



11030 89th Ave N
Maple Grove, MN 55369
(763) 273-4643

Automated Materials Handling Agreement

This Agreement, hereinafter referred to as “the Agreement”, is by and between RFID Library Solutions, Inc. hereinafter called “RFID LS” and Pueblo City-County Library District, hereinafter called “the Library” and is to be effective on the date it is executed on behalf of the Library’s Board of Trustees as shown herein below.

RFID LS and the Library, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

Section 1. Scope of Services: The RFID LS shall, at its sole cost and expense, provide, perform and complete in the manner described and specified in this Agreement, all necessary work, labor, services, transportation, equipment, materials, apparatus, information, data and other items necessary to accomplish the Project, which is to remove & replace the AMH controls package to convert the power from DC to AC power function, (hereinafter “Services”). It shall also include the removal of the 24” wide induction conveyor along with the tote induction module. The bin induction module shall be moved to function on conveyor 2 as well as retrofitted to work with transport induction bins that are to purchased as part of this agreement. (2 total bins) All attachments by this reference are incorporated herein and made part hereof. The Services will also include procuring and furnishing all approvals and authorizations, and certificates or policies of insurance as specified herein necessary to complete the Project. Vendor shall provide, perform, and complete all the Services in a proper and workmanlike manner, consistent with the highest standards of professional practice, and in full compliance with, and as required by or pursuant to this Agreement.

Section 2. Revisions to Scope of Work: The Library reserves the right to make changes to the Services to be provided which are within the Project. No assignment, alteration, change, or modification of the terms of this Agreement shall be valid unless made in writing and agreed to by both the Library and RFID LS. RFID LS shall not commence any additional work or change the scope of the Services until authorized in writing by the Library. RFID LS shall make no claim for additional compensation in the absence of a prior written approval and amendment of this Agreement executed by both the RFID LS and the Library. This Agreement may only be amended, supplemented, or modified by a written document executed in the same manner as this Agreement.

Section 3. Term of Agreement:

- A. This Agreement shall originate on the date it is signed by both parties on page 5 of this document.
- B. This Agreement calls for the manufacture and installation of a custom designed AC controls package requiring a four (4) week production phase before delivery, in addition to a four-day set-up, test, hand-off period. **Attachments A** identifies the system changes with its project start timeline
- C. The Agreement provides for a one-year warranty on all hardware, software and workmanship; starting on the day the system is installed and officially accepted by the Library Director.
- D. This Agreement may be extended by written mutual agreement by the Library and RFID LS. RFID LS agrees to uphold hardware and equipment pricing to the library for 24 months after execution of the Agreement with the understanding that future AMH systems may or may not be purchased at additional branches.

Section 4. Compensation: RFID LS shall be paid a fee for providing, performing, and completing the Services required for **Attachment A** as follows:

<u>TASK</u>	<u>PAYMENT</u>	<u>TERMS</u>
• Shipment of system to site for installation	50%	Net 30
• System passing of testing period & officially accepted by the Library Board of Trustees	50%	Net 30

The total fee for Services to be paid RFID LS shall not exceed **\$69,275.00**. The fee is inclusive of all expenses to provide, perform and complete in the manner described and specified in this Agreement, all necessary work, labor, services, vehicles, equipment, materials, apparatus, information, data, office, and other items necessary to accomplish the Project as defined in **Attachment A**.

Section 5. Payment Terms and Invoice Procedures

- A. RFID LS shall submit invoices to correspond to the payments described in Section 4 hereinabove. Each invoice shall state the title of this Agreement, a description of the work that was completed during the time period subject of the invoice, who performed the work and the full deliverable, if any. The invoices shall be presented in such detail, with supporting information in the format the Library requests. Violation of this provision by RFID LS shall constitute a material breach of this Agreement. All schedules and supporting documentation must be accepted by the Library's Executive Director before any invoice related to such schedules and documentation will be processed for payment.
- B. All invoices shall be submitted in a .pdf format via e-mail to jon.walker@pueblolibrary.org
- C. Payment terms for services authorized under this Agreement shall follow as defined in Section 4: Compensation. An invoice will only be considered acceptable after services are performed; inspected, accepted and all required documentation/reports are received in a format acceptable to the Library.
- D. The Library may withhold payment for reasons including, but not limited to the following: unsatisfactory job performance or progress, defective work, disputed work, failure to comply with material provisions of the Agreement, third party claims filed, inadequate schedules or supporting documentation, reasonable good faith belief that a claim will be filed or other reasonable cause.

Section 6. Insurance.

RFID LS, at its own expense, shall procure & maintain during the entire term of Agreement the following insurance so as to cover all risk which shall arise directly/indirectly from RFID LS's obligations & activities.

- i. **Workers Compensation and Employers Liability Insurance** meeting the statutory obligations with Coverage B – Employer's Liability limits of a least \$1,000,000/accident, \$500,000 disease policy limit and \$1,000,000 disease each employee.
- ii. **Commercial General Liability Insurance** with limits of at least \$2,000,000 general aggregate, \$2,000,000 products – completed operations, \$1,000,000 each occurrence.
- iii. **Commercial Umbrella Liability Insurance** with limits of at least \$1,000,000 annual aggregate and \$1,000,000 per occurrence
- iv. **Automobile Liability Insurance** covering all owned, non-owned and hired automobiles with limits of at least \$1,000,000 per accident.
- v. **Additional Insured:** Pueblo City-County Lib. Dist. & Board of Trustees shall be named as additional insured on the RFID LS's general and automobile liability insurance policies and certificates of insurance. This provision does not apply to workers' compensation insurance.

Section 7. Hold Harmless and Indemnity. The RFID LS shall protect, defend, indemnify and hold harmless the Library, the County of Pueblo, CO, and their officers and employees, from any and all claims and damages of every kind and nature made, rendered or incurred by or on behalf of every person or corporation whatsoever, including the parties hereto and their employees that may arise, occur, or grow out of any acts, actions, work or other activity done by the RFID LS, its employees, sub RFID LS's or any independent RFID LS's working under the direction of either the RFID LS or sub RFID LS in the performance of this Agreement.

Section 8. Subcontracting. This Agreement, or any portion thereof, may **NOT** be subcontracted without the prior written approval by the Library.

Section 9. Laws and Regulations. All applicable State of Colorado and federal laws, ordinances, licenses and regulations of a governmental body having jurisdiction shall apply to the Agreement throughout as the case may be and are incorporated here by reference.

Section 10. Compliance with Laws.

- A. The RFID LS shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute, or the promulgation of rules or regulations there under after execution of the Agreement shall be reviewed by the Library and the RFID LS to determine whether the provisions of this Agreement require formal modification.
- B. The RFID LS shall obtain and maintain all required licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the Library. Failure to do so may be deemed a material breach of this Agreement and grounds for immediate termination and denial of further work with the Library.

Section 11. Disputes.

- A. Should any disputes arise with respect to this Agreement, the RFID LS and the Library agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.
- B. RFID LS agrees that the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Agreement that is not affected by the dispute. Should the RFID LS fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the Library or the RFID LS as a result of such failure to proceed shall be borne by the RFID LS.
- C. The Library may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the Library to RFID LS of one or more invoices not in dispute in accordance with the terms of this Agreement will not be cause for RFID LS to terminate Agreement.

Section 12. Independent RFID LS. Both parties hereto, in the performance of this Agreement, shall act in an individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or sub contractors of the other party.

Section 13. Force Majeure. Force majeure shall be any of the following events: acts of God or the public enemy; compliance with any order, rule, regulation, decree, or request of any governmental authority or agency or person purporting to act therefore; acts of war, public disorder, rebellion, terrorism, or sabotage; floods, hurricanes, or other storms; strikes or labor disputes; or any other cause, whether or not of the class or kind specifically named or referred to herein, not within the reasonable control of the party affected. A delay in or failure of performance of either party shall not constitute a default hereunder nor be the basis for, or give rise to, any claim for damages, if and to the extent such delay or failure is caused by force majeure. The party who is prevented from performing by force majeure (i.) shall be obligated, within a period not to exceed fourteen (14) days after the occurrence or detection of any such event, to give notice to the other party setting forth in reasonable detail the nature thereof and the anticipated extent of the delay, and (ii.) shall remedy such cause as soon as reasonably possible.

Section 14. Warranty of Work and Limits on Liability. RFID LS warrants that the Services and all of its components shall be free from defects and flaws in design; shall strictly conform to the requirements of this Agreement; shall be fit, sufficient, and suitable for the purposes expressed in, or reasonably inferred from, this Agreement, and shall be performed in accordance with the highest standards of professional practice, care, and diligence practiced by recognized similar entities in performing services of a similar nature in existence at the time of performance of the Services. The warranty herein expressed shall be in addition to any other warranties in this Agreement, or expressed or implied by law, which are hereby reserved unto Library.

RFID LS shall be responsible for the quality, technical accuracy, completeness and coordination of all reports, documents, data, information and other items and services under this Agreement. RFID LS shall, promptly and without charge, provide, to the satisfaction of Library, all corrective Services necessary as a result of RFID LS's errors, omissions, negligent acts, or failure to meet warranty.

The Services and everything pertaining thereto shall be provided, performed, and completed at the sole risk and cost of RFID LS. RFID LS shall be responsible for any and all damages to property or persons as a result of RFID LS's errors, omissions, negligent acts, or failure to meet warranty and for any losses or costs to repair or remedy any work undertaken by Library based upon the Services as a result of any such errors, omissions, negligent acts or failure to meet warranty. Notwithstanding any other provision of this Agreement, RFID LS's obligations under this Section shall exist without regard to, and shall not be construed to be waived by, the availability or unavailability of any insurance, either of Library or RFID LS, to indemnify, hold harmless or reimburse RFID LS for such damages, losses or costs.

Section 15. Remedies, Termination for Convenience, Defaults.

A. **Termination of Award for Convenience.** The Library may terminate the Agreement at any time by giving written notice to the RFID LS of such termination and specifying the effective date thereof, at least thirty (30) working days before the effective date of such termination. In that event, all finished or unfinished services, reports, materials(s) prepared or furnished by the RFID LS under this Agreement, shall at the option of the Library, become its property. If the award is terminated by the Library as provided herein, the RFID LS shall be paid an amount as of the time notice is given by the Library for all Services which have been provided, performed and completed.

B. **Default and Termination for Cause.** If through any cause, the RFID LS shall fail to fulfill in a timely and proper manner its obligations or if the RFID LS shall violate any of the terms or conditions of this Agreement, the Library shall thereupon have the right to terminate the Agreement by giving written notice to the RFID LS of such termination and specifying the effective date of termination. In that event, and as of the time notice is given by the Library, all finished or unfinished services, reports or other materials prepared by the RFID LS shall, at the option of the Library, become its property, and the RFID LS shall be entitled to receive compensation for any satisfactory work completed, prepared documents or materials as furnished. Notwithstanding the above, the RFID LS shall not be relieved of liability to the Library for damage sustained by the Library by virtue of breach of the award by the RFID LS and the Library may withhold any payments to the RFID LS for the purpose of set off until such time as the exact amount of damages due the Library are determined.

Section 16. Assignment. RFID LS shall not assign this project or any monies to become due hereunder without the prior written consent of the Library. Any assignment or attempt at assignment made without such consent of the Library shall be void.

Section 17. Collusive Proposal - The RFID LS certifies that the proposal submitted by said RFID LS is done so without any previous understanding, agreement or connection with any person, firm, or corporation making a proposal for the same contract, without prior knowledge of competitive prices, and it is, in all respects, fair, without outside control, collusion, fraud or otherwise illegal action.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in triplicate as of the latest date set forth below.

Primary RFID LS Contact:

Eric Kohorst
RFID Library Solutions
11030 89th Ave N
Maple Grove, MN 55369

Phone (877) 924-7434
Mobile (763) 443-5937
E-Mail eric@rfidls.com

RFID Library Solutions



By: Eric Kohorst

Its: President

Date: July 22nd, 2021

Primary Library Contact:

Jon Walker
Pueblo City-County Library District
100 Abriendo Ave
Pueblo, CO 81004

Phone (719) 562-5600

E-Mail jon.walker@pueblolibrary.org

Pueblo City-County Lib. Dist.

By: Jon Walker

Its: Director

Date: _____

ATTACHMENT A

Rawlings Library AMH System Upgrade

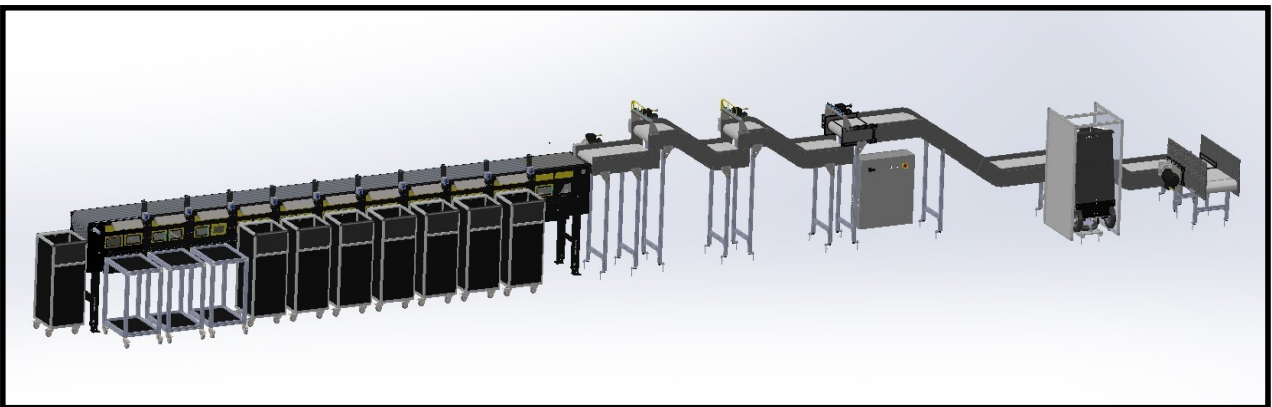
PROJECT

This project involves the design, manufacture, installation, testing & delivery of an AC motor control package for the Rawlings Library at Pueblo City-County Library District located at 100 Abriendo Ave, Pueblo, CO 81004. **Attachment A** defines the hardware position, type, and quantities to be implemented in the workroom at the library. Drawings are included to show that the general layout does not change as well as to provide measurements for the new workroom footprint. Included hardware for the AMH system is as follows:

SYSTEM COMPONENTS

- Single AC Control panel and conveyor motors
- Motor power and signal cordsets to all conveyors
- New conveyor belting, sprockets, belt path inserts & transitions
- Sort conveyor controls, I/O modules and cordsets
- Re-positioning of the bin induction module onto conveyor 2 as well as retrofitting the tilter to function with Transport Induction bins.

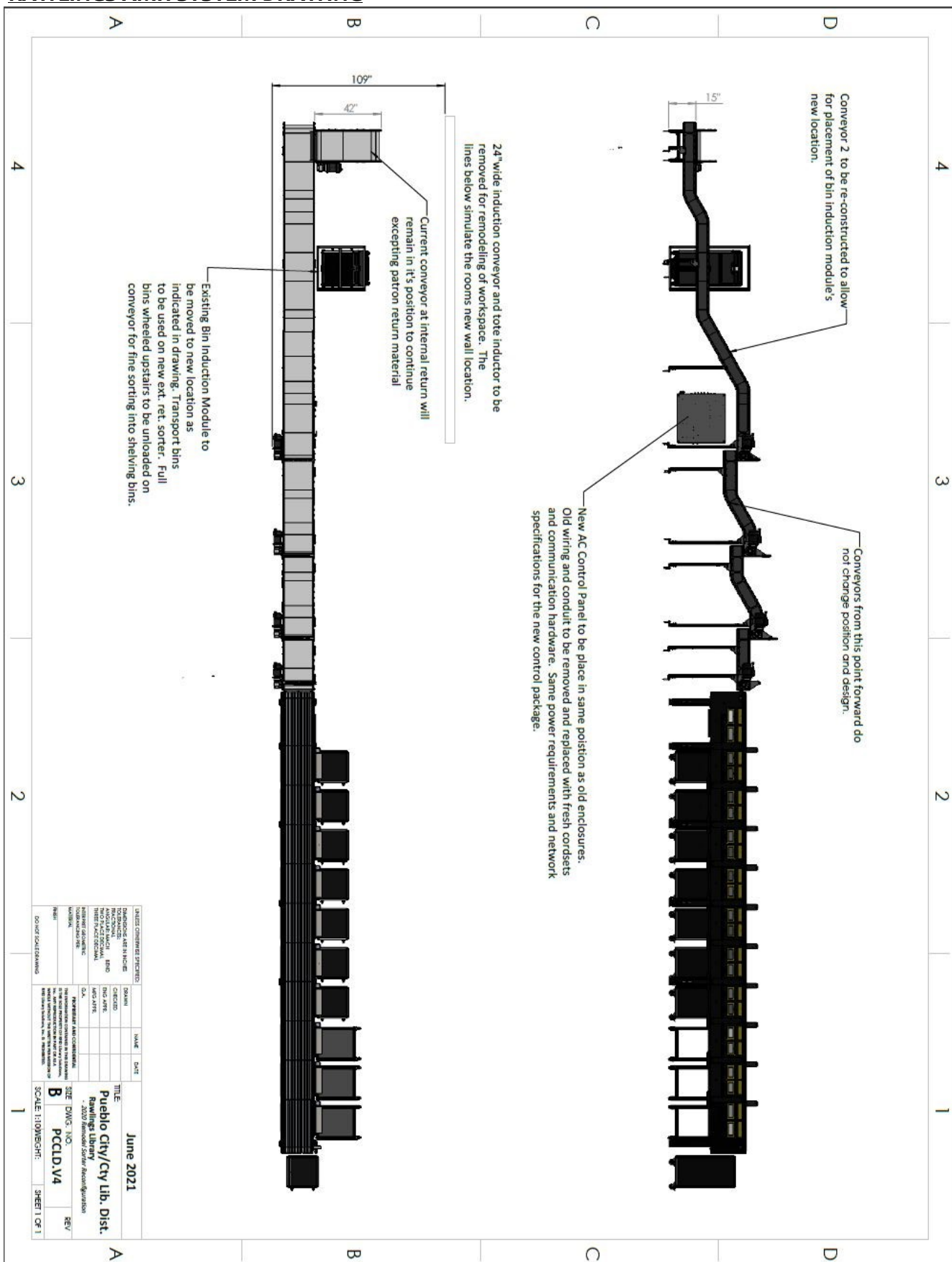
A system picture is provided below as well as price matrix on the next page that spells out the particulars for one-time costs associated with the AMH system. Drawings show relevant dimensions and call-out locations for system electrical and network connections. The Scope of Services details basic requirements for both parties. Included in the Scope of Services are “Acceptance and Delivery” standards whereby agreed upon values are established to allow for a mutually acceptable system hand-off to staff.



AMH SYSTEM PRICING

DESCRIPTION	COST
Conveyance <ul style="list-style-type: none">• New Belting & Belting Tracks on grey modular transport conveyors• Clean & Re-configure existing conveyor modules• Remove 24" W Induction Conveyor along wall• Re-purpose existing conveyor legs to new layout• Reposition Bin Induction Module/ fit for transport bins	\$10,375.00
System Controls <ul style="list-style-type: none">• (1) AC Control Enclosure• (6) AC Baldor Motors/gearboxes• Power & Signal Cordsets• I/O Signal Blocks• Updated PLC Controller Program	\$42,500.00
(2) Transport Induction Bins (2,000.00/each) <ul style="list-style-type: none">• Dimensions 21"w x 26" d x 42"t• Spring loaded floors, front access door & swivel locking casters	\$4,000.00
Installation <ul style="list-style-type: none">• Replace belt guides on all grey conveyance & remove Induction Conveyor• Re-assemble conveyors to new layout & wire with new AC controls• Configure and test EZ Sort software to conform to new layout• Provide labor, tools, expenses & material to complete project	\$8,750.00
Shipping/Handling/Disposal	\$3,650.00
TOTAL	\$69,275.00

RAWLINGS AMH SYSTEM DRAWING



SCOPE OF SERVICES

RFID LS shall provide the following services to Library to complete this AMH system:

- 1) The RFID LS will supply all tools, hardware, expertise, and labor to accomplish the project.
- 2) Unpack, assemble, and install the AMH system detailed in the Project description above. Equipment is to include one AC control panel, cordsets to connect motor power and signals, AC motors/gearboxes, new conveyor belting, sprockets and belt pathway inserts. RFID antennas will be replaced as needed and connected to the new control panel for power. RFID LS will remove the 24' wide Induction conveyor as well as the tote induction module so as to fit the requirements of the new space. The Bin Induction Module shall be re-located to work with conveyor 2 and the modules tilter will be fitted to work with transport bins. The circulation workroom and AMH dimensions are included hereto as 'Rawlings AMH System Upgrade Drawing' of this **Attachment A** and by this reference is part of this Agreement.
- 3) The functionality of the AMH staff station will not change and will remain in the same location to print custom hold receipts.

Library shall provide the following items, product, and services to this Project:

- 1) No changes to the internal return are necessary unless the Library deems it part of the remodel project. If so, all we ask is that the height and position along the wall remain the same.
- 2) The Library will make available the appropriate electrical power & data connection in the circulation work room as designated on the attached Rawlings AMH Drawing diagrams. The library is also responsible for hiring the licensed electrical contractor to connect/wire power to the control panel's main disconnect switch.
- 3) The library will make arrangements to maintain the SIP license through their ByWater ILS provider for use in connection with the system.
- 4) The Library will make the circulation work room available to the RFID LS during normal business hours or at night if needed to achieve success in implementing this project.

Description of Suitability and Deliverable Practices

RFID LS will provide an automated materials handling solution that has the following capabilities & attributes. These capabilities & attributes define an acceptable product. The capabilities & attributes must be demonstrated and sustained throughout the testing period in order to constitute success. The test period will last for 30 days following the assembly and handoff of the working system. The RFID LS will have 90 days following the test period to rectify anything found not to be satisfactory during the test period. If the RFID LS fails to deliver a suitable AMH solution within this 90-day period, the RFID LS will, at the option of the Library, refund any and all payments made to the RFID LS pursuant to this Agreement.

A suitable automated materials handling solution will:

- 1) Allow the system to interface with the Library's ILS (KoHa) via the SIP protocol to perform critical tasks:
 - Checking materials in
 - Processing Holds and transits
 - Sort materials into designated bin containers.
- 2) Read the customer's encoded Tag Data Model spec RFID tags to obtain the item's database ID number.
- 3) The system will achieve a check-in accuracy of 97% of the total volume of material that has active as well as correctly program ID data on the RFID tag. Non-tagged material & non-operation tags do not count toward the total error.
- 4) An error is defined as sorting items into the wrong bin container. The system will achieve a mean error rating less than 5% of the total system volume.
- 5) RFID LS agrees to guarantee a system uptime during normal library business hours of 95% of the total operational hours measured on a monthly basis.

Signature_____

Date_____

Print Name_____