

Robert E. Shannon  
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MASTER AGREEMENT  
TO PURCHASE, LEASE AND MAINTAIN EQUIPMENT

**29152**

This Master Agreement is made and entered, in duplicate, as of June 17, 2005 for reference purposes only, pursuant to a minute order of the City Council of the City of Long Beach at its meeting on June 14, 2005, by and between MAINLINE INFORMATION SYSTEMS, INC., a Florida corporation, doing business in California as MIS LARGE SYSTEM SALES/AREA 10, whose address is 1700 Summit Lake Drive, Tallahassee, Florida 32317 ("Mainline") and the CITY OF LONG BEACH, a municipal corporation ("City").

In consideration of the mutual terms and conditions contained in this Master Agreement, the parties agree as follows:

1. Exhibit. The terms of this Master Agreement cover the lease, purchase, maintenance, and financing of equipment provided by Mainline to the City. The purchase is more specifically described in Exhibit "A" attached hereto and incorporated by this reference. This Master Agreement and Exhibit "A" are collectively called the "Agreement." Where the context so requires, the term "Agreement" may also include a Transaction Document.

2. Transaction Documents. For each business transaction between the parties that is subject to this Agreement, Mainline will provide a "Transaction Document" that confirms the details of the transaction. Transaction Documents shall be signed by both parties in duplicate originals and shall become a part of this Agreement. Examples of Transaction Documents are further exhibits, invoices, statements of work, supplements, completed order forms, and further addenda. Certain Transaction Documents shall be filed with the City's City Clerk: exhibits, statements of work, supplements and further addenda.

3. Term. Each business transaction may have a different term and that term will be identified on a Transaction Document. This Agreement shall continue until terminated by either party giving to the other party at least thirty (30) days prior notice of

1 termination provided, however, that the termination provisions of any exhibit or Transaction  
2 Document may also apply and shall have priority over this general provision for termination.

3 4. Insurance. If Mainline performs any work on City property, then  
4 Mainline agrees to and shall provide the following insurance which shall supersede  
5 anything to the contrary in the exhibit or any Transaction Document:

6 Mainline shall procure and maintain at Mainline's expense for the duration  
7 of the Master Agreement from insurance companies that are admitted to write insurance  
8 in California or from authorized non-admitted insurance companies that have ratings of or  
9 equivalent to A:VIII by A.M. Best Company:

10 (a) Commercial general liability insurance (equivalent in scope  
11 to ISO form CG 00 01 11 85 or CG 00 01 11 88) in an amount not less than  
12 One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars  
13 (\$2,000,000) general aggregate. Such coverage shall include but not be  
14 limited to broad form contractual liability, cross liability, independent  
15 contractors liability, and products and completed operations liability. The  
16 City, its officials, employees and agents shall be named as additional  
17 insureds by endorsement (on the City's endorsement form or on an  
18 endorsement equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26  
19 11 85). and this insurance shall contain no special limitations on the scope  
20 of protection given to the City, its officials, employees and agents.

21 (b) Workers' compensation insurance as required by the  
22 California Labor Code and employer's liability insurance in an amount not  
23 less than One Million Dollars (\$1,000,000) per accident.

24 (c) Commercial automobile liability insurance (equivalent in  
25 scope to ISO form CA 00 01 06 92) covering Auto Symbol 1 (Any Auto), in  
26 an amount not less than Five Hundred Thousand Dollars (\$500,000)  
27 combined single limit per accident.

28 Any self-insurance program, self-insured retention, or deductible must be

1 separately approved in writing by City's Risk Manager or designee and shall protect the  
2 City, its officials, employees and agents in the same manner and to the same extent as  
3 they would have been protected had the policy or policies not contained retention or  
4 deductible provisions. Each insurance policy shall be endorsed to state that coverage shall  
5 not be reduced in coverage, nonrenewed, or canceled except after thirty (30) days prior  
6 written notice to City, and shall be primary and not contributing to any other insurance or  
7 self-insurance maintained by the City, its officials, employees and agents. Mainline shall  
8 notify the City within five (5) days after any insurance required herein has been voided by  
9 the insurer or canceled by the insured.

10 Mainline shall require that all contractors and subcontractors which Mainline  
11 uses in the performance of services under the Master Agreement maintain insurance in  
12 compliance with this Section unless otherwise agreed in writing by City's Risk Manager or  
13 designee.

14 Prior to the start of performance under the Master Agreement, Mainline shall  
15 deliver to City certificates of insurance and required endorsements, including any insurance  
16 required of Mainline's contractors and subcontractors, for approval as to sufficiency and  
17 form. The certificates and endorsements shall contain the original signature of a person  
18 authorized by that insurer to bind coverage on its behalf. In addition, Mainline shall, at  
19 least thirty (30) days prior to expiration of the insurance required hereunder, furnish to the  
20 City certificates of insurance and endorsements evidencing renewal of such insurance.  
21 City reserves the right to require complete certified copies of all policies of Mainline and  
22 Mainline's contractors and subcontractors, at any time. Mainline and Mainline's contractors  
23 and subcontractors shall make available to the City all books, records and other  
24 information relating to the insurance coverage required herein during normal business  
25 hours.

26 Any modification or waiver of the insurance requirements herein shall only  
27 be made with the written approval of the City's Risk Manager or designee. Not more  
28 frequently than once a year, the City's Risk Manager or designee may require that

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1 Mainline, Mainline's contractors and subcontractors change the amount, scope or types  
2 of coverages required herein if, in his or her sole opinion, the amount, scope, or types of  
3 coverage herein are not adequate.

4 The procuring or existence of insurance shall not be construed or deemed  
5 as a limitation on liability relating to Mainline's performance of services or as full  
6 performance of or compliance with the indemnification provisions herein.

7 5. Notice. All notices shall be in writing and personally delivered or  
8 deposited in the U.S. Postal Service, first class, postage prepaid, to Mainline at 1700  
9 Summit Lake Drive, Tallahassee, Florida 32317 Attn: Director of Operations and to City  
10 at 333 West Ocean Boulevard, Long Beach, California 90802 Attn: City Manager. Notice  
11 of change of address shall be given in the same manner as stated above. Notice shall be  
12 deemed given on the date personal delivery is made or the date of deposit in the mail,  
13 whichever occurs first.

14 6. Use Tax. Mainline shall cooperate with the City in all matters relating  
15 to taxation and the collection of taxes. It is the policy of the City to self-accrue use tax  
16 associated with its purchases and contracts. The self-accrued use tax will be remitted to  
17 the State of California pursuant to the City's permit with the State Board of Equalization.

18 7. Delivery; Costs for Shipping and Insurance. A. Mainline shall deliver  
19 products and equipment using reasonable care to a secure and safe location designated  
20 by City.

21 B. Mainline shall provide, at no cost to City, standard shipping and standard  
22 transportation insurance. The insurance will cover the risk of loss to the products and  
23 equipment being shipped by Mainline to City until the later of either (i) the delivery date of  
24 the products and equipment to the City's designated location, or (ii) the installation date of  
25 the products and equipment. In either case, the insurance coverage will not exceed  
26 thirty (30) days after the date of Mainline's original invoice.

27 8. Warranty. Mainline warrants that the products and equipment sold to  
28 City are eligible for all warranties and indemnities provided by the manufacturer of those

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1 products and equipment. Mainline hereby transfers those warranties and indemnities to  
2 City. Mainline makes no other warranties and disclaims the implied warranties of  
3 merchantability and fitness for a particular purpose.

4 9. Miscellaneous. A. If there is any conflict between this Master  
5 Agreement and any exhibit or Transaction Document, then the provisions of a Transaction  
6 Document shall govern.

7 B. This Master Agreement is not intended or designed or entered for the  
8 purpose of creating any benefit or right for any person or entity of any kind that is not a  
9 party to this Master Agreement.

10 IN WITNESS WHEREOF, the parties have caused this document to be duly

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executed with all formalities required by law as of the date first stated above.

MAINLINE INFORMATION SYSTEMS, INC., a  
Florida corporation, doing business in California  
as MIS LARGE SYSTEM SALES/AREA 10

June 15, 2005

By Richard S. Kearney  
President

Richard S. Kearney  
(Type or Print Name)

June 15, 2005

By Gary E. Huff  
Secretary

Gary E. Huff  
(Type or Print Name)

"Mainline"

CITY OF LONG BEACH, a municipal corporation

June 17, 2005

By Mac McKinney  
City Manager

"City"

This Master Agreement is approved as to form on 6/16, 2005.

ROBERT E. SHANNON, City Attorney

By D. J. Guin  
Senior Deputy

*Exhibit "A"*

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Exhibit A  
IBM Mainframe Replacement

IBM 2086-A04 z890 Eserver		\$333,700
Capacity Setting 150		
8GB memory		
2 OSA -Express 1000 BaseT ethernet adapters (4 ports)		
3 16-Port Escon cards		
9 Escon channel ports (36 Channels)		
1 Fibre channel card with two ports		
17" flat panel display		
	IBM 2086-A04 Sales Tax	\$27,530
Maintenance(3 yrs)		\$68,358
9 IBM Escon Converters		\$8,100
	Escon Converters Sales Tax	\$668
z/OS software - 1 yr		\$132,144
Total		\$570,500

This price includes trade-in of IBM 7060-H50

Mainline IBM Ex A