

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into on December 1, 2024, by and between the TOWN OF LOS GATOS, a California municipal corporation, ("Town") and MBS Business Systems (Monterey Bay Office Products, Inc), ("Consultant"), whose address is 325 Victor Street, Suite A, Salinas, CA 93907. This Agreement is made with reference to the following facts.

I. RECITALS

- 1.1 The Town desires to engage Consultant to provide multifunctional printer purchase, replacement, management, and maintenance services.
- 1.2 The Consultant represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Consultant warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Consultant acknowledges Town has relied upon these warranties to retain Consultant.

II. AGREEMENTS

- 2.1 Scope of Services. Consultant shall provide services as described in that certain proposal dated November 6, 2024, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. This contract will remain in effect from December 1, 2024, to November 30, 2029. Consultant shall perform the services described in this agreement as follows:

Year 1 (2024-2025)

Printers to replace 13

Total cost for replacements of \$53,112.49

Maintenance fees (entire fleet of printers) \$29,068.40

Year 2 (2025-2026)

Printers to replace 10

Total cost of replacement printers \$40,874.30

Maintenance fees (entire fleet of printers) \$26,302.14

Year 3 (2026-2027)

Printers to replace 13

Total cost of replacement printers \$37,469.47

Maintenance fees (entire fleet of printers) \$24,227.81

Year 4 (2027-2028)

Printers to replace NONE

Maintenance fees only \$24,227.81

Year 5 (2028-2029)

Printers to replace NONE

Maintenance fees only \$25,257.03

Total not to exceed \$260,540

- 2.3 Compliance with Laws. The Consultant shall comply with all applicable laws, codes, ordinances, and regulations. Consultant represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.4 Sole Responsibility. Consultant shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.
- 2.5 Information/Report Handling. All documents furnished to Consultant by the Town and all reports and supportive data prepared by the Consultant under this Agreement are the Town's property and shall be delivered to the Town upon the completion of Consultant's services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Consultant shall not make any of these documents or information available to any individual or organization not employed by the Consultant or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Consultant pursuant to this Agreement are for the purpose of evaluating a defined project, and Town's use of the information contained in the reports prepared by the Consultant in connection with other projects shall be solely at Town's risk, unless Consultant expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Consultant which is and has been confirmed in writing by Consultant to be a trade secret of Consultant.
- 2.6 Compensation. Compensation for Consultant's professional services **shall not exceed \$260,540.00**, inclusive of all costs. Payment shall be based upon Town approval of each task.
- 2.7 Billing. Billing shall be monthly by invoice within thirty (30) days of the rendering of the service and shall be accompanied by a detailed explanation of the work performed by whom at what rate and on what date. Also, plans, specifications, documents, or other pertinent materials shall be submitted for Town review, even if only in partial or draft form.

Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:

Invoices:

Town of Los Gatos

Attn: Accounts Payable

P.O. Box 655

Los Gatos, CA 95031-0655

- 2.8 Availability of Records. Consultant shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Consultant shall make these records available to authorized personnel of the Town at the Consultant's offices during business hours upon written request of the Town.
- 2.9 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Consultant. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.10 Independent Contractor. It is understood that the Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor, he/she shall not obtain any rights to retirement benefits or other benefits that accrue to Town employee(s). With prior written consent, the Consultant may perform some obligations under this Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Consultant agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Consultant shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Consultant or is based on allegations of Consultant's negligent performance or wrongdoing.
- 2.11 Conflict of Interest. Consultant understands that its professional responsibilities are solely to the Town. The Consultant has and shall not obtain any holding or interest within the Town of Los Gatos. Consultant has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Consultant warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Consultant shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Consultant discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this

Agreement, Consultant shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.

- 2.12 Equal Employment Opportunity. Consultant warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Consultant nor its subcontractors do and neither shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

III. INSURANCE AND INDEMNIFICATION

3.1 Minimum Scope of Insurance:

- i. Consultant agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: two million dollars (\$2,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.
- ii. Consultant agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
- iii. Consultant shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all certificates and endorsements are to be received and approved by the Town before work commences.
- iv. Consultant agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of Consultant, premises owned or used by the Consultant. This requirement does not apply to the professional liability insurance required for professional errors and omissions.

- ii. The Consultant's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees, and volunteers. Any insurance or self-insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
 - iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
 - iv. The Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.
- 3.3 Workers' Compensation. In addition to these policies, Consultant shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Consultant shall ensure that all subcontractors employed by Consultant provide the required Workers' Compensation insurance for their respective employees.
- 3.4 Indemnification. The Consultant shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees, and volunteers from all damages, liabilities, penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work which may be occasioned by a willful or negligent act or omissions of the Consultant, or any of the Consultant's officers, employees, or agents or any subconsultant.

IV. GENERAL TERMS

- 4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.
- 4.2 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.

4.3 Termination of Agreement. The Town and the Consultant shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Consultant shall deliver to the Town all plans, files, documents, reports, performed to date by the Consultant. In the event of such termination, Town shall pay Consultant an amount that bears the same ratio to the maximum contract price as the work delivered to the Town bears to completed services contemplated under this Agreement, unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.

4.4 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Consultant.

4.5 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.

4.6 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos
Attn: Town Clerk
110 E. Main Street
Los Gatos, CA 95030

MBS Business Systems
325 Victor Street, Ste. A
Salinas, CA 93907

or personally delivered to Consultant to such address or such other address as Consultant designates in writing to Town.

4.7 Order of Precedence. In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.

4.8 Entire Agreement. This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Consultant. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.

IN WITNESS WHEREOF, the Town and Consultant have executed this Agreement.

Town of Los Gatos by:

Consultant, by:

Chris Constantin, Town Manager

Recommended by:

Sai Kim, Chief Technology Officer

Printed Name and Title

Approved as to Form:

Gabrielle Whelan, Town Attorney

Attest:

Wendy Wood, CMC, Town Clerk



MBS Business Systems
325 Victor St. Suite A
Salinas, CA 93907
P 831.758.1048 / 800.848.7575
F 831.758.5984

MBit Managed
365 Victor St. Suite A
Salinas, CA 93907
P 831.975-5102

www.mbsworks.com

Town of Los Gatos
110 Main Street
Los Gatos, CA

November 6, 2024

Town of Los Gatos Leadership,

It is with gratitude for the ongoing partnership and collaborative between MBS and the Town that I present the following proposal for continued service and elevation of your Multi-function and Single-function equipment with Maintenance and Service.

The history between the Town of Los Gatos and MBS is long, admirable, and respected. With joint commitment to the best care and support for the community we share, the details outlined in this five-year proposed contract represent our best advice for sustainable operation efficiency and cost effectiveness.

For the duration the of the next five years, MBS recommends the following, as illustrated in the drilled-down detail presented:

- The Town will work in partnership with MBS to enhance models, as outlined, over the course of the next three years. All associated costs are outlined in Attachment A of the Maintenance Contract.
 - o The Town's multi-function (copy/print/scan) and single-function (print only) equipment has reached a point where models have become archaic in nature, hence Maintenance Costs continue to increase.
 - o These models will all reach end of life during the next three years, and will no longer be supported by the manufacturer.
 - o With the age and end of life status of equipment, the Town is gravely missing out an opportunity to **elevate security, lower maintenance costs** (the older a machine, the harder it becomes to support it) **and begin a new base-line of up-to-date machinery for many years to come.**
- MBS will provide a cost effective, comprehensive Maintenance Agreement for 5 Years, as detailed, to support all of the Town's equipment and as the three-year enhancement plan is activated.
- **NOTE: This proposal illustrates best estimated costs, based on current and historical volumes/usage and a specific timeline for specifically planned equipment enhancement.**



MBS Business Systems
325 Victor St. Suite A
Salinas, CA 93907
P 831.758.1048 / 800.848.7575
F 831.758.5984

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P 831.975-5102

www.mbsworks.com

MBS extends the following detail of our proposed offer, in alignment with the collaborative NASPO ValuePoint Contract. The specifics presented are based on a three-year agreement of replacing outdated equipment and a Maintenance Agreement for five years with the outlined enhancement plan.

- **While total volume costs are best estimates and may slightly fluctuate, the Cost per Copy (CPC Rates), base allotments, and costs of new equipment are binding per this contract.**

Respectfully,

Michelle Brill
Major Account Manager

Authorization to move forward with three-year equipment enhancement plan and subsequent five-year Maintenance Agreement:

/s/ Michelle Brill, Major Account Manager

November 6, 2024

For Town of Los Gatos

Printed Name and Title

Date



Managed Print Services Agreement

Date:	November 7, 2024
Contract #:	
P.O. #:	
Sales Rep:	Michelle Brill

BILL TO	EQUIPMENT LOCATION
Town of Lost Gatos PO Box 655 Los Gatos, CA 95031 Billing Contact Gitta Ungvari Email gungvari@losgatosca.gov Phone/Fax (408) 354-6805	See Attachment A Key Operator _____ Phone _____ Email _____ Meter Contact Preference: _____ Fax Number: _____ Equip <input type="checkbox"/> Fleet view <input type="checkbox"/> Fax <input type="checkbox"/> Email <input type="checkbox"/>

MAINTENANCE AGREEMENT TERMS:

Contract Start Date:	December 1, 2024	Contract End Date:	November 30, 2029
This contract covers the below equipment and includes the following when box is checked:			
Labor <input checked="" type="checkbox"/>	Parts <input checked="" type="checkbox"/>	4 Hour Avg. Response <input checked="" type="checkbox"/>	Drum Units <input type="checkbox"/>
Black Toner <input checked="" type="checkbox"/>	Blk. Develop <input type="checkbox"/>	Loaner Unit if Needed <input checked="" type="checkbox"/>	Fuser Units <input type="checkbox"/>
Color Toner <input checked="" type="checkbox"/>	Clr. Develop <input type="checkbox"/>	Preventative Maintenance <input checked="" type="checkbox"/>	Transfer Unit <input type="checkbox"/>
Firmware Upgrades <input type="checkbox"/>		IT Support** <input type="checkbox"/>	
External Fiery Controller** <input type="checkbox"/>		Other: _____	

Paper, staples and equipment moves are not included in contract, unless specifically listed above. There will be a nominal shipping fee assessed on contract invoices for supply delivery fees. MBS guarantees and average 4 hour response time during normal business hours, Monday - Friday, 8AM to 5PM, holidays excluded.
 Toner usage will be monitored and may be limited to 125% of the manufacturers' guaranteed image yields.
 ** IT Support and/or External Fiery Controller is included only if **Value-Added** Support and/or **Fiery Support** options below are purchased.

MONTHLY BASE BILLING FEE			OVERAGE COST PER IMAGE:	
TYPE	Mo. Fee	Included	TYPE	Cost Per Image/Scan
See Attachment A			See Attachment A	See Attachment A
Base Billed in Advance: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly				

ADDITIONAL COVERAGE OPTIONS:

Value-added IT Support (for connected devices):	\$40.00 per month, billed with BW Base	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Value-added IT (VIT) support includes unlimited on-site, as well as telephone help-desk support during normal business hours for IT service relating directly to the device(s) below. VIT support includes diagnosis and repair of printing and/or scanning issues associated with the device(s) below. VIT also include re-installation of print drivers, addition of new scan users, etc. as needed. VIT support does not cover IT support for other devices not included on this contract, support for software not purchased from MBS or support required as a result of changes to the network or server to which the device is connected. Customer is responsible for providing software licenses if software purchased from MBS requires re-installation. Minimum VIT agreement term is 1 year and is renewed automatically with the hardware agreement at MBS then prevailing rate. VIT DOES NOT include network or IT services which are not directly connected to the device(s) listed below.			
Controller Support (for Fiery or e-Copy Scan Stations):	<input type="text"/> per month	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
External & internal controller fee covers repair and/or replacement of the Fiery internal OR external controller hardware and/or e-Copy scan station hardware that is external to the MFP device. This fee will be billed with the contract base.			

EQUIPMENT:

Make/Model	Serial Number	ID Number	B/W Start Meter	Color Start Meter
See Attachment A				

MAINTENANCE AGREEMENT ACCEPTANCE:

I have read and agree to the terms & conditions outlined above and on page two (2) of this maintenance agreement and choose to purchase the agreement at this time. I understand that this agreement is automatically renewed annually at the end of the contract term at MBS' then prevailing rates. This contract may be canceled by either party, with 30 days written notice.	Initial Below
I decline this maintenance agreement and understand that all future service calls will be chargeable. Fees will be based upon MBS' current hourly labor rate plus applicable travel time. Parts and supplies will be available at the manufacturer's suggested retail pricing. Guaranteed priority 4 hour average service response time is not available for equipment not under maintenance agreement.	

CUSTOMER ACCEPTANCE	MBS ACCEPTANCE
Authorized Signature _____	Signature _____
Print Name _____	Date _____
Date _____	Date _____

MBS Business Systems Terms and Conditions

1. References made to "MBS" shall mean Monterey Bay Systems or MBS Business Systems. Machines sold by MBS are eligible for a service contract immediately upon the delivery of the equipment. If service contract is requested at any other time, machine must first be inspected by MBS. Customer shall bear any and all costs necessary to bring machine up to specifications. Machines not sold initially by MBS which are accepted for a service contract after inspection are not covered for parts the first 60 days.
2. This is an annual contract that will automatically renew yearly after the initial period unless cancelled by customer by written notice at least thirty (30) days prior to anniversary date. Said automatic renewal is to provide uninterrupted coverage to customer. This contract may increase in cost annually to adjust with equipment age and/or change in consumable/parts pricing. This Agreement shall not be assignable or transferable by Customer without MBS's prior written consent. MBS may terminate this Agreement if Equipment is sold or transferred to a third party, and upon either event all remaining payments shall become immediately due and owing. Equipment may not be relocated without the prior written approval of MBS.
3. The pricing of this Agreement is based upon a single sided, 8.5" X 11" images and/or a single sided, 8.5"X14". 11X17 images and/or 8.5X11 two-sided images will be counted as two images. In the event of early termination by the Customer, all remaining charges shall become immediately due and owing. Customer shall pay all applicable sales tax, installation and freight charges. If Customer fails to make any payment when due, Customer agrees to pay MBS interest at the rate of one and one-half percent (1.5%) per month or the maximum interest rate permitted by law, whichever is less on any such overdue or outstanding balances. Customer shall pay a \$35.00 service charge on any and all returned checks.
4. This Agreement does not cover IT support beyond the specific equipment and included hardware listed on the front of this Agreement, unless the **Value-added IT Support** YES box is checked on the front of this document. All network support beyond the initial installation and/or scope of the Value-added IT Support (if checked) will be chargeable at MBS's standard time and materials rates, unless covered by a separate network support agreement.
5. All required preventive maintenance and emergency service necessary to keep the Equipment in efficient operating order will be performed by MBS during its regular business hours (8:00 a.m. - 5:00 p.m., Monday through Friday, except holidays).
6. MBS will replace without charge, parts which have been broken or worn through normal use and are necessary to machine servicing and maintenance adjustments, including consumables (as indicated on front of this agreement) such as toner, developer, drums and fuser rollers within the limits of their suggested yield. (Paper and Staples are excluded). Additional toner requested beyond 125% of manufacturer's average yield specifications is subject to additional charges.
7. Customer will be responsible for the daily care and cleaning of the top glass, dusting equipment, replenishing toner, clearing obvious paper jams, and reporting meter reads. It is the customer's responsibility to provide a key operator who shall be responsible for normal operator functions listed above. In addition, it is the customer's responsibility to provide MBS with meter readings as needed. If current meter reading is not submitted after repeated requests, MBS will use an estimated meter reading based on service history for billing period. Customer agrees that MBS will not be held accountable to make adjustments, repairs or replacements if MBS is not provided reasonable access to the equipment. Service calls for normal operator functions (adding or changing supplies, removing misfeeds, cleaning glass, etc.) will be subject to a time and material service charge at MBS's then current rate. Additional chargeable services include but are not limited to:
 - a) Repairs resulting from causes other than normal use: Customer's willful act; negligence or misuse; Customer's use of supplies (including paper) or spare parts which do not meet published specifications and which cause abnormally frequent service calls or service problems; accident, failure or variances of electrical power; failure to provide air conditioning, heat or humidity control as required; abuse, theft, fire, water, or any other damage resulting from uncontrollable causes. MBS will make every effort to inform Customer of potential problem prior to resorting to a chargeable service call.
 - b) Subsequent repairs made when personnel other than those of MBS or its assigned Servicing Dealer perform service.
 - c) Transportation and relocation - repairs resulting from unauthorized relocation of equipment by anyone other than MBS.
 - d) Work which Customer requests to be performed outside regular business hours.
8. When in MBS's opinion the Equipment becomes of advanced age or usage exceeds manufacturer's specifications, and cannot be maintained in good working order through MBS's routine preventive maintenance service, or if work beyond the scope of this Agreement is required, MBS shall submit to Customer a cost estimate of such work. If Customer declines to authorize the same, MBS shall have the right, on ten (10) days written notice to Customer, to terminate service under this Agreement as to any or all items of Equipment. Removed parts replaced by MBS shall become property of MBS. MBS shall have full and free access to the equipment to provide service thereon. Neither MBS nor an assigned Servicing Dealer shall be responsible for any delays in servicing the Equipment due to the inability or delay in obtaining a necessary part or supply.
9. MBS assumes no liability for operator error or damage caused by customer.
10. MBS's obligations and warranties under this agreement are in lieu of (A) all other warranties, expressed or implied, including implied warranties of merchantability and fitness for a particular purpose, which are specifically waived and (B) all other obligations or liabilities for damages including, but not limited to: 1) personal injury or property damage, or 2) loss of profit or other consequential damages arising out of or in connection with this agreement or the maintenance service caused directly or indirectly by strikes, accidents, climatic conditions, or reason of similar nature beyond its control. Customer agrees that if MBS caused any injury or damage to customer or customer's property, which said claim is not otherwise waived herein, customer agrees that the maximum amount that MBS shall have to pay customer for said injury or damage is an amount equal to the services rendered to the customer that caused said injury or damage.
11. This Agreement constitutes the entire Agreement between the parties with respect to the furnishing of maintenance service superseding all previous proposals, oral or written.
12. MBS reserves the right to withhold service and product if Customer fails to make any payment due under the terms and conditions of this Agreement. If Customer fails to make any payment when due under the terms and conditions of this Agreement as set forth above or otherwise is in default of the terms and conditions of this Agreement, Customer agrees that all payments due under said Agreement shall be accelerated and Customer shall be liable for all payments due under the full term of this Agreement that are unpaid or the reasonable cost of all services completed by MBS for the benefit of Customer, whichever is greater. If Customer breaches any term or condition of this Agreement, Customer agrees to reimburse MBS for all attorney fees and costs MBS expends to enforce the terms and conditions of this Agreement against Customer. Further, this Agreement shall be interpreted exclusively under the laws of the State of California.



Town of Los Gatos MBS Maintenance Agreement and Equipment Enhancement Contract Overview

Timeline	Maintenance Agreement Renewal ONLY	Maintenance Agreement with Proposed Equipment Enhancements	Net 30 Proposed Equipment Expense TOTAL	60-month \$1 Out Lease	Proposed Equipment Enhancements Department	Proposed Equipment Enhancements ID	Proposed Equipment Enhancements Current Model	Equipment Age at Enhancement (Years)	Proposed Equipment Enhancements New Model	Net 30 Price Pre-tax
YEAR 1 2024-25	\$33,319.93	\$28,156.82	\$48,615.55	\$13,196.40	Down Finance	13954	BH4700p	11	BH4701i	\$895.00
	\$1,078.73 Sales Tax	\$911.58 Sales Tax	\$4,496.94 Sales Tax		CDD Admin.	15543	BH4700p	11	BH4701i	\$895.00
	\$34,398.66	\$29,068.40 TOTAL	\$53,112.49 TOTAL		Finance AP	15545	BH4700p	11	BH4701i	\$895.00
					Finance Payroll	15546	BH4700p	11	BH4701i	\$895.00
		\$5,330.26			Finance Director	15556	BH4700p	11	BH4701i	\$895.00
		Savings from MA ONLY			PPW Sign Shop	16597	C335i	2	C3351i	\$2,495.90
		Including Sales Tax			PD Emerg. Ops.	17405	C3851	6	BH4701i	\$895.00
					PPW	17408	C308	6	C301i	\$5,739.90
					H.R.	17415	C308	6	C3351i	\$2,814.65
					PD HQ Admin.	17426	C658	6	C551i	\$10,787.00
					CC Back/Plan	17432	C458	6	C551i	\$9,883.00
					Library Admin.	17461	C3100	6	C4000i	\$1,030.10
					PPW	17481	C659	6	C551i	\$10,495.00
YEAR 2 2025-26	N/A	\$25,477.31	\$37,413.55	\$24,578.52	Civ. Ctr. Down	14503	BH4700p	12	BH4701i	\$895.00
		\$824.83 Sales Tax	\$3,460.75 Sales Tax		Down CDD	15544	BH4700p	12	BH4701i	\$895.00
		\$26,302.14 TOTAL	\$40,874.30 TOTAL		Down CDD Perm.	15553	BH4700p	12	BH4701i	\$895.00
					PPW Outback	17403	C3851	9	C3351i	\$2,360.00
		\$2,766.26			Clerk	17410	C3851	7	C3351i	\$2,360.00
		Savings from Year 1			PD Ops. Reports	17419	C308	7	C301i	\$4,969.00
		Including Sales Tax			PD Detectives	17421	C308	7	C301i	\$5,330.00
		\$8,096.52			Civ. Ctr. Manager	17429	C458	7	C451i	\$9,408.00
		Savings from MA ONLY Year 1			Library w/Coin Op	17447	C287	7	C3351i	\$4,445.55
		Including Sales Tax			Library w/Coin Op	17460	C287	7	C251i	\$5,856.00
YEAR 3 2026-27	N/A	\$23,468.03	\$34,297.00	\$36,145.32	Civ. Ctr. CDD Hall	15542	BH4700p	13	BH4701i	\$895.00
		\$759.78 Sales Tax	\$3,172.47 Sales Tax		PD Sergeant	15548	BH4700p	13	BH4701i	\$895.00
		\$24,227.81 TOTAL	\$37,469.47 TOTAL		PD Admin.	15549	BH4700p	13	BH4701i	\$895.00
					PD Evidence	15552	BH4700p	13	BH4701i	\$895.00
					PD Captain	15554	BH4700p	13	BH4701i	\$895.00
		\$2,074.33			Civic Center	15775	BH4700p	11	BH4701i	\$895.00
		Savings from Year 2			Civ. Ctr. Attorney	17221	BH4750	4	BH4751i	\$2,411.00
		Including Sales Tax			PD Downstairs	17411	C308	8	C301i	\$5,330.00
					Library Staff	17417	C308	8	C301i	\$4,559.00
		\$10,170.85			Civ. Ctr. Copy Room	17435	BH808	8	BH850i	\$14,062.00
		Savings from MA ONLY Year 1			PPW White House	17965	C3300i	6	C4000i	\$835.00
		Including Sales Tax			PD HQ	18172	C3300i	6	C4000i	\$835.00
					PD HQ	18340	BH4702p	6	BH4701i	\$895.00
									Total	\$120,326.10
YEAR 4 2027-28	\$23,468.03			\$36,145.32					Sales Tax	\$11,130.16
MA ONLY for Year 4	\$759.78 Sales Tax								(total by year)	
	\$24,227.81 TOTAL									
YEAR 5 2028-29	\$24,464.98			\$36,145.82						
MA ONLY for Year 5	\$792.05 Sales Tax									
	\$25,257.03 TOTAL									
TOTAL Maintenance Agreement for 5 Years Best Estimate: \$129,083.19									TOTAL	\$131,456.26
Includes Sales Tax									Includes Sales Tax	
Standards to Apply When Calculating Maintenance Agreement Rates (CPC's)					Example					
Equipment Age Years 1-3	No increase				New C301i	Year 1-3	Year 4	Year 5	Year 6	Year 7
Equipment Age Years 4-5	7% increase annually				B/W CPC	\$0.0058	\$0.0062	\$0.0067	\$0.0079	\$0.0093
Equipment Age Years 6-7	15% increase annually				Color CPC	\$0.0450	\$0.0484	\$0.0520	\$0.0612	\$0.0720
Equipment Age Years 8+*	30% increase annually									
*if still supported by manufacturer					Year 8					
					\$0.0133					
					\$0.1029					



MBS Business Systems

325 Victor St. Suite A

Salinas, CA 93907

P 831.758.1048 / 800.848.7575

F 831.758.5984

MBit Managed

365 Victor St. Suite A

Salinas, CA 93907

P 831.975-5102

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Regular and Preventative Maintenance and Supplies

MBS service contracts include all parts, labor, preventative maintenance services, and consumables (with the exception of paper and staples). MBS will work directly with the Town to establish a process of Service Report review on a six-month basis, or as needed pending any unexpected service situations.

Service Requirements

We guarantee an average 4-hour service response time during business hours. MBS commits to providing preventative and remedial maintenance service during the Town's operating business hours and performing preventative care of equipment as determined by the manufacturer. Additional, remedial maintenance may be requested by the Town on an as needed basis. All Service is performed by fully factory trained technicians and adequate inventory of parts is an MBS standard operating practice for all customers.

Customer Support Services

MBS has a reputation for consistent and excellent customer service. Our recently improved portal on our website allows for ease in meeting all needs associated with equipment support. Requests for service and supplies, as well as the ability to pay invoices directly in the service portal elevates ease and productivity. The Town may also request updates on outstanding service calls through the portal. Additionally, we have a local team of staff that answer calls directly, and our experienced employees are empowered to work with you to simplify administrative processes as much as possible.

Further, the Town's Account Manager, Michelle Brill, will work closely with the Town's Leadership Team as well as end users to establish and implement efficiency and effectiveness in daily operations, short-and long-term planning, and budget/cost analysis. All Town employees may also request training, reviews, or special project assistance and education at any time from the MBS Customer Support Team.

Loaner

MBS will provide a comparable loaner unit if we are unable to repair a device within 48 hours (two business days). If an aged device (6 years or older) is unable to be repaired because of obsolete status, MBS will leave the service loaner for 30 days while a decision is made for its replacement. The service loaner will be billed at the same maintenance rate as the machine it is replacing during this period.

Response Time

MBS is committed to a swift response and solution-oriented outcomes with Service. Our company and employees recognize the importance of minimizing downtime for the Town of Los Gatos staff. We adhere to our average 4-hour response time during business hours. MBS will provide service credit at \$50.00 per hour should there ever be a failure to respond as required.

Technology & IT Managed

print | copy | scan | network | secure | cloud