



REPORT TO: Finance and Administration
 MEETING DATE: April 19, 2011
 REPORT NO.: CEDC.11.07
 SUBJECT: Supply and Installation of Replacement Telephone System Contract
 PREPARED BY: Lisa Kidd, Communications and Economic Development Coordinator

A. Recommendations

THAT Council receive Staff Report CEDC.11.07 "Supply and Installation of Replacement Telephone System Contract" for information purposes.

B. Background

In August 2010, Staff received notification from Avaya, our current telephone system provider, that due to higher than expected demand and earlier than anticipated component obsolescence, the Town telephone system would be 'End-of Sale' effective October 4, 2010. Components required to repair, upgrade or expand our system would be offered, if in-stock, until October 4, 2013.

As such, Staff prepared a Report to Council in September 2010, with a recommendation to proceed with an RFP for the Supply and Installation of a Telecommunications System for the new Town Hall. Council adopted the recommendation.

Through the Request for Proposal Process, Staff recommended to the Award Committee that the award be made to High Tech Communications who scored the highest score in the evaluation process for a total cost of \$37,380 (plus HST) including an inclusive five-year maintenance/support/hardware and software warranty package. Through the Award Committee, Staff also recommended a \$5,000 contingency to consider optional and/or additional hardware, if required.

Approval of this was provided by the Tender / Proposal Award Committee comprised of Acting CAO Reg Russwurm and Sherri Adams, Manager of Purchasing.

C. The Blue Mountains' Strategic Plan

- 6. Providing a strong, well managed municipal government

D. Environmental Impacts

None.

E. Financial Impact

The project was pre-approved as part of the 2011 Corporate Administration Capital Budget, and will be paid for through taxation. The original approved budget amount was \$60,000.

The total potential cost of the project is under budget at \$42,380.00.

F. Attached

Attachment 1- Tender/proposal Award Committee Report

Respectfully submitted,

Lisa Kidd, Communications and Economic Development Coordinator
lkidd@thebluemountains.ca
519-599-3131 ext. 282



TENDER/PROPOSAL AWARD COMMITTEE REPORT

TO: Reg Russwurm, Acting CAO
Sherri Adams – Manager of Purchasing

FROM: Lisa Kidd, Communications and Economic Development Coordinator

DATE: March 17, 2011

SUBJECT: Award of RFP 2011-4-P-ADM Supply and Delivery of an Avaya or NEC Telecommunications System for the New Town Hall

Recommendation:

THAT High Tech Communications be awarded the contract for the RFP 2011-4-P-ADM for the Supply and Installation of an Avaya or NEC Telecommunications System for the new Town Hall, for a total cost of \$37,380 (plus HST), it being noted that High Tech Communications emerged from the evaluation process with the highest score, offering an NEC system; and

THAT a \$5,000 contingency be included in the project, for the purposes of considering optional and/or additional hardware, if required.

History:

In August 2010, Staff received notification from Avaya, our current telephone system provider, that due to higher than expected demand and earlier than anticipated component obsolescence, the Town telephone system would be 'End-of Sale' effective October 4, 2010. Components required to repair, upgrade or expand our system would be offered, if in-stock, until October 4, 2013.

As such, Staff prepared a Report to Council in September 2010, with a recommendation to proceed with an RFP for the Supply and Installation of a Telecommunications System for the new Town Hall. Council adopted the recommendation.

The Town then issued the above noted request for proposal on February 4, 2011 by advertising the bid on the Town's website and in the Courier Herald and the Enterprise Bulletin. The bid document was picked up by thirteen interested vendors. One addendum was issued on the project and the bid closed on February 23, 2011. Bid submissions were received from five vendors:

On Target Telecommunications Inc. **
 Wallwin Voice & Data Networks
 Bell Aliant
 High Tech Communications
 Meteor Telecommunications

**The proposal submission received by On Target was not evaluated by the evaluation team because the system proposed was not an Avaya or NEC system as was specified.

Evaluations of the four remaining proposals were conducted using a consensus approach with a team of six staff members including the Manager of Purchasing. Staff relied on the technical knowledge of a consultant from Synapse Consulting to review the technical specifications. Proposals were evaluated using the following criteria:

- Comprehensiveness, quality, and completeness of the Proposal;
- Implementation and Project Plan;
- System Support and Training; and
- Pricing and Optional Warranty Packages.

Submitted proposals were scored according to the following weighting.

Rated Criteria	Maximum Score (Weight)
1st Phase of Scoring (Prior to Presentations)	
Compliance with Project Requirements (Section II)	35%
Software Support and Training (written response to Items 72 to 79 regarding Service and Support (Section II)	15%
Implementation and Project Plan	10%
2nd Phase of Scoring	
Price and Optional Warranty Packages	20%
Presentations	20%
Total	100%

Pricing was also considered as one of factors in determining the most suitable Vendor.

References indicating previous experience in providing such systems and services for similar projects were also considered for the two highest scoring proposals.

The Town stated to bidders that the two highest scoring Proponents would be required to attend an interview demonstration. Further, the Town reserved the right to re-evaluate and revise the scores from the First Phase of the Scoring based on the interview demonstration.

The RFP clearly noted that the project would not proceed without budget approval. Subsequent to this, Council granted budget pre-approval for the purchase of the new telecommunications system on February 21, 2011.

Following budget pre-approval, the evaluation team conducted demonstrations with High Tech Communications and Meteor Telecommunications.

Following the demonstrations, the team re-evaluated the proposals to reflect information presented and adjusted the scores accordingly. The proposal document allowed for this process.


Staff is recommending the award be made to High Tech Communications who scored the highest score in the evaluation process for a total cost of \$37,380 (plus HST) including an inclusive five year maintenance/support/hardware and software warranty package. Staff is also recommending a \$5,000 contingency to consider optional and/or additional hardware, if required.

At this time, it is noteworthy that following the opening of the fee proposal and presentation by High Tech Communications, the Vendor offered, without solicitation, a revised price, lower than the original fee outlined in the fee schedule. This new fee is reflected herein. Please note that the Vendor's final score was based on the original fee proposal.

Financial Impact

The project has been pre-approved as part of the 2011 Corporate Administration Capital Budget, and will be paid for through taxation. The original approved budget amount was \$60,000.

Respectfully,

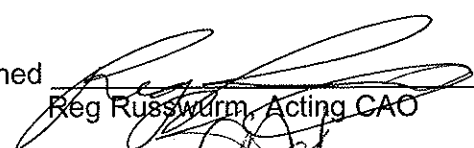


Lisa Kidd, Communications and Economic Development Coord.


Date: March 17, 2011

- Attachment 1: High Tech Communications Original Pricing Information
- Attachment 2: High Tech Communications Revised Original Pricing Information, unsolicited
- Attachment 3: Email re: confirmation of pricing

By signing below, we approve of the recommendation as shown above.

Signed 

Reg Russwurm, Acting CAO

Signed 

Sherri Adams, Manager of Purchasing

Date: Mar 21/11

Date: Mar 21/11

Copies to: Purchasing File, Accounts Payable (with PO Requisition), Affected Department

I agree that all costs are included in the Total Price, as noted in Section IV – Price Form.

I have read and understand the terms and conditions listed in this Proposal document.

PRICE FORM SUBMITTED BY: (Please type/print)

NAME OF SIGNING OFFICER(S)/OWNER(S)/PARTNER(S):

Duane Barton

FIRM NAME: High Tech Communications

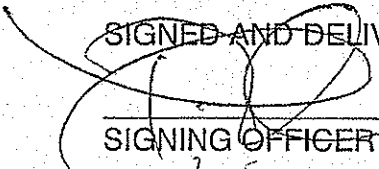
ADDRESS: 569 Steven Crt Unit 5&6 Newmarket, ON

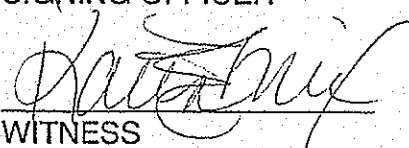
TELEPHONE: 800-853-2335 FAX: 905-830-9272

L3Y6Z3

DATE: February 23, 2011

SIGNED AND DELIVERED IN THE PRESENCE OF:


SIGNING OFFICER


WITNESS

SECTION IV – PRICE FORM – IS TO BE RETURNED IN ENVELOPE 2 “PRICE”. DO NOT INCLUDE IN ENVELOPE 1 “PROPOSAL REQUIREMENTS” OR THE PROPOSAL WILL BE DISQUALIFIED

APPENDIX 10 – Sample Contract Documentation

SALES AGREEMENT

BETWEEN: High Tech Communications Inc. (“Vendor”)
Address: 569 Steven Court,
Newmarket, Ontario L3Y 6Z3

AND: The Town of The Blue Mountains (“Purchaser”)
Address: 26 Bridge Street East
Thornbury, Ontario N0H 2P0

Equipment Location: ___ Bridge Street East, Thornbury, Ontario

1. Purchaser agrees to purchase and Vendor, by its execution of this Agreement, agrees to sell and install, subject to the terms and conditions herein contained, the Equipment described in Schedule “A”, which Schedule “A” is expressly incorporated as part of this Agreement.

2. Estimated Cutover Date: early to mid-April, 2011

This represents Vendor’s best estimate and is not a promise that Cutover will occur on the date indicated.

3. The Purchase Price is defined as:

Equipment Price	\$ 28,190.00
Installation Price	<u>\$ 9,190.00</u>
Sub-total	\$ 37,380.00
13% HST	<u>\$ 4,859.40</u>
Purchase Price	\$ 42,239.40

Purchase Price includes cost of delivery and installation at Equipment Location and is payable on the terms set out below. Overdue amounts shall bear interest at the rate of 18% per annum calculated and compounded monthly (at 1.5% monthly on the outstanding balance) until paid.

4. Payment Terms. Percentages shown are percentages of the Purchase Price. Upon the occurrence of each of the following events, the corresponding percentage of the Purchase Price shall become due and payable as shown:

PAYMENT TERMS

<i>Event</i>	<i>Percentage</i>	<i>Amount</i>
Deposit with Letter of Intent	25.0 %	\$ 10,560.00
Equipment Delivery	25.0 %	\$ 10,560.00
Cutover	40.0 %	\$ 16,900.00
Acceptance	<u>10.0 %</u>	<u>\$ 4,219.40</u>
Purchase Price	100.0 %	\$ 42,239.40

TERMS AND CONDITIONS:

5. "Equipment", "Cards". Equipment shall mean all of the property to be delivered and installed by Vendor set out in Schedule "A" as supplemented or deleted by any Change Order Form signed by Purchaser and accepted by Vendor, including without limitation, all cabling, attachments, replacements or accessories made thereto or placed upon Equipment Location by Vendor, or any part thereof as the sense requires. Cards shall mean printed circuit boards.

6. Equipment Location. Purchaser shall provide proper installation and operating conditions, (including adequate equipment room and electric power feed) pursuant to Vendor's specifications. Purchase Price is based on information provided by Purchaser to Vendor. Purchaser is to pay, in addition to Purchase Price, the cost of electric feed wiring to Equipment, fire retardant cable and conduit, building alterations, climate modifications and any other equipment or labour necessitated by the Purchaser's special needs if such special equipment, services or needs are not set out in Schedule "A" and have not been disclosed in writing by Purchaser to Vendor prior to execution of Agreement by Vendor. Purchaser shall provide Vendor with an authorization letter directed to the telephone carrier as Vendor requires to interconnect.

7. Cutover Date means the day when the Equipment is connected with telephone carrier lines and becomes operational. The payment due upon Cutover Date must be paid before 12:00 noon of that day; due payment is a condition precedent for Cutover.

8. It is agreed that property and ownership in and title to the said goods shall not pass to Purchaser but shall remain with Vendor, notwithstanding delivery of possession, until the purchase price of all of the said goods and interest, if any, thereon and the costs, charges and expenses incurred of under this or any previous of subsequent contract has been fully paid and all terms and conditions hereon have been complied with. The goods shall be kept in the possession of Purchaser and shall not be removed from the site where delivery is made without the permission of Vendor and Purchaser shall not transfer any interest in the goods or the contract until payment in full of the Purchase Price shall have been made.

9. It is agreed that the whole or any part of any payment made by Purchaser at any time to Vendor may be applied and appropriated by Vendor in such manner as Vendor may be in its sole discretion from time to time decide, upon this or any previous or subsequent indebtedness of Purchaser to Vendor notwithstanding any contrary direction by Purchaser or of the terms of payment of any contract between Vendor and Purchaser of any entries or credits made in the books of Vendor while there is any balance owing to Vendor by Purchaser.

10. It is agreed that acceptance by Vendor of any collateral, notes or other security and the recovery of any judgment against Purchaser shall in no way affect the rights of Vendor to repossession and sale of goods. Loss or destruction of the goods shall not release Purchaser from payment in full.

11. Time shall be of the essence of this Agreement and should Purchaser make default in payment hereunder or breach any of the terms of this Agreement or abandon or dispose of said goods or remove them from the premises specified as Purchaser's address in this Agreement without permission of Vendor in writing or if the said goods shall be seized for rent or taxes or if rents or taxes shall be overdue or unpaid on any premises where the goods are or if Purchaser shall become insolvent or make in assignment for the benefit of creditors, the whole amount covered by this Agreement in any other contracts for goods purchased by Purchaser from Vendor, whether due or not, shall forthwith without notice become due and payable and Purchaser's right to possession of the goods specified in this Agreement and all other contracts with Vendor shall immediately cease and all payments therefore made by Purchaser shall be forfeited to Vendor as and for liquidated damages and not as a penalty and as reasonable compensation for the use of said goods, injury to and depreciation thereof and expenses and trouble to respect of the same and Vendor or Vendor's agent may without process of law and without hindrance or opposition from Purchaser enter upon any premises and take possession of

the said goods without being liable for trespass. The waiver of any default conferred upon Vendor hereunder are cumulative.

12. It is agreed that at Vendor's option, upon taking possession of the said goods, and if Purchaser shall not redeem as herein provided, Vendor may, on giving any notice thereof required by the Conditional Sales Act, sell the goods at public auction or private sale or by process of law and may charge against the proceeds of the said sale the costs and expense of repairing or putting the goods in proper shape for sale and of its costs and expenses of taking or obtaining possession and of such sale and of any action or suit in respect thereof and after deducting the net amount resulting from such sale from the amount of the purchase price owing by Purchaser may forthwith recover any balance from Purchaser by action or suit.

13. Purchaser shall have the right to redeem the goods repossessed by Vendor within twenty (20) days after repossession thereof upon paying the balance of all amounts payable under this or any prior or subsequent contract including costs and expenses as aforesaid, and after the said twenty (20) days Purchaser shall have no claim against Vendor in respect of the said goods or any payment made thereon.

14. Purchaser agrees to pay a carrying charge on any unpaid balance of account. Purchaser acknowledges having received a copy of this Agreement and admits that it embodies all of the obligations, terms, conditions, warranties and guarantees between Vendor and Purchaser with reference to the said goods. No other condition, warranty or representation expressed or implied, statutory or otherwise, shall be deemed to have been made by Vendor. Any provision of this Agreement contrary to law shall not invalidate any other provision hereon.

15. Default: Vendor shall have the right to stop work at any time and to withhold deliveries of any goods ordered (including any portion of an order) if any payment due to seller from Purchaser shall not be paid in full when due. If Vendor invokes the foregoing right, the full Purchase Price for all goods completed, but not shipped, shall become due and payable, and Purchaser shall pay to Vendor a reasonable charge for any goods and work in process.

16. It is agreed that the Equipment is to be delivered to Purchaser on the condition that if the full cash payment and value thereof has not been paid, the title to and ownership of the said Equipment remains vested with Vendor.

17. This Agreement shall not be assignable by Purchaser without Vendor's prior written consent. Subject as aforesaid, this Agreement and all its terms shall apply to, enure to the benefit of and shall be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns.

18. Vendor does not guarantee uninterrupted working of its Equipment. Vendor shall not be liable to Purchaser, any user or other person, for damages resulting from mistakes, omissions, interruptions, delays, errors in transmission, failures or defects in Equipment, or from any other cause.

19. Vendor shall not be liable for any defacement or damage to Purchaser's premises resulting from Vendor's Equipment and wiring on such premises or from the installation, maintenance or the removal thereof, except that Vendor shall make good any damage caused by its negligence. In cases where Purchaser is not the owner of such premises, he/she shall indemnify and save Vendor harmless from claims for such defacement or damage.

20. Vendor shall not be liable to any customer, user or other person for any damages or injuries sustained by reason of any fire, explosion or other occurrence, resulting from the installation, use or operation of any telephone circuit, instrument or equipment in any place where the atmosphere is or becomes inflammable or explosive.

21. Vendor agrees to indemnify Purchaser from all losses and liabilities arising from claims for patent or copyright infringement brought against Purchaser on account of the Equipment or the Future Property.

22. Force Majeure. Neither Vendor nor Purchaser shall be responsible or liable for failure or delay in the performance of obligations hereunder, other than the payment of money, arising by reason of circumstances beyond its control.

23. Language. The parties agree that this Agreement and documents related hereto be drawn up in the English language. Les parties exigent que ce contrat ainsi que les documents qui s'y rattachent soient redige en anglais.

By execution below, Vendor and Purchaser have agreed to accept the terms of this Agreement.

VENDOR: High Tech Communications Inc.

Duane Barton, President

Dated: _____

PURCHASER:

Signature: _____

Dated: _____



**THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS
REQUEST FOR PROPOSAL FOR THE SUPPLY AND INSTALLATION OF A
REPLACEMENT TELECOMMUNICATIONS SYSTEM FOR THE NEW TOWN HALL
2011-4-P-ADM**

SECTION IV – PRICE FORM

Proponents are requested to provide a firm price Proposal for a system that meets the requirements (described in Section II). I, the undersigned, have carefully read and examined the entire Proposal document. I, for the prices set forth in this Proposal, hereby offer to furnish all labour, materials, software, licenses and other means to complete the work described and specified at the following prices:

DESCRIPTION	TOTAL
Telecommunications System including Specifications Section II: <ul style="list-style-type: none"> • Basic Features (Items 1-3) • System Features (Items 4-19) • Station Features (Items 20-35) 	\$ 11,475.00
Messaging/Voicemail and Statistical Reporting <ul style="list-style-type: none"> • Specification Items 36-49 	\$ 5,735.00
Survivability and Redundancy <ul style="list-style-type: none"> • Specification Items 54 and 55 	\$ 500.00
Training <ul style="list-style-type: none"> • Specification Item 59 	\$ 2,400.00
Infrastructure <ul style="list-style-type: none"> • Central Office Trunk Ports (Specification Items 60 and 61) • Extension Ports (Specification Items 62 and 63) • Voicemail/Messaging (Specification Items 64-66, excluding Voice Recognition to be priced in the Optional Pricing Section below) 	\$ 2,875.00
Telephone Sets / User Stations (Specification Items 68 to 72)	\$ 11,280.00
Subtotal	\$ 34,265.00
HST	\$ 4,454.45
TOTAL	\$ 38,719.45

High Tech

OPTION PRICING	PRICE WITHOUT HST
Extended Warranty/ Service Level Agreement (SLA)	
• Inclusive Maintenance/Support/Hardware and Software for 3 years	\$ 5,050.00
• Inclusive Maintenance/Support/Hardware and Software for 5 years	\$ 8,400.00
Voice Recognition (Hardware, Installation, Licenses and Training Costs)	
• Specification Item # 67	\$ 10,100.00
Attendant Software Licences	
• Specification Items #50-53	\$ 905.00
Telephone Sets (Unit Price)	
• Mid Model – Item #68	\$ 140.00
• Reception Model – Item #69	\$ 185.00
• Reception Model with enhanced console – Item #70	\$ 145.00
Wireless Headset (Unit Price)	
• Specification Item #71	\$ 395.00
Wired Headset (Unit Price)	
• Specification Item #71	\$ 117.00
Polycom Device (Unit Price)	
• Specification Item #72	\$ 575.00

7900 -
NK.

APPENDIX 10 – Sample Contract Documentation**SALES AGREEMENT**

BETWEEN: High Tech Communications Inc. ("Vendor")
Address: 569 Steven Court,
 Newmarket, Ontario L3Y 6Z3

AND: The Town of The Blue Mountains ("Purchaser")
Address: 26 Bridge Street East
 Thornbury, Ontario N0H 2P0

Equipment Location: ___ Bridge Street East, Thornbury, Ontario

1. Purchaser agrees to purchase and Vendor, by its execution of this Agreement, agrees to sell and install, subject to the terms and conditions herein contained, the Equipment described in Schedule "A", which Schedule "A" is expressly incorporated as part of this Agreement.

2. Estimated Cutover Date: early to mid-April, 2011

This represents Vendor's best estimate and is not a promise that Cutover will occur on the date indicated.

3. The Purchase Price is defined as:

Equipment Price	\$ 28,190.00
Installation Price	<u>\$ 9,190.00</u>
Sub-total	\$ 37,380.00
13% HST	<u>\$ 4,859.40</u>
Purchase Price	\$ 42,239.40

Purchase Price includes cost of delivery and installation at Equipment Location and is payable on the terms set out below. Overdue amounts shall bear interest at the rate of 18% per annum calculated and compounded monthly (at 1.5% monthly on the outstanding balance) until paid.

4. Payment Terms. Percentages shown are percentages of the Purchase Price. Upon the occurrence of each of the following events, the corresponding percentage of the Purchase Price shall become due and payable as shown:

PAYMENT TERMS

<i>Event</i>	<i>Percentage</i>	<i>Amount</i>
Deposit with Letter of Intent	25.0 %	\$ 10,560.00
Equipment Delivery	25.0 %	\$ 10,560.00
Cutover	40.0 %	\$ 16,900.00
Acceptance	<u>10.0 %</u>	<u>\$ 4,219.40</u>
Purchase Price	100.0 %	\$ 42,239.40

TERMS AND CONDITIONS:

5. "Equipment", "Cards". Equipment shall mean all of the property to be delivered and installed by Vendor set out in Schedule "A" as supplemented or deleted by any Change Order Form signed by Purchaser and accepted by Vendor, including without limitation, all cabling, attachments, replacements or accessories made thereto or placed upon Equipment Location by Vendor, or any part thereof as the sense requires. Cards shall mean printed circuit boards.

6. Equipment Location. Purchaser shall provide proper installation and operating conditions, (including adequate equipment room and electric power feed) pursuant to Vendor's specifications. Purchase Price is based on information provided by Purchaser to Vendor. Purchaser is to pay, in addition to Purchase Price, the cost of electric feed wiring to Equipment, fire retardant cable and conduit, building alterations, climate modifications and any other equipment or labour necessitated by the Purchaser's special needs if such special equipment, services or needs are not set out in Schedule "A" and have not been disclosed in writing by Purchaser to Vendor prior to execution of Agreement by Vendor. Purchaser shall provide Vendor with an authorization letter directed to the telephone carrier as Vendor requires to interconnect.

7. Cutover Date means the day when the Equipment is connected with telephone carrier lines and becomes operational. The payment due upon Cutover Date must be paid before 12:00 noon of that day; due payment is a condition precedent for Cutover.

8. It is agreed that property and ownership in and title to the said goods shall not pass to Purchaser but shall remain with Vendor, notwithstanding delivery of possession, until the purchase price of all of the said goods and interest, if any, thereon and the costs, charges and expenses incurred of under this or any previous or subsequent contract has been fully paid and all terms and conditions hereon have been complied with. The goods shall be kept in the possession of Purchaser and shall not be removed from the site where delivery is made without the permission of Vendor and Purchaser shall not transfer any interest in the goods or the contract until payment in full of the Purchase Price shall have been made.

9. It is agreed that the whole or any part of any payment made by Purchaser at any time to Vendor may be applied and appropriated by Vendor in such manner as Vendor may be in its sole discretion from time to time decide, upon this or any previous or subsequent indebtedness of Purchaser to Vendor notwithstanding any contrary direction by Purchaser or of the terms of payment of any contract between Vendor and Purchaser of any entries or credits made in the books of Vendor while there is any balance owing to Vendor by Purchaser.

10. It is agreed that acceptance by Vendor of any collateral, notes or other security and the recovery of any judgment against Purchaser shall in no way affect the rights of Vendor to repossession and sale of goods. Loss or destruction of the goods shall not release Purchaser from payment in full.

11. Time shall be of the essence of this Agreement and should Purchaser make default in payment hereunder or breach any of the terms of this Agreement or abandon or dispose of said goods or remove them from the premises specified as Purchaser's address in this Agreement without permission of Vendor in writing or if the said goods shall be seized for rent or taxes or if rents or taxes shall be overdue or unpaid on any premises where the goods are or if Purchaser shall become insolvent or make in assignment for the benefit of creditors, the whole amount covered by this Agreement in any other contracts for goods purchased by Purchaser from Vendor, whether due or not, shall forthwith without notice become due and payable and Purchaser's right to possession of the goods specified in this Agreement and all other contracts with Vendor shall immediately cease and all payments therefore made by Purchaser shall be forfeited to Vendor as and for liquidated damages and not as a penalty and as reasonable compensation for the use of said goods, injury to and depreciation thereof and expenses and trouble to respect of the same and Vendor or Vendor's agent may without process of law and without hindrance or opposition from Purchaser enter upon any premises and take possession of

the said goods without being liable for trespass. The waiver of any default conferred upon Vendor hereunder are cumulative.

12. It is agreed that at Vendor's option, upon taking possession of the said goods, and if Purchaser shall not redeem as herein provided, Vendor may, on giving any notice thereof required by the Conditional Sales Act, sell the goods at public auction or private sale or by process of law and may charge against the proceeds of the said sale the costs and expense of repairing or putting the goods in proper shape for sale and of its costs and expenses of taking or obtaining possession and of such sale and of any action or suit in respect thereof and after deducting the net amount resulting from such sale from the amount of the purchase price owing by Purchaser may forthwith recover any balance from Purchaser by action or suit.

13. Purchaser shall have the right to redeem the goods repossessed by Vendor within twenty (20) days after repossession thereof upon paying the balance of all amounts payable under this or any prior or subsequent contract including costs and expenses as aforesaid, and after the said twenty (20) days Purchaser shall have no claim against Vendor in respect of the said goods or any payment made thereon.

14. Purchaser agrees to pay a carrying charge on any unpaid balance of account. Purchaser acknowledges having received a copy of this Agreement and admits that it embodies all of the obligations, terms, conditions, warranties and guarantees between Vendor and Purchaser with reference to the said goods. No other condition, warranty or representation expressed or implied, statutory or otherwise, shall be deemed to have been made by Vendor. Any provision of this Agreement contrary to law shall not invalidate any other provision hereon.

15. Default: Vendor shall have the right to stop work at any time and to withhold deliveries of any goods ordered (including any portion of an order) if any payment due to seller from Purchaser shall not be paid in full when due. If Vendor invokes the foregoing right, the full Purchase Price for all goods completed, but not shipped, shall become due and payable, and Purchaser shall pay to Vendor a reasonable charge for any goods and work in process.

16. It is agreed that the Equipment is to be delivered to Purchaser on the condition that if the full cash payment and value thereof has not been paid, the title to and ownership of the said Equipment remains vested with Vendor.

17. This Agreement shall not be assignable by Purchaser without Vendor's prior written consent. Subject as aforesaid, this Agreement and all its terms shall apply to, enure to the benefit of and shall be binding upon the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns.

18. Vendor does not guarantee uninterrupted working of its Equipment. Vendor shall not be liable to Purchaser, any user or other person, for damages resulting from mistakes, omissions, interruptions, delays, errors in transmission, failures or defects in Equipment, or from any other cause.

19. Vendor shall not be liable for any defacement or damage to Purchaser's premises resulting from Vendor's Equipment and wiring on such premises or from the installation, maintenance or the removal thereof, except that Vendor shall make good any damage caused by its negligence. In cases where Purchaser is not the owner of such premises, he/she shall indemnify and save Vendor harmless from claims for such defacement or damage.

20. Vendor shall not be liable to any customer, user or other person for any damages or injuries sustained by reason of any fire, explosion or other occurrence, resulting from the installation, use or operation of any telephone circuit, instrument or equipment in any place where the atmosphere is or becomes inflammable or explosive.

21. Vendor agrees to indemnify Purchaser from all losses and liabilities arising from claims for patent or copyright infringement brought against Purchaser on account of the Equipment or the Future Property.

22. Force Majeure. Neither Vendor nor Purchaser shall be responsible or liable for failure or delay in the performance of obligations hereunder, other than the payment of money, arising by reason of circumstances beyond its control.

23. Language. The parties agree that this Agreement and documents related hereto be drawn up in the English language. Les parties exigent que ce contrat ainsi que les documents qui s'y rattachent soient redige en anglais.

By execution below, Vendor and Purchaser have agreed to accept the terms of this Agreement.

VENDOR: High Tech Communications Inc.

Duane Barton, President

Dated: _____

PURCHASER:

Signature: _____

Dated: _____

Lisa Kidd

From: Sherri Adams
Sent: March 17, 2011 3:58 PM
To: Lisa Kidd
Subject: FW: Confirmation of Pricing
Attachments: Extended Maintenance Service Agreement March 15 2011.doc; Sales Agreement March 15 2011.doc; Schedule A March 15 2011.doc

Lisa, here is the response to the confirmation email.

Sherri Adams
Town of The Blue Mountains
519-599-3131 ext. 227

From: Paul O'Leary [mailto:poleary@high-tech.on.ca]
Sent: March-15-11 5:47 PM
To: Sherri Adams
Subject: FW: Confirmation of Pricing

Sherri,

I have attached the amended Sales Agreement, Schedule "A" and Extended Maintenance Agreement.

We provided you with an Annual Maintenance Agreement and an Extended Maintenance Agreement...I have only used the Extended Maintenance Agreement and have modified it to be applicable to this project. You will notice that I have needed to amend the numbering of the paragraphs.

Please review and let me know if anything else requires clarity or amendments.

I have embedded my comments to your questions below.

Let me know if there's anything else I can do for you.

Best regards and thank you so much for your expressed confidence in High Tech.

Paul

From: Sherri Adams [mailto:sadams@thebluemountains.ca]
Sent: Tuesday, March 15, 2011 3:45 PM
To: Paul O'Leary
Cc: Lisa Kidd
Subject: Confirmation of Pricing
Importance: High

Good afternoon Paul,

Please confirm High Tech's pricing for the NEC System as specified by the Town for Proposal # 2011-4-P-ADM:

System Price with 5 year warranty	\$38,000
Less paging & wiring items (not required)	- 625 (re: Paul's email is attached) corrected to \$620.00
Total price	\$37,375 corrected to \$37,380

Please clarify or provide assurance of agreement change:

1. In the SLA for Service and Moves, Adds and Changes, the last line of the first page says that emergency service will apply to "any other mission critical component of your system". Please clarify what is meant by mission critical. This document is meant as a piece of marketing material and not part of our Extended Maintenance Agreement. For clarification: "other mission critical components" might be a specific customer application not described by the three lines above; such as an ACD or IVR application etc. Please refer to paragraphs 7 and 7.1 of the attached Extended Maintenance Agreement for our major emergency description. I can add more wording if you would like something specifically included.
2. During the presentation, High Tech representatives seemed to indicate that they would do as many MACs (Move, Add, Change) as we want without charging us. This seems to conflict with the wording on page 2 of the SLA for Service and Moves, Adds and Changes, which says "Please be prepared to provide a Purchase Order number, if applicable". Please clarify. During the 5-Years of Extended Maintenance coverage, High Tech will complete all remote access service calls at no cost to The Town. However, any remote MAC activity will be billed at a reduced rate of \$25 per 15 minute increments. Please refer to paragraph 6 of the Extended Maintenance Agreement. A Purchase Order will not be required for either remote Service activity or remote MAC activity.
3. Please confirm that Section 1 of the Maintenance Agreement will be amended to state 5 years as the length of the contract. Yes, it has been amended.
4. The maintenance contract indicates that the life of the contract is 5 years with no cancellation possible. Is this industry standard? Please explain. You may cancel the Extended Maintenance Agreement at any time. Please refer to paragraph 3.
5. In section 4.1 of the Maintenance Agreement, it talks about normal repair and maintenance, but it does not say anything about High Tech having to be on site by the next business day. Please confirm that this section will be amended to be more explicit. Please refer to paragraph 6, which has been amended to indicate next business day response.

We look forward to your response.

Regards,

Sherri Adams

Manager of Purchasing
Town of The Blue Mountains
26 Bridge Street, P.O. Box 310
Thornbury, ON NoH 2Po
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Tel: 519-599-3131 ext. 227
Fax: 519-599-2474
Toll Free: 1-888-258-6867 (BLU-MTNS)

*Sign up to receive bid opportunity notification, town news and bulletins by visiting:
<http://www.thebluemountains.ca/subscribe.cfm>.*

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