

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CHIEF INFORMATION OFFICER TO ENTER INTO A MASTER SERVICES AGREEMENT WITH ARMEDIA, LLC FOR THE BLANKET PURCHASE OF AN ELECTRONIC CONTENT MANAGEMENT SOFTWARE SUITE, WITH AN INITIAL PURCHASE OF FOUR HUNDRED FIFTY-SEVEN THOUSAND ONE HUNDRED EIGHT DOLLARS (\$457,108.00) FOR CITY COURT, WITH AN ANNUAL MAINTENANCE FEE OF FIFTY-EIGHT THOUSAND FOUR HUNDRED TWENTY-THREE DOLLARS (\$58,423.00), AND AN ESTIMATED TOTAL OF ONE MILLION DOLLARS (\$1,000,000.00) FOR CITY-WIDE IMPLEMENTATION.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, that the Chief Information Officer is hereby authorized to enter into a Master Services Agreement with Armedia, LLC for the blanket purchase of an electronic content management software suite, with an initial purchase of \$457,108.00 for City Court, with an annual maintenance fee of \$58,423.00, and an estimated total of \$1 million for city-wide implementation.

The software suite is capable of supporting a city-wide digitized document initiative in order to achieve efficiencies in workflow, document storage, indexing, sharing, redacting, scanning, and collaboration. Initial implementation will be at City Courts. Further discovery and analysis will lead to similar implementations at other City agencies as funds become available.

ADOPTED: _____, 2012

/mms

City of Chattanooga



Resolution/Ordinance Request Form

Date Prepared: 11/15/12

Preparer: Doug Eckert

Department: Information Systems

Brief Description of Purpose for Resolution/Ordinance:

Res./Ord. # _____ Council District # _____

A resolution authorizing Information Systems to enter into an agreement with Armedia Corporation of Atlanta, GA, for the purchase of an Electronic Content Management software suite capable of supporting a city-wide digitized document initiative in order to achieve efficiencies in workflow, document storage, indexing, sharing, redacting, scanning and collaboration. Initial implementation will be at City Courts. Further discovery and analysis will lead to similar implementations at other City agencies as funds become available. This is a blanket contract with an initial purchase of \$457,108, which installs the software and hardware infrastructure that can also serve other City agencies to follow. Yearly recurring costs are initially \$58,423 and will increase as additional functions (not agencies) are added.

Name of Vendor/Contractor/Grant, etc. _____
Total project cost \$ _____
Total City of Chattanooga Portion \$ _____
City Amount Funded \$ _____
New City Funding Required \$ _____
City's Match Percentage % _____

New Contract/Project? (Yes or No) No
Funds Budgeted? (YES or NO) Yes
Provide Fund _____
Provide Cost Center _____
Proposed Funding Source if not budgeted General Fund Reserves
Grant Period (if applicable) _____

List all other funding sources and amount for each contributor.

Amount(s)
\$ _____
\$ _____
\$ _____

Grantor(s)

Agency Grant Number _____

CFDA Number if known _____

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Approved by: _____

Reviewed by: FINANCE OFFICE

DESIGNATED OFFICIAL/ADMINISTRATOR

Please submit completed form to @budget, City Attorney and City Finance Officer

Revised: October, 2011



Armedia **Master Services Agreement Between
The City of Chattanooga and Armedia, LLC**
Tuesday, November 13, 2012

Master Services Agreement

Between

The City of Chattanooga and Armedia, LLC

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MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement") is made on ^{4 December} ~~13 November~~ 2012, ("Effective Date") by and between Armedia LLC, with its principal place of business located at 2000 Riveredge Parkway, Suite 775, Atlanta, GA 30328 ("Consultant") and ^{101 East} ~~1000~~ ^{11th} Lindsay Street, Chattanooga, TN 37402 ("Client"). Consultant and Client are hereafter sometimes referred to as "Party" or "the Parties."

Consultant is a provider of technology solutions with a focus on content management, document management, mobile technologies, system integration, and related technologies and services. This Agreement between Consultant and Client provides the terms and conditions for Consultant to provide said services and solutions to Client as outlined in specific Statements of Work (SOW). In order for Consultant to provide said services and solutions, Client agrees that during the Term of this Agreement, it shall meet with the qualifications and responsibilities set forth in this Agreement and any corresponding SOWs, unless such are waived or changed by mutual written agreement between Consultant and Client.

In consideration of the mutual promises and covenants herein contained, the parties agree as follows:

BASIC TERMS OF PROJECT SERVICES

1. Scope and Term

- 1.1. Consultant shall provide services from time to time to Client only as specifically described herein. The description of work to be performed by Consultant under this Agreement ("Work") shall be set forth in a written agreement executed by both parties substantially in the form of a Statement of Work (SOW). This Agreement shall commence on the Effective Date and shall continue in effect until completion of all Work, unless earlier terminated as set forth in this Agreement. Articles 4, 5, 6.4, 7, 9, 15 and 22 shall survive the expiration or termination of this Agreement. In the event of any conflict between an SOW and this Agreement, the terms of the SOW shall control. With respect to each SOW, Consultant agrees to provide the services and deliver the deliverables in accordance with the time schedule set forth on such Statement of Work. Any deliverables described on the SOW shall be subject to acceptance in accordance with the acceptance procedure described therein, if any. Consultant shall prepare and submit reports of its progress on Work as reasonably requested by Client. Except as set forth on the SOW and Article 13, Consultant shall provide its own tools, materials, equipment and other business items necessary to perform the Work.
- 1.2. This Agreement shall not constitute any commitment or obligation to make any purchase of any services by Client. Consultant shall provide Work as purchased separately by Client.

Master Services Agreement Between The City of Chattanooga and Armedia, LLC



15 This is a 3 year agreement
 or 5 year plus renewals?
 - Messy
 needs more work
 - Initial term
 of 3 years
 subject to
 renewal option
 to extend for an
 additional 2 years
 would be better

years following the effective date

- what is renewal period after 3 years

1.3. This Agreement shall remain in effect for three (3) with both parties having the option to renew for one (1) two (2) year renewal from the date first written above or through the conclusion of Work under any then-current Statement of Work, whichever is later (the "Initial Term"), unless earlier terminated by either party as provided herein. Prior to the expiration of the Initial Term, this Agreement may be renewed for additional one-year periods (each, a "Renewal Period") if either party provides written notice of its interest in renewal to the other party at least 45 days prior to the start of the next Renewal Period and the parties mutually agree in writing to the Renewal Period. If at the date five (5) years from the date of this Agreement there is work currently being performed under any Statement of Work, unless renewed in accordance with the provisions herein, this Agreement shall terminate at the conclusion of Work under any then-current Statement of Work.

Master Services Agreement Between The City of Chattanooga and Armedia, LLC

Terms of Payment

Except as specifically set forth in a Statement of Work (SOW), the following terms of payment shall apply:

- 2.1. As full compensation for Services, Work Products, and Solutions, the Client shall pay Consultant at a rate mutually predetermined for each person assigned and specified in a Statement of Work of this Agreement. Payment shall be for the time, materials, and expenses actually expended by Consultant in rendering services, as per the SOW. The rates set forth in Exhibit B will remain in effect throughout the duration of this Agreement for each specific SOW, unless written notification is provided of rate changes in advance of the start of each SOW. Subject to annual funding by the Chattanooga City Council, following the close of each calendar month, Consultant shall submit to Client an invoice for one hundred percent (100%) of the applicable amount(s) due hereunder in accordance with the provisions of Statement of Work. Payment shall be due thirty (30) calendar days from date of invoice. ~~All past due amounts shall accrue interest at the rate of one and one-half percent (1.5%) per month.~~ Consultant may, after ~~(45)~~ (30) days written notice to Client, suspend Work under this Agreement, without liability, until all past due amounts have been paid in full, excluding non-payment for amounts disputed in good faith.
- 2.2. Unless otherwise specified as guaranteed prices on a Statement of Work, all time-and-expense or reimbursable costs stated in this Agreement and any Statement of Work are estimates only and are not to be considered as maximums, caps, or limits. The parties agree to review Consultant's initial Work description in the Statement of Work and issue any appropriate change order(s) upon completion of the initial design phase or its equivalent. Upon request, Consultant shall provide Client with written receipts or documentation verifying expenses or reimbursable costs.
- 2.3. All Work performed by Consultant for Client is subject to Consultant's initial and continuing credit approval procedures and policies.
- 2.4. **Expenses.** Client shall reimburse Consultant for reasonable actual out-of-

pocket expenses incurred by Consultant and its personnel in connection with its performance of Work. Out-of-pocket expenses include meals, US domestic travel, US domestic lodging, catering, and overnight deliveries during a Project as defined by appropriate Statement of Work. Consultant specifically agrees to get prior approval from Client prior to incurring any international travel and lodging expenses. In addition, Consultant will get written approval from Client in advance before incurring any single out-of-pocket expense that is over \$1,000. Consultant will provide Client with detailed invoices for such expenses on a monthly basis and Client agrees to pay the total amount shown as due on each invoice within thirty (30) calendar days after receipt thereof. For purposes of this paragraph, approvals via e-mail by the person designated by Client will be sufficient.

2.5. **Currency.** All payments shall be made in United States currency (U.S. dollars).

3. **Taxes**

Prices invoiced exclude, and Client shall pay, all sales, use, transfer, value-added tax or other taxes, whether federal, state, provincial, local, or otherwise which are levied or imposed by reason of the Work performed, except those based solely on the net income of Consultant.

what is net income of consultant?

4. **Ownership**

4.1. Each party shall retain title to all of its respective Confidential Information as defined in Section 7.1 below, whether developed before, during, or after the Work.

4.2. Subject to the provisions of this Section 4.2 and unless otherwise specifically provided in any Statement of Work, Client agrees that any and all deliverables, plans, diagrams, drawings, specifications, documentation, videotape, digital media and assets, and other materials delivered to Client hereunder, together with all ideas, analysis techniques and processes, concepts, know-how, techniques, inventions, discoveries or improvements, developed by Consultant and arising out of or relating to the Work (collectively referred to as the "Work Product") are the property of ~~Consultant~~ ^{Client} and Consultant hereby grants Client a nonexclusive, nontransferable license for use of the Work Product for the purposes set forth in this Agreement. Consultant expressly reserves the right to perform similar work for other customers, provided Consultant shall not license or otherwise convey or disclose the Client Confidential Information to a third party.

✓
and ownership

4.3. ~~Consultant and~~ Client shall own the respective rights to Modifications of Client Confidential Information as follows:

4.4. "Modifications" means any change by Consultant to the Client's Confidential Information, whether to correct errors, provide temporary patches, improve performance, add a function or feature, maintain operating system and data base system compatibility, or otherwise.



4.5. Client shall own all Public Records Data and the Client Confidential Information; even to the extent such Client Confidential Information incorporates any Modifications. ~~The Modifications made by Consultant are developed from Consultant's confidential and proprietary information, know-how, and expertise and may have been developed prior to execution of the Work to be provided under this Agreement. Except to the limited extent provided above, Consultant owns all rights in and to the Modifications and shall not be prohibited from using the Modifications, or from developing similar modifications, in performing service work for its other customers.~~

which shall be available for Consultant's use for other customers.
 in develop similar modified
 able by for it to write by Client

4.6. **Pre-existing Material.** The Parties acknowledge that Consultant may in the course of its performance of the Development use and/or include in the Deliverables generic methodologies and processes such as workshop processes, technology design processes, other development and design tools, and documentation (and all enhancements and derivatives thereto) which Consultant (i) developed prior to the execution of the applicable Statement of Work or (ii) develops during the course of a Statement of Work but which are developed solely at Consultant's cost without using Public Records data or any Client Confidential Information (collectively, the "Pre-existing Material"). Pre-existing Material also includes industry data, and any generic analyses of such data that do not contain and is not prepared, written, developed, generated or otherwise provided for the Client and/or using any Client Confidential Information. The presentation of deliverable materials, including general format, templates, and organization of the material, and the general content and data included in the deliverable that does not include Client Confidential Information is also considered to be Pre-existing Materials. Such Pre-existing Material, including all Intellectual Property Rights therein, shall be owned exclusively by Consultant. Such Pre-existing Materials shall not be considered as "Pre-existing Material" for the purpose of a Statement of Work unless the Consultant and the Client have detailed and agreed on them in the applicable Statement of Work or in a subsequent amendment to the Statement of Work.

4.7. **Publicity.** Neither party shall use the other party's name or logo in any customer lists or other marketing materials, or describe publicly the nature of the work performed by Company for the Client under this Agreement, without the other party's prior consent. The only exception to this being any agreement separately made under the Marketing Concession provision(s) as stated in any specific Statement of Work with upon execution will constitute consent. For purposes of this paragraph, approvals via e-mail by the person designated by Client will be sufficient.

5. Indemnification

5.1. Client shall defend, indemnify and hold Consultant, its employees, agents, and subcontractors harmless from and against any and all losses, expenses, and claims (including those of third parties) for death, personal



+ acts or omissions of

injury, or property damage caused by the negligence ~~of its employees, agents or subcontractors~~ to the extent of tort liability for municipal employees under T.C. A. §§ 29-20-101 et seq. ~~the governmental~~

5.2. Consultant shall defend, indemnify, and hold Client, its employees, agents, and subcontractors harmless from and against any and all losses, expenses, and claims (including those of third parties) for death, personal injury, or property damage caused by the negligence or willful misconduct of Consultant, its employees, agents or subcontractors.

6. Termination

6.1. ^{either} Client or Consultant may ^{at least} terminate this Agreement if the other party breaches its obligations under this Agreement, provided that the breaching party is given thirty (30) days written notice prior to the proposed termination, during which the breaching party fails to either correct the breach to the reasonable satisfaction of the other or, if the default cannot reasonably be cured within 30 days, commence remedial steps to cure the default; ~~provided, however, Consultant may terminate this Agreement for failure by Client to make payments in accordance with this Agreement for all Work and other services, by providing Client written notice of such termination and such payment is not made within three (3) days of such notice.~~

6.2. Client may terminate this Agreement or the Work to be performed under any Statement of Work at any time by providing Consultant with thirty (30) days written notice of such termination and shall reimburse Consultant for any and all incurred reasonable costs and expenses as described in Section 14.2 below.

6.3. Either party may terminate this Agreement at any time upon thirty (30) days prior written notice due to: (a) termination or cessation of the business of the other party; (b) filing of a voluntary or involuntary bankruptcy, receivership, or similar proceeding with respect to the other party; or (c) the other party becomes insolvent or makes an assignment for the benefit of its creditors.

6.4. In the event of termination by either party for any reason, Client shall pay Consultant for all Work and other services, performed up to the date of termination together with any amounts properly accrued under Section 14.2.

7. Confidentiality

7.1. This Section 7 and the terms and conditions of any fully executed mutual Non-disclosure Agreement, (the "NDA"), made between the parties shall apply to all information exchanged between the parties under this Agreement and all versions of Statement of Work.

7.2. "Confidential Information" as used in this Agreement will mean any and all confidential and proprietary technical and non-technical information

Master Services Agreement Between The City of Chattanooga and Armedia, LLC



including patent, copyright, trade secret, and proprietary information, techniques, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, and formulae related to the current, future and proposed products and services of each of the parties and/or its customers and/or vendors, including, without limitation, information concerning product or process research and development, design details and specifications, engineering, financial data, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans.

- 7.3. Each party acknowledges that in the performance of any Work it may be supplied with Confidential Information of the other party. Each party shall treat, protect, and safeguard as proprietary and confidential this Agreement and all Confidential Information disclosed to the other under this Agreement using at least as great a degree of care as used to maintain the confidentiality of its own most Confidential Information, but in no event less than a reasonable degree of care. Except with specific prior written authorization, each party shall not use, either directly or indirectly, any of the other party's Confidential Information other than for the purpose for which it has been disclosed in connection with the performance of the Work. Each of the parties agrees that it will disclose the other party's Confidential Information only to its employees who need to know such information, provided that such employees are bound by terms and conditions protecting such Confidential Information substantially similar to those of this Agreement.
- 7.4. Each party acknowledges that the disclosure of any Confidential Information, except as expressly permitted by this Agreement, will cause irreparable injury for which the injured party may not have an adequate remedy at law. Accordingly, either party may obtain injunctive relief against the breach or threatened breach of any of the foregoing undertakings in addition to any other legal remedies that may be available, and each party hereby consents to the obtaining of such injunctive relief.
- 7.5. The above restrictions will not apply to any Confidential Information which (a) is rightfully known or is in the rightful possession of the receiving party as of the date of its disclosure by the disclosing party; (b) is in the public domain or generally distributed or made available to others by the disclosing party following the date of its disclosure by the disclosing party without restriction as to use or disclosure; (c) lawfully becomes known or available to the receiving party from third parties who are not under a similar agreement directly or indirectly with the disclosing party regarding disclosure; (d) independently developed by the receiving party as evidenced by its written records, or (e) is required to be disclosed to enforce the terms of this Agreement or by applicable law, provided the receiving party shall notify the disclosing party as soon as reasonably possible prior to such disclosure to afford the disclosing party an opportunity to object or to seek a protective order.
- 7.6. The provisions of this Section 7 shall bind the Parties for a period of three (3) years from the date of disclosure of Information regardless of any earlier termination or fulfillment of this Agreement.



8. Limited Warranty

- 8.1. The warranty for any non-Consultant products provided hereunder will be provided directly by the third party vendor to the Client on a pass-through basis only. CONSULTANT SPECIFICALLY DISCLAIMS ANY LIABILITY FOR SUCH PRODUCTS. Statement of Work shall specifically identify all deliverables that are non-Consultant products, and Consultant shall provide Client with a copy of the vendor's warranty related thereto upon request, if available.
- 8.2. During the term of the applicable Work, Consultant warrants that any service rendered by Consultant during such time shall be of workmanlike and professional quality, performed with the care and skill ordinarily used by other members of Consultant's profession practicing under similar conditions, and the Work Product delivered hereunder shall substantially conform to the agreed specifications in Statement of Work. In the event Client identifies a nonconformity with the applicable specifications as set forth by Statement of Work within ^{with ten} (15) days of the completion of the Work and Consultant confirms such nonconformity is due to its failure to deliver the Work in accordance the applicable specifications, Consultant shall, at no additional charge, take reasonable commercial efforts to correct such nonconformity.
- 8.3. CONSULTANT DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE. CONSULTANT'S SOLE LIABILITY UNDER SECTION 8.2 SHALL BE TO REPERFORM ANY SERVICE WHICH FAILS TO CONFORM TO THE AGREED SPECIFICATIONS IN STATEMENT OF WORK. ~~IN NO EVENT SHALL CONSULTANT'S LIABILITY UNDER THIS SECTION 8 EXCEED THE VALUE OF THE SERVICE PROVIDED WHICH GAVE RISE TO THE CLAIM HEREUNDER.~~

9. Limitation Of Liability

- 9.1. ~~OF THIS AGREEMENT, CONSULTANT SHALL NOT BE LIABLE TO CUSTOMER FOR ANY CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS, REVENUES OR DATA WITH RESPECT TO ANY CLAIMS REGARDING THE SERVICES TO BE PROVIDED HEREUNDER EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER UNDER THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.~~
- 9.2. ~~NOTWITHSTANDING ANY PROVISION TO THE CONTRARY IN THIS AGREEMENT, CONSULTANT'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL DAMAGES SHALL NOT EXCEED, WITH RESPECT TO ANY ONE WORK ASSIGNMENT AS DESCRIBED IN AN STATEMENT OF WORK, THE TOTAL COMPENSATION RECEIVED BY CONSULTANT FOR SUCH WORK,~~



~~REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT,
WARRANTY, INDEMNITY, CONTRIBUTION, TORT, OR OTHERWISE~~

10. Change Orders

Any addition, modification or change to the scope of the Work (a "Change Order") requested by Client or Consultant that is likely to increase the number of hours to be worked by Consultant or likely to increase Consultant's expenses shall be processed as follows:

- 10.1. For Change Orders requested by Client, Client shall submit its Change Order request in writing to Consultant. Consultant shall assess scope changes and any estimated schedule and budgetary impact and will communicate these impacts to Client, in writing, within seven days after receipt of the Change Order request. Client shall notify Consultant, in writing, within seven (7) days after receipt of the Change Order request, whether Client agrees for Consultant to implement the changes at the cost stated in the Change Order request.
- 10.2. For Change Orders requested by Consultant, Consultant shall submit its Change Order request in writing to Client. Client shall notify Consultant, in writing, within seven (7) days after receipt of the Change Order request, whether Client agrees for Consultant to implement the changes at the cost stated in the Change Order request.
- 10.3. If approved, the Change Order request, whether submitted by Client or Consultant, will be formalized in a Change Order signed by both parties. Any effect on milestones, schedule, number of hours, or implementation charges will be adjusted accordingly. The completed Change Order, when signed by both parties, shall become part of this Agreement.
- 10.4. Any Work conducted by Consultant, pursuant to a Change Order requested by Client under Section 10.1. or approved by Client under Section 10.2., will be billable at the rates so proposed or agreed to even if the parties fail to execute a Change Order. The parties shall work in good faith to adjust payments, milestones and schedules as reasonably necessary to account for the changes caused by the requested Change Order. Consultant may also refuse to make requested changes until a Change Order has been executed by both parties, or stop work on a requested change until such a Change Order is executed by both parties.
- 10.5. If one party's response is not satisfactory to the other party, representatives of each party's management team will meet to resolve the unsatisfactory elements of the response or modify the requested change. If the parties are unable to agree, the requested change will not become part of the Work.

11. Consultant Personnel; Subcontractors; and Access

- 11.1. Consultant shall provide sufficient qualified personnel to perform the Work in a competent and workmanlike manner in accordance with applicable industry standards. A Statement of Work will designate certain individuals



as "Key Personnel," to be assigned to an engagement, and the parties subsequently may agree in writing that additional Individuals are Key Personnel for such engagement. If there are Key Personnel for an engagement, Consultant shall provide the Work through those personnel and such additional personnel of Consultant as Consultant may from time to time determine to be required for the performance of the Work, and as part of the approval process, Client may review the qualifications of such Consultant Key Personnel. The Consultant shall use all reasonable endeavors to minimize the possibility of changes in the personnel assigned to perform obligations of the Consultant.

- 11.2. If one or more Key Personnel terminate their employment with Consultant or otherwise become unavailable to work on an engagement for reasons beyond Consultant's reasonable control, Consultant may provide the Work through other personnel with comparable training and experience and at no additional cost to Client, provided that: (i) Consultant promptly shall notify Client of the termination or unavailability of such personnel; and (ii) Consultant shall provide Client with the qualifications of any proposed replacement personnel before they are assigned to such engagement and (iii) replacement personnel shall have experience and training substantially similar to the personnel being replaced.
- 11.3. Each party shall designate a "Project Manager" who shall be the principal point of contact between the parties for all matters relating to an engagement. Each Statement of Work shall contain an initial designation of a Project Manager for each party. A party may designate a new Project Manager by giving a written notice to the other party.
- 11.4. **Substitution.** If reasonably dissatisfied with the performance of Consultant personnel, Client may request the removal of such personnel from the Client site. Consultant shall replace such person with a substitute person possessing reasonably equivalent skill or experience. *or subcontractors,*
- 11.5. Client agrees to cooperate, as mutually agreed on in each Statement of Work, with Consultant to the reasonable extent necessary for Consultant to perform its Work hereunder. In addition to the activities listed on each Statement of Work or as otherwise agreed in writing, Client cooperation shall include, but not be limited to, providing Consultant with necessary equipment, material, information, assistance and limited access as needed to perform the Work to, and use of, Client's premises, computers and other equipment during normal business hours. Client shall also provide Consultant with reasonable access to Client's personnel during normal business hours, including, but not limited to, the persons listed on each Statement of Work. Consultant agrees to comply at all times with the Client's applicable rules and regulations regarding safety, security, use and conduct provided Consultant has notice of same.
- 11.6. If the parties have agreed that the employees of Consultant shall work at the premises of Client, the employees of Consultant shall observe all Client's applicable local regulations in force of which Consultant has been informed by Client.



12. Deliverables

- 12.1. **Acceptance.** "Acceptance" shall mean that a Deliverable conforms to the specifications and meets any and all other acceptance criteria set forth in the applicable Statement of Work. Client shall approve or reject in writing the results of a milestone and /or the Deliverable no later than three (3) business days after the date of receipt of the results of the relevant milestone and/or Deliverable. The date of such Acceptance shall be deemed to be the actual date of delivery in respect of the milestone in question. If there is no response within three (3) business days the Deliverable is deemed Accepted. If the Deliverable is rejected, Client shall identify the deviations from the specifications or from other requirements under this Agreement and the respective Statement of Work. Upon such rejection Consultant shall promptly take any and all necessary action in order to provide Client with acceptable results. Minor defects in a Deliverable shall not prevent the acceptance of a Deliverable provided that these defects do not affect the use, functionality or application of the Deliverable. Notwithstanding such acceptance, Consultant shall be obligated to correct all errors or faults without delay.
- 12.2. **Delivery.** Each Deliverable shall comply with the relevant specifications and instructions and other criteria set forth in this Agreement and in the applicable Statement of Work when delivered and shall meet the relevant acceptance criteria. Consultant will deliver any reports, documentation, or assets to be delivered in connection with the Work and listed in Statement of Work hereto F.O.B. Consultant's facility. Client shall pay all freight forwarding, shipping, and insurance charges.
- 12.3. **Notice of Delays.** Consultant shall promptly after Consultant is or should reasonably have been aware of the delay in respect of a milestone specified in the applicable Statement of Work, inform Client thereof in writing stating the reason for the delay and the effect of the delay on the Time Schedule.

13. Client Obligations

- 13.1. Client shall coordinate and manage its employees, contractors, or agents to ensure no delays in the performance of the Work by Consultant are caused thereby. Client shall be responsible for, and Consultant may rely upon, the accuracy, timeliness and completeness of all data, reports and other information supplied by Client. Client agrees that prompt review and acceptance of any part of the Work requiring acceptance is required to ensure compliance with any milestones or other specified deadlines.
- 13.2. Client will make reasonably available to Consultant, Client management and project/team personnel who will work with Consultant and will perform those activities described as the responsibility of the Client in the description of Work. The Client will designate and maintain during the term of the Agreement a Client Project Coordinator, and will notify Consultant of the name of the Client Project Coordinator who will have the authority and power to make decisions with respect to actions to be taken in connection with the Agreement. Consultant will designate and maintain during the term of the Agreement a Consultant Project Coordinator, and



will notify Client of the name of the Consultant Project Coordinator who will have the authority and power to make decisions with respect to actions to be taken in connection with the Agreement.

- 13.3. Client will provide to Consultant and Consultant subcontractors such office space and furnishings, reasonable local and long-distance telephone service, utilities (including air conditioning) and office-related equipment, supplies and duplicating services at Client's facilities as reasonably necessary for Consultant to complete the Work. The Client shall inform Consultant of Client's normal security procedures and shall provide, at Client's expense, safety training necessary for Consultant and its subcontractors to comply with Client safety practices. Client will provide at Client's facilities all equipment specified in the description of the Work and any other services, facilities, accommodations or assistance reasonably requested by Consultant. Client represents and warrants to Consultant that, to the best of Client's knowledge, all facilities provided by the Client hereunder comply with and will be maintained in compliance with all applicable laws.
- 13.4. Client shall make available to Consultant brand assets and materials, templates, previous research, tools, computer programs, data and documentation required by Consultant to complete the Work.
- 13.5. Client shall provide adequate space and audio/visual equipment to perform training services, if any.
- 13.6. Client shall obtain all governmental approvals, licenses, and permits necessary for completion of the Work, if any.

14. Remedies for Delay Events for Client

Client's failure to perform any of its responsibilities hereunder, including prompt review and acceptance of any Work, which results in a delay of the performance of the Work of more than ten business days ("Delay Event"), shall give rise to one or more of the following remedies which Consultant may exercise, in whole or in part, at its discretion:

- 14.1. Stop the Work without liability or penalty;
 - 14.2. Charge Client for reasonable re-deployment fees and costs incurred by Consultant including, without limitation, mobilization, demobilization, restart, retraining and transportation costs;
 - 14.3. Postpone milestone or delivery dates as necessary for Client to cure or remove the Delay Event; or
 - 14.4. Provide notice of termination of the Agreement pursuant to Section 6.1 above.
15. Remedies for Delay Events for Consultant
Consultant's failure to perform any of its responsibilities hereunder, including prompt review and acceptance of any Work, which results in a delay of the



performance of the Work of more than ten business days ("Delay Event"), shall give rise to one or more of the following remedies which Client may exercise, in whole or in part, at its discretion:

- 15.1. Stop the Work without liability or penalty;
- 15.2. Be re-imbursed for fees and costs incurred by Consultant including, without limitation, mobilization, demobilization, restart, retraining and transportation costs and;
- 15.3. Postpone milestone or delivery dates as necessary for Consultant to cure or remove the Delay Event; or
- 15.4. Provide notice of termination of the Agreement pursuant to Section 6.1 above.

16. Work Stoppage

16.1 Client shall reimburse Consultant for all manpower, travel, and living expenses incurred as a result of delay or work stoppage caused by Client or any third-party supplier. Manpower expenses will be invoiced at Consultant's then-current standard billing rates, and travel and living expenses will be invoiced at cost.

16.2 Client shall not be liable for all manpower, travel, and living expenses incurred as a result of delay or work stoppage caused by Consultant or any third-party supplier. Manpower expenses will be the responsibility of the Consultant's.

17. Non-Solicitation of Employees

Each party agrees that, during the term of this Agreement and for a period of six (6) months thereafter, such party will not, except with the other party's prior written approval, directly or indirectly, on such party's own behalf or in the service or on behalf of others, solicit, divert or recruit any employee of the other party, who is or was an employee of such party any time during the term of this Agreement, to leave such employment.

18. Independent Contractor

Both parties agree that Consultant is an independent contractor in relation to Client, and shall not be considered an agent or servant of Client. It is agreed that Consultant shall have the right to control the details of its Work. Client and Consultant agree that in no respect shall any employee of Consultant be an employee of Client. Consultant is solely responsible for paying and shall pay its own expenses, debts, accounts, obligations, liabilities, employees' workers' compensation, and all taxes imposed on Consultant on fees paid under this Agreement. Neither Consultant nor its employees or agents or subcontractors shall be considered employees of Client for any purpose including, but not limited to, benefit programs, bonuses, income tax withholding, unemployment benefits, disability benefits, employment taxes or workmen's compensation insurance.



19. Entire Agreement

This Agreement together with all exhibits and addenda is the exclusive statement of the terms and conditions between the parties with respect to the matters set forth herein, and supersedes all prior agreements, negotiations, representations, tender documents, and proposals, written and oral with respect to the subject matter hereof. Variance from, or additions to, the terms and conditions of this Agreement in any purchase order or other written notification from Client shall be of no effect.

20. Amendment Waiver

All modifications to this Agreement must be in writing and signed by both parties. Failure or delay of either party to exercise any right or remedy hereunder shall not constitute a waiver of rights or remedies under this Agreement.

21. Severability

If any provision of this Agreement is held unenforceable or inoperative by any court of competent jurisdiction, either in whole or in part, the remaining provisions shall be given full force and effect to the extent not inconsistent with the original terms of this Agreement.

22. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, excluding its conflicts of laws rules.

23. Assignment

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Without prior written consent of the non-assigning party, neither party may assign this Agreement.

24. Force Majeure

Neither party shall be liable for failure to perform any of its obligations hereunder where such performance is prevented or interfered with by riots, wars or hostilities between any nations, acts of God, fires, storms, floods, earthquakes, strikes, labor disputes, shortages or delays of carriers, shortages or curtailments of raw materials, labor, power or other utility services, and other cause beyond the reasonable control of the parties hereto; provided, in the event a force majeure event delays a party's performance by more than 30 days, the other party shall have the right to terminate this Agreement or any Exhibit by providing written notice thereof to the delayed party. This provision shall not be construed as relieving either party from its obligation to pay any sums due the other party.



25. Notices

Any notice or communication required or permitted under this Agreement or any Work Statement shall be in writing and shall be deemed received (i) on the date personally delivered, (ii) the next day after sending if sent by telegram, telex, telecopier, mailgram, or any other next-day carrier service, or (iii) the third day after mailing via first-class mail, postage prepaid, to a party at the address specified below or such other address as either party may from time to time designate to the other:

To Consultant:
Armedia, LLC
2000 Riveredge Parkway, Suite 775
Atlanta, GA 30328 USA
Attention: Jim Nasr
Office: 678-337-1010, x110
Fax: 678-990-8724

To Client:
City of Chattanooga
1000 Lindsay Street
Chattanooga, TN 37402 USA
Attention: Jonathan Woodard
Office: 423-643-6383

?? should notice be to City of Chattanooga or someone like Chief of Staff or Mayor?

26. Authority

Each party warrants that it has the full right and authority to perform its obligations and grant the rights and licenses contained in this Agreement.

27. Attorney's Fees

If any action at law or in equity is necessary to enforce the terms of this Agreement, the prevailing party in a final judgment, in addition to any other rights or remedies available to it, shall be entitled to recover attorney's fees and legal expenses.

All payments shall be made to Consultant by mail to:

Armedia, LLC
Attn: Accounts Payable
8221 Old Courthouse Road, Suite 300
Vienna, VA 22183 USA
Office: 703-272-3270
Fax: 703-935-3030

28. Disputes

Each Party agrees to timely notify the other Party of any claim, dispute or cause of action arising under or related to this Agreement and to negotiate in good faith to resolve any such claim, dispute or cause of action.

To the extent that such negotiations fail, the Parties agree that any lawsuit or cause of action brought by one Party against the other that arises out of or is



related to this Agreement shall be filed and litigated only with a court of competent jurisdiction within the State of Tennessee; and the Parties hereby consent and agree to the jurisdiction and venue of any federal court of competent jurisdiction located within the State of Tennessee with respect to any such claim, dispute or cause of action and waive any defense or objection to the exercise of jurisdiction and/or venue by any such court. The Parties to this Agreement also consent and agree that this Agreement and the obligations of the Parties hereunder shall be governed by, interpreted, construed and enforced in accordance with the laws of the State of Tennessee, without reference to its principles of conflict of laws. IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the Effective Date.

CLIENT

BY: _____
(Authorized signature)

Name: _____
(Print or Type)

Title: _____

CONSULTANT



BY: _____
(Authorized signature)

Name: **JIM NASR**
(Print or Type)

Title: **CEO**



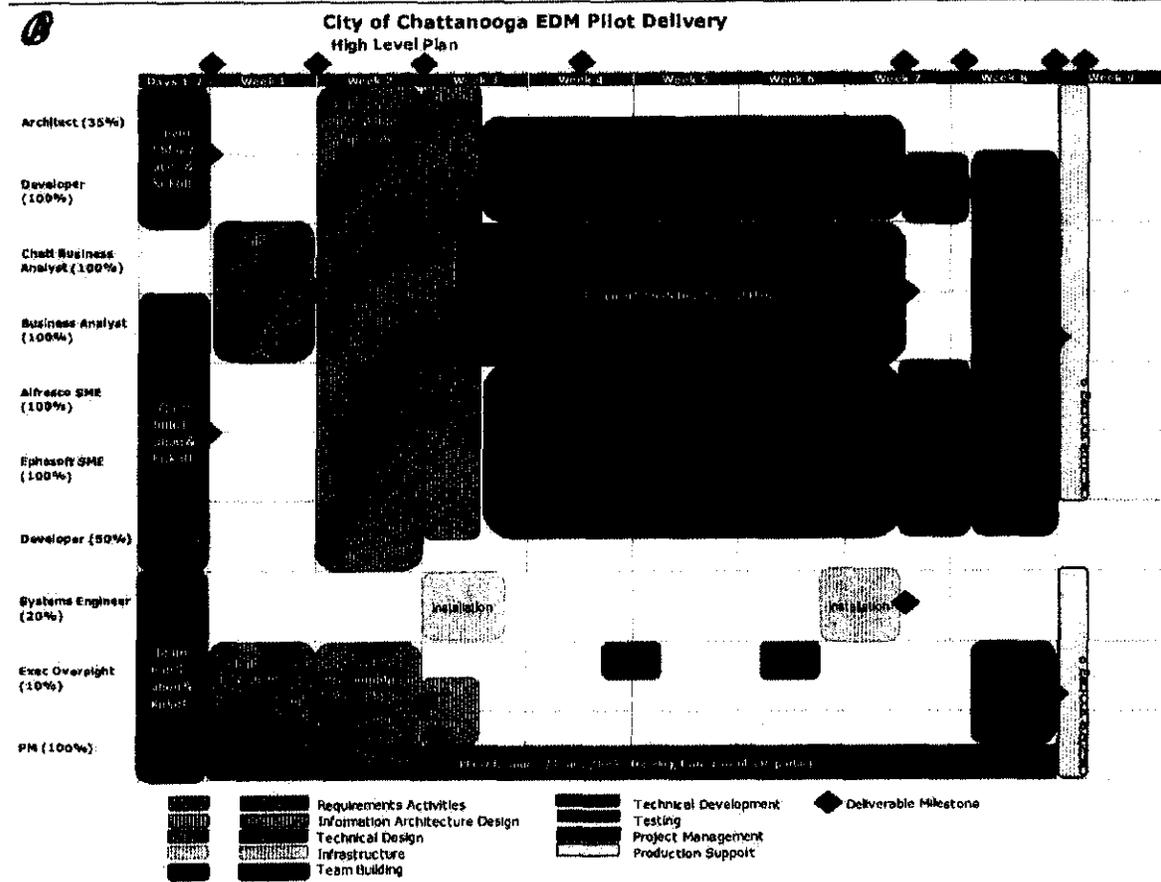
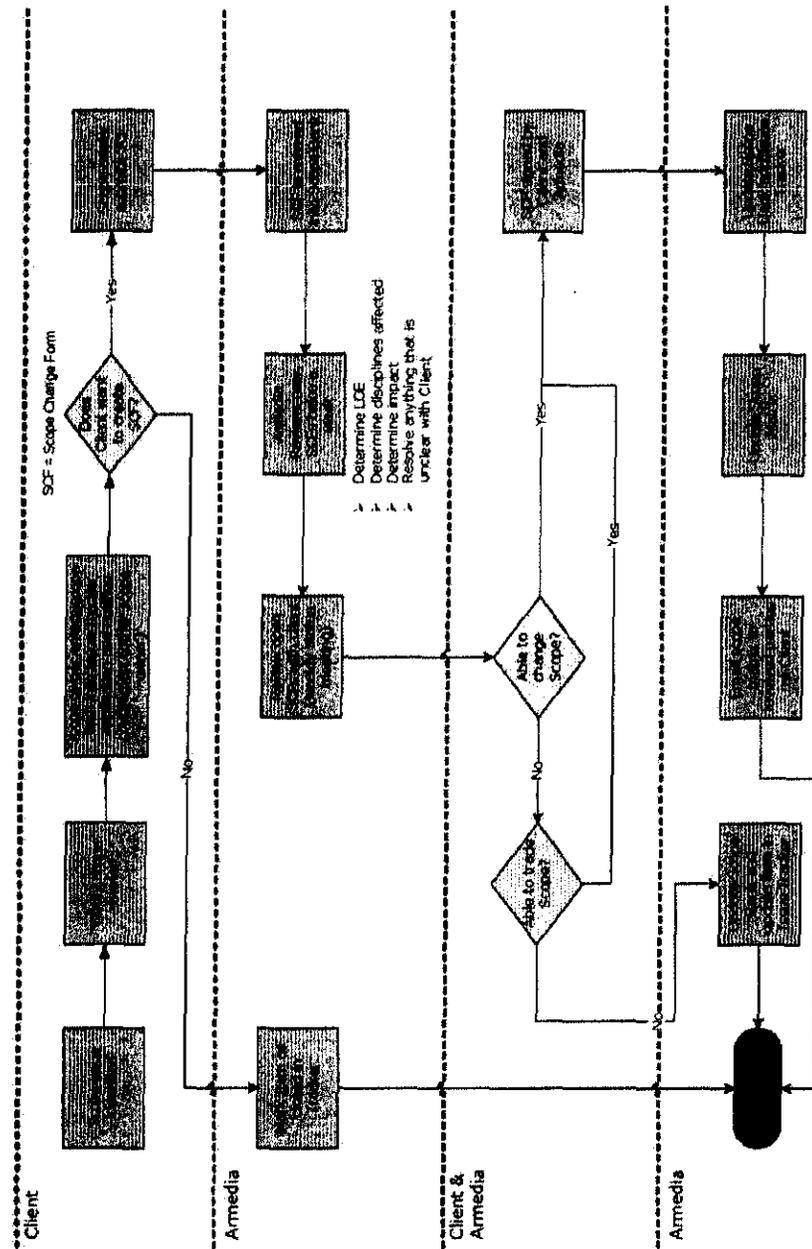


EXHIBIT A – ARMEDIA CHANGE PROCESS

Armedia Scope Management Process - Attachment A



Armedia Confidential 2004

Master Services Agreement Between The City of Chattanooga and Armedia, LLC



Armedia Scope Change Request Form (SCRF)

Initiator Name	Date
ID #	Priority
Client Contacts	Armedia Contacts

Request Description

Impact Assessment

	Task	Comments
Business		
IT		
Compliance		

Implementation Notes and Effort

Add / Remove	Task Description	View Task Owner	Effort Breakdown	Total Effort (Person Days)
Total				

Summary

Task Change	
Task Description	
Task ID	
Task Status	

Payment Schedule Modifications

Amount	Invoice Date	Comments

Sign-off

Consultant: Armmedia, LLC

By: _____

Print Name:
Title:
Date:

Client:

By: _____

Print Name:
Title:
Date:

Client Project - Scope Change Request Form



EXHIBIT B – ARMEDIA GSA RATE SCHEDULE

(as published on the GSA Advantage Website | www.gsaadvantage.gov)

GSA Rates

Labor Category	GSA Rate
Application Developer I	\$83.07
Application Developer II	\$97.73
Application Developer III	\$115.19
Architect I	\$122.17
Architect II	\$161.25
Architect III	\$181.97
Business Analyst I	\$97.20
Business Analyst II	\$142.00
Business Analyst III	\$182.26
Consultant I	\$167.57
Consultant II	\$183.70
Consultant III	\$211.37
Data Administrator I	\$98.11
Data Architect II	\$175.92
Database Administrator II	\$146.59
Developer I	\$102.62
Developer II	\$131.93
Developer III	\$161.25
ECM Project Manager I	\$122.17
ECM Project Manager II	\$157.34
ECM Project Manager III	\$195.46
Information Architect II	\$141.76
Network Engineer II	\$135.90
Project Manager I	\$101.43
Project Manager II	\$152.15
Project Manager III	\$180.12
System Analyst I	\$76.07
Systems Administrator II	\$128.61
Systems Administrator III	\$135.90
Systems Architect II	\$148.60
Systems Architect III	\$167.69
Systems Engineer I	\$107.51
Systems Analyst II	\$101.43



Technical Lead	\$148.59
Technical Writer II	\$74.05
Tester II	\$78.68



In general, Segal considers a salary range to be "at market" if it is within 10% of the market average – that is, 95 percent to 105 percent of the market average. Salaries below market are those that are less than 95 percent of the market average, while salaries above market are those over 105 percent of the market.

Using these standards, the market data suggest that the City's pay ranges are, on average, below market. However, there is significant market variance among the benchmarks as detailed below.

Custom Survey Data

Comparing the City's midpoint pay rates by job title to the average midpoint pay rates of the responding jurisdictions in the custom survey, Segal found that:

- > 28 job titles are more than 5% below the market midpoint
- > 18 job titles are within +/- 5% of the market midpoint
- > 4 job titles are more than 5% above the market midpoint

For details, see Table 5 (on the following page)

TABLE 5
City of Chattanooga Pay Rates as a Percent of Custom Market Survey Data

Benchmark Job Title	As a % of Market Minimum	As a % of Market Midpoint	As a % of Market Maximum	As a % of Market Actual Average Salaries
Administrator, Personnel	101%	95%	91%	111%
Administrator, Public Works	90%	83%	80%	98%
Air Pollution Instrument Technician	96%	100%	102%	95%
Building Maintenance Mechanic	82%	82%	82%	85%
Code Enforcement Inspector	90%	92%	94%	93%
Combination Inspector	92%	94%	96%	105%
Construction Inspector	102%	102%	103%	113%
Court Operations Assistant	93%	91%	90%	108%
Deputy Administrator, Public Works	89%	84%	81%	117%
Director of Parks	84%	75%	70%	80%
Director of Recreation	97%	92%	89%	113%
Electrical / Instrumentation Technician	99%	99%	99%	79%
Electrical Inspector	93%	96%	99%	112%
Equipment Operator	100%	102%	103%	111%
Executive Director, Planning	91%	84%	80%	96%
Fingerprint Technician	86%	89%	91%	77%
Fire Captain	73%	77%	79%	80%
Fire Lieutenant	71%	74%	76%	73%