

Hosting Services Agreement

Between

AssetWorks LLC.

And

**City of Corpus Christi
(36 Month Term)**

Hosting Services Agreement

This Application Hosting Services Agreement ("Agreement") is effective as of January 1, 2015 ("Effective Date"), by and between AssetWorks LLC. ("AssetWorks"), with offices located at 998 Old Eagle School Road, Wayne, Pennsylvania, 19087 and the City of Corpus Christi ("Customer"), with offices located at 5352 Ayers Street, Corpus Christi, Texas 78415, on the following terms and conditions:

1. AGREEMENT OVERVIEW

AssetWorks operates a Data Center ("Data Center"), located at 998 Old Eagle School Rd., Wayne, PA 19087, and provides associated services to support customers that wish to outsource the operation and maintenance of computer applications listed in the Scope of Services as referenced in Attachment 2.

This Agreement describes the services to be provided by AssetWorks ("Hosting Services") the respective responsibilities of the parties, the service level objectives ("SLOs"), and the problem management process. This Agreement incorporates the following Attachments that shall be considered an integral part of this Agreement:

- Attachment 1 Service Level Agreement
- Attachment 2 Scope of Services
- Attachment 3 Fee Schedule

2. SERVICES

AssetWorks will perform the services ("Services") as described in the Scope of Services, set forth in Attachment 2.

The general scope of services addressed by this Agreement includes the operation, maintenance, and support of the:

- Database software for the Applications hosted under this agreement
- Database security
- Data Center server operation

The scope of services specifically excludes operation and maintenance of the following:

- Customer hardware, including Customer's servers, printers, network hardware (including routers and switches) and other Customer site computing equipment;
- Customer application software other than noted in the Scope of Services; and
- Customer Local Area Networks ("LAN")
- Customer network infrastructure for connecting to the Internet and to the AssetWorks Data Center

The Services shall be provided subject to the Terms and Conditions, which follow.

3. TERM

Subject to Customer's annual appropriation of funds during its annual budget process, the Term of the Agreement shall commence as of the Effective Date and shall continue for three (3) years ("Initial Term") unless terminated earlier as set forth below..

4. FEES AND PAYMENT

Customer shall pay AssetWorks the applicable fees as set forth in the Fee Schedule, Attachment 3.

AssetWorks shall invoice Customer monthly, in advance, and all invoiced fees shall be due and payable within 30 days of the date of an invoice. Monthly invoices shall include charges defined in Attachment 3. All payments shall be made in United States Dollars without deduction for any taxes or withholding or other offset.

The preferred means of payment is by electronic funds transfer (EFT). EFT payments can be accomplished as either a Funds Transfer (Fed Wire) or Direct Deposit (ACH).

For payment by EFT:

Wells Fargo
ABA/Routing #122105278
Swift Address: WFBUS6S
Account #5076434348

For payment by check:

AssetWorks
P.O. Box 202523
Dallas, TX 75320-2525

Any amounts not paid when due will be subject to interest accrued in accordance with the Texas Prompt Payment Act, Texas Government Code Chapter 2251-. Interest payments that are accrued during billing disputes should be credited back to the Customer if said dispute is found to be through no fault of the Customer.

A Customer will be considered delinquent if payment in full is not received forty-five (45) days from the date of the invoice. AssetWorks reserves the right to suspend or terminate this Agreement and Customer access to the Service if the Customer account becomes delinquent and is not cured within ten (10) days. Customer will continue to be charged and hereby agrees to pay for Service during any period of suspension. Customer's failure to pay any invoice after this ten (10) day period shall constitute a material default hereunder and shall entitle AssetWorks to exercise any and all rights and remedies provided herein or at law including a suspension of Services under the Agreement. If Customer or AssetWorks initiate termination under any provision of the Agreement, Customer will be obligated to pay the balance due on their account computed in accordance with the Fee Schedule in Attachment 3. Customer agrees that they may be billed for such unpaid fees. In the event of a dispute between the parties that does not result in a termination of the Agreement, Customer agrees to make all Monthly Service Fee payments due under the Agreement pending the resolution of the dispute.

Upon termination for whatever reason and regardless of the nature of the default (if any), Customer agrees to pay AssetWorks in full for Services provided to Customer under this Agreement within 30 days of the invoice date.

5. CUSTOMER RESPONSIBILITIES

The Customer is responsible for:

- Assigning a primary and alternate Customer representative to coordinate all communications and activities related to AssetWorks services.
- Providing user identification data and determining the appropriate security profile for each user. Customer will control security at the Application level.
- All printing. No print job will print at the Data Center and all physical printing requirements will be handled by the Customer.
- The purchase and installation of printers at Customer's sites for the Application being utilized as defined in the Scope of Services.

- Installation, operation and maintenance of all workstation software (and Customer's LAN, existing data communications configuration, hardware, or software required at the Customer's site except as otherwise stipulated in the Scope of Services. AssetWorks network and network responsibility extends from the AssetWorks routers at AssetWorks' sites to all connected equipment at AssetWorks' sites.
- Testing updates and fixes applied by AssetWorks to Applications used by Customer. With the exception of emergency fixes, Customer will test updates and fixes prior to their introduction to the Production environment within a mutually agreed upon time frame.
- Testing upgrades. Upgrades will be moved to production by the AssetWorks at the end of the Customer testing period unless specific problems are documented in writing to AssetWorks.
- Diligent analysis of suspected problems to determine their specific nature and possible causes before calling the AssetWorks for assistance. Notwithstanding this diligence requirement, Customer is responsible for informing AssetWorks of any problems encountered in a timely manner.

6. OWNERSHIP OF SOFTWARE AND DATA

Customer shall not obtain any ownership rights, title or interest in the software, hardware or systems developed or employed by AssetWorks in providing Services under the Agreement. AssetWorks shall not obtain any ownership rights, title or interest to Customer's data files. Upon expiration or termination of the Agreement for any reason, AssetWorks agrees to provide Customer with a copy of Customer's data files, as they exist at the date of expiration or termination. Nothing contained herein is intended to modify the Customer's rights under a separate license agreement between Customer and AssetWorks.

7. WARRANTY DISCLAIMER/LIMITATION OF LIABILITY

With respect to Services to be performed by AssetWorks under this Agreement, AssetWorks warrants that it will use reasonable care and skill in the provision of the Services, and that the Services will be performed in a professional, competent, and timely manner by AssetWorks appropriately qualified and trained staff. Except as expressly set forth herein, provider disclaims all warranties relating to the services or deliverables provided hereunder, including but not limited to any warranty of fitness for a particular purpose or merchantability. Provider shall not be liable for any punitive, indirect, incidental, special or consequential damages, including but not limited to lost data or lost revenues or profits, however arising, even if provider has been advised of the possibility of such damages. Except for claims for personal injury, death, property damage or infringement, AssetWorks' liability for any and all damages (including attorney's fees) under this Agreement shall in no event exceed fees paid to AssetWorks during the Initial Term.

8. TERMINATION

A. TERMINATION FOR DEFAULT

A Default shall occur if: (1) a party fails to perform any of its material obligations under the Agreement and such failure remains uncured for 30 days after receipt of written notice thereof; or (2) a party ceases to conduct business, becomes or is declared insolvent or bankrupt, is the subject of any proceeding relating to its liquidation or insolvency which is not dismissed within 90 days or makes an assignment for the benefit of creditors.

If Default occurs, the non-defaulting party, in addition to any other rights available to it under law or equity, may withhold its performance hereunder or may terminate the Agreement by written notice to the defaulting party. Unless otherwise provided in the Agreement, remedies shall be cumulative and there shall be no obligation to exercise a particular remedy.

B. TERMINATION FOR CONVENIENCE AND FOR NON-APPROPRIATION OF FUNDS

Customer may terminate this agreement at any time for convenience with or without cause upon thirty (30) days written notice.

Customer may terminate this agreement at any time upon thirty (30) days written notice for non-appropriation of Customer funds for this Agreement during the Customer's annual budget process. In the event of termination by the Customer due to non-appropriation of funds, the Customer shall only be responsible for payment of monthly fees through the end of the fiscal year for which funds were appropriated by the Customer for this Agreement.

9. GOVERNING LAW; VENUE

The Agreement shall be governed and construed in accordance with the laws of the State of Texas without regard to choice of law principles. Subject to Section 20 below, the parties agree that the sole jurisdiction and venue for actions related to the subject matter hereof shall be the state and U.S. Federal courts in the State of Texas. Both parties consent to the jurisdiction of such courts and waive any objections regarding venue in such courts.

10. ASSIGNMENT

Neither the Agreement nor any duties or obligations hereunder shall be assigned or transferred by Customer without the prior written approval of AssetWorks, which approval may be withheld in the reasonable judgment of the AssetWorks. Customer agrees that AssetWorks may assign its obligations to a third party subject to Customer's prior written approval of such change, but AssetWorks shall remain responsible for performance under the Agreement. All fees will remain intact as outlined in Attachment 3.

11. SEVERABILITY

If any provision of the Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any manner.

12. ENTIRE AGREEMENT

The Agreement and any schedules and exhibits thereto contain the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior or contemporaneous proposals, discussions, agreements, understandings, commitments, representations of any kind, whether oral or written, relating to the subject matter hereof or the Services to be provided hereunder.

13. FORCE MAJEURE

Neither party shall be liable for any failure of or delay in performance of its obligations (except for payment obligations) under this Agreement to the extent such failure or delay is due to acts of God, acts of a public enemy, fires, floods, power outages, wars, civil disturbances, sabotage, terrorism, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes (whether or not the employees' demands are reasonable and/or within the party's power to satisfy), failure of common carriers, Internet Service Providers, or other communication devices, acts of cyber criminals, terrorists or other criminals, acts of any governmental body (whether civil or military, foreign or domestic), failure or delay of third parties or governmental bodies from whom a party is obtaining or must obtain approvals, authorizations, licenses, franchises or permits, inability to obtain labor, materials, power, equipment, or transportation, or other circumstances beyond its reasonable control (collectively referred to herein as "Force Majeure Occurrences"). Any such delays shall not be a breach of or failure to perform this Agreement or any part thereof and the date on which the obligations hereunder are due to be fulfilled shall be extended for a period equal to the time lost as a result of such delays. Neither party shall be liable to the other for any liability claims, damages or other loss caused by or resulting from a Force Majeure Occurrence.

14. WAIVER

No provision of the Agreement may be waived unless in writing, signed by both of the parties hereto. Waiver of default of any provision of the Agreement shall not operate or be construed as a waiver of any subsequent default of such provision, nor shall a waiver of any one provision of the Agreement be deemed to be a waiver of any other provision.

15. AMENDMENTS, SUPPLEMENTS

The Agreement may be amended or supplemented only by the mutual written consent of the parties' authorized representative(s).

16. BINDING EFFECT, BENEFITS

The Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Notwithstanding anything contained in the Agreement to the contrary, nothing in the Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of the Agreement.

17. NOTICES

All notices under the Agreement will be in writing and will be delivered by personal service, certified mail, postage prepaid, or overnight courier to such address as may be designated from time to time by the relevant party, which initially shall be the addresses set forth on the signature page to the Agreement. Any notice sent by certified mail will be deemed to have been given five (5) days after the date on which it is mailed.

18. HEADINGS

The Section headings in the Agreement are inserted only as a matter of convenience, and in no way define, limit, or extend or interpret the scope of the Agreement or of any particular Article or Section.

19. AUTHORIZATION

Each of the parties represents and warrants that the Agreement is a valid and binding obligation enforceable against it and that the representative executing the Agreement is duly authorized and empowered to sign the Agreement.

20. DISPUTE RESOLUTION

The parties will seek a fair and prompt negotiated resolution within ten (10) days of the initial notice of the dispute (Dispute). If the dispute has not been resolved after such time, the parties will escalate the issue to more senior levels. If the parties are unable to resolve any dispute at the senior management level, then either party may pursue any available legal remedy.

21. RELATIONSHIP OF PARTIES

The relationship of the parties shall at all times be one of independent contractors. Nothing contained herein shall be construed as creating any agency, partnership or other form of joint enterprise between the parties.

22. CONFLICTING PROVISIONS

This Agreement and all of the exhibits, schedules, and documents attached hereto are intended to be read and construed in harmony with each other, but in the event any provision in any attachment conflicts with any provision of this Agreement, then this Agreement shall be deemed to control, and such conflicting provision to the extent it conflicts shall be deemed removed and replaced with the governing provision herein

23. COUNTERPARTS

The Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

24. COUNSEL

By execution of this Agreement, each of the Parties acknowledges and agrees that it has had an opportunity to consult with legal counsel and that it knowingly and voluntarily waives any right to a trial by jury of any dispute pertaining to or relating in any way to the transactions contemplated by the Agreement, the provisions of any federal, state or local law, regulation or ordinance notwithstanding.

25. SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized representative(s).

26. DISCLOSURE OF INTERESTS FORM.

AssetWorks will complete the submit a completed Disclosure of Interests form.

27. INSURANCE.

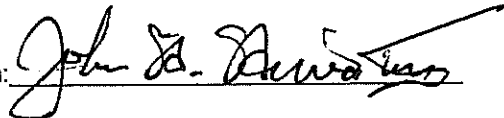
AssetWorks will provide insurance in accordance with the attached Exhibit.

"AssetWorks"

AssetWorks LLC.

Name: John H. Hines III

Title: President

Sign: 

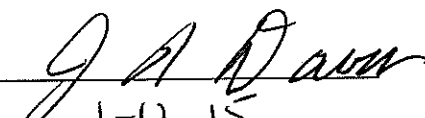
Date: 12/30/14

"Customer"

Customer

Name: James A Davis

Title: Director Fleet Maintenance

Sign: 

Date: 1-12-15

Address:

998 Old Eagle School Road
Suite 1215
Wayne, PA 19087

Telephone (610) 687-9202

Fax (610) 971-9447

Address:

P.O. Box 9277
Corpus Christi, TX 78469

Telephone: (361) 826-1909

FAX: (361) 826-1905

Attachment 1 - Service Level Agreement

This Service Level Agreement ("SLA") is intended to provide an understanding of the level of service to be delivered by the AssetWorks for the Services specified in Attachment 2. The service levels set forth below apply to the Services provided by AssetWorks under the Agreement.

AVAILABILITY

AssetWorks will use commercially reasonable efforts to provide Services with an average of 95% Availability (as such term is hereinafter defined) for each quarter during the Term. For purposes of the Agreement, "Availability" during any quarter refers to an Authorized User's ability to log into the Application during such quarter, and will be calculated in accordance with the following formula:

$$x = (y - z) / y * 100$$

Where,

- "x" is the Availability of the Application during the quarter;
- "y" is the total number of hours in such quarter minus the number of hours during such quarter that the Customer is unable to log into the Application because of (a) regularly scheduled maintenance windows for the Application and for times in which Customer has been notified in writing (including e-mail) by AssetWorks in advance thereof; (b) a Force Majeure Event; (c) non-performance of hardware, software, ISP connections, and other equipment that is not provided by AssetWorks or certified by AssetWorks for use in conjunction with the Services (except as such non-performance is directly or indirectly caused by AssetWorks).
- "z" is the number of hours in such month during which the Customer is unable to log into the Application (other than for reasons set forth in the definition of "y" above); provided that AssetWorks has been notified or is otherwise aware (or reasonably should be aware) of Customer's inability to utilize the Application.

FEE ADJUSTMENT

In the event that AssetWorks does not meet the Availability levels set forth below, the amount of fees payable by Customer will be reduced as follows:

In the event the average Availability for the Application is less than ninety five percent (95%) during any two consecutive quarters, Customer will receive a credit to its account with AssetWorks of five percent (5%) of the amount of a quarter's aggregate AssetWorks Hosting Services fees paid or payable by Customer to AssetWorks.

AssetWorks' obligation to provide Customer with fee adjustments as set forth above is conditioned on Customer providing detailed written notice to AssetWorks of its contention that AssetWorks was unable to meet the applicable Availability levels. Upon receipt of such notice, AssetWorks shall have thirty (30) calendar days to investigate the contention. If, at the end of the thirty (30) calendar day period it is determined that AssetWorks did in fact fail to meet the applicable Availability levels, Customer will receive the appropriate credit to its account during the next invoice cycle.

Attachment 2 - Scope of Services

All of the services, functions, processes, and activities described below will be collectively described as the "Services" for purposes of this Agreement. All Services will be provided by AssetWorks to and for the Customer's benefit in a manner that will meet the objectives outlined in Attachment 1.

Application

Application refers to the Customer's software licensed from AssetWorks pursuant to a separate license agreement which software may include 3rd Party Software. The Application is hosted by AssetWorks pursuant to this Agreement.

Support Software

Support Software includes the operating system, utilities, database software, and all necessary licenses required to operate the Application and provided by AssetWorks as part of the Services.

Hardware

Server infrastructure located in Wayne, PA, to maximize uptime.

If required by Customer, Customer shall provide the telecommunications equipment (including the routers to be installed at the Data Center), communication line, and services for connection from Customer's site to the Data Center.

Database Instances

AssetWorks will maintain a single Production Database instance. This Production Database will provide the daily, real-time transaction data to the Application users.

In addition to the Production Database, AssetWorks will maintain one additional, non-production Database (Test). Upon request by Customer, AssetWorks will populate these additional Databases with Customer's Production data up to 4 times in any 12 month period at no additional cost.

Backups

For customers hosted in our data center in Wayne, PA, full database and incremental file system backups are taken each night and stored at an offsite facility. Backup data is retained for 14 days.

Hours of System Operations

The Application will be accessible and available to the Customer and capable of any and all normal operating functions 24 hours a day, seven days a week except for periods of Scheduled Maintenance and previously approved outages. AssetWorks will not be held responsible for inaccessibility arising from communications problems occurring anywhere beyond the AssetWorks side of the router resident at the Data Center, nor will these hours of unavailability be counted as unavailable.

Data Center Maintenance

AssetWorks will complete routine maintenance on the Application according to the published schedule. AssetWorks will publish schedules for subsequent years on its Customer Support web site. AssetWorks will provide at least 30 days notice to any changes in the schedule.

If AssetWorks is required to perform additional maintenance outside of the Scheduled Maintenance window, it will notify the Customer in writing of its request. The Customer and the AssetWorks will mutually agree on the downtime, which will then be considered a period of Scheduled Maintenance.

Application Maintenance

1. Correction of Deviations

In the event that the Customer encounters an error and/or malfunction ("Deviation") in the Software, the Customer shall communicate the circumstances and any supporting information to AssetWorks. Upon receipt, AssetWorks will respond as follows:

a. In the event that, in the mutual and reasonable opinion of AssetWorks and Customer, there exists a Deviation that does not constitute a serious impediment to the normal intended use of the Software, AssetWorks will correct the Deviation and distribute the correction in accordance with AssetWorks' normal Software revision schedule.

b. In the event that, in the mutual and reasonable opinion of AssetWorks and the Customer, there exists a Deviation that does constitute a serious impediment to the normal intended use of the Software, AssetWorks will take such steps as are reasonably required to correct the Deviation in a commercially reasonable time frame.

2. **Software Revisions.** The Software may be revised by AssetWorks as a result of the correction of Deviations and/or the release of upgrades or improvements or modifications designed to improve the performance of the Software and/or to increase the capabilities of the Software (hereafter "Revisions"). No charge shall be made to the Customer for either Mandatory Revisions or Optional Revisions.

3. **Telephone Hotline Assistance**

AssetWorks shall make available technically qualified personnel to respond to all reasonable telephone requests, Monday through Friday, excluding State holidays, during normal business hours, that may be made by the Customer relating to the application and operation of the Software. At other times such personnel are available by beeper for emergencies.

4. **Technical Literature**

AssetWorks shall make available to the Customer on line all technical literature that is considered by AssetWorks to be relevant to the Software and its use within the scope of Customer's operations.

5. **Proper Use**

a. The Customer agrees that all reasonable effort shall be taken to ensure that neither the Software nor data files are misused.

b. In the event that the Customer or its agents misuses the Software or data files, including, but not limited to, inserting, updating, deleting or otherwise modifying data through a means other than the Software, although AssetWorks is not obligated to correct such misuse, AssetWorks shall be entitled to attempt to correct the situation, if possible, at Customer's expense.

c. In the event that diagnostic assistance is provided by AssetWorks, which, in the reasonable opinion of AssetWorks and the Customer, relates to problems not caused by a Deviation in the Software, such assistance shall be at the Customer's expense

Attachment 3 – Fee Schedule

This section provides the fees payable to AssetWorks. License fees are governed by a separate Software License Agreement between the parties.

Start-Up Fee, Hosting

The Hosting Set-Up fees are as follows for a 36-Month contract: \$7,500

Service Fees Structure

AssetWorks will invoice Customer in advance on a monthly basis. The monthly service fees will begin on the effective date of this Agreement. Monthly fees for Services described on Attachment 2, including Application Maintenance. \$ 3,100

HOSTING SERVICES			
FleetFocus Hosting Environment Setup	One-time setup fee	\$ 5,000	\$ 5,000
External Reporting Database	One-time setup fee	\$ 2,600	\$ 2,600
	One-time setup fees, excluding relevant taxes:		<u>\$ 7,600</u>
FleetFocus Hosting	Fixed monthly fee up to 2000 units		\$ 2,500
Reporting Database	Fixed monthly fee, per server	\$ 500	\$ 500
FuelFocus hosting	Per ICU	\$ 50	\$ 100
	Monthly hosting fee, excluding relevant taxes:		<u>\$ 3,100</u>
36 month agreement			
	One time set up fees	\$	7,500
	1st year hosting	\$	37,200
	1st year total	\$	44,700

Ad-hoc Reporting Database

The Ad-hoc Reporting Database setup fees are as follows for a 36-Month contract:

Fee Adjustments

For additional Customer database instances requested beyond the existing Production and Test instances, a one-time fee will be charged for creation and a per month fee will be charged as long as the instance exists at the Data Center.

Additional Database Creation Fee

Monthly Service Fee for Additional Database

Monthly Service Fee for Ad-hoc Reporting Database

Professional Services Fees

Work requested by Customer beyond that described in Attachment 2, will be charged at the following rates. Before any work is done which would incur charges billed as Professional Services Fees, the AssetWorks will supply a proposal describing the work and providing an estimate of hours, cost, and completion date. Customer approval will be required before work can begin.

Project Management, per hour

Training and Subject Matter Expert Consulting, per hour

Development, per hour

Service Termination Fee

If Customer terminates this Agreement other than pursuant to Section 8A, "Termination for Default," of the Agreement, a Service Termination Fee equal to 100% of the current Monthly Service Fees will be billed monthly until the end of the then current fiscal year of the Customer. Additionally, in the event of termination by the Customer due to non-appropriation of funds during the Customer's annual budgetary process, the Customer shall only be responsible for payment of monthly fees through the end of the fiscal year for which funds were appropriated for this Agreement.

Travel Expenses

In addition to the fees set forth above, with prior written approval from the Customer, Customer shall reimburse AssetWorks for reasonable air fare, meals, ground transportation, and other reasonable travel and living expenses incurred by AssetWorks in support of the Agreement during provision of support services at the Customer site. AssetWorks will adhere to the Customer's Travel Policies to the extent possible.

Adjustment of Fees

The fees set forth above shall remain in effect during the duration of the Initial Term of this Agreement beginning on the Effective Date.

EXHIBIT

INSURANCE REQUIREMENTS

I. CONTRACTOR'S LIABILITY INSURANCE

- A. Contractor must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor to commence work until all similar insurance required of any subcontractor has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Director of Fleet Services, 2 copies of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. **The City must be listed as an additional insured on the General liability and Auto Liability policies, and a waiver of subrogation is required on all applicable policies. Endorsements must be provided with COI. Project name and or number must be listed in Description Box of COI.**

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-written day notice of cancellation, required on all certificates or by applicable policy endorsements	Bodily Injury and Property Damage Per occurrence - aggregate
Commercial General Liability including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence \$2,000,000 Aggregate
PROFESSIONAL LIABILITY (Errors & Omissions)	\$1,000,000 per claim
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$1,000,000 Combined Single Limit
WORKERS' COMPENSATION	Statutory
EMPLOYER'S LIABILITY	\$500,000 /\$500,000 /\$500,000

- C. In the event of accidents of any kind related to this agreement, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

II. ADDITIONAL REQUIREMENTS

- A. Applicable for paid employees, Contractor must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Contractor will be promptly met.
- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- C. Contractor shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277

- D. **Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
- List the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations, completed operation and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy;
 - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
 - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and

- Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- E. Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor'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 contract.
- F. In addition to any other remedies the City may have upon Contractor'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 Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this agreement.
- H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

2014 Insurance Requirements
Fleet Services –
Fleet Maintenance Management Software – Hosting Agreement
12/18/2014 ds Risk Management