

**INTEGRATION AGREEMENT FOR  
THE CITY OF SAN ANTONIO  
SALE OF SURPLUS ELECTRONIC ASSETS**

**REQUEST FOR PROPOSAL  
NO. 18-030**

**BETWEEN THE CITY OF SAN ANTONIO, TEXAS  
AND  
STS ELECTRONIC RECYCLING, INC.**

STATE OF TEXAS           §  
                                  §  
COUNTY OF BEXAR       §

This Agreement is entered into by and between the City of San Antonio, Texas, a home-rule municipal corporation (the "City"), and STS Electronic Recycling, Inc. ("STS"), both of which may be referred to herein collectively as the "Parties".

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

**1.0 CONTRACT DOCUMENTS**

The terms and conditions for performance and payment of compensation for this Agreement are set forth in the following contract documents, true and correct copies of which are attached hereto and fully incorporated herein for all purposes, and shall be interpreted in the order of priority as appears below:

- a. This Integration Agreement, including all exhibits identified herein and amendments issued by the City;
- b. City's Request for Proposal (RFP) 18-030, including all attachments, exhibits, addendums, best and final offers, and clarification statements thereto (Exhibit A);
- c. STS Response to RFP 18-030 (Exhibit B-, incorporated in the form signed and submitted by STS).

## **2.0 TERM**

The term of the Agreement will be for a one (1) year period. The City shall have the option to renew under the same terms and conditions for three (3) additional one-year periods without additional City Council approval. All renewals shall be in writing and signed by the Director, or his or her designee. City may terminate the contract at any time if funds are restricted, withdrawn, not approved or service is unsatisfactory.

## **3.0 PAYMENT AND EQUIPMENT PRICING**

Full payment is due on the date set by the City for removal of the respective property and prior to taking possession of such property.

STS shall make payments based upon its quoted prices for existing equipment and for any equipment added in the future by amendment to this Agreement. During the term of this Agreement, the City may, as needed, add or delete equipment and change equipment quantities. Newly added equipment shall be priced in accordance with Section 9.0 Amendments of this Agreement. The City shall not owe STS any fees or compensation for any changes in quantity or items deleted from the Price / Revenue Schedule. Prices for increased quantities shall be based on like items in the Price / Revenue Schedule.

Prices provided by STS in the Price / Revenue Schedule represent the amount by which STS shall base its payment to the City for each unit. The City may, at its sole discretion, reject any amount less than the prices represented for each unit and dispose of the property at issue in any manner it chooses, or the City may withdraw the property at issue from all consideration.

## **4.0 INSURANCE**

Prior to the commencement of any work under this Agreement, STS shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the City's Finance Department, Purchasing Division, which shall be clearly labeled "Purchase of Apple consumed equipment" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The City will not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must be signed by the Authorized Representative of the carrier, and list the agent's signature and phone number. The certificate should be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the City. The City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the City's Finance Department, Purchasing Division. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will City allow modification whereby City may incur increased risk.

STS's financial integrity is of interest to the City; therefore, subject to STS's right to maintain reasonable deductibles in such amounts as are approved by the City, STS shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at STS's sole expense, insurance



coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

<u>TYPE</u>	<u>AMOUNTS</u>
1. Workers' Compensation 2. Employers' Liability	Statutory \$1,000,000/\$1,000,000/\$1,000,000
3. Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Products/Completed Operations c. Personal/Advertising Injury	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired vehicles	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence
5. Environmental impairment/pollution liability coverage (either as a stand-alone policy or as an endorsement to the CGL policy)	\$1,000,000 per occurrence

STS agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same categories of insurance coverage required of STS herein, and provide a certificate of insurance and endorsement that names the STS and the CITY as additional insureds. Policy limits of the coverages carried by subcontractors will be determined as a business decision of STS. STS shall provide the CITY with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

As they apply to the limits required by the City, the City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all required endorsements. STS shall be required to comply with any such requests and shall submit requested documents to City at the address provided below within ten (10) calendar days. STS shall pay any costs incurred resulting from provision of said documents.

City of San Antonio  
Attn: Finance Department  
P.O. Box 839966  
San Antonio, Texas 78283-3966

STS agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the City is an additional insured shown on the policy;
- Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of the City.
- Provide advance written notice directly to City of any suspension or non-renewal in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, STS shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend STS's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

In addition to any other remedies the City may have upon STS's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order STS to stop work hereunder, and/or withhold any payment(s) which become due to STS hereunder until STS demonstrates compliance with the requirements hereof.

It is agreed that STS's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided.

STS and any Subcontractors are responsible for all damage to their own equipment and/or property.

## 5.0 INDEMNIFICATION

STS covenants and agrees to **FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers and representatives of the CITY, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to STS'S activities under this Agreement, including any acts or omissions of STS, any agent, officer, director, representative, employee, consultant or subcontractor of STS, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE**



**EVENT STS AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.**

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. STS shall advise the CITY in writing within twenty-four (24) hours of any claim or demand against the CITY or STS known to STS related to or arising out of STS's activities under this AGREEMENT and shall see to the investigation and defense of such claim or demand at STS's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving STS of any of its obligations under this paragraph.

Employee Litigation. In any and all claims against any party indemnified hereunder by any employee of STS, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation herein provided shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for STS or any subcontractor under worker's compensation or other employee benefit acts.

## **6.0 LAW APPLICABLE**

- 6.1 THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**
- 6.2 Any legal action or proceeding brought or maintained, directly or indirectly, as a result of this Agreement shall be heard and determined in the City of San Antonio, Bexar County, Texas.

## **7.0 TERMINATION**

- 7.1 For purposes of this Agreement, "termination" of this Agreement shall mean termination by expiration of the Agreement term as stated, or earlier termination pursuant to any of the provisions hereof.
- 7.2 Termination by City may be effected by Director, without further action by the San Antonio City Council.
- 7.3 Termination-Breach. Should STS fail to fulfill in a timely and proper manner, as determined solely by the Director, its material obligations under this contract, or violate any of the material terms of this Agreement, City shall have the right to immediately terminate this Agreement in whole or in part. Notice of termination shall be provided in writing to STS, effective upon the date set forth in the notice. City may, in City's sole discretion, provide an opportunity for STS to cure the default. If City elects to offer an opportunity to cure, City shall provide notice to STS specifying the matters in default and the cure period. If STS fails to cure the default within the cure period, City shall have the right, without further notice, to terminate this Agreement in whole or in part. Such termination shall not relieve STS of any liability to the City for damages sustained by virtue of any breach by STS.
- 7.4 Termination-Notice. City may terminate this Agreement, in whole or in part, without cause. City shall be required to give STS notice ten (10) calendar days prior to the date of termination of the contract without cause.



- 7.5 Termination By Law. If any state or federal law or regulation is enacted or promulgated which prohibits the performance of any of the duties herein, or, if any law is interpreted to prohibit such performance, this Agreement shall automatically terminate as of the effective date of such prohibition.
- 7.6 Transfer of Information. Regardless of how this Agreement is terminated, STS shall affect an orderly transfer to City or to such person(s) or firm(s) as the City may designate, at no additional cost to City, all completed or partially completed documents, papers, records, charts, reports, and any other materials or information produced as a result of or pertaining to the services rendered by STS, or provided to STS, hereunder, regardless of storage medium, if so requested by City, or shall otherwise be retained by STS. Payment of compensation due or to become due to STS is conditioned upon delivery of all such documents, if requested.
- 7.7 Termination not sole remedy. In no event shall City's action of terminating this Agreement be deemed an election of City's remedies, nor shall such termination limit, in any way, at law or at equity, City's right to seek damages from or otherwise pursue STS for any default hereunder or other action.
- 7.8 Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Texas Government Code §2252.152 provides that a governmental entity may not enter into a governmental contract with a company that is identified on a list prepared and maintained under Texas Government Code §§2270.0201 or 2252.153. STS hereby certifies that it is not identified on such a list and that it will notify City should it be placed on such a list while under contract with City. City hereby relies on STS's certification. If found to be false, or if STS is identified on such list during the course of its contract with City, City may terminate this Agreement for material breach.

## 8.0 NOTICE

Any notice required or permitted to be given hereunder shall be in writing and the same shall be given and shall be deemed to have been served and given if: (a) delivered in person to the address set forth herein below for the Party to whom the notice is given; (b) placed in the United States mail with postage prepaid, return receipt requested, properly addressed to such Party at the address hereinafter specified; or (c) deposited, with fees prepaid, into the custody of a nationally recognized overnight delivery service such as FedEx, addressed to such Party at the address hereinafter specified. Any notice mailed in the above manner shall be effective two (2) business days following its deposit into the custody of the United States Postal Service or one (1) business day following its deposit into the custody of such nationally recognized delivery service, as applicable; all other notices shall be effective upon receipt. From time to time, STS may designate another address for all purposes under this Agreement by giving City no less than ten (10) calendar days advance written notice of such change of address in accordance with the provisions hereof. City shall provide notice to the following address:

STS Electronic Recycling, Inc.  
522 County Road 1520  
Jacksonville, TX 75766

## 9.0 AMENDMENTS

Except where the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof, shall be effected by amendment, in writing, executed by both City and STS. The Director of City's Information Technology Department ("Director") shall have authority to execute amendments on behalf of the City without further action by the San Antonio City Council, subject to and

contingent upon appropriation of funds for any increase in expenditures by the City. Further, the Director shall have authority to include additional desktop and laptop computer makes and models in this Agreement for a price mutually agreed to by both Parties.

#### **10.0 ENTIRE AGREEMENT**


This Agreement, together with its exhibits, if any, constitutes the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto, unless the same are in writing, dated subsequent to the date hereto, and duly executed by the parties.

**EXECUTED** and **AGREED** to as of the dates indicated below. This Agreement may be executed in multiple copies, each of which shall constitute an original.

**CITY OF SAN ANTONIO**

**STS ELECTRONIC RECYCLING, INC.**

\_\_\_\_\_  
Troy Elliott, CPA  
Deputy Chief Financial Officer  
Date: \_\_\_\_\_

Josh HUBBARD   
\_\_\_\_\_  
Print Name:  
Title: Sales Manager  
Date: 10/26/18

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney