

ITEM: APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH SOLID NETWORKS INC. FOR INFORMATION TECHNOLOGY MAINTENANCE AND SUPPORT SERVICES

RECOMMENDATION: Adopt a Resolution Approving a Professional Services Agreement with Solid Networks, Inc. for Information Technology Maintenance and Support Services

SUMMARY:

In July 2016, the City entered into an Agreement with Solid Networks, Inc. ("Solid Networks") to provide Professional Information Technology Services and Maintenance Support for a term of thirty-six (36) months with an amount not-to-exceed \$149,400. The Agreement is set to expire on June 30, 2020.

A summary of the professional services provided by Solid Networks are:

- Technical maintenance and support services for servers
- Installation and configuration of critical technical systems
- Storage area network equipment installation and expansions
- Server hardware purchase and installation
- Onsite network engineer staff support, well-versed with the City's hardware and software infrastructure

Staff requests approval to continue utilizing the professional services provided by Solid Networks to continue managing the City's critical technical systems and infrastructure.

The cost of technology devices, hardware and software, technical maintenance and support services have significantly increased over the last two years. In comparison to the current agreement of \$149,400, the new agreement increased approximately \$117,558, primarily due to additional hardware added to the City's technology infrastructure within the last three (3) years. Additionally, servers, routers, and firewall software have increased four times their prior negotiated market price.

Tonight, staff is requesting that Council approve a thirty-six (36) month term Agreement with Solid Networks for Technical Maintenance and Support Services for an amount not-to-exceed \$266,958. The funds for FY 20/21 services are budgeted and available in the Information Technology budget.

BACKGROUND:

In July 2016, the City entered into an Agreement with Solid Networks for Technical Maintenance and Support Services with an amount not-to-exceed \$149,400 for a term of thirty-six (36) months. The Agreement is set to expire on June 30, 2020.

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SOLID NETWORKS TECHNICAL MAINTENANCE AND SUPPORT SERVICES

Solid Networks submitted a proposal for a thirty-six (36) month term with services and fee billed on a per monthly basis for a monthly cost as shown in Table 1 and set forth in Exhibit "A" to the agreement.

Table 1.

Term	Monthly Cost	Annual Cost
Term 1 (FY 20/21)	\$5,415.50	\$ 64,986.00
Term 2 (FY 21/22)	\$7,915.50	\$ 94,986.00
Term 3 (FY 22/23)	\$8,915.50	\$ 106,986.00
Total Cost		\$ 266,958.00

The cost of technology devices, hardware and software, technical maintenance and support services have significantly increased over the last two years. In comparison to the current agreement of \$149,400, the new agreement increased approximately \$117,558, primarily due to additional hardware added to the City's technology infrastructure within the last three (3) years. Additionally, servers, routers, and firewall software have increased four times their prior negotiated market price.

The Information Technology Department requires on-going support to manage the specialized high-tech conditions of the City's technical systems. The professional services provided by Solid Networks have been reliable and fitting to the City's technology infrastructure and technical support needs.

Therefore, Staff recommends Council approval of the proposed professional service agreement with Solid Networks to continue managing the City's technical systems. Solid Networks is a firm that has served the Central Valley for 20+ years offering a wide-range of technology solutions and services. They are centrally located roughly 20 minutes from City Hall, allowing prompt response to critical and/or emergency information technology related events. Solid Networks has installed and configured most of the City's technical systems and is well versed with the City's hardware and software. Additionally, Solid Networks has the capability to monitor the City's technical system 24/7.

If the proposed agreement is approved, Solid Networks will continue to perform the on-going technical maintenance and support services required by the Information Technology Department, for a sum not to exceed \$266,958 over a period of thirty-six (36) months.

REASON FOR RECOMMENDATION:

The original agreement with Solid Networks will expire on June 30, 2020. The Information Technology Department requires on-going support to manage the specialized high-tech conditions of the City's technical systems. The professional services provided by Solid Networks have been reliable and fitting to the City's technology infrastructure and technical support needs.

FISCAL IMPACT:


During the two-year budget process, staff anticipated the renewal of this agreement and budgeted sufficient funds for FY 20/21 in the Information Technology budget. Council approval is requested to assign funds to the proposed agreement for a sum not to exceed \$266,958 over a period of thirty-six (36) months.

ATTACHMENTS:

- A. Resolution Approving Professional Services Agreement with Solid Networks, Inc. for Technical Maintenance and Support Services.
- B. Agreement with Solid Networks, Inc. for Professional Information Technology Maintenance and Support Services for Co-Management of Servers, Network, Virtual Environment and Storage Area Network.

CITY MANAGER'S REPORT
JUNE 8, 2020 CITY COUNCIL REGULAR MEETING
SOLID NETWORKS TECHNICAL MAINTENANCE AND SUPPORT SERVICES


APPROVALS:



Tony Fernandes
Chief Information Officer

6/3/20

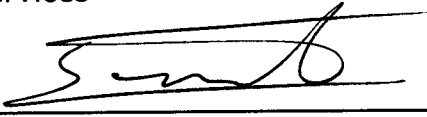
Date



Cari James
Director of Finance and Administrative
Services

6/3/2020

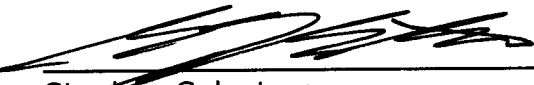
Date



Salvador Navarrete
City Attorney

6-2-2020

Date



Stephen Salvatore
City Manager

6-3-2020

Date

RESOLUTION NO. 20-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING PROFESSIONAL SERVICES AGREEMENT WITH SOLID NETWORKS, INC. FOR INFORMATION TECHNOLOGY MAINTENANCE AND SUPPORT SERVICES

WHEREAS, in July 2016, the City entered into an Agreement with Solid Networks, Inc. to provide Technical Maintenance and Support Services with a sum not to exceed \$149,400; and

WHEREAS, the Agreement with Solid Networks, Inc. is set to expire on June 30, 2020 and continued Information Technology (IT) support is needed to handle the diversified technological demands of the City; and

WHEREAS, Solid Networks, Inc. is qualified and willing to provide technical maintenance and support services on a per unit basis for an average cost of \$7,415.50 monthly for a term of thirty-six (36) months; and

WHEREAS, Staff requests City Council approve a thirty-six (36) term agreement with Solid Networks, Inc.; and

WHEREAS, the funds for FY 20/21 services are budgeted and available in the IT budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lathrop, does hereby approve a thirty-six (36) month term Agreement with Solid Networks, Inc. for Technical Maintenance and Support Services for Co-Management of Servers, Network, Virtual Environment and Storage Area Network, on a per unit basis as detailed on Exhibit "A" to the Agreement for a total sum not to exceed \$266,958.

The foregoing resolution was passed and adopted this 8th day of June 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

Teresa Vargas, City Clerk



Salvador Navarrete, City Attorney

Solid Networks, Inc.
Master Services Agreement

ATTACHMENT " B "

The following terms and conditions govern our relationship with you and limit our liability for any services or products that we provide to you. Please read these terms carefully and keep a copy for your records.

SCOPE; SERVICES

- a) *Scope.* This master services agreement (this "Agreement") governs all services that **Solid Networks, Inc.**, a California corporation with offices located at 5686 Pirrone Road, Salida, California 95368 ("us", "our", "we" or "SNI"), performs for, as well as any licenses or products that we sell or re-sell, to you (collectively, the "Services").
- b) *Quotes.* The Services are not described in this Agreement; instead, you will be provided with an electronic quote, proposal, and/or order ("Quote") that describe the Services through which you agree to purchase the Services from us. The Quote may have one or more statements of work (each a "SOW") attached to it that further describe, summarize, and/or define the scope of the Services. **By accepting the Quote, you agree to the terms of each SOW and the terms of this Agreement. If you do not agree to the terms of the SOW and this Agreement, then you should not accept the Quote. From this point forward in this Agreement, Quotes and SOWs will be collectively referred to as "SOW."**
- c) *Conflict.* If there is a material difference between the language in a SOW and the language in this Agreement, then the language of the SOW will control, except in situations involving warranties, limitations of liability, or termination of this Master Services Agreement. Under those limited circumstances, the terms of this Agreement will control unless the SOW expressly states that it is overriding the conflicting provisions of this Agreement.

GENERAL REQUIREMENTS

- a) *Environment.* For the purposes of this Agreement, "Environment" means, collectively, any computer network (cloud-based or otherwise), computer system, peripheral or device (virtual or physical) installed, maintained, monitored, or operated by us pursuant to a SOW. To avoid a delay or negative impact on our provision of the Services, during the term of each SOW you agree to refrain from modifying or moving the Environment or installing software in the Environment, unless we expressly authorize such activity.
- b) *Requirements.* At all times, all software on the Environment must be genuine and licensed, and you agree to provide us with proof of such licensing upon our request. If we require you to implement certain minimum hardware or software requirements in a SOW ("Minimum Requirements"), you agree to do so as an ongoing requirement of us providing our Services to you.
- c) *Updates.* Patches and updates to hardware and software ("Updates") are created and distributed by third parties—such as equipment or software manufacturers—and may be supplied to us from time to time for installation into the Environment. If required under a SOW, we will implement and follow the manufacturers' recommendations for the installation of Updates; however, (i) we do not warrant or guarantee that any Update will perform properly, (ii) we will not be responsible for any downtime or losses arising from or related to the installation, use, or inability to use any Update, and (iii) we reserve the right, but not the obligations, to refrain from installing an Update until we have determined, in our reasonable discretion, that the Updates will be compatible with the configuration of the Environment and materially beneficial to the features or functionality of the affected software or hardware.
- d) *Third Party Support.* If, in our discretion, a hardware or software issue requires vendor or OEM support, we may contact the vendor or OEM (as applicable) on your behalf and invoice you for all fees and costs involved in that process. If the fees or costs are anticipated in advance or exceed \$125, we will obtain your permission before incurring such expenses on your behalf unless exigent circumstances require otherwise.
- e) *Advice; Instructions.* From time to time, we may provide you with specific advice and directions related to the Services. (For example, our advice or directions may include upgrading the Environment's server or hard drive capacity or replacing obsolete equipment.) You are strongly advised to promptly follow our advice which, depending on the situation, may require you to make additional purchases or investments in the Environment or the location in which the Environment is maintained, at your sole cost. We will not be responsible for any problems or issues (such as downtime or security-related issues) caused by your failure to promptly follow our advice. If, in our discretion, your failure to follow or implement our advice renders part or all of the Services economically or technically unreasonable to provide, then we may terminate the applicable SOW for cause by providing notice of termination to you. Unless specifically and expressly stated in a SOW, any services required to remediate issues caused by your failure to follow SNI's advice or directions, or your unauthorized or unilateral modification of the Environment, as well as any services required to bring the Environment up to or maintain the Minimum Requirements, are out-of-scope and not covered under any SOW.
- f) *Prioritization.* All Services will be performed on a schedule, and in a prioritized manner, as we deem reasonable and necessary.

- g) *Authorized Contact(s)*. We will be entitled to rely on any directions or consent provided by your personnel or representatives who are authorized in a SOW to provide such directions or consent (“Authorized Contacts”). If no Authorized Contact is identified in an applicable SOW, then your Authorized Contact will be the person(s) (i) who signed this Agreement, (ii) who signed the applicable SOW, and/or (iii) who, given the totality of the circumstances, reasonably appears to have been given the authority by you to provide us with directions or consent. If you notify us in writing (e.g. by email), your change will take effect no later than three (3) business days after we receive your notice; and, if notice is given in person or by telephone, your change will take effect on the business day on which you provide us with your notice.
- h) *Insurance*. If you are supplied with SNI Equipment (defined below), you agree to acquire and maintain, at your sole cost, insurance for the full replacement value of that equipment. SNI must be listed as an additional insured on any policy acquired and maintained by you under this Agreement, and the policy will not be canceled or modified during the term of the applicable SOW without prior notification to SNI. Upon SNI’s request, you agree to provide proof of insurance to SNI, including proof of payment of any applicable premiums or other amounts due under the insurance policy.

FEES; PAYMENT

- a) *Fees*. You agree to pay the fees, costs, and expenses described in each SOW. You are responsible for sales tax and any other taxes or governmental fees associated with the Services. If you qualify for a tax exemption, you must provide us with a valid certificate of exemption or other appropriate proof of exemption. You are also responsible for all freight, insurance, and taxes (including but not limited to import or export duties, sales, use, value add, and excise taxes).
- b) *Schedule*. All undisputed fees will be due and payable in advance of the provision of the Services. If applicable, recurring payments made by ACH will be deducted from your designated bank account on the first business day of the month in which the Services are to be provided, and, if applicable, your designated credit card will be charged on the first business day of the month in which the Services are to be provided.
- c) *Nonpayment*. Fees that remain unpaid for more than fifteen (15) days after the due date on the invoice will be subject to interest on the unpaid amount(s) until and including the date payment is received, at the lower of either 2% per month or the maximum allowable rate of interest permitted by applicable law. We reserve the right, but not the obligation, to suspend part or all of the Services without prior notice to you in the event that any portion of undisputed fees are not timely received by us, and monthly or recurring charges shall continue to accrue during any period of suspension. Notice of disputes related to fees must be received by us within sixty (60) days after the applicable Service is rendered or the date on which you pay an invoice, whichever is later; otherwise, you waive your right to dispute the fee thereafter. A re-activation fee may be charged to you if we suspend the Services due to your nonpayment. Time is of the essence in the performance of all payment obligations by you.

ACCESS

You hereby grant to SNI and its designated third party vendors the right to monitor, diagnose, manipulate, communicate with, retrieve information from, and otherwise access the Environment solely as necessary to enable us to provide the Services. It is your responsibility to secure, at your own cost and prior to the commencement of any Services, any necessary rights of entry, licenses (including software licenses), permits or other permissions necessary for SNI to provide Services to the Environment and, if applicable, at your designated premises, both physically and virtually. Proper and safe environmental conditions must be provided and assured by you at all times. SNI shall not be required to engage in any activity or provide any Services under conditions that pose or may pose a safety or health concern to any personnel, or that would require extraordinary or non-industry standard efforts to achieve.

LIMITED WARRANTIES; LIMITATIONS OF LIABILITY

- a) *Hardware / Software Purchased Through SNI*. All hardware, software, peripherals or accessories purchased through SNI (“Third Party Products”) are generally nonrefundable once the product is obtained from SNI’s third party provider or reseller. If you require a refund, then the third party provider’s or reseller’s return policies shall apply. We do not guarantee that purchased Third Party Products will be returnable, exchangeable, or that re-stocking fees can be avoided. You will be responsible for the payment of all re-stocking or return-related fees charged by the third party provider or reseller. We will use reasonable efforts to assign, transfer and facilitate all warranties (if any) and service level commitments (if any) for the Third Party Products to you, but will have no liability whatsoever for the quality, functionality or operability of any Third Party Products, and we will not be held liable as an insurer or guarantor of the performance, uptime or usefulness of any Third Party Products. All Third Party Products are provided “as is” and without any warranty whatsoever as between SNI and you (including but not limited to implied warranties).
- b) *Liability Limitations*. **This paragraph limits the liabilities arising under this Agreement or any SOW and is a bargained-for and material part of our business relationship with you.** You acknowledge and agree that SNI would not enter into any SOW or this Agreement unless SNI could rely on the limitations described in this paragraph. In no event shall either party be liable for any indirect, special, exemplary, consequential, or punitive damages, such as lost revenue, loss of profits (except for fees due and owing to SNI), savings, or other indirect or contingent event-based economic loss

arising out of or in connection with this Agreement, any SOW, or the Services, or for any loss or interruption of data, technology or services, or for any breach hereof or for any damages caused by any delay in furnishing Services under this Agreement or any SOW, even if a party has been advised of the possibility of such damages; however, reasonable attorneys' fees awarded to a prevailing party (as described below) shall not be limited by the foregoing limitation. Except for your payment obligations and your indemnification obligations described in this Agreement, a responsible party's ("Responsible Party's") aggregate liability to the other party ("Aggrieved Party") for damages from any and all claims or causes whatsoever, and regardless of the form of any such action(s), that arise from or relate to this Agreement (collectively, "Claims"), whether in contract, tort, indemnification, or negligence, shall be limited solely to the amount of the Aggrieved Party's actual and direct damages, not to exceed the amount of fees paid by you (excluding hard costs for licenses, hardware, etc.) to SNI for the specific Service upon which the applicable claim(s) is/are based during the six (6) month period immediately prior to the date on which the cause of action accrued. The foregoing limitations shall not apply to the extent that the Claims are caused by a Responsible Party's willful or intentional misconduct, or gross negligence. Similarly, a Responsible Party's liability obligation shall be reduced to the extent that a Claim is caused by, or the result of, the Aggrieved Party's willful or intentional misconduct, or gross negligence.

INDEMNIFICATION

Each party (an "Indemnifying Party") agrees to indemnify, defend and hold the other party (an "Indemnified Party") harmless from and against any and all losses, damages, costs, expenses or liabilities, including reasonable attorneys' fees, (collectively, "Damages") that arise from, or are related to, the Indemnifying Party's breach of this Agreement. The Indemnified Party will have the right, but not the obligation, to control the intake, defense and disposition of any claim or cause of action for which indemnity may be sought under this section. The Indemnifying Party shall be permitted to have counsel of its choosing participate in the defense of the applicable claim(s); however, (i) such counsel shall be retained at the Indemnifying Party's sole cost, and (ii) the Indemnified Party's counsel shall be the ultimate determiner of the strategy and defense of the claim(s) for which indemnity is provided. No claim for which indemnity is sought by an Indemnified Party will be settled without the Indemnifying Party's prior written consent, which shall not be unreasonably delayed or withheld.

TERM; TERMINATION

- a) *Term.* This Agreement begins on the earliest date on which you accept an Order and continues until terminated as described in this Agreement. Each SOW will have its own term and will be terminated only as provided herein, unless otherwise expressly stated in the applicable SOW. The termination of one SOW shall not, by itself, cause the termination of (or otherwise impact) this Agreement or the status or progress of any other SOW between the parties.
- b) *Termination Without Cause.* Unless otherwise agreed by the parties in writing or otherwise permitted under this Agreement, no party will terminate this Agreement without cause if, on the date of termination, a SOW is in progress. In addition, no party will terminate a SOW without cause prior to the SOW's natural expiration date. Notwithstanding the foregoing, if SNI decides to cease providing a service to all of its customers generally, then SNI may terminate an applicable SOW (or the applicable portion of the SOW) without cause by providing no less than one hundred and twenty (120) days prior written notice to you. If you terminate a SOW without cause and without SNI's consent, then you will be responsible for paying the termination fee described in the "Termination for Cause" section, below. If no SOW is in progress, then either party may terminate this Agreement without cause by providing the other party with five (5) days prior written notice.
- c) *Termination For Cause.* In the event that one party (a "Defaulting Party") commits a material breach under a SOW or under this Agreement, the non-Defaulting Party will have the right, but not the obligation, to terminate immediately this Agreement or the relevant SOW (a "For Cause" termination) provided that (i) the non-Defaulting Party has notified the Defaulting Party of the specific details of the breach in writing, with the notice prominently displaying the heading "Notice of Breach", and (ii) the Defaulting Party has not cured the default within twenty (20) days (ten (10) days for non-payment by Client) following receipt of written notice of breach from the non-Defaulting Party. If SNI terminates this Agreement or any SOW For Cause, or if you terminate any SOW without cause prior to such SOW's expiration date, then SNI shall be entitled to receive, and you hereby agree to pay to us, all amounts that would have been paid to SNI had this Agreement or SOW (as applicable) remained in effect. If you terminate this Agreement or a SOW For Cause, then you will be responsible for paying only for those Services that were properly delivered and accepted by you up to the effective date of termination.
- d) *Client Activity As A Basis for Termination.* In the event that (i) any Client-supplied equipment, hardware or software, or any action undertaken by you, causes the Environment or any part of the Environment to malfunction consequently requiring remediation by SNI on three (3) occasions or more ("System Malfunction"), and if under those circumstances, you fail to remedy, repair or replace the System Malfunction as directed by us (or you fail to cease the activity causing the System Malfunction, as applicable), or (ii) you or any of your staff, personnel, contractors, or representatives engage in any unacceptable act or behavior that renders it impracticable, imprudent, or unreasonable to provide the Services to you, then SNI will have the right, upon ten (10) days prior written notice to you, to terminate this Agreement or the applicable SOW For Cause or, at our discretion and if applicable, amend the applicable SOW to eliminate from coverage any System Malfunction or any equipment or software causing the System Malfunction.

- e) *Consent.* You and we may mutually consent, in writing, to terminate a SOW or this Agreement at any time.
- f) *Equipment / Software Removal.* Upon termination of this Agreement or applicable SOW for any reason, you will provide us with access, during normal business hours, to your premises or any other locations at which SNI-owned equipment or software (collectively, "SNI Equipment") is located to enable us to remove all SNI Equipment from the premises. If you fail or refuse to grant SNI access as described herein, or if any of the SNI Equipment is missing, broken or damaged (normal wear and tear excepted) or any of SNI-supplied software is missing, we will have the right to invoice you for, and you hereby agree to pay immediately, the full replacement value of any and all missing or damaged items. Certain services may require the installation of software agents in the Environment ("Software Agents"). You agree not to remove, disable, circumvent, or otherwise disrupt any Software Agents unless we explicitly direct you to do so.
- g) *Transition; Deletion of Data.* In the event that you request SNI's assistance to transition away from our services, we will provide such assistance if (i) all fees due and owing to us are paid to us in full prior to SNI providing its assistance to you, and (ii) you agree to pay our then-current hourly rate for such assistance, with up-front amounts to be paid to us as we may require. For the purposes of clarity, it is understood and agreed that the retrieval and provision of passwords, log files, administrative server information, or conversion of data are transition services, and are subject to the preceding requirements. **Unless otherwise expressly stated in a SOW, we will have no obligation to store or maintain any Client data in our possession or control beyond fifteen (15) calendar days following the termination of this Agreement.** We will be held harmless for, and indemnified by you against, any and all claims, costs, fees, or expenses incurred by either party that arise from, or are related to, our deletion of your data beyond the time frames described in this section.

RESPONSE; REPORTING

- a) *Response.* We warrant and represent that we will provide the Services, and respond to any notification received by us of any error, outage, alarm or alert pertaining to the Environment, in the manner and within the time period(s) designated in an applicable SOW ("Response Time"), except for (i) those periods of time covered under the Onboarding Exception (defined below), or (ii) periods of delay caused by Client-Side Downtime (defined below), Vendor-Side Downtime (defined below) or (iii) periods in which we are required to suspend the Services to protect the security or integrity of the Environment or our equipment or network, or (iv) delays caused by a force majeure event.
 - i) Scheduled Downtime. For the purposes of this Agreement, Scheduled Downtime will mean those hours, as determined by us but which will not occur between the hours of 8:00 AM and 5:00 PM Pacific Time, Monday through Friday without your authorization or unless exigent circumstances exist, during which time we will perform scheduled maintenance or adjustments to the Environment. We will use our best efforts to provide you with at least twenty-four (24) hours of notice prior to scheduling Scheduled Downtime.
 - ii) Client-Side Downtime. We will not be responsible under any circumstances for any delays or deficiencies in the provision of, or access to, the Services to the extent that such delays or deficiencies are caused by your actions or omissions ("Client-Side Downtime").
 - iii) Vendor-Side Downtime. We will not be responsible under any circumstances for any delays or deficiencies in the provision of, or access to, the Services to the extent that such delays or deficiencies are caused by third party service providers, third party licensors, or "upstream" service or product vendors.
 - iv) Remedies; Limitations. Except for the Onboarding Exception, if we fail to meet our service level commitment in a given calendar month and if, under such circumstances, our failure is not due to your activities, omissions, or inactivity, then upon receiving your written request for credit, we will issue you a pro-rated credit in an amount equal to the period of time of the outage and/or service failure. All requests for credit must be made by you no later than forty-five (45) days after you either (i) report the outage or service failure to us, or (ii) if applicable, receive a monthly report showing the outage and/or failure. The remedies contained in this paragraph and in the "Term; Termination" section above are in lieu of (and are to the exclusion of) any and all other remedies that might otherwise be available to you for our failure to meet any service level commitment during the term of this Agreement.
- b) *Onboarding Exception.* You acknowledge and agree that for the first forty-five (45) days following the commencement date of a SOW, the Response Time commitments described in this Agreement will not apply to us, it being understood that there may be unanticipated downtime or delays due to our initial startup activities and/or familiarization with you (the "Onboarding Exception").

CONFIDENTIALITY

- a) *Defined.* For the purposes of this Agreement, Confidential Information means any and all non-public information provided to us by you, including but not limited to your customer data, customer lists, internal documents, and related information. Confidential Information will not include information that: (i) has become part of the public domain through no act or omission of SNI, (ii) was developed independently by us, or (iii) is or was lawfully and independently provided to us prior to disclosure by you, from a third party who is not and was not subject to an obligation of confidentiality or otherwise prohibited from transmitting such information.

- b) *Use.* We will keep your Confidential Information confidential and will not use or disclose such information to any third party for any purpose except (i) as expressly authorized by you in writing, or (ii) as needed to fulfill our obligations under this Agreement.
- c) *Due Care.* We will exercise the same degree of care with respect to the Confidential Information we receive from you as we normally take to safeguard and preserve our own confidential and proprietary information, which in all cases will be at least a commercially reasonable level of care.
- d) *Compelled Disclosure.* If we are legally compelled (whether by deposition, interrogatory, request for documents, subpoena, civil investigation, demand or similar process) to disclose any of the Confidential Information, we will immediately notify you in writing of such requirement so that you may seek a protective order or other appropriate remedy and/or waive our compliance with the provisions of this Section. We will use its best efforts, at your expense, to obtain or assist you in obtaining any such protective order. Failing the entry of a protective order or the receipt of a waiver hereunder, we may disclose, without liability hereunder, that portion (and only that portion) of the Confidential Information that we have been advised, by written opinion from our counsel, that we are legally compelled to disclose.
- e) *Business Associate.* If we enter into a business associate agreement (“BAA”) with you for the protection of personal health information, then the terms of the BAA will be read in conjunction with the terms of the confidentiality provisions of this Agreement. The terms that protect confidentiality most stringently shall govern, and conflicting privacy- or confidentiality-related terms shall be governed by the BAA.

ADDITIONAL TERMS; THIRD PARTY SERVICES

- a) *EULAs.* Portions of the Services may require you to accept the terms of one or more third party end user license agreements (“EULAs”). If the acceptance of a EULA is required in order to provide the Services to you, then you hereby grant us permission to accept the EULA on your behalf. EULAs may contain service levels, warranties and/or liability limitations that are different than those contained in this Agreement. **You agree to be bound by the terms of such EULAs and will look only to the applicable third party provider for the enforcement of the terms of such EULAs.** If, while providing the Services, we are required to comply with a third-party EULA and the third party EULA is modified or amended, we reserve the right to modify or amend any applicable SOW with you to ensure our continued compliance with the terms of the third party EULA.
- b) *Third Party Services.* Portions of the Services may be acquired from, or rely upon the services of, third party manufacturers or providers, such as data hosting services, help desk services, domain registration services, and data backup/recovery services (“Third Party Service”). Not all Third Party Services may be expressly identified as such in a SOW, and at all times we reserve the right to utilize the services of any third party provider or to change third party providers in our sole discretion as long as the change does not materially diminish the Services to be provided to you under a SOW. We will not be responsible, and will be held harmless by you, for the failure of any third-party provider or manufacturer to provide Third Party Services to SNI or to you.
- c) *Data Loss.* Under no circumstances will we be responsible for any data lost, corrupted or rendered unreadable due to (i) communication and/or transmissions errors or related failures, (ii) equipment failures (including but not limited to silent hardware corruption-related issues), or (iii) our failure to backup or secure data from portions of the Environment that were not expressly designated in the applicable SOW as requiring backup or recovery services. Unless expressly stated in a SOW, we do not warrant or guarantee that any maintained storage device or functionality, data backup device or functionality, or load balancing functionality will operate in an error-free manner.
- d) *BYOD.* You hereby represent and warrant that we are authorized to access all devices, peripherals and/or computer processing units, including mobile devices (such as notebook computers, smart phones and tablet computers) that are connected to the Environment (collectively, “Devices”), regardless of whether such Devices are owned, leased or otherwise controlled by you. Unless otherwise stated in a SOW, Devices will not receive or benefit from the Services while the devices are detached from, or unconnected to, the Environment. **Client is strongly advised to refrain from connecting Devices to the Environment where such devices are not previously known to us and are not expressly covered under a managed service plan from us (“Unknown Devices”).** We will not be responsible for the diagnosis or remediation of any issues in the Environment caused by the connection or use of Unknown Devices in the Environment, and we will not be obligated to provide the Services to any Unknown Devices.
- e) *Equipment.* Unless otherwise noted in a SOW or Order, all SNI Equipment is licensed to you, and is neither owned by you nor leased to you. Upon the expiration of an applicable SOW, your license to use the SNI Equipment shall immediately terminate, and thereafter all SNI Equipment must be returned to us immediately at your expense. All configurations on the SNI Equipment are our proprietary information and will not be circumvented, modified, or removed by you without our prior written consent.

OWNERSHIP

Each party is, and will remain, the owner and/or licensor of all works of authorship, patents, trademarks, copyrights and other intellectual property owned or licensed by such party (“Intellectual Property”), and nothing in this Agreement or any SOW shall be deemed to convey or grant any ownership rights or goodwill in one party’s Intellectual Property to the other party.

ARBITRATION

Except for undisputed collections actions to recover fees due to us (“Collections”), any dispute, claim or controversy arising from or related to this Agreement, including the determination of the scope or applicability of this agreement to arbitrate, shall be settled by arbitration before one arbitrator who is mutually agreed upon by the parties. The arbitration shall be administered and conducted by the American Arbitration Association (the “AAA”) or if there is no AAA arbitrator available within a twenty (20) mile radius of our office, then by any arbitration venue as determined by us, pursuant to that venue’s arbitration rules for commercial disputes (the “Rules”). In the event of any inconsistency between the Rules and the procedures set forth in this paragraph, the procedures set forth in this paragraph will control. The arbitrator will be experienced in contract, intellectual property and information technology transactions. If the parties cannot agree on an arbitrator within fifteen (15) days after a demand for arbitration is filed, the arbitration venue shall select the arbitrator. The arbitration shall take place in our office. The arbitrator will determine the scope of discovery in the matter; however, it is the intent of the parties that any discovery proceedings be limited to the specific issues in the applicable matter, and that discovery be tailored to fulfill that intent. Initially, the cost of the arbitration shall be split evenly between the parties; however, the party prevailing in the arbitration shall be entitled to an award of its reasonable attorneys’ fees and costs.

MISCELLANEOUS

- a) *Compliance.* Unless otherwise expressly stated in a SOW, the Services are not intended, and will not be used, to bring Client into full regulatory compliance with any rule, regulation, or requirement that may be applicable to Client’s business or operations. Depending on the Services provided, the Services may aid Client’s efforts to fulfill regulatory compliance; however, the Services are not (and should not be used as) a compliance solution.
- b) *Disclosure.* You warrant and represent that you know of no law or regulation governing your business that would impede or restrict our provision of the Services, or that would require us to register with, or report our provision of the Services (or the results thereof), to any government or regulatory authority. You agree to promptly notify us if you become subject to any of the foregoing which, in our discretion, may require a modification to the scope or pricing of the Services.
- c) *Security.* You understand and agree that no security solution is one hundred percent effective, and any security paradigm may be circumvented and/or rendered ineffective by certain malware, such as certain ransomware or rootkits that were unknown to the malware prevention industry at the time of infection, and/or which are purposely or intentionally downloaded or installed into the Environment. We do not warrant or guarantee that all malware or malicious activity will be capable of being detected, avoided, quarantined or removed, or that any data deleted, corrupted, or encrypted by such malware (“Impacted Data”) will be recoverable. Unless otherwise expressly stated in a SOW, the recovery of Impacted Data is not included in the scope of a SOW. **You are strongly advised to (i) educate your employees to properly identify and react to “phishing” activity (i.e., fraudulent attempts to obtain sensitive information or encourage behavior by disguising oneself as a trustworthy entity or person through email), and (ii) obtain insurance against cyberattacks, data loss, malware-related matters, and privacy-related breaches, as such incidents can occur even under a “best practice” scenario. Unless a malware-related incident is caused by our intentionally malicious behavior or our gross negligence, we are held harmless from any costs, expenses, or damages arising from or related to such incidents.**
- d) *Non-Solicitation.* Each party (a “Restricted Party”) acknowledges and agrees that during the term of this Agreement and for a period of one (1) year following the termination of this Agreement, the Restricted Party will not, individually or in conjunction with others, directly or indirectly solicit, induce or influence any of the other party’s employees with whom the Restricted Party worked to discontinue or reduce the scope of their business relationship with the other party, or recruit, solicit or otherwise influence any employee of the other party with whom the Restricted Party worked to discontinue his/her employment or agency relationship with the other party. In the event of a violation of the terms of the restrictive covenants in this section, the parties acknowledge and agree that the damages to the other party would be difficult or impracticable to determine, and in such event, the Restricted Party will pay the other party as liquidated damages and not as a penalty an amount equal to fifty percent (50%) percent of that employee first year of base salary with the Restricted Party (including any signing bonus). In addition to and without limitation of the foregoing, any solicitation or attempted solicitation for employment directed to a party’s employees by the Restricted Party will be deemed to be a material breach of this Agreement, in which event the affected party shall have the right, but not the obligation, to terminate this Agreement or any then-current SOW immediately For Cause.
- e) *Collections.* If we are required to send your account to Collections or to start any Collections-related action to recover undisputed fees, we will be entitled to recover all costs and fees we incur in the Collections process including but not limited to reasonable attorneys’ fees and costs.

- f) **Assignment.** Neither this Agreement nor any SOW may be assigned or transferred by a party without the prior written consent of the other party. This Agreement will be binding upon and inure to the benefit of the parties hereto, their legal representatives, and permitted successors and assigns. Notwithstanding the foregoing, we may assign our rights and obligations hereunder to a successor in ownership in connection with any merger, consolidation, or sale of substantially all of the assets of our business, or any other transaction in which ownership of more than fifty percent (50%) of our voting securities are transferred; provided, however, that such assignee expressly assumes our obligations hereunder.
- g) **Amendment.** Unless otherwise expressly permitted under this Agreement, no amendment or modification of this Agreement or any SOW will be valid or binding upon the parties unless such amendment or modification is originated in writing by SNI, specifically refers to this Agreement or the SOW being amended, and is accepted in writing (email or electronic signature is acceptable) by you.
- e) **Time Limitations.** The parties mutually agree that, unless otherwise prohibited by law, any action for any matter arising out of this Agreement or any SOW (except for issues of nonpayment by Client) must be commenced within six (6) months after the cause of action accrues or the action is forever barred.
- f) **Severability.** If any provision hereof or any SOW is declared invalid by a court of competent jurisdiction, such provision will be ineffective only to the extent of such invalidity, illegibility or unenforceability so that the remainder of that provision and all remaining provisions of this Agreement or any SOW will be valid and enforceable to the fullest extent permitted by applicable law.
- g) **Other Terms.** We will not be bound by any terms or conditions printed on any purchase order, invoice, memorandum, or other written communication supplied by you unless such terms or conditions are incorporated into a duly executed SOW, or unless we have expressly acknowledged the other terms and, thereafter, expressly and specifically accepted such other terms in writing.
- h) **No Waiver.** The failure of either party to enforce or insist upon compliance with any of the terms and conditions of this Agreement, the temporary or recurring waiver of any term or condition of this Agreement, or the granting of an extension of the time for performance, will not constitute an Agreement to waive such terms with respect to any other occurrences.
- i) **Merger.** This Agreement, together with any and all Quotes and SOWs, sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements or understandings related to the Services; however, any payment obligations that you have or may have incurred under any prior superseded agreement are not nullified by this Agreement and remain in full force and effect. No representation, promise, inducement or statement of intention has been made by either party which is not embodied herein. We will not be bound by any of our agents' or employees' representations, promises or inducements if they are not explicitly set forth in this Agreement or any Quote or SOW. Any document that is not expressly and specifically incorporated into this Agreement or SOW will act only to provide illustrations or descriptions of Services to be provided and will not modify this Agreement or provide binding contractual language between the parties. The foregoing sentence shall not apply to any business associate agreement required under HIPAA, which the parties may (if required) enter into after the Effective Date of this Agreement.
- j) **Force Majeure.** Neither party will be liable to the other party for delays or failures to perform its obligations under this Agreement or any SOW because of circumstances beyond such party's reasonable control. Such circumstances include, but will not be limited to, any intentional or negligent act committed by the other party, or any acts or omissions of any governmental authority, natural disaster, act of a public enemy, acts of terrorism, riot, sabotage, disputes or differences with workmen, power failure, communications delays/outages, delays in transportation or deliveries of supplies or materials, cyberwarfare, cyberterrorism, or hacking, malware or virus-related incidents that circumvent then-current anti-virus or anti-malware software, and acts of God.
- k) **Survival.** The provisions contained in this Agreement that by their context are intended to survive termination or expiration of this Agreement will survive. If any provision in this Agreement is deemed unenforceable by operation of law, then that provision shall be excised from this Agreement and the balance of this Agreement shall be enforced in full.
- l) **Insurance.** SNI and you will each maintain, at each party's own expense, all insurance reasonably required in connection with this Agreement or any SOW, including but not limited to, workers compensation and general liability. We agree to maintain a general liability policy with a limit not less than \$1,000,000 per occurrence. All of the insurance policies described herein will not be canceled, materially changed or renewal refused until at least thirty (30) calendar days written notice has been given to the other party by certified mail.
- m) **Governing Law; Venue.** This Agreement and any SOW will be governed by, and construed according to, the laws of the state of California. You hereby irrevocably consent to the exclusive jurisdiction and venue of Stanislaus County, California, for any and all claims and causes of action arising from or related to this Agreement.
- n) **No Third Party Beneficiaries.** The Parties have entered into this Agreement solely for their own benefit. They intend no third party to be able to rely upon or enforce this Agreement or any part of this Agreement.
- o) **Usage in Trade.** It is understood and agreed that no usage of trade or other regular practice or method of dealing between the Parties to this Agreement will be used to modify, interpret, supplement, or SNI in any manner the terms of this Agreement.

- p) *Business Day.* If a time period set forth in this Agreement expires on a day other than a business day in Stanislaus County, California, such period will be extended to and through the next succeeding business day in Stanislaus County, California.
- q) *Notices; Writing Requirement.* Where notice is required to be provided to a party under this Agreement, such notice may be sent by U.S. mail, overnight courier, or email as follows: notice will be deemed delivered three (3) business days after being deposited in the United States Mail, first class mail, certified or return receipt requested, postage prepaid, or one (1) day following delivery when sent by FedEx or other overnight courier, or one (1) day after notice is delivered by email. Notice sent by email will be sufficient only if (i) the sender emails the notice to the last known email address of the recipient, and (ii) the sender includes itself in the "cc" portion of the email and preserves the email until such time that it is acknowledged by the recipient. Notwithstanding the foregoing, any notice from you to SNI regarding (a) any alleged breach of this Agreement by SNI, or (b) any request for indemnification, or (c) any notice of termination of this Agreement or any SOW, must be delivered to SNI by U.S. mail or courier, unless such requirement is expressly and specifically waived by SNI. All electronic documents and communications between the parties, including email, will satisfy any "writing" requirement under this Agreement.
- r) *Independent Contractor.* SNI is an independent contractor, and is not your employer, employee, partner, or affiliate.
- s) *Subcontractors.* Generally, we do not utilize subcontractors to perform onsite services; however, should we elect to subcontract a portion of those services, we will guarantee the work as if we performed the subcontracted work ourselves.
- t) *Data & Service Access.* Some of the Services may be provided by persons outside of the United States and/or your data may occasionally be accessed, viewed, or stored on secure servers located outside of the United States. You agree to notify us if your company requires us to modify these standard service provisions, in which case additional (and potentially significant) costs will apply.
- u) *Counterparts.* The parties intend to sign, accept and/or deliver any Quote, this Agreement, SOW or any amendment in any number of counterparts, and each of which will be deemed an original and all of which, when taken together, will be deemed to be one agreement. Each party may sign, accept, and/or deliver any Quote, this Agreement, any SOW or any amendment electronically (*e.g.*, by digital signature and/or electronic reproduction of a handwritten signature) or by reference (as applicable).



Solid Networks

Mark Ricci

1.209.338.1424

Mark.Ricci@SolidNetworks.com



**Technology
Simplified**

We have prepared a quote for you

FY2021 Managed Service Agreement

Quote # 005733

Version 1

Prepared for:

City of Lathrop

Tony Fernandes

tfernandes@ci.lathrop.ca.us

➤ Statement of Work

STATEMENT OF WORK

This Statement of Work ("SOW") is governed under the Master Service Agreement (the "Agreement") between **Solid Networks, Inc.** ("we", "us", "our" or "SNI"), and **you** ("you", "your" or "Client"), the entity who accepts the order to which this SOW is attached (the "Order"). This SOW is effective as of date on which you accepted the Order ("Effective Date").

The services described in the Order and as described below (collectively, the "Services") will be provided to you. Services that are not specifically described in the Order and this SOW will be out of scope and will not be provided to you unless otherwise agreed to by us in writing. (From this point forward, the Order and this SOW will be collectively referred to as this "SOW").

SCOPE OF SERVICES

Ongoing / Recurring Services . Upon the completion of onboarding services (if any), the services listed in the Order and described below will be provided to you on an ongoing basis during the term of this SOW.

Managed Services

See the Order for the scope of our managed services.

Locations Covered by Services

Services will be provided remotely unless, in our discretion, we determine that an onsite visit is required. Onsite visits will be scheduled in accordance with the priority assigned the issue (below), and are subject to technician availability. Unless we agree otherwise, all onsite Services will be provided at Client's primary office location listed in the Order.

Managed Equipment / Hardware / Software

The Services will be applied to the equipment listed in the Order ("Covered Hardware").

The Services will apply to the software listed in the Order ("Supported Software") provided, however, that all Supported Software must, at all times, be properly licensed, and under a maintenance and support agreement from the Supported Software's manufacturer.

In this SOW, Covered Hardware and Supported Software will be referred to as the "Environment."

Term: Termination

The Services will commence, and billing will begin, on the date indicated in the Order ("Commencement Date"). We reserve the right to delay the Commencement Date until all onboarding/transition services (if any) are completed, and all deficiencies / revisions identified in the onboarding process (if any) are addressed or remediated to SNI' satisfaction.

The Services shall continue for a minimum term of thirty-six (36) months from the Commencement Date and, thereafter, shall continue on a month-to-month basis, cancelable by either party for any reason upon the provision of one (1) month prior written notice.

Assumptions / Minimum Requirements / Exclusions

The scheduling, fees and provision of the Services are based upon the following assumptions and minimum requirements :

- Server hardware must be under current warranty coverage.
- All equipment with Microsoft Windows® operating systems must be running then-currently supported versions of such software and have all of the latest Microsoft service packs and critical updates installed.
- All software must be genuine, licensed and vendor-supported.
- Server file systems and email systems (if applicable) must be protected by licensed and up-to-date virus protection software.
- The Environment must have a currently licensed, vendor-supported server-based backup solution that can be monitored.
- All wireless data traffic in the environment must be securely encrypted.
- There must be an outside static IP address assigned to a network device, allowing VPN access.
- All servers must be connected to working UPS devices.
- Client must provide all software installation media and key codes in the event of a failure.
- Any costs required to bring the Environment up to these minimum standards are not included in this SOW.

➤ Statement of Work

Exclusions . Services that are not expressly described in this SOW will be out of scope and will not be provided to Client unless otherwise agreed, in writing, by SNI. Without limiting the foregoing, the following services are expressly excluded under this SOW, and if required to be performed, must be agreed upon by SNI in writing:

- * Customization of third party applications, or programming of any kind.
- * Support for operating systems, applications, or hardware no longer supported by the manufacturer.
- * Data/voice wiring or cabling services of any kind.
- * Equipment relocation.
- * The cost to bring the Environment up to the Minimum Requirements (unless otherwise noted in "Scope of Services" above).
- * The cost of repairs to hardware or any supported equipment or software, or the costs to acquire parts or equipment, or shipping charges of any kind.

Service Levels

Automated monitoring is provided on an ongoing (*i.e.*, 24x7x365) basis; response, repair, and/or remediation services (as applicable) will be provided only during business hours unless otherwise specifically stated in the Order. We will respond to problems, errors or interruptions in the provision of the Services in the timeframe(s) described below. Severity levels will be determined by SNI in our reasonable discretion. All remediation services will initially be attempted remotely; SNI will provide onsite service only if remote remediation is ineffective and, under all circumstances, only if covered under the Service plan selected by Client.

Priority 1 Emergency: Severe or Full Service Outage (all users and functions unavailable)	Response within four (4) business hours after notification.
Priority 2 Partial Service Outage (large number of users or business critical functions affected)	Response within eight (8) business after hours notification.
Priority 3 Service Degradation (limited number of users or functions affected, business process can continue).	Response within twenty-four (24) business hours after notification.
Priority 4 Service Request (business process can continue, one user affected).	Response to requested schedule, as available. No service level agreement.

* All time frames are calculated as of the time that SNI is notified of the applicable issue / problem by Client through SNI's designated support portal, help desk, or by telephone at the telephone number listed in the Order. Notifications received in any manner other than described herein may result in a delay in the provision of remediation efforts. Ticket triage time target is .2 hours (12 minutes) during business hours. SLA target 90+%.

Fees

The fees for the Services will be as indicated in the Order.

Initially, you will be charged the monthly fees indicated in the Order. Thereafter, if the amount of Covered Hardware or Supported Software changes, or if the number of authorized users accessing the Environment changes, then you agree that the fees will be automatically and immediately modified to accommodate those changes. Under no circumstances will the number of authorized users, or the quantity of Covered Hardware or Supported Software drop below the amounts initially indicated in this SOW without our consent.

In addition, we reserve the right to increase our monthly recurring and data recovery fees; provided, however, we will not do so more than once per calendar year. If an increase is more than five percent (5%) of the fees charged for the Services in the prior calendar year, then you will be provided with a thirty (30) day opportunity to terminate this SOW by providing us with written notice of termination. Your continued acceptance or use of the services after this thirty (30) day period will indicate your acceptance of the increased fees.

➤ Statement of Work

Removal of Software Agents

Unless we expressly direct you to do so, you will not remove or disable, or attempt to remove or disable, any software agents that we installed in the Environment. Doing so without our guidance may make it difficult or impracticable to remove the software agents, which could result in network vulnerabilities and/or the continuation of license fees for the software agents for which you will be responsible, and/or the requirement that we remediate the situation at our then-current hourly rates, for which you will also be responsible. Depending on the particular software agent and the costs of removal, we may elect to keep the software agent in the Environment but in a dormant and/or unused state.

Within ten (10) days after being directed to do so, Client will remove, package and ship, at Client's expense and in a commercially reasonable manner, all hardware, equipment, and accessories provided to Client by SNI that were used in the provision of the Services. If you fail to timely return all equipment to us, or if the equipment is returned to us damaged (normal wear and tear excepted), then we will have the right to charge you, and you hereby agree to pay, the replacement value of all such unreturned or damaged equipment.

Additional Terms

Monitoring Services; Alert Services

Unless otherwise indicated in this SOW, all monitoring and alert-type services are limited to detection and notification functionalities only. These functionalities are guided by Client-designated policies, which may be modified by Client as necessary or desired from time to time. Initially the policies will be set to a baseline standard as determined by SNI; however, Client is advised to establish and/or modify the policies that correspond to Client's specific monitoring and notification needs.

Remediation

Unless otherwise provided in this SOW, remediation services will be provided in accordance with the recommended practices of the managed services industry. Client understands and agrees that remediation services are not intended to be, and will not be, a warranty or guarantee of the functionality of the Environment, or a service plan for the repair of any particular piece of managed hardware or software.

Anti-Virus; Anti-Malware

If selected in the order, our anti-virus / anti-malware solution will generally protect the Environment from becoming infected with new viruses and malware ("Viruses"); however, Viruses that exist in the Environment at the time that the security solution is implemented may not be capable of being removed without additional services, for which a charge may be incurred. We do not warrant or guarantee that all Viruses and malware will be capable of being detected, avoided, or removed, or that any data erased, corrupted, or encrypted by malware will be recoverable. In order to improve security awareness, you agree that SNI or its designated third party affiliate may transfer information about the results of processed files, information used for URL reputation determination, security risk tracking, and statistics for protection against spam and malware. Any information obtained in this manner does not and will not contain any personal or confidential information.

Breach/Cyber Security Incident Recovery

Unless otherwise expressly stated in this SOW, the scope of this SOW does not include the remediation and/or recovery from a Security Incident (defined below). Such services, if requested by you, will be provided on a project basis under our then-current labor rates. Given the varied number of possible Security Incidents, we cannot and do not warrant or guarantee (i) the amount of time required to remediate the effects of a Security Incident (or that recovery will be possible under all circumstances), or (ii) that all data impacted by the incident will be recoverable. For the purposes of this paragraph, a Security Incident means any unauthorized or impermissible access to or use of the Environment, or any unauthorized or impermissible disclosure of Client's confidential information (such as user names, passwords, etc.), that (i) compromises the security or privacy of the information or applications in, or the structure or integrity of, the Environment, or (ii) prevents normal access to the Environment, or impedes or disrupts the normal functions of the Environment.

Environmental Factors

Exposure to environmental factors, such as water, heat, cold, or varying lighting conditions, may cause installed equipment to malfunction. Unless expressly stated in this SOW, we do not warrant or guarantee that installed equipment will operate error-free or in an uninterrupted manner, or that any video or audio equipment will clearly capture and/or record the details of events occurring at or near such equipment under all circumstances.

Fair Usage Policy

Our Fair Usage Policy ("FUP") applies to all services in this SOW that are described or designated as "unlimited." An "unlimited" service designation means that, subject to the terms of this FUP, you may use the service as reasonably necessary for you to enjoy the use and benefit of the service without incurring additional time-based or usage-based costs. However, unless expressly stated otherwise in this SOW, all unlimited services are provided during our normal business hours only and are subject to our technicians' availabilities, which cannot always be guaranteed. In addition, we reserve the right to assign our technicians as we deem necessary to handle issues that are more urgent, critical, or pressing than the request(s) or issue(s) reported by you. Consistent with this FUP, you agree to refrain from (i) creating urgent support tickets for non-urgent or non-critical issues, (ii) requesting excessive support services that are inconsistent with normal usage patterns in the industry (e.g., requesting support in lieu of training), (iii) requesting support or services that are intended to interfere, or may likely interfere, with our ability to provide our services to our other customers.

> Statement of Work

Patch Management

We will keep managed hardware and managed software current with critical patches and updates ("Patches") as those Patches are released generally by the applicable manufacturers. Patches are developed by third party vendors and, on rare occasions, may make the Environment, or portions of the Environment, unstable or cause the managed equipment or software to fail to function properly even when the Patches are installed correctly. We will not be responsible for any downtime or losses arising from or related to the installation or use of any Patch. We reserve the right, but not the obligation, to refrain from installing a Patch if we are aware of technical problems caused by a Patch, or we believe that a Patch may render the Environment, or any portion of the Environment, unstable.

Procurement

Equipment and software procured by SNI on Client's behalf ("Procured Equipment") may be covered by one or more manufacturer warranties, which will be passed through to Client to the greatest extent possible. By procuring equipment or software for Client, SNI does not make any warranties or representations regarding the quality, integrity or usefulness of the Procured Equipment. Certain equipment or software, once purchased, may not be returnable or, in certain cases, may be subject to third party return policies and/or re-stocking fees, all of which shall be Client's responsibility in the event that a return of the Procured Equipment is requested. SNI is not a warranty service or repair center. SNI will facilitate the return or warranty repair of Procured Equipment; however, Client understands and agrees that the return or warranty repair of Procured Equipment is governed by the terms of the warranties (if any) governing the applicable Procured Equipment, for which SNI will be held harmless.

Business Review: IT Strategic Planning

Suggestions and advice rendered to Client are provided in accordance with relevant industry practices, based on Client's specific needs and SNI's opinion and knowledge of the relevant facts and circumstances. By rendering advice, or by suggesting a particular service or solution, SNI is not endorsing any particular manufacturer or service provider.

Sample Policies, Procedures

From time to time, we may provide you with sample (*i.e.*, template) policies and procedures for use in connection with Client's business ("Sample Policies"). The Sample Policies are for your informational use only, and do not constitute or comprise legal or professional advice, and the policies are not intended to be a substitute for the advice of competent counsel. You should seek the advice of competent legal counsel prior to using or distributing the Sample Policies, in part or in whole, in any transaction. We do not warrant or guarantee that the Sample Policies are complete, accurate, or suitable for your (or your customers') specific needs, or that you will reduce or avoid liability by utilizing the Sample Policies in your (or your customers') business operations.

Unsupported Configuration Elements Or Services

If you request a configuration element (hardware or software) or hosting service in a manner that is not customary at SNI, or that is in "end of life" or "end of support" status, we may designate the element or service as "unsupported," "non-standard," "best efforts," "reasonable endeavor," "one-off," "EOL," "end of support," or with like term in the service description (an "Unsupported Service"). We make no representation or warranty whatsoever regarding any Unsupported Service, and you agree that we will not be liable for any loss or damage arising from the provision of an Unsupported Service. Deployment and service level guarantees shall not apply to any Unsupported Service.

➤ Order Executive Summary

Order Notes:

- Primary Service Address: 390 Towne Centre Dr., Lathrop CA 95330
- Managed hardware and software counts are from client inventory spreadsheet
- Agreement Commencement Date: July 1, 2020
- 24x7 Response for remediation services provided on a on-call basis
- Urgent Support Contact: 209-338-1450
- Non-Urgent Support Contact: Service@SolidNetworks.com
- Agreement Scaling: Additional equipment may be added to this support agreement at anytime during the term of agreement. Additional devices will be charged the monthly support fee listed below for the remainder of the agreement term which may be prepaid. These devices will be reviewed on a quarterly basis.
- Device Pricing (Monthly):
 - Network Switch: \$50
 - Firepower Management Center: \$150
 - Firewall: \$100
 - Router: \$50
 - Misc Managed Network Device: \$50
 - Storage Array: \$250
 - VMware Host: \$150
 - Virtual Server: \$22.50
 - UCS Chassis: \$150
 - Managed Patching (per server): \$20
 - Voice Server: \$150
 - Voice Gateway: \$50



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Network Services

Description	Recurring	Qty	Ext. Recurring
<p>Please refer to the attached network asset list for full details of the specific equipment supported as part of this agreement. Asset list will be reviewed quarterly for any changes during the environment review. Solid Networks will only support devices on the list.</p> <p>Network support includes:</p> <ul style="list-style-type: none">● 24x7 Tier 2/3 escalation support initiated by City of Lathrop IT staff● Device configuration backups (Cisco equipment only)● Quarterly environment review with account manager and lead engineer● Monitoring dashboard● Customized Alerts● Pro-active network health reviews● Patching strategy development● Bi-annual device patching● Hardware secure disposal at end-of-life			
Managed Network Switch	\$50.00	61	\$3,050.00
Managed Firewall Management Appliance	\$150.00	1	\$150.00
Managed Network Firewall	\$95.50	6	\$573.00
Managed Network Router	\$50.00	3	\$150.00
	Monthly Subtotal:		\$3,923.00

Systems Services

Description	Recurring	Qty	Ext. Recurring
<p>Please refer to the attached systems asset list for full details of the specific equipment supported as part of this agreement. Asset list will be reviewed quarterly for any changes during the environment review. Solid Networks will only support devices on the list.</p>			
<p>Systems support includes:</p> <ul style="list-style-type: none"> ● 24x7 Tier 2/3 escalation support initiated by City of Lathrop IT staff ● Quarterly environment review with account manager and lead engineer ● Monitoring dashboard ● Customized Alerts ● Pro-active systems health reviews ● Patching strategy development ● Bi-annual patching based on approved patching strategy for UCS Chassis, VMware hosts, and storage arrays ● Hardware secure disposal at end-of-life 			
Managed Storage Array	\$250.00	3	\$750.00
Managed Virtual Hosts	\$150.00	11	\$1,650.00
Managed Virtual Servers	\$22.50	57	\$1,282.50
Managed Server Chassis	\$150.00	3	\$450.00
Managed Virtual Machine Patching Services (per server) Solid Networks is responsible for automated patching of the virtual machines or physical servers identified in the asset list. Patching of all other servers is the responsibility of City of Lathrop.	\$20.00	23	\$460.00
VDI Support 1 - 50 users	\$500.00	1	\$500.00
Monthly Subtotal:			\$5,092.50

Voice Services

Description	Recurring	Qty	Ext. Recurring
<p>Please refer to the attached voice asset list for full details of the specific equipment supported as part of this agreement. Asset list will be reviewed quarterly for any changes during the environment review. Solid Networks will only support devices on the list.</p>			
<p>Systems support includes:</p> <ul style="list-style-type: none"> ● 24x7 Tier 2/3 escalation support initiated by City of Lathrop IT staff ● Quarterly environment review with account manager and lead engineer ● Monitoring dashboard ● Customized Alerts ● Pro-active voice health reviews ● Bi-annual patching based on approved patching strategy for voice gateways ● Major version upgrades of Call Manager, Unity Connections, and Contact Center products once per year ● Major version upgrades require current Cisco software support and at least 1 year remaining in this agreement ● Hardware secure disposal at end-of-life 			
Managed Voice Server	\$150.00	5	\$750.00
Managed Voice Gateways	\$50.00	3	\$150.00
Monthly Subtotal:			\$900.00

FY2021 Managed Service Agreement

Prepared by:

Solid Networks

Mark Ricci

1.209.338.1424

Mark.Ricci@SolidNetworks.com

Prepared for:

City of Lathrop

390 Towne Centre Drive

Lathrop, CA 95330

Tony Fernandes

(209) 941-7200

tfernandes@ci.lathrop.ca.us

Quote Information:

Quote #: 005733

Version: 1

Delivery Date: 05/26/2020

Expiration Date: 06/11/2020

Monthly Expenses Summary

Description	Amount
Network Services	\$3,923.00
Systems Services	\$5,092.50
Voice Services	\$900.00
Monthly Total:	\$9,915.50

Payment Options

Description	Payments	Interval	Amount
Term Options			
FY2021	12	Monthly	\$5,415.50
FY2022	12	Monthly	\$7,915.50
FY2023	12	Monthly	\$8,915.50

Summary of Selected Payment Options

Description	Amount
Term Options: FY2021	
Selected Recurring Payment	\$5,415.50
Total of Recurring Payments	\$64,986.00

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.



5686 Pirrone Rd
Salida, CA 95368
www.solidnetworks.com
1.209.338.1400

Solid Networks

City of Lathrop

Signature: Mark Ricci

Name: Mark Ricci

Title: Account Manager

Date: 05/26/2020

Signature: _____

Name: Tony Fernandes

Date: _____

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