



**CONTRACT BETWEEN THE CITY OF AUSTIN (“City”)  
and  
PREFERRED TECHNOLOGIES, LLC (“Contractor”)**

**for**

**Genetec Advantage Renewal – SCADA**

**Contract Number: MA 2200 NC210000042**

The City accepts the Contractor’s Offer for the above requirement and enters into the following Contract. This Contract is between Preferred Technologies, LLC. having offices at 1414 Wedgewood Street, Houston, TX 77093 and the City, a home-rule municipality incorporated by the State of Texas.

**1.1 This Contract is composed of the following documents in order of precedence:**

- 1.1.1 This Document
- 1.1.2 Supplemental Terms incorporated herein and attached as Exhibit A hereto.
- 1.1.3 State of Texas Department of Information Resources Contract DIR-CPO-4742, incorporated herein by reference
- 1.1.4 Contractor’s proposal dated 03/01/2021, incorporated herein and attached as Exhibit B hereto.

**1.2 Compensation.**

Contractor shall be paid a total Not-to-Exceed amount of \$63,879.91 as indicated in the Offer. The breakdown will be paid a not-to-exceed amount as follows:

Year 1- \$9,879.91  
Year 2- \$12,000.00  
Year 3- \$13,000.00  
Year 4- \$14,000.00  
Year 5- \$15,000.00

Unless otherwise specified, prices are firm and fixed for the first sixty (60) months. Thereafter, pricing is subject to the negotiated rates and pricing established in DIR-CPO-4742.

**1.3 Term of Contract.**

This Contract shall become effective for a term of 60 months from April 27, 2021 to April 27, 2025.

**1.4 Designation of Key Personnel.** The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor shall promptly notify the City and obtain approval for the replacement. Such approval shall not be unreasonably withheld. The Contractor's and City's key personnel are identified as follows:

	<u>Name</u>	<u>Phone Number</u>	<u>Email Address</u>
Contractor Contract Manager	Alan Ham	(346) 262-3792	alanham@pref-tech.com
City Contract Manager	Bill Ficke	(512) 972-0435	Bill.Ficke@austintexas.gov
City Contract Administrator, Procurement Specialist	Brett Hardy	(512) 322-6122	Brett.Hardy@austintexas.gov

**1.5 Invoices.** The City's preference is to have invoices emailed to [CTMAPInvoices@austintexas.gov](mailto:CTMAPInvoices@austintexas.gov) or mailed to the below address:

	City of Austin
Department	CTM
Attn:	AP Invoices
Address	1124 IH-35
City, State, Zip Code	Austin, TX 78767

For questions regarding your invoice/payment please contact the City Contract Manager.

This Contract (including any Exhibits and referenced Documents) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the City has caused a duly authorized representative to execute this Contract on the date set forth below.

**PREFERRED TECHNOLOGIES, LLC.**

Grady D. Jett

Printed Name of Authorized Person

Signature

VP Sales

Title:

5/5/2021

Date:

**CITY OF AUSTIN**

Brett Hardy

Printed Name of Authorized Person

**Brett D. Hardy** Digitally signed by Brett D. Hardy  
Date: 2021.05.05 14:52:26 -05'00'

Signature

Procurement Specialist IV

Title:

05 May 2021

Date:

**EXHIBIT A**  
**SUPPLEMENTAL TERMS- COOPERATIVE**

The Contractor agrees that the Contract shall be governed by the following terms and conditions.

**1. GENERAL**

**1.1 INDEFINITE QUANTITY:**

The quantities and/or services listed herein are estimates of the goods and services needed by the City for the period of the Contract. The City reserves the right to purchase more or less of these quantities and/or services as may be required during the Contract term. Quantities and/or services will be as needed and specified by the City for each order. Unless specified in the Contract, there are no minimum order quantities.

**1.2 INVOICES:**

- A. The Contractor shall submit separate Invoices for each Order after each delivery or on the schedule provided in the Contract. If partial shipments or deliveries are authorized by the City, a separate Invoice must be sent for each shipment or delivery made.
- B. Invoices shall be sent to the address on the Purchase Order or Delivery Order in the section entitled, "BILL TO". Proper Invoices must include a unique Invoice number, the purchase Order or delivery Order number, the master agreement number (if applicable), the Department's Name, and the name of the point of contact for the Department. Invoices shall be itemized according to pricing structure in the Contract. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the Invoice. The Contractor's name and, if applicable, the tax identification number on the Invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's Invoice. Invoices received without all required information cannot be processed and will be returned to the vendor.
- C. Invoices for labor shall include a tabulation of work-hours at the appropriate rates and grouped by work Order number. Time billed for labor shall be limited to hours actually worked.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontracting and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the Invoiced amount. The City will furnish a tax exemption certificate upon request.

**1.3 PAYMENT:**

- A. All proper Invoices received by the City will be paid within 30 calendar days of the City's receipt of the Deliverables or of the Invoice, whichever is later.
- B. If payment is not timely made, (per Paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code §2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until 10 calendar days after the grounds for withholding payment have been resolved.
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the Invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
  - i. Delivery of defective or non-conforming Deliverables by the Contractor;
  - ii. Third party claims, which are not covered by the insurance which the Contractor is required to provide under the terms of this Contract, are filed or there is reasonable evidence indicating probable filing of such claims;
  - iii. Failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;

- iv. Damage to the property of the City or the City's agents, employees or Contractors, which is not covered by insurance required to be provided by the Contractor;
  - v. Reasonable evidence demonstrates that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
  - vi. Failure of the Contractor to submit proper Invoices with all required attachments and supporting documentation; or
  - vii. Failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, §1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.
- G. The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds appropriated and available for this Contract. The absence of appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City. The City shall pay the Contractor, to the extent of funds appropriated or otherwise legally available for such purposes, for all goods delivered and services performed, and obligations incurred prior to the date of notice of non-appropriation.

#### **1.4 AUDITS AND RECORDS:**

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract, at the City's expense. The Contractor agrees to refund to the City any overpayments disclosed by any such audit. The City agrees to protect from disclosure Contractor's confidential and proprietary information disclosed during an audit to the same extent it protects its own confidential and proprietary information, subject to the requirements of the Texas Public Information Act, Chapter 2251, Texas Government Code.
- B. Records Retention:
- i. Contractor is subject to City Code Chapter 2-11 (Records Management), and as it may subsequently be amended.
  - ii. The Contractor shall retain all records for a period of three years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer.

#### **1.5 TEXAS PUBLIC INFORMATION ACT:**

- A. All material submitted by the Contractor to the City related to the Contract shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
- B. In accordance with Texas Government Code §552.372, if this Contract has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by the City or results in the

expenditure of at least \$1 million in public funds for the purchase of goods or services by the City in a fiscal year, Contractor agrees to:

- i. Preserve all Contracting information related to the Contract as provided by the records retention requirements in the AUDITS AND RECORDS Section of the Contract;
  - ii. Promptly provide to the City any Contracting information related to the Contract that is in the custody or possession of Contractor on request of the City; and
  - iii. On completion of the Contract, either:
    - (1) Provide at no cost to the City all Contracting information related to the Contract that is in the custody or possession of Contractor; or
    - (2) Preserve the Contracting information related to the Contract as provided by the records retention requirements in the AUDITS AND RECORDS Section of the Contract.
- C. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Contract, and the Contractor agrees that the Contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that Subchapter.

#### **1.6 ADVERTISING:**

The Contractor shall not advertise or publish, without the City's prior written consent, the fact that the City has entered into the Contract, except to the extent required by law.

#### **1.7 ASSIGNMENT DELEGATION:**

The Contract shall be binding upon and ensure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this Paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third-party beneficiaries to the Contract.

#### **1.8 NON-DEBARMENT CERTIFICATION:**

When using Federal funds, the City of Austin does not Contract with or make prime or sub-awards to parties that are debarred or whose principals are debarred from Federal Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs. The Contractor shall notify the Procurement Specialist within five business days if they become debarred from doing business with the Federal Government during the term of the Contract.

#### **1.9 EQUAL OPPORTUNITY:**

- A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the Contract and the Contractor's suspension or debarment from participation on future City Contracts until deemed compliant with Chapter 5-4.
- B. **Non-Retaliation:** The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.
- C. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but

not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

**1.10 MANDATORY ANTI-ISRAEL BOYCOTT PROVISION:**

Pursuant to *Amawi v. Pflugerville Independent School District*, 373 F.Supp.3d 717 (W.D. Texas 2019), the State of Texas is preliminarily enjoined from enforcing this provision. However, if that injunction is lifted, this provision may apply to the Contract:

Pursuant to Texas Government Code §2271.002, the City is prohibited from contracting with any “company” for goods or services unless the following verification is included in this Contract.

- A. For the purposes of this Section only, the terms “company” and “boycott Israel” have the meaning assigned by Texas Government Code §2271.001.
- B. If the Contractor qualifies as a “company”, then the Contractor verifies that he:
  - i. does not “boycott Israel”; and
  - ii. will not “boycott Israel” during the term of this Contract.
- C. The Contractor’s obligations under this Section, if any exist, will automatically cease or be reduced to the extent that the requirements of Texas Government Code Chapter 2271 are subsequently repealed, reduced, or declared unenforceable or invalid in whole or in part by any court or tribunal of competent jurisdiction or by the Texas Attorney General, without any further impact on the validity or continuity of this Contract.

**1.11 PROHIBITION ON LGBTQ+ CONVERSION THERAPY:**

The Contractor certifies that it is aware of City Council Resolution No. 20191114-056, which prohibits the City from Contracting with entities that engage in certain practices related to conversion therapy. By accepting this Contract, the Contractor agrees that: (1) its firm and its principals are not currently and will not during the term of the Contract engage in practicing LGBTQ+ conversion therapy; referring persons to a healthcare provider or other person or organization for LGBTQ+ conversion therapy; or Contracting with another entity to conduct LGBTQ+ conversion therapy; and (2) if the City determines in its sole discretion that Contractor has during the term of this Contract engaged in any such practices, the City may terminate this Contract without penalty to the City.

**1.12 INSURANCE:**

**A GENERAL INSURANCE REQUIREMENTS:**

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages and endorsements required in Section B., Specific Insurance Requirements, to the City prior to Contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- ii. All endorsements naming the City as additional insured, waivers, and notices of cancellation shall indicate, and the Certificate of Insurance shall be mailed to the following address:
  - City of Austin Purchasing Office
  - P.O. Box 1088
  - Austin, Texas 78767
  - OR
  - [PUInsuranceCompliance@austinTexas.gov](mailto:PUInsuranceCompliance@austinTexas.gov)
- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or

decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

- iv. The City may request that the Contractor submit certificates of insurance to the City for all Subcontractors prior to the Subcontractors commencing work on the project.
- v. The Contractor's and all Subcontractors' insurance coverage shall be written by companies authorized to do business in the State of Texas and have an A.M. Best rating of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section B., Specific Insurance Requirements, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in exposure, statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions greater than \$499,999 shall be disclosed on the Certificate of Insurance.
- xii. If any required insurance is written on a claims-made basis, the Certificate of Insurance shall state that the coverage is claims-made and the retroactive date shall be prior to or coincident with the date of the Contract and the coverage continuous and shall be provided for 24 months following the completion of the Contract.
- xiii. The insurance coverages specified in Section B., Specific Insurance Requirements, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. **Specific Insurance Coverage Requirements:** The Contractor, consistent with its status as an independent Contractor shall carry and will cause its Subcontractors to carry, at a minimum insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period.

- i. **Commercial General Liability Insurance:** Coverage with minimum bodily injury and property damage per occurrence limits of \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
  - (1) The policy shall contain the following provisions:
    - a. Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project;
    - b. Independent Contractors coverage (Contractor/Subcontracted work);
    - c. Products/Completed Operations Liability for the duration of the warranty period;
    - d. If the project involves digging or drilling, provide Explosion, Collapse, and Underground (X, C, & U) Coverage.

- (2) The policy shall also include these endorsements in favor of the City of Austin:
- a. Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage;
  - b. 30 Days' Notice of Cancellation, Endorsement CG 0205, or equivalent coverage;
  - c. The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage.

- ii. **Professional Liability/Technology Errors and Omissions Insurance**: The Contractor shall provide coverage, at a minimum limit of \$1,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, omission, or breach of security (including but not limited to any confidential or private information) arising out of the performance of professional services under this Agreement.
- iii. **Cyber Liability Insurance**: Coverage of not less than \$1,000,000 each claim and annual aggregate providing coverage for damages and claims expenses, including notification expenses, arising from (1) breach of network security, (2) alteration, corruption, destruction or deletion of information stored or processed on a computer system, (3) invasion of privacy, including identity theft and unauthorized transmission or publication of personal information, (4) unauthorized access and use of computer systems, including hackers (5) the transmission of malicious code, and (6) website content, including claims of libel, slander, trade libel, defamation, infringement of copyright, trademark and trade dress and invasion of privacy.

Policy shall be endorsed to name City of Austin, its Affiliates, and their respective directors, officers, employees, and agents, as additional insureds.

- C. **Endorsements**: The specific insurance coverage endorsements specified above, or their equivalents must be provided. If endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.



# EXHIBIT B

DIR-CPO-4742

## Proposal



To:  
**Mike Postell/Rob Floyd**  
City of Austin – Water Utility  
625 E. 10th St.  
Austin, TX 78701  
E: [Mike.postell@austintexas.gov](mailto:Mike.postell@austintexas.gov)  
E: [Rob.Floyd@austintexas.gov](mailto:Rob.Floyd@austintexas.gov)

Submitted by:

**Preferred Technologies, LLC**  
1414 Wedgewood Street  
Houston, Texas 77093  
Telephone: (281) 442-0550  
Facsimile: (281) 449-5597

Title: City of Austin Water Utility – Genetec Advantage Renewal 2021 - SCADA  
Contract Number: DIR-CPO-4742  
Date Submitted: March 1, 2021  
Point of Contact: Alan Ham  
*Sales and Design Professional*  
Proposal Amount: \$9,879.91

Signed:

Alan Ham  
*Sales and Design Professional*  
Preferred Technologies, LLC  
(346) 262-3792  
[alanham@pref-tech.com](mailto:alanham@pref-tech.com)



## Overview

Preferred Technologies, LLC. (Pref-Tech) will provide Genetec Advantage licensing for City of Austin Water Utility – SCADA. Pref-Tech’s work will be compliant with manufacturer requirements, applicable codes, and the highest industry standards.

## Scope of Work

Preferred Technologies, LLC. tasks include, but are not limited to, the following:

- Pref-Tech will provide and configure Genetec Advantage license renewals for City of Austin Water Utility.

## Assumptions

The below assumptions were applied when pricing this project. The pricing in this proposal is contingent upon the validity of these assumptions. Additional charges may result if these assumptions be found false.

- Pref-Tech’s work is limited to the installation of the bill of materials listed in the Pricing Sheet.
- Taxes are excluded. If taxes apply, then Pref-Tech will apply the required taxes to each invoice.

## Bill of Material

DESCRIPTION	GROUP	PART NUMBER	DESCRIPTION	QTY OF PCS	QTY PER KIT	TOTAL QTY	UNIT	MSRP			DISCOUNT		SUBTOTAL		DR FEE			TOTAL					
								UNIT MSRP	TOTAL MSRP	% OFF MSRP	UNIT RETAIL	TOTAL RETAIL	DR FEE %	DR FEE TOTAL	DR FEE TOTAL	DR UNIT RETAIL	DR TOTAL RETAIL						
OBJECT	PREFERRED TECHNOLOGIES, LLC	GENETEC ADVANTAGE LIC. (SCL)	GENETEC KIT	1.00	NA	1.00	EA	5	11,000.00	5	11,000.00	10.00%	5	9,900.00	5	9,900.00	5.00%	5	15.00	5	9,915.00	5	9,915.00
DR KIT COMPONENT	GENETEC INC	ADV-ADV-LIC-1Y	GENETEC ADVANTAGE LICENSE FOR 1 CHANNEL/2 CHANNELS CONTROL - 1 YEAR	NA	NA	NA	EA	5	-	5	-	0.00%	5	-	5	-	5.00%	5	-	5	-	5	-
DR KIT COMPONENT	GENETEC INC	ADV-ADV-LIC-1Y	GENETEC ADVANTAGE LICENSE FOR 1 CHANNEL/2 CHANNELS CONTROL - 1 YEAR	NA	NA	NA	EA	5	-	5	-	0.00%	5	-	5	-	5.00%	5	-	5	-	5	-
DR KIT COMPONENT	PREF TECH	PROJ-LABOR	PROGRAMMING/LABOR - STANDARD HOURS/YEAR	1.00	1.00	1.00	EA	5	-	5	-	0.00%	5	-	5	-	5.00%	5	-	5	-	5	-
DR KIT COMPONENT	PREF TECH	PROJ-LABOR	PROJECT MANAGEMENT/LABOR - STANDARD HOURS/YEAR	NA	1.00	1.00	EA	5	-	5	-	0.00%	5	-	5	-	5.00%	5	-	5	-	5	-
								<b>MSRP TOTAL</b>	<b>5</b>	<b>11,000.00</b>		<b>DISCOUNT</b>	<b>5</b>	<b>550.00</b>		<b>DR FEE</b>	<b>5</b>	<b>15.00</b>		<b>TOTAL</b>	<b>5</b>	<b>9,915.00</b>	



**Pricing**

MSRP:	\$11,536.89
Subtotal:	\$9,806.36
DIR Fee:	\$73.55

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Project Total: \$9,879.91

**Acceptance of Proposal**

The Pref-Tech team thanks you for allowing us the opportunity to work with you on this project. To accept this proposal and allow Pref-Tech to proceed with the scope of work outlined above, please sign below and fax or email to your account executive.

My signature below constitutes acceptance of this proposed scope of work and the Terms and Conditions provided.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date



## Terms and Conditions

This proposal is valid for 30 days.

### Invoicing:

- **Pref-Tech will submit a mobilization invoice upon contract award for 25% of the total contract amount.** Mobilization includes (but is not limited to) all preparatory work necessary for the coordination and organization of personnel, procurement of materials, equipment, supplies, and incidentals required to begin the project; for the establishment of all necessary storage and facilities to facilitate the work; for premiums on bond and insurance (as applicable); and for all procedures/actions performed or costs incurred before the beginning of work.
- **Customer expressly allows Pref-Tech to invoice for stored materials.** Pref-Tech will store materials at the customer location or in the Pref-Tech bonded and insured warehouse and provide backup documentation with inventories by part number, pictures, etc., as requested by the Customer.
- **Customer expressly allows Pref-Tech to submit progressive invoices based upon completed work percentage or other production milestone.**

Payment terms are NET 30 days from the date of invoice. Past due amounts shall incur interest at 8% per annum, accrued daily from the date due (NET 30) until paid in full.

Pref-Tech may elect to preserve our right to perfect a bond or lien by sending notices in accordance with statutory requirements.

Any change to the scope of work or materials described in this proposal involving extra cost will only be effective upon the execution of a written change order by involved parties.

Pricing is conditional upon unrestricted access to all applicable areas where work is to be performed or access to and from areas where work is to be performed. Unless otherwise noted, the scope of work shown in this proposal is to be performed without delays. Additional trip charges may apply if delays caused by reasons outside of Pref-Tech's control are incurred.

Pref-Tech will guarantee all material and workmanship for a period of one year from the completion of the work included in this proposal. The warranty will commence upon final project acceptance and will terminate the 365<sup>th</sup> day beyond the date of final acceptance, regardless of warranty work conducted during the warranty period. The Owner is responsible for troubleshooting and identifying faults covered under this warranty. Additional fees may apply if Pref-Tech must troubleshoot issues for the Owner and/or if, during the course acting on a warranty request, Pref-Tech determines that the issue was not generated by failures in material or workmanship. Except for the foregoing warranty, Preferred Technologies specifically disclaims all other warranties, express or implied, including but not limited to the warranties of merchantability and of fitness for a particular purpose.

Pref-Tech shall not be liable for any special, consequential, incidental or exemplary damages or loss. Pref-Tech will not be responsible for equipment or parts which are in disrepair due to misuse, accident or mishandled by others not authorized to service this equipment during our agreement time. Pref-Tech will not be responsible for damages caused by fire, the elements, civil commotion, and malicious mischief, negligence of the customer, its agents or acts of God.

This proposal is the property of Pref-Tech. It is not for publication and is issued expressly on the condition that it is not to be copied, reprinted or reproduced in any manner; nor is it to be disclosed to any third party, either wholly or in part without the express written consent of Pref-Tech.



P: 281.442.0550

F: 281.449.5597

[www.pref-tech.com](http://www.pref-tech.com)



STATE OF TEXAS  
DEPARTMENT OF INFORMATION RESOURCES

CONTRACT FOR PRODUCTS AND SERVICES

Preferred Technologies, LLC

**1. Introduction**

**A. Parties**

This Contract for products and services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter "DIR") with its principal place of business at 300 West 15<sup>th</sup> Street, Suite 1300, Austin, Texas 78701, and Preferred Technologies, LLC (hereinafter "Vendor"), with its principal place of business at 1414 Wedgewood Street Houston, Texas 77093.

**B. Compliance with Procurement Laws**

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts' Electronic State Business Daily, Request for Offer (RFO) DIR-CPO-TMP-443, on 10/28/2019, for Law Enforcement, Surveillance and Security Monitoring, Emergency Preparedness, Disaster Recovery Technology Products and Services. Upon execution of this Contract, a notice of award for RFO DIR-CPO-TMP-443 shall be posted by DIR on the Electronic State Business Daily.

**C. Order of Precedence**

For purchase transactions under this Contract, the order of precedence shall be as follows: this Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; Appendix B, Vendor's Historically Underutilized Businesses Subcontracting Plan; Appendix C, Pricing Index; Appendix D, Customer Service Agreement; Exhibit 1, Vendor's Response to RFO DIR-CPO-TMP-443, including all addenda; and Exhibit 2, DIR-CPO-TMP-443, including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor governing purchase transactions. In the event of a conflict between the documents listed in this paragraph related to purchases, the controlling document shall be this Contract, then Appendix A, then Appendix B, then Appendix C, then Appendix D, then Exhibit 1, and finally Exhibit 2. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

**2. Term of Contract**

The initial term of this Contract shall be two (2) years commencing on the last date of approval by DIR and Vendor, with one (1) optional two-year renewal and one (1) optional one-year renewal. Prior to expiration of each term, the contract will renew automatically under the same terms and conditions unless either party provides notice to the other party 60 days in advance of the renewal date stating that the party wishes to discuss modification of terms or not renew. Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

**3. Product and Service Offerings**

**A. Products**

Products available under this Contract are limited to Law Enforcement, Surveillance and Security Monitoring, Emergency Preparedness, Disaster Recovery Technology Products and Services as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their product offering; however, any changes must be within the scope of products awarded based on the posting described in Section 1.B above. Vendor may not add a manufacturer's product line which was not included in the Vendor's response to the solicitation described in Section 1.B above.

**B. Services**

Services available under this Contract are limited to insert Law Enforcement, Surveillance and Security Monitoring, Emergency Preparedness, Disaster Recovery Technology Products and Services as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their services offering; however, any changes must be within the scope of the RFO and services awarded based on the posting described in Section 1.B above. Vendor may not add services which were not included in the Vendor's response to the solicitation described in Section 1.B above.

**4. Pricing**

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee.

**5. DIR Administrative Fee**

**A.** The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is three-quarters of one percent (0.75%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000.00 shall be \$750.

**B.** All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated in the price to the Customer.

**6. Notification**

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Hershel Becker or Successor in Office  
Department of Information Resources  
300 W. 15<sup>th</sup> St., Suite 1300  
Austin, Texas 78701  
Phone: (512) 475-4700

If sent to the Vendor:

Shaun Castillo  
Preferred Technologies, LLC  
1414 Wedgewood Street, Houston, TX 77093  
Phone: (832) 453-0046  
Email: shauncastillo@pref-tech.com

## 7. Software License and Service Agreement Template

### A. Shrink/Click-wrap License Agreement

Regardless of any other provision or other license terms which may be issued by Vendor after the effective date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of a Purchase Order for products licensed under this Contract, or the fact that such other agreement may be affixed to or accompany software upon delivery (shrink-wrap), the terms and conditions set forth in this Contract shall supersede and govern the license terms between Customers and Vendor. **It is the Customer's responsibility to read the Shrink/Click-wrap License Agreement and determine if the Customer accepts the license terms as amended by this Contract. If the Customer does not agree with the license terms, Customer shall be responsible for negotiating with the reseller to obtain additional changes in the Shrink/Click-wrap License Agreement language from the software publisher.**

### B. Service Agreement Template

Services provided under this Contract shall be in accordance with the Service Agreement/Service Agreement Template as set forth in Appendix D of this Contract. No changes to the Service Agreement terms and conditions may be made unless previously agreed to by Vendor and Customer. If utilizing the Service Agreement Template, the Vendor and Customer may agree to terms and conditions that do not diminish or lessen the rights or protections of the Customer or the responsibilities or liabilities of the Vendor.

### C. Conflicting or Additional Terms

1. In the event that conflicting or additional terms in Vendor Software License Agreements, Shrink/Click Wrap License Agreements, Service Agreements or linked or supplemental documents amend or diminish the rights of DIR Customers or the State, such conflicting or additional terms shall not take precedence over the terms of this Contract.
2. In the event of a conflict, any linked documents may not take precedence over the printed or referenced documents comprising this contract; provided further that any update to such linked documents shall only apply to purchases or leases of the associated Vendor product or service offering after the effective date of the update; and, provided further, that, if Vendor has responded to a solicitation or request for pricing, no update of such linked documents on or after the initial date of Vendor's initial response shall apply to that purchase unless Vendor directly informs Customer of the update before the purchase is consummated.

3. In the event that different or additional terms or conditions would otherwise result from accessing a linked document, agreement to said linked document shall not be effective until reviewed and approved in writing by Customer's authorized signatory.
  4. Vendor shall not [without prior written agreement from Customer's authorized signatory,] require any document that: 1) diminishes the rights, benefits, or protections of the Customer, or that alters the definitions, measurements, or method for determining any authorized rights, benefits, or protections of the Customer; or 2) imposes additional costs, burdens, or obligations upon Customer, or that alters the definitions, measurements, or method for determining any authorized costs, burdens, or obligations upon Customer.
  5. If Vendor attempts to do any of the foregoing, the prohibited documents will be void and inapplicable to the contract between DIR and Vendor or Vendor and Customer, and Vendor will nonetheless be obligated to perform the contract without regard to the prohibited documents, unless Customer elects instead to terminate the contract, which in such case may be identified as a termination for cause against Vendor.
  6. The foregoing requirements apply to all contracts, including, but not limited to, contracts between Customer and a reseller who attempts to pass through documents and obligations from its Manufacturer or Publisher.
- 8. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.**

No exceptions have been agreed to by DIR and Vendor.

(Remainder of this page intentionally left blank.)



This Contract is executed to be effective as of the date of last signature.

**Preferred Technologies, LLC**

**Authorized By:** Signature on file

**Name:** Shaun Castillo

**Title:** President

**Date:** 2/10/2021

**The State of Texas, acting by and through the Department of Information Resources**

**Authorized By:** Signature on file

**Name:** Hershel Becker

**Title:** Chief Procurement Officer

**Date:** 2/18/2021

**Office of General Counsel:** Signature on file 2/18/2021