrical work external to the Equipment
- (x) Restoration of the Equipment performance when it has been degraded by placement of unauthorized interference sources within the affected range of said Equipment

SOFTWARE:

- (i) Modification or repair of the Vendor's Software by other than Vendor's authorized personnel;
- (ii) Use of the Vendor's Software for purposes other than the purpose for which it was designed
- (iii) Virus / hacker activity
- (iv) Non-Vendor's Software related updates and upgrades including, but not limited to, Operating System, Anti-Virus, Intrusion Detection software updates and upgrades.

RFID Library Solutions

Library: **Pueblo City-County Library District**

Signature 

Print Name Eric Kohorst

Date June 10th, 2018

Signature _____

Print Name _____

Date _____