

AN ORDINANCE 2008-09-18-0801

AUTHORIZING A CONTRACT WITH THE STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR) FOR THE PURCHASE OF APPLE COMPUTERS, SERVERS, SOFTWARE AND MAINTENANCE FOR THE CITY OF SAN ANTONIO INFORMATION TECHNOLOGY SERVICES DEPARTMENT (ITSD), FOR AN ANNUAL ESTIMATED COST OF \$1,470,000.00.

* * * * *

WHEREAS, ITSD has been evaluating Apple, Inc. products as an option for City employees familiar with Apple's computers, operating system and software; and

WHEREAS, ITSD is currently deploying Apple products in a pilot program and desires to develop a more comprehensive rollout in 2009; and

WHEREAS, it is necessary to procure Apple, Inc. products for this rollout, which are available through the State of Texas Department of Information Resources contract DIR-SDD-191; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

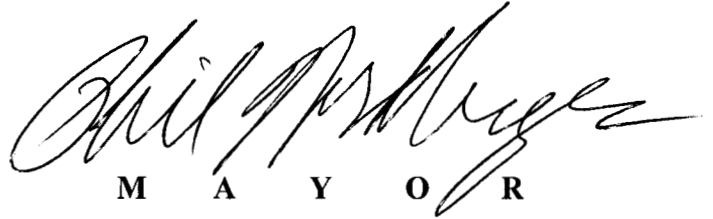
SECTION 1. The offer of Apple, Inc., under the State of Texas Department of Information Resources contract DIR-SDD-191, in the amount of \$1,470,000.00 to provide the City of San Antonio with Apple computers, servers, software and maintenance, is hereby approved. A copy of the Texas Department of Information Resources Contract with Apple, Inc., quotation, and the bid tabulation are attached hereto and incorporated herein as **Attachment 1**.

SECTION 2. The amounts will be encumbered upon issuance of a purchase order, and payment is authorized to various vendors. Contract will be funded through the PC Replacement Fund, various departmental Capital Outlay funds and ITSD's operating fund. All expenditures will comply with the limits of the FY 2008 budget as approved by City Council. The annual estimated cost of this contract is \$1,470,000.00.

SECTION 3. The financial allocations in this ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director, may subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific cost centers and fund numbers as necessary to carry out the purpose of this ordinance.

SECTION 4. This Ordinance shall be effective on the tenth day after passage.

PASSED AND APPROVED this 18th day of September, 2008.



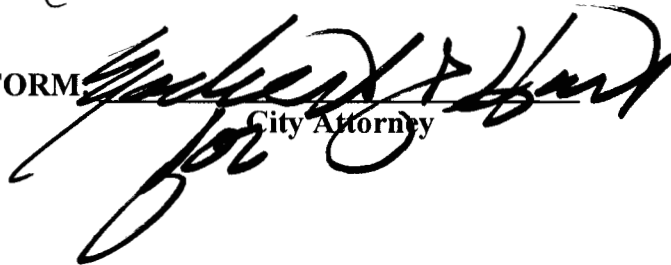
M A Y O R

PHIL HARDBERGER

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 10

Name:	5, 6, 7, 8, 10, 12, 13, 14, 20, 23, 24, 25, 26, 27, 28, 29, 31A, 31B, 32, 33, 34A, 34B, 36A, 36B, 38, 43, 44, 45A, 45B, 45C, 45D, 45E, 45F, 45G
Date:	09/18/2008
Time:	09:23:29 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing a contract with the State of Texas Department of Information Resources (DIR) for the purchase of Apple computers, servers, software and maintenance for the City of San Antonio Information Technology Services Department (ITSD), for an annual estimated cost of \$1,470,000.00. [Sharon De La Garza, Assistant City Manager; Janie Cantu, Director, Purchasing & Contract Services]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1		x				
Sheila D. McNeil	District 2		x				
Jennifer V. Ramos	District 3		x				
Philip A. Cortez	District 4		x				x
Lourdes Galvan	District 5		x				
Delicia Herrera	District 6		x				
Justin Rodriguez	District 7		x				
Diane G. Cibrian	District 8		x				
Louis E. Rowe	District 9		x			x	
John G. Clamp	District 10		x				

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES

CONTRACT FOR PRODUCTS AND RELATED SERVICES

Apple Computer, Inc.

1. Introduction

A. Parties

This Contract for products and related 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 15th Street, Suite 1300, Austin, Texas 78701, and Apple Computer, Inc. (hereinafter "Vendor"), with its principal place of business at 1 Infinite Loop, Cupertino, California 95014.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a posting on the Texas Building and Procurement Commission's Electronic State Business Daily, posting number DIR-BUSOP-TMP-008, on April 21, 2004, for Manufactured Computer Equipment, Peripherals & Related Services.

C. Order of Precedence

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, Discount from Education or Government Price List; and finally Appendix D, Apple's Response to posting number DIR-BUSOP-TMP-008 are incorporated by reference and constitute the entire agreement between DIR and Vendor. In the event of a conflict between the documents listed in this paragraph, the controlling document shall be this Contract, then Appendix A, then Appendix B, Appendix C and finally Appendix D.

2. Product and Service Offerings

A. Products

Products available under this Contract are limited to Apple branded products. However, upon mutual agreement, Contract may be amended to include third party products as listed in Vendor's response to Electronic State Business Daily, posting number DIR-BUSOP-TMP-008, Appendix D hereto. 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.

B. Services

Services available under this Contract are limited to warranty, support services as defined in Section 4 of Appendix A, installation and product training. Upon DIR's agreement, Vendor may incorporate changes to their service offerings as listed in Appendix D; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above.

Vendor Contract No. _____

3. Customer Discount

The Customer discount to be used in the calculation of the Customer Price as specified in Section 7 of Appendix A is set forth in Appendix C.

4. DIR Administrative Fee

The administrative fee to be paid by the Vendor to DIR is based on the dollar value of all sales to Customers pursuant to this Contract is one percent (1%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$1,000.

5. Notification

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

If sent to the State:

Sherri Parks, Service Delivery Division
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700
Facsimile: (512) 475-4759
Email: sherri.parks@dir.state.tx.us

If sent to the Vendor:

Stephen Glaros
Apple Computer, Inc.
1 Infinite Loop, Mail Stop 38-4CM
Cupertino, CA 95014
Phone: (408) 974 -0756
Facsimile: (408) 974 -0756
Email: sglaros@apple.com

6. Authorized Exceptions to Terms and Conditions.

a. Section 4.E, Manufacturer's Suggested Retail Price (MSRP), is restated as follows:
Manufacturer's Suggested Retail Price (MSRP) - Vendor's then published Education or Government Price List.

b. Section 4.I, Support Services, is added.

Support Services refers to a technical support help desk that customers can access through telephone or electronically for assistance on technical difficulties with hardware or software procured through the Contract

Section 7.A, Customer Price is restated as follows:

The price to the Customer for products and services is based on MSRP and includes the Customer discount specified in Appendix C of the Contract and the DIR administrative fee specified in Section 4 of the Contract. The price to the Customer shall be calculated as follows:

$$\text{Customer Price} = \text{MSRP} - \text{Customer Discount.}$$

Section 8.B, Use of Order Fulfillers, is restated as follows:

Vendor is not utilizing designated Order Fulfillers to provide service, sales, and support resources to Customers. All references to "Order fulfiller" or "Order Fulfillers" shall mean "Vendor". Should Vendor desire to utilize designated Order Fulfillers, an amendment shall be made to this Contract in accordance with Section 5.B of Appendix A.

Section 8.H, Trade Show Participation is deleted in its entirety and replaced with the following:

Section 8.H, Contract Promotion and Marketing

✓

Vendor Contract No. _____

1) Upon thirty (30) calendar days from execution of the Contract, Vendor shall develop and submit to the State Contract Administrator an annual detailed plan for promoting and marketing the Contract to DIR Customers. DIR reserves the right to require a change of Vendor's plan if, in the opinion of DIR, it does not adequately promote the Contract. Thirty (30) days prior to the anniversary of the effective date of the Contract, Vendor shall submit an updated plan to the State Contract Administrator.

2) At DIR's discretion, Vendor and Order Fulfillers may be required to incorporate one or more DIR sponsored trade shows into the plan. Vendor understands and agrees that participation, at the Vendor's and Order Fulfiller's expense includes providing a staffed booth display or similar presence. DIR will provide four months advance notice of any required participation.

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

Apple Computer, Inc.

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

Authorized By: Signature on File

Authorized By: Signature on File

Name: Stephen Glaros

Name: Edward Serina

Title: Senior Contracts Program Manager

Title: Director of Service Delivery

Date: 12/07/04

Date: 12/15/04

Legal: CJHK 12/14/04

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

Table of Contents

1.	Contract Scope	1
2.	Term	1
3.	No Quantity Guarantees.....	1
4.	Definitions.....	1
5.	General Provisions	1
	A. Entire Agreement	1
	B. Modification of Contract Terms and/or Amendments.....	2
	C. Invalid Term or Condition	2
	D. Assignment	2
	E. Survival.....	2
	F. Choice of Law.....	2
6.	Product Terms and Conditions	2
	A. Technology Access Clause, As Required By §2157.005, Texas Government Code (Applicable to State Agency Purchases Only)	2
	B. Commodity Software (Applicable to State Agency Purchases Only)	3
7.	Pricing.....	3
	A. Customer Price.....	3
	B. Customer Discount.....	3
	C. DIR Administrative Fee.....	4
	D. Shipping and Handling Fees	4
	E. Tax-Exempt.....	4
	F. Travel Expense Reimbursement	4
	G. Changes to Prices	4
8.	Contract Fulfillment and Promotion	4
	A. Service, Sales and Support of the Contract.....	4
	B. Use of Order Fulfillers	5
	1) Designation of Order Fulfillers	5
	2) Changes in Order Fulfiller List	5
	3) Conditions of Order Fulfiller Participation.....	5
	4) Order Fulfiller Pricing to Customer.....	5
	C. Product Warranty and Return Policies	6
	D. Customer Site Preparation	6
	E. Internet Access to Contract and Pricing Information	6
	1) Vendor Website	6
	2) Accurate and Timely Contract Information.....	6
	3) Website Compliance Checks	6

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

4) Website Changes.....	6
5) Use of Access Data Prohibited	6
6) Responsibility for Content	7
F. DIR Logo	7
G. Vendor and Order Fulfiller Logo	7
H. Trade Show Participation.....	7
I. Orientation Meeting.....	7
J. Performance Review Meetings.....	8
K. DIR Cost Avoidance.....	8
9. Purchase Orders, Invoices, and Payments	8
A. Purchase Orders	8
B. Invoices.....	8
C. Payments.....	8
10. Software License and Service Agreements.....	8
A. Software License Agreement.....	8
B. Shrink/Click-wrap License Agreement.....	9
C. Service Agreement.....	9
11. Contract Administration.....	9
A. Contract Administrators.....	9
1) State Contract Administrator	9
2) Vendor Contract Administrator	9
B. Reporting and Administrative Fees	9
1) Reporting Responsibility	9
2) Detailed Monthly Report	10
3) Historically Underutilized Businesses Subcontract Reports.....	10
4) DIR Administrative Fee.....	10
5) Accurate and Timely Submission of Reports	10
C. Records and Audit.....	11
D. Contract Administration Notification	12
12. Vendor Responsibilities.....	12
A. Indemnification	12
1) Acts or Omissions.....	12
2) Infringements.....	12
B. Vendor Certifications.....	13
C. Ability to Conduct Business in Texas.....	13
D. Equal Opportunity Compliance	13
E. Use of Subcontractors.....	14
F. Responsibility for Actions	14
G. Confidentiality	14
H. Security of Premises, Equipment, Data and Personnel.....	14
I. Background and/or Criminal History Investigation.....	14

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

13. Contract Enforcement	15
A. Enforcement of Contract and Dispute Resolution	15
B. Termination.....	15
1) Termination for Non-Appropriation	15
2) Termination for Convenience	15
3) Termination for Cause	15
a) Contract.....	15
b) Purchase Order.....	15
4) Customer Rights Under Termination.....	15
5) Vendor or Order Fulfiler Rights Under Termination.....	15
C. Force Majeure	16
14. Notification	16
A. Notices	16
B. Handling of Written Complaints.....	16
15. Captions	16

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

The following terms and conditions shall govern the conduct of DIR and Vendor during the term of the Contract.

1. Contract Scope

The Vendor shall provide the products and related services specified in Section 2 of the Contract for purchase by Customers. In addition, DIR and Vendor may agree to provisions that allow Vendor and/or Order Fulfiller to lease the products offered under the Contract. Terms used in this document shall have the meanings set forth below in Section 4.

2. Term

The term of the Contract shall be one (1) year commencing on the last date of approval by DIR and Vendor. Prior to expiration of the original term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to three (3) optional one-year terms.

3. No Quantity Guarantees

The Contract is not exclusive to the Vendor. Customers may obtain products and related services from other sources during the term of the Contract. DIR makes no express or implied warranties whatsoever that any particular quantity or dollar amount of products and related services will be procured through the Contract.

4. Definitions

- A. Customer** - any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code.
- B. Contract** - the document executed between DIR and Vendor into which this Appendix A is incorporated.
- C. Day** - shall mean business days, Monday through Friday, except for State and Federal holidays. If the Contract calls for performance on a day that is not a business day, then performance is intended to occur on the next business day.
- D. Order Fulfiller** - the party, either Vendor or a party that may be designated by Vendor, who is fulfilling a Purchase Order pursuant to the Contract.
- E. Manufacturer's Suggested Retail Price (MSRP)** - the product sales price suggested by the manufacturer or publisher of a product.
- F. Purchase Order** - the Customer's fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).
- G. State** - refers to the State of Texas.
- H. TBPC** - refers to the Texas Building and Procurement Commission.

5. General Provisions

A. Entire Agreement

The Contract and its Appendices constitute the entire agreement between DIR and the Vendor. No statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained in the

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

Contract or its Appendices shall be binding or valid.

B. Modification of Contract Terms and/or Amendments

1) The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor.

2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Filler may be added in a Purchase Order and given effect. No additional term or condition of a Purchase Order issued by a Customer can weaken a term or condition of the Contract. In the event of a conflict between a Customer's Purchase Order and the Contract, the Contract term shall control.

C. Invalid Term or Condition

If any term or condition of the Contract shall be held invalid or unenforceable, the remainder of the Contract shall not be affected and shall be valid and enforceable.

D. Assignment

DIR or Vendor may assign the Contract without prior written approval to: i) a successor in interest, or ii) a subsidiary, parent company or affiliate, or iii) as necessary to satisfy a regulatory requirement imposed upon a party by a governing body with the appropriate authority. Assignment of the Contract under the above terms shall require written notification by the assigning party. Any other assignment by a party shall require the written consent of the other party. Each party agrees to cooperate to amend the Contract as necessary to maintain an accurate record of the contracting parties.

E. Survival

All applicable software license agreements, warranties or service agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the termination of the Contract. All Purchase Orders issued and accepted by Order Filler shall survive termination of the Contract.

F. Choice of Law

The laws of the State of Texas shall govern the construction and interpretation of the Contract. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

6. Product Terms and Conditions

**A. Technology Access Clause, As Required By §2157.005, Texas Government Code
(Applicable to State Agency Purchases Only)**

Vendor expressly acknowledges and agrees that State funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, the Vendor represents and warrants to DIR and each Customer purchasing products under the Contract that the technology provided hereunder

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology of: (i) providing equivalent access for effective use by both visual and non-visual means, (ii) presenting information, including prompts used for interactive communications, in formats intended for both visual and non-visual use, and (iii) being integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired. For the purposes of this section, the phrase "equivalent access means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services that would constitute reasonable accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples, of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical display and customizable display appearance.

B. Commodity Software (Applicable to State Agency Purchases Only)

Texas Government Code, §2157.068 requires State agencies to buy commodity software in accordance with contracts developed by DIR, unless the agency obtains a waiver from DIR. Vendor agrees to coordinate all State agency commodity software sales through existing DIR contracts. Vendor represents it will not license through a signed or unsigned license agreement, volume licensing agreement or a Purchase Order confirmation, any commodity software to State agencies unless the agency is able to provide a DIR granted waiver stating that the State agency is able to purchase the commodity software outside the DIR Commodity Software contracts. Institutions of higher education are exempt from this Section.

7. Pricing

A. Customer Price

The price to the Customer for products and services is based on MSRP and includes the Customer discount specified in Section 3 of the Contract and the DIR administrative fee specified in Section 4 of the Contract. The price to the Customer shall be calculated as follows:

$$\text{Customer Price} = (\text{MSRP} - \text{Customer Discount}) + \text{DIR Administrative Fee.}$$

B. Customer Discount

1) The minimum Customer discount for all products and services will be the percentage off MSRP specified in Section 3 of the Contract. Customers purchasing products and services under the Contract may negotiate more advantageous pricing or participate in special promotional offers. In such event, a copy of such better offerings shall be furnished to DIR upon request.

2) If pricing for products or services available under the Contract is provided at a higher discount to: (i) an eligible Customer who is not purchasing those products or services under the Contract or (ii) any other entity or consortia authorized by Texas law to sell said products and services to eligible Customers, then the available discounts in the Contract shall be adjusted to that higher discount. The Contract shall

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

be amended in accordance with Section 5.B.1 above within ten (10) days to reflect the higher discounts.

C. DIR Administrative Fee

The administrative fee specified in Section 4 of the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

D. Shipping and Handling Fees

The price to the Customer under the Contract shall include all shipping and handling fees. Shipments will be Free On Board Customer's destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited delivery, Customer will be responsible for any charges for expedited delivery.

E. Tax-Exempt

As per Section 151.309, Texas Tax Code, Customers under the Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under the Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j).

F. Travel Expense Reimbursement

Pricing for services provided under the Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the amount of reimbursement by Customers shall not exceed the amounts authorized by the current State Travel Regulations. Travel time may not be included as part of the amounts payable by Customer for any services rendered under the Contract. The DIR administrative fee specified in Section 4 of the Contract is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer.

G. Changes to Prices

Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in Section 3 of the Contract. Price decreases shall take effect automatically during the Contract term and shall be passed onto the Customer immediately.

8. Contract Fulfillment and Promotion

A. Service, Sales and Support of the Contract

Vendor shall provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote products and services available under the Contract. Vendor shall use its best efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for products and services available under the Contract shall be processed through the Contract.

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

B. Use of Order Fulfillers

DIR agrees to permit Vendor to utilize designated Order Fulfillers to provide service, sales and support resources to Customers. Such participation is subject to the following conditions:

1) Designation of Order Fulfillers

- a) Vendor may designate Order Fulfillers to act as the distributors for products and services available under the Contract. In designating Order Fulfillers, Vendor must be in compliance with the DIR Policy on Utilization of Historically Underutilized Businesses. In addition to the required Subcontracting Plan, Vendor shall provide DIR with the following Order Fulfiller information: Order Fulfiller name, Order Fulfiller business address, Order Fulfiller TBPC Identification Number, Order Fulfiller contact person email address and phone number.
- b) DIR reserves the right to require the Vendor to rescind any such Order Fulfiller participation or request that Vendor name additional Order Fulfillers should DIR determine it is in the best interest of the State.
- c) Vendor shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of the Contract. Vendor shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of the Contract.
- d) Vendor shall have the right to qualify Order Fulfillers and their participation under the Contract provided that: i) any criteria is uniformly applied to all potential Order Fulfillers based upon Vendor's established, neutrally applied criteria, ii) the criteria is not based on a particular procurement, and iii) all Customers are supported under the different criteria.
- e) Vendor shall not prohibit Order Fulfiller from participating in other procurement opportunities offered through DIR.

2) Changes in Order Fulfiller List

Vendor may add or delete Order Fulfillers throughout the term of the Contract upon written authorization by DIR. Prior to adding or deleting Order Fulfillers, Vendor must make a good faith effort in the revision of its Subcontracting Plan in accordance with the DIR Policy on Utilization of Historically Underutilized Businesses. Vendor shall provide DIR with its updated Subcontracting Plan and the Order Fulfiller information listed in Section 8.B.1.a above.

3) Conditions of Order Fulfiller Participation

All participating Order Fulfillers must be approved Catalog Information Systems Vendors with the State of Texas. DIR and Vendor will agree on the number of Order Fulfillers that are Historically Underutilized Businesses as defined by the TBPC.

4) Order Fulfiller Pricing to Customer

Order Fulfiller pricing to the Customer shall be the pricing that is specified in Section 7 above. This pricing shall only be offered by Order Fulfillers to Customers for sales that pass through the Contract.

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

C. Product Warranty and Return Policies

Order Fulfiller will adhere to the Vendor's then-currently published policies concerning product warranties and returns. Product warranty and return policies for Customers will not be more restrictive or more costly than warranty and return policies for other similarly situated Customers for like products.

D. Customer Site Preparation

Customers shall prepare and maintain its site in accordance with written instructions furnished by Order Fulfiller prior to the scheduled delivery date of any product or service and shall bear the costs associated with the site preparation.

E. Internet Access to Contract and Pricing Information

1) Vendor Website

Vendor will maintain a website specific to the product and service offerings under the Contract which is clearly distinguishable from other, non-DIR Contract offerings at Vendor's website. The website must include: the product and services offered, product and service specifications, Contract pricing, designated Order Fulfillers, contact information for Vendor and designated Order Fulfillers, instructions for obtaining quotes and placing Purchase Orders, and warranty and return policies. The Vendor's website shall list the DIR Contract number, reference the DIR Go DIRECT program, display the DIR logo in accordance with the requirements in paragraph F of this Section, and contain a link to the DIR website for the Contract.

2) Accurate and Timely Contract Information

Vendor warrants and represents that the website information specified in the above paragraph will be accurately and completely posted, maintained and displayed in an objective and timely manner. Vendor, at its own expense, shall correct any non-conforming or inaccurate information posted at Vendor's website within ten (10) business days after written notification by DIR.

3) Website Compliance Checks

Periodic compliance checks of the information posted for the Contract on Vendor's website will be conducted by DIR. Upon request by DIR, Vendor shall provide verifiable documentation that pricing listed upon this website is uniform with the pricing as stated in Section 7 above.

4) Website Changes

Vendor hereby consents to a link from the DIR website to Vendor's website in order to facilitate access to Contract information. The establishment of the link is provided solely for convenience in carrying out the business operations of the State. DIR reserves the right to terminate or remove a link at any time, in its sole discretion, without advance notice, or to deny a future request for a link. DIR will provide Vendor with subsequent notice of link termination or removal. Vendor shall provide DIR with timely written notice of any change in URL or other information needed to access the site and/or maintain the link.

5) Use of Access Data Prohibited

If Vendor stores, collects or maintains data electronically as a condition of accessing Contract information, such data shall only be used internally by Vendor for the

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

purpose of implementing or marketing the Contract, and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under the laws of the State and Vendor shall not restrict access to Contract terms and conditions including pricing, i.e., through use of restrictive technology or passwords.

6) Responsibility for Content

Vendor is solely responsible for administration, content, intellectual property rights, and all materials at Vendor's website. DIR reserves the right to require a change of listed content if, in the opinion of DIR, it does not adequately represent the Contract.

F. DIR Logo

Order Fulfiller may use the DIR logo in the promotion of the Contract to Customers with the following stipulations: (i) the logo may not be modified in any way, (ii) when displayed, the size of the DIR logo must be equal to or smaller than the Order Fulfiller logo, (iii) the DIR logo is only used to communicate the availability of products and services under the Contract to Customers, and (iv) any other use of the DIR logo requires prior written permission from DIR.

G. Vendor and Order Fulfiller Logo

DIR may use the Vendor's and Order Fulfiller's name and logo in the promotion of the Contract to communicate the availability of products and services under the Contract to Customers. Use of the logos may be on the DIR website or on printed materials. Any use of Vendor's and Order Fulfiller's logo by DIR must comply with and be solely related to the purposes of the Contract and any usage guidelines communicated to DIR from time to time. Nothing contained in the Contract will give DIR any right, title, or interest in or to Vendor's or Order Fulfiller's trademarks or the goodwill associated therewith, except for the limited usage rights expressly provided by Vendor and Order Fulfiller.

H. Trade Show Participation

Vendor understands and agrees that, at the Vendor's expense, it shall participate by providing a manned booth display or similar presence at no less than two (2) trade shows or similar functions sponsored by DIR Business Operations Division each calendar year. Order Fulfillers, at the Order Fulfiller's expense, may also be required to provide a manned booth display or similar presence at no less than two (2) trade shows or similar functions sponsored by DIR Business Operations Division each calendar year. Vendor and Order Fulfillers must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's or Order Fulfiller's booth.

I. Orientation Meeting

Upon thirty (30) calendar days from execution of the Contract, Vendor and Order Fulfillers will be required to attend an orientation meeting to discuss the content and procedures of the Contract. The meeting will be held within the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor. DIR shall bear no cost for the time and travel of the Vendor or Order Fulfillers for attendance at the meeting.

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

J. Performance Review Meetings

DIR will require the Vendor to attend periodic meetings to review the Vendor's performance under the Contract. The meetings will be held within the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor. DIR shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

K. DIR Cost Avoidance

As part of the performance measures reported to state leadership, DIR must provide the cost avoidance the State has achieved through the Contract. Upon request by DIR, Vendor shall provide DIR with a detailed report of a representative sample of products sold under the Contract. The report shall contain: product part number, product description, list price, price to Customer under the Contract, and pricing from three (3) alternative sources under which DIR customers can procure the products.

9. Purchase Orders, Invoices, and Payments

A. Purchase Orders

All Customer Purchase Orders will be placed directly with the Order Fulfiller. Accurate Purchase Orders shall be effective and binding upon Order Fulfiller when accepted by Order Fulfiller.

B. Invoices

1) Invoices shall be submitted by the Order Fulfiller directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for products and/or services purchased under the Contract and any provision of acceptance of such products and/or services shall be made by the Customer to the Order Fulfiller.

2) Invoices must be timely and accurate. Each invoice must match Customer's Purchase Order and include any written changes that may apply, as it relates to products, prices and quantities. Invoices must include the Customer's Purchase Order number or other pertinent information for verification of receipt of the product or services by the Customer.

C. Payments

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Order Fulfiller. Payment under the Contract shall not foreclose the right to recover wrongful payments.

10. Software License and Service Agreements

A. Software License Agreement

1) Customers acquiring software licenses under the Contract shall hold, use and operate such software subject to compliance with the Software License Agreement set forth in Appendix C of the Contract. No changes to the Software License Agreement terms and conditions may be made unless previously agreed to between Vendor and DIR. Customers may not add, delete or alter any of the language in Appendix C. Order Fulfiller shall make the Software License Agreement terms and conditions

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

available to all Customers at all times.

2) Compliance with the Software License Agreement is the responsibility of the Customer. DIR shall not be responsible for any Customer's compliance with the Software License Agreement. If DIR purchases software licenses for its own use under the Contract, it shall be responsible for its compliance with the Software License Agreement terms and conditions.

B. 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 the 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 the 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 the Contract shall supersede and govern the license terms between Customers and Vendor.

C. Service Agreement

Services provided under the Contract shall be in accordance with the Service Agreement as set forth in Appendix D of the Contract. No changes to the Service Agreement terms and conditions may be made unless previously agreed to by Vendor and DIR.

11. Contract Administration

A. Contract Administrators

DIR and the Vendor will each provide a Contract Administrator to support the Contract. Information regarding the Contract Administrators will be posted on the Internet website designated for the Contract.

1) State Contract Administrator

DIR shall provide a Contract Administrator whose duties shall include but not be limited to: i) supporting the marketing and management of the Contract, ii) advising DIR of Vendor's performance under the terms and conditions of the Contract, and iii) periodic verification of product pricing and monthly reports submitted by Vendor.

2) Vendor Contract Administrator

Vendor shall provide a dedicated Contract Administrator whose duties shall include but not be limited to: i) supporting the marketing and management of the Contract, ii) facilitating dispute resolution between a Order Fulfiller and a Customer, and iii) advising DIR of Order Fulfillers performance under the terms and conditions of the Contract. DIR reserves the right to require a change in Vendor's then-current Contract Administrator if the assigned Contract Administrator is not, in the opinion of DIR, adequately serving the needs of the State.

B. Reporting and Administrative Fees

1) Reporting Responsibility

a) Vendor shall be responsible for reporting all products and services purchased through Order Fulfillers under the Contract. Vendor shall file the monthly reports, subcontract reports, and pay the administrative fees in accordance with the due

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

dates specified in this section.

b) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this section, including but not limited to, compliance checks of Vendor's applicable Contract books.

2) Detailed Monthly Report

Vendor shall electronically provide DIR with a detailed monthly report in the format required by DIR showing the dollar volume of any and all sales under the Contract for the previous month period. Reports shall be submitted to the DIR Go DIRect Coordinator. Reports are due on the fifteenth (15th) day after the close of the previous month period. It is the responsibility of Vendor to collect and compile all sales under the Contract from participating Order Fulfillers and submit one (1) monthly report. The monthly report shall include, per transaction: the detailed sales for the period, the Order Fulfiler's company name, if applicable, Customer name, invoice date, invoice number, description, part number, manufacturer, quantity, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Vendor for correction in accordance with this section.

3) Historically Underutilized Businesses Subcontract Reports

a) Vendor shall electronically provide each Customer with their relevant Historically Underutilized Business Subcontracting Report, pursuant to the Contract, as required by Chapter 2161, Texas Government Code. Reports shall also be submitted to DIR.

b) Reports shall be due in accordance with the TBPC rules.

4) DIR Administrative Fee

a) An administrative fee shall be paid by Vendor to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The administrative fee is specified in Section 4 of the Contract. Payment of the administrative fee shall be due on the fifteenth (15th) day after the close of the previous month period.

b) All prices quoted to Customers by Order Fulfiler shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of the Contract, upon written notice to Vendor. Any change in the administrative fee shall be incorporated in the price to the Customer.

5) Accurate and Timely Submission of Reports

a) The reports and administrative fees shall be accurate and submitted in accordance with the due dates specified in this section. Vendor shall correct any inaccurate reports or administrative fee payments within three (3) business days upon written notification by DIR. If Vendor is unable to correct inaccurate reports or administrative fee payments within three (3) business days, Vendor must contact DIR and provide a corrective plan of action, including the timeline for completion of correction. The corrective plan of action shall be subject to DIR approval.

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

b) Should Vendor fail to correct inaccurate reports within the corrective plan of action timeline, DIR reserves the right to require an independent third party audit of the Vendor's records as specified in C.3 of this Section, at the Vendor's expense.

C. Records and Audit

1) Acceptance of funds under the Contract by Vendor and/or Order Fulfiller acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Vendor further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor or directly by Order Fulfillers and the requirement to cooperate is included in any subcontract or Order Fulfiller contract it awards pertaining to the Contract.

2) Vendor and Order Fulfillers shall maintain adequate records to establish compliance with the Contract until the later of a period of four (4) years after termination of the Contract or until full, final and unappealable resolution of all Compliance Check or litigation issues that arise under the Contract. Such records shall include per transaction: the Order Fulfiller's company name if applicable, Customer name, invoice date, invoice number, description, part number, manufacturer, quantity, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the calculations supporting each administrative fee owed DIR under the Contract, Historically Underutilized Businesses Subcontracting reports, and such other documentation as DIR may request.

3) Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of the Contract to DIR, including the compliance checks designated by DIR, the State Auditor's Office and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to DIR staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance Check.

4) For procuring State Agencies whose payments are processed by the Texas Comptroller of Public Accounts, the volume of payments made to Order Fulfillers through the Texas Comptroller of Public Accounts and the administrative fee based thereon shall be presumed correct unless Vendor can demonstrate to DIR's

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

satisfaction that Vendor's calculation of DIR's administrative fee is correct.

D. Contract Administration Notification

1) Upon execution of the Contract, Vendor shall provide DIR with written notification of the following: i) Vendor Contract Administrator name and contact information, ii) Vendor sales representative name and contact information, and iii) name and contact information of Vendor personnel responsible for submitting reports and payment of administrative fees specified in Section 4 of this section.

2) Upon execution of the Contract, DIR shall provide Vendor with written notification of the following: i) DIR Contract Administrator name and contact information, and ii) DIR Go DIRect Coordinator name and contact information.

12. Vendor Responsibilities

A. Indemnification

1) Acts or Omissions

Vendor shall defend, indemnify and hold harmless the State of Texas, its officers, agents, and employees from and against all claims, actions, suits, demands, proceeding, costs, damages and liabilities, including attorneys fees, arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract.

2) Infringements

a) Vendor shall defend, indemnify and hold harmless the State of Texas, its officers, agents and employees, from any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the use of any product or service supplied under the Contract. Vendor agrees to defend against any and all third party claims at Vendor's expense, whether or not such claims become the subject of litigation provided the Customer: (i) notifies Vendor promptly in writing of such claim, (ii) grants Vendor control over the defense and settlement thereof, and (iii) reasonably cooperates in response to Vendor's requests for assistance. DIR will provide reasonable assistance in the defense of such claims if so requested by the Vendor. Vendor agrees to coordinate defense with the Texas Office of Attorney General, as may be requested by DIR.

b) Vendor shall have no liability if the alleged infringement is caused in whole or part by: (i) use of the product or service in combination with product or services not provided under the Contract, (ii) use of the product or service for a purpose or in a manner for which the product or service was not designed, (iii) any modification made to the product without Vendor's written approval, (iv) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (v) any intellectual property right owned by or licensed to Customer, or (vi) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

B. Vendor Certifications

Vendor certifies that it and its designated Order Fulfillers: (i) have not given, offered to give, and do not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Contract, (ii) are not currently delinquent in the payment of any franchise tax owed the State of Texas and are not ineligible to receive payment under §231.006 of the Texas Family Code and acknowledge the Contract may be terminated and payment withheld if this certification is inaccurate, (iii) neither they, nor anyone acting for them, have violated the antitrust laws of the United States or the State of Texas, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage, (iv) have not received payment from DIR or any of its employees for participating in the preparation of the Contract, (v) are not ineligible to receive the Contract under § 2155.004, Texas Government Code, (vi) are in compliance with §618.003, Texas Government Code, (vii) will comply with §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of the Contract, and (viii) to the best of their knowledge and belief, there are no suits or proceedings pending or threatened against or affecting them, which if determined adversely to them will have a material adverse effect on the ability to fulfill their obligations under the Contract.

C. Ability to Conduct Business in Texas

Order Fulfiller shall be an entity authorized and validly existing under the laws of its state of organization, and shall be authorized to do business in the State of Texas. Order Fulfiller shall be a "Catalog Information Systems Vendor" approved by TBPC. All products and services offered to Customers under the Contract are listed in Order Fulfiller's catalog on file with TBPC.

D. Equal Opportunity Compliance

Vendor agrees to abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal laws and the laws of the State in which its primary place of business is located. In accordance with such laws, regulations, and executive orders, the Vendor agrees that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, age, veteran status or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed by Vendor under the Contract. If Vendor is found to be not in compliance with these requirements during the term of the Contract, Vendor agrees to take appropriate steps to correct these deficiencies. Upon request, Vendor will furnish information regarding its nondiscriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

women in management or other positions with discretionary or decision-making authority.

E. Use of Subcontractors

If Vendor uses any subcontractors in the performance of this Contract, Vendor must make a good faith effort in the submission of its Subcontracting Plan in accordance with the DIR Policy on Utilization of Historically Underutilized Businesses. A revised Subcontracting Plan shall be required before Vendor can engage additional subcontractors in the performance of this Contract. Vendor shall remain solely responsible for the performance of its obligations under the Contract.

F. Responsibility for Actions

Vendor is solely responsible for its actions and those of its agents, employees, or subcontractors, and agrees that neither Vendor nor any of the foregoing has any authority to act or speak on behalf of DIR or the State.

G. Confidentiality

1) Vendor acknowledges that DIR is a government agency subject to the Texas Public Information Act. Vendor also acknowledges that DIR will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office concerning this Act.

2) Under the terms of the Contract, DIR may provide Vendor with information related to Customers. Vendor shall not re-sell or otherwise distribute or release Customer information to any party in any manner.

H. Security of Premises, Equipment, Data and Personnel

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to the Customer. Vendor and/or Order Fulfiller shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor and/or Order Fulfiller shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors.

I. Background and/or Criminal History Investigation

Prior to commencement of any services, background and/or criminal history investigation of the Vendor and/or Order Fulfiller's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by certain Customers having legislative authority to require such investigations. Should any employee or subcontractor of the Vendor and/or Order Fulfiller who will be providing services to the Customer under the Contract not be acceptable to the Customer as a result of the background and/or criminal history check, then Customer may immediately terminate its Purchase Order and related Service Agreement or request replacement of the employee or subcontractor in question.

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

13. Contract Enforcement

A. Enforcement of Contract and Dispute Resolution

Vendor and DIR agree to the following: (i) a party's failure to require strict performance of any provision of the Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision, (ii) for disputes not resolved in the normal course of business, the dispute resolution process provided for in Chapter 2260, Texas Government Code, shall be used, and (iii) actions or proceedings arising from the Contract shall be heard in a court of competent jurisdiction in Travis County, Texas.

B. Termination

1) Termination for Non-Appropriation

Customer may terminate Purchase Orders if funds sufficient to pay its obligations under the Contract are not appropriated by the governing body on behalf of local governments, or by the Texas legislature on behalf of state agencies. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided ten (10) days written notice of intent to terminate.

2) Termination for Convenience

DIR or Vendor may terminate the Contract, in whole or in part, by giving the other party thirty (30) days written notice. A Customer may terminate a Purchase Order if it is determined by the Customer that Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

3) Termination for Cause

a) Contract

Either DIR or Vendor may issue a written notice of default to the other upon the occurrence of a material breach of any covenant, warranty or provision of the Contract. The non-defaulting party shall give the defaulting party thirty (30) days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Contract. Customers purchasing products or services under the Contract have no power to terminate the Contract for default.

b) Purchase Order

Customer may terminate a Purchase Order upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order in accordance with Section 5.B.2 above.

4) Customer Rights Under Termination

In the event the Contract expires or is terminated for any reason, a Customer shall retain its rights under the Contract and the Purchase Order issued with respect to all products or services ordered and accepted prior to the effective termination date.

5) Vendor or Order Fulfiller Rights Under Termination

In the event a Purchase Order is terminated or the Contract expires or is terminated

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

for any reason, a Customer shall pay all amounts due for products or services ordered prior to the effective termination date and ultimately accepted.

C. Force Majeure

DIR, Customer, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order if it is determined by the Customer that Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

14. Notification

A. Notices

All notices, demands, designations, certificates, requests, offers, consents, approvals and other instruments given pursuant to the Contract shall be in writing and shall be validly given on: (i) the date of delivery if delivered by email, facsimile transmission, mailed by registered or certified mail, or hand delivered, or (ii) three business days after being mailed via United States Postal Service. All notices under the Contract shall be sent to a party at the respective address indicated in Section 5 of the Contract or to such other address as such party shall have notified the other party in writing.

B. Handling of Written Complaints

In addition to other remedies contained in the Contract, a person contracting with DIR may direct their written complaints to the following office:

Public Information Office
Department of Information Resources
Attn: Public Information Officer
300 W. 15th Street, Suite 1300
Austin, Texas 78701
(512) 475-4759, facsimile.

15. Captions

The captions contained in the Contract and its Appendices are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.



REQUEST FOR PRICE QUOTATION (RFPO)

William A. Flint: Sr. Procurement Specialist
Phone #210-207-4285
Fax# 210-207-0108
Contract #: DIR-SDD-191

Date: August 18, 2008

ITEMS REQUESTED

SPECIAL INSTRUCTIONS: Prices must be quoted F.O.B. destination. The City of San Antonio is exempt from all sales tax.

DELIVERY ADDRESS: ITSD Stockroom, 515 S. Frio, San Antonio, TX 78207

Quote Deadline: August 21, 2008 no later than 3:00 p.m. This quote can be faxed to (210) 207-0108 or emailed to william.flint@sanantonio.gov.

PRICE SCHEDULE

Item	Qty	Description	Unit Price	Extension Price
1	10	Mac Mini – Standard Configuration	\$767	\$7670
2	10	Mac Mini – Fully Loaded Configuration	\$1012	\$10120
3	10	Mac Mini – Apple Care	\$99	\$990
4	25	Mac Pro– Standard Configuration	\$2599	\$64975
5	25	Mac Pro – Fully Loaded Configuration	\$5948	\$148700
6	25	Mac Pro – Apple Care	\$199	\$1990
7	20	MacBook Airs – Standard Configuration	\$1879	\$18790
8	20	MacBook Airs - Fully Loaded Configuration	\$2418	\$24180
9	20	MacBook Air Apple Care	\$183	\$1830
10	50	MacBook Pro -15"- Standard Configuration	\$1799	\$89500
11	50	MacBook Pro -15"- Fully Loaded Configuration	\$2749	\$137450
12	50	MacBook Pro -17"- Standard Configuration	\$2824	\$141200
13	50	MacBook Pro -17"- Fully Loaded Configuration	\$3049	\$152450
14	50	MacBook Pro Apple Care	\$239	\$11950
15	25	Xserve – Standard Configuration	\$5264	\$131600
16	25	Xserve – Fully Loaded Configuration	\$14534	\$363350
17	25	Xserve – Apple Care	\$760	\$19000
18	100	iMac – Standard Configuration	\$1284	\$128400
19	100	iMac – Fully Loaded Configuration	\$2464	\$246400
20	100	iMac – Apple Care	\$119	\$11900
21	460	iWork Productivity Software	\$19	\$1900
22	460	VMware Fusion	\$79.95	\$7995
23	460	Windows Office Software for Mac	\$399.95	\$183977
24	140	AirPort Extreme Card	\$44	\$6160
25	460	AppleCare – Mac OS X Maintenance	\$79	\$36340

17,790.00
 213,675.00
 42,970.00
 226,950.00
 293,650.00
 494,950.00
 374,800.00

26	25	Apple Care – Mac OS X Server Maintenance	\$449	\$11225
27	3	Apple Care – Xserve Parts Kit	\$799	\$2397
28	10	Promise Storage (12TB)	\$13500	\$13500
29	1	Promise Storage Parts Kit	\$3420	\$3420
30	2	Promise 750GB SATA Drive Module	\$360	\$720
		DIR Discount	Variable	
		Range Pricing		
TOTAL				19,80,079.05

Company Name: Apple, Inc

Address (to include City, State, and Zip Code: 1 Infinite Loop, Cupertino,
CA

Telephone: 650-868-2870 Fax: 866-316-5404

Name: Matt Sturges Title: Regional Manager

QuickTime™ and a
decompressor
are needed to see this picture.

Authorized Signature: _____ Date: 8/15/08

Payment Terms: Prompt Payment Discount: _____% _____ days. (If no discount is offered, Net 30 will apply.)

Please check the following blanks which apply to your company:

Ownership of firm (51% or more): Non-minority Hispanic African-American Other
Minority Female Owned Handicapped Owned Small Business (less than \$1 million annual
receipts or 100 employees) Indicate Status: Partnership Corporation Sole Proprietorship
 Other (specify) _____

The brand names and numbers, features and specifications contained in this bid are for descriptive purposes only and are intended to reflect a level of quality and capability desired. They are not intended to limit competition and vendors are encouraged to submit bids on comparable models that possess the same quality and capability specified. Unless otherwise noted, equipment quoted must be new, in sealed original manufacturer packaging with all documentation and manufacturer's warranties included. Prices must include delivery to location specified by the City of San Antonio.

City of San Antonio Bid Tabulation

Opened: August 18, 2008 For: Apple Computers, Servers, Software & Maintenance A1369-09			DIR Apple, Inc. 1 Infinite Loop Cupertino, CA 95014 650-868-2870
Item	Description	Est. Annual Quantity	WF
1	Mac Mini Computers - Fully Loaded Configuration	10	
	Price Each		\$1,012.00
	Price Total		\$10,120.00
2	Mac Pro - Fully Loaded Configuration	25	
	Price Each		\$5,948.00
	Price Total		\$148,700.00
3	iMac - Fully Loaded Configuration	100	
	Price Each		\$2,464.00
	Price Total		\$246,400.00
4	MacBook Air - Fully Configuration	20	
	Price Each		\$2,418.00
	Price Total		\$48,360.00
5	MacBook Pro, 15" - Fully Loaded Configuration	50	
	Price Each		\$2,749.00
	Price Total		\$137,450.00
6	MacBook Pro, 17" - Fully Loaded Configuration	50	
	Price Each		\$3,049.00
	Price Total		\$152,450.00
7	xServe - Fully Loaded Configuration	25	
	Price Each		\$14,534.00
	Price Total		\$363,350.00
8	Airport Extreme Card	120	
	Price Each		\$44.00
	Price Total		\$5,280.00
9	Promise Storage	10	
	Price Each		\$13,500.00
	Price Total		\$135,000.00

City of San Antonio Bid Tabulation

Opened: August 18, 2008 For: Apple Computers, Servers, Software & Maintenance A1369-09			DIR Apple, Inc. 1 Infinite Loop Cupertino, CA 95014 650-868-2870
Item	Description	Est. Annual Quantity	
10	Promise Storage	1	
	Price Each		\$3,420.00
	Price Total		\$3,420.00
11	Promise 750GB SATA Drive Mod	2	
	Price Each		\$360.00
	Price Total		\$720.00
12	iWork Software	255	
	Price Each		\$19.00
	Price Total		\$4,845.00
13	Windows Office Software	255	
	Price Each		\$399.95
	Price Total		\$101,987.25
14	Vmware Fusion Software	255	
	Price Each		\$79.95
	Price Total		\$20,387.25
15	Apple Care Maintenance - Mac Mini	10	
	Price Each		\$99.00
	Price Total		\$990.00
16	Apple Care Maintenance - MacPro	25	
	Price Each		\$199.00
	Price Total		\$4,975.00
17	Apple Care Maintenance - MacBook Air	20	
	Price Each		\$183.00
	Price Total		\$3,660.00
18	Apple Care Maintenance - MacBook Pro	50	
	Price Each		\$239.00
	Price Total		\$11,950.00

City of San Antonio Bid Tabulation

Opened: August 18, 2008 For: Apple Computers, Servers, Software & Maintenance A1369-09			DIR Apple, Inc. 1 Infinite Loop Cupertino, CA 95014 650-868-2870
		WF	
Item	Description	Est. Annual Quantity	
19	Apple Care Maintenance - xServe	25	
	Price Each		\$760.00
	Price Total		\$19,000.00
20	Apple Care Maintenance - iMac	100	
	Price Each		\$119.00
	Price Total		\$11,900.00
21	Apple Care Maintenance - Mac OS	255	
	Price Each		\$79.00
	Price Total		\$20,145.00
22	Apple Care Maintenance - Mac OS Server	25	
	Price Each		\$449.00
	Price Total		\$11,225.00
23	Apple Care Maintenance - xServe Parts Kit	3	
	Price Each		\$799.00
	Price Total		\$2,397.00
ESTIMATED TOTAL AWARD			\$1,469,556.50



CITY OF SAN ANTONIO
Request for Council Action

Agenda Item # 10
Council Meeting Date: 9/18/2008
RFCA Tracking No: R-3889

DEPARTMENT: Purchasing & Contract Services

DEPARTMENT HEAD: Janie Cantu

COUNCIL DISTRICT(S) IMPACTED:
City Wide

SUBJECT:
Apple Computers, Servers, Software & Maintenance

SUMMARY:

This ordinance authorizes a contract with Apple, Inc., to provide the Information Technology Services Department (ITSD) with the purchase of Apple computers, servers, software and maintenance for the annual estimated cost of \$1,470,000.00.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the offer submitted by Apple, Inc. utilizing the State of Texas Department of Information Resources contract DIR-SDD-191 to provide the Information Technology Services Department (ITSD) with Apple computers, servers, software and maintenance. The annual estimated cost of this contract is \$1,470,000.00.

For the past several months, ITSD has been evaluating Apple computers as an option for the City's computer users. The Apple product line is widely used in both primary and secondary education and is also becoming more prevalent in the home environment. For those City employees familiar with Apple computers, this contract will allow the City to offer these computers as an available option.

ITSD has begun to develop the infrastructure necessary to support Apple computers in the City's environment. ITSD is currently deploying Apple systems as a pilot program and will be developing a more comprehensive rollout in 2009.

ISSUE:

This contract will provide ITSD with Apple computers, servers, software and maintenance. Currently, the City maintains only one computer platform for its employees. With the increase in school and home use of Apple products, new City employees are likely to have more experience with this product line than with the current system. By offering Apple products as an option to the current platform, productivity will be enhanced for new employees already familiar with this operating system.

This equipment will be purchased from Apple, Inc. utilizing the State of Texas Department of Information Resources contract #DIR-SDD-191 and will be made in accordance with the State Cooperative Program passed on Resolution No. 91-39-53 dated 9/12/91.

The Texas Department of Information Resources contract #DIR-SDD-191 will expire on December 15, 2008. ITSD requests City Council approval to utilize the follow-on DIR contract for these same products and services based upon Request for Offer #DIR-SDD-TMP-116 which shall be effective from December 16, 2008 through December 15, 2009, depending on the availability of funds.

ALTERNATIVES:

Should this contract not be approved, the City will be unable to offer computer platform options to employees. In addition, the City will not realize year-end promotional discounts offered by Apple which range from 4% to 68% off of the DIR contracted rates for all purchases made prior to October 1, 2008.

FISCAL IMPACT:

The annual estimated cost of this contract is \$1,470,000.00. Contract will be funded through the PC Replacement Fund, various departmental Capital Outlay funds and ITSD's operating fund.

RECOMMENDATION:

Staff recommends the approval of this contract with Apple, Inc. for Apple computers, servers, software and maintenance for an annual estimated cost of \$1,470,000.00.

ATTACHMENT(S):

File Description	File Name
Contract	Apple Computers (DIR).pdf
(DIR)Quote	Apple Computers Quote.pdf
Bid Tab	A1369-09.pdf
Voting Results	
Ordinance/Supplemental Documents	200809180801.pdf

DEPARTMENT HEAD AUTHORIZATIONS:

Janie Cantu Director Purchasing & Contract Services

APPROVED FOR COUNCIL CONSIDERATION:

Sharon De La Garza Assistant City Manager