



INTEROFFICE MEMORANDUM

Date: September 16, 2025

To: The Honorable Mayor and City Council

Through: Ron Burton, CPM, City Manager

From: Krystle Muller, Interim CEO

RE: PR 24540 | Approval of the two (2) year renewal of the Master Service Agreement with Discovery Information Technologies to provide Managed IT Services for 501 Procter Street and 549 4th Street (The Press Building)

The intent of this Agenda Item is to seek the City Council's approval of the two (2) year renewal of the Master Service Agreement with Discovery Information Technologies to provide Managed IT Services for 501 Procter Street and 549 4th Street (The Press Building).

Background:

Pursuant to resolution 22-429, PAEDC entered into a Master Service Agreement with Discovery Information Technologies, of Nederland, Texas; as a member of the Region 5 ESC Cooperative Purchasing Program. Discovery Information Technologies has provided the PAEDC said Managed IT Services for a three (3) year period and the PAEDC wishes to renew the contract for two (2) years. The PAEDC is in need of continued Managed IT Services for their offices located at 501 Procter Street and 549 4th Street.

Budgetary Impact:

The budgetary impact of this item is \$1,426.00 per month | \$17,112.00 per year. Funds available in the EDC Account No. 120-80-625-5470-00-00-000 (Other Contractual Services).

Recommendation:

It is recommended the City Council approves the Port Arthur Economic Development Corporation's two (2) year renewal of the Discovery Information Technologies Master Service Agreement.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE TWO 2-YEAR RENEWAL OF THE MASTER SERVICE AGREEMENT WITH DISCOVERY INFORMATION TECHNOLOGIES OF NEDERLAND, TEXAS THROUGH THE REGION 5 ESC SOUTHEAST TEXAS COOPERATIVE PURCHASING PROGRAM, CONTRACT NO. 20220703, FOR THE MANAGED IT SERVICES AT 501 PROCTER STREET AND 549 4TH STREET (THE PRESS BUILDING) BY THE CITY OF PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION IN AN AMOUNT NOT TO EXCEED \$17,112.00 ANNUALLY, FUNDS AVAILABLE IN EDC ACCOUNT NO. 120-80-625-5470-00-00-000 (OTHER CONTRACTUAL SERVICES)

WHEREAS, the City of Port Arthur Economic Development Corporation (“PAEDC”) owns the properties located at 501 Procter Street and 549 4th Street, Port Arthur, Texas and has the commitment to maintain IT services of said premises; and

WHEREAS, pursuant to Resolution No. 22-429, the PAEDC entered into a three (3) year, with the option to renew for two (2) additional years, Master Service Agreement with Discovery Information Technologies to manage the IT services at 501 Procter Street and 549 4th Street; and

WHEREAS, the PAEDC is in need of continued Managed IT Services for their offices located at 501 Procter Street and 549 4th Street; and

WHEREAS, businesses need managed service providers as they negate risks. Instead of outsourcing IT when a problem occurs, managed services allow consistent monitoring of a network. Also, all updating and maintenance tasks are handled by a managed service provider; and

WHEREAS, pursuant to Chapter 271, Subchapter D, of the Texas Local Government Code, a city, by resolution of its governing body, may participate in cooperative purchasing programs established by the State Facilities Commission for the purchase of goods at prices established through purchase contracts of the Commission; and

WHEREAS, per Resolution No. 20-019, the City entered into an Interlocal Agreement for cooperative purchasing with the Region 5 ESC Cooperative Purchasing Organization; and

WHEREAS, Discovery Information Technologies, as a vendor on the Region 5 ESC Cooperative Purchasing program, has provided the Master Service Agreement **Exhibit “A”**, as detailed in Quotation No. DITQ20404 **Exhibit “B”** for Managed IT Services for 501 Procter Street and 549 4th Street; and

WHEREAS, at their September 15, 2025, regular Board meeting, the PAEDC Board of Directors approved accepting the renewal of the Master Service Agreement, **Exhibit "A"** for two (2) years as detailed in Quotation No. DITQ20404 **Exhibit "B"**, in the amount of \$17,112.00 annually for Managed IT Services at located at 501 Procter Street and 549 4th Street; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR, TEXAS:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the Port Arthur City Council authorizes PAEDC to approve the two (2) year renewal of the Master Service Agreement, detailed in Quotation No. DITQ20404 with Discovery Information Technologies, through the Region 5 ESC Southeast Texas Cooperative Purchasing Program, Contract No. 20220703, in the amount of \$17,112.00 annually for the Managed IT Services at 501 Procter Street and 549 4th Street. Funds available in the EDC Account No. 120-80-625-5470-00-00-000 (Other Contractual Services).

Section 3. That a copy of the caption of this Resolution be spread upon the Minutes of the City Council.


READ, ADOPTED AND APPROVED on this 7th day of Oct A.D., 2025, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor Moses,

Councilmembers MPT Ducit, Frank,
Lewis, Hamilton - Everfield,
Kendall;

NOES: None.


Charlotte M. Moses, Mayor

ATTEST:


Sherri Bellard, City Secretary

APPROVED:



Krystle Muller, Interim PAEDC CEO

APPROVED AS TO FORM:



Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



Roxann Pais Cotroneo, City Attorney

APPROVED AS TO AVAILABILITY OF FUNDS:



Lynda Boswell, Finance Director

Exhibit “A”

MASTER SERVICE AGREEMENT

THIS MASTER SERVICE AGREEMENT ("Agreement") is made this 4th day of October, 2022 ("Effective Date") by and between Discovery Information Technologies, Inc. ("Master Service Provider" or "MSP"), 904 Hwy 69, Nederland, TX 77627 and Port Arthur Economic Development Corporation, 501 Procter St., Port Arthur, TX 77640 ("Customer").

1. **SCOPE OF AGREEMENT.** This Agreement serves as a master agreement and applies to Customer's purchases from MSP, of services ("Services"), as well as licenses for software, hardware, support and maintenance services, and/or subscription services (collectively, "Product"). Customer hereby engages and retains MSP to render Services as more particularly set forth in Statement(s) of Work ("SOW"), purchase orders, or other acceptable written orders, that may be attached hereto from time to time by addenda, and thereby incorporated herein by reference. No Product or Services will be provided under this Agreement alone, but may require the execution of a written or electronic purchase order form, or other mutually acceptable order documentation, which contains terms relating to this Agreement, each of which must be executed by both parties and, upon such execution, is deemed incorporated in this Agreement for all purposes. The parties hereby further agree that the parties may execute multiple Orders and Statements of Work under this Agreement. In the event of any conflict between the terms of the Purchase Order and Statement of Work and those of this Agreement, the terms of the Purchase Order or Statement of Work will prevail over this Agreement.

2. **TERM AND TERMINATION.** This Agreement will begin on the Effective Date and will continue until each SOW, purchase order and/or written work order attached hereto expires or is terminated. If an order of any kind is terminated, Customer will promptly pay MSP for Services rendered, and expenses incurred through the termination date.

Cancellation/Early Termination With Cause: This Agreement may be terminated by either Party, with cause, upon ninety (90) days written notice if the other Party:

- Fails to fulfill in any material respect its obligations under this Agreement and does not cure such failure within thirty (30) days of receipt of such written notice.
- Breaches any material term or condition of this Agreement and fails to remedy such breach within thirty (30) days of receipt of such written notice.
- Terminates or suspends its business operations, unless it is succeeded by a permitted assignee under this Agreement.

Cancellation/Early Termination Without Cause: This Agreement may be terminated by Customer, without cause, upon ninety (90) days written notice to MSP. An early termination penalty equal to one half (1/2) of the remaining balance of the contract term value of any associated Statement of Work, purchase order, or other open order will be assessed and will be due and payable by Client in full, on or before the end of the ninety (90) day notice period.

Upon termination of this Agreement for any reason, MSP will assist Customer in the orderly termination of services, including timely transfer of the services to another designated provider. Customer agrees to pay MSP its then applicable standard hourly rate for the rendering of such assistance or services.

3. **PAYMENT.** Fees will be invoiced at the first of every month and will be due thirty (30) days from date of invoice. All Fees payable under this Agreement are exclusive of sales, use, excise, and any other applicable transaction taxes, which Customer will pay if applicable (excluding taxes based upon the net income of MSP). If payment is not received on or before any invoice due date, interest shall begin to accrue and be payable at the lesser of the maximum rate permitted under applicable law or at the rate of one and one-half percent (1.5%) (or any other interest rate in accordance with the state's law) per month from the date due until paid in full. Customer's obligation to pay undisputed amounts due for Services and MSP's right to all such amounts are absolute and unconditional. Customer is not entitled to setoff of such amounts. All Fees will be detailed in an Order. Unless otherwise stated in a Purchase Order, Customer agrees to pay or reimburse MSP for all actual, necessary, and reasonable expenses incurred by MSP in performance of such Purchase Order, which are capable of verification by receipt. MSP will submit invoices to Customer for such fees and expenses either upon completion of the Services, or at stated intervals, in accordance with the applicable Purchase Order or Statement of Work.

4. **CONFIDENTIALITY AND NON-DISCLOSURE.** Both Parties to this Agreement recognize that, from time to time, they may come into contact with information that the other Party considers confidential. Confidential Information is defined for this Agreement as all information (whether written or oral) that comes into a Party's possession under or in connection with this Agreement that is reasonably considered by the disclosing Party to be confidential and is not public information. The Parties shall keep all Confidential Information in strict confidence, to the extent allowed by law.

The recipient will use a reasonable standard of care in protecting Confidential Information, which will not be less than the standard of care the recipient uses to protect its own confidential information; only use Confidential Information to perform its obligations and exercise its rights under this Agreement; not disclose Confidential Information to any third party, unless compelled by a court of competent jurisdiction; when requested by the disclosing Party, return or destroy the Confidential Information, except as may be required by law.

5. PROVISION OF MATERIALS AND SERVICES TO MSP. Customer agrees to timely furnish, at its own expense, all personnel, all necessary computer hardware, software and related materials and appropriate and safe work spaces for purposes of MSP performing the services. Customer will also provide MSP with access to all information, passwords and facilities requested by MSP that is necessary for MSP to perform the services. Access may be denied for any reason at any time, however if access to information, passwords or facilities is denied, Customer understands that the MSP may be unable to perform their duties adequately and if such a situation should exist, the MSP will be held harmless.

6. WORKING ENVIRONMENT. Customer shall provide a suitable working environment for any Equipment located at Customer's facility. Such environment includes, but is not limited to the appropriate temperature, static electricity and humidity controls and properly conditioned electrical supply for each piece of Equipment. Customer shall bear the risk of loss of any Equipment located at Customer's facility.

7. CUSTOMER RESPONSIBILITY FOR EQUIPMENT. Customer acknowledges that from time to time (a) MSP may identify additional items that need to be purchased by Customer, and (b) changes in Customer's systems may be required in order for MSP to meet Customer's requirements. In connection therewith, Customer agrees to work in good faith with MSP to effectuate such purchases or changes. In the event that MSP is required to purchase any assets, including computer hardware and/or software, in connection with MSP providing the services, all such assets will remain the sole property of MSP. Customer will be responsible for the quality, completeness and workmanship of any item or service furnished by it and for ensuring that the materials provided to MSP do not infringe or violate the rights of any third party. Customer will maintain adequate backup for all data and other items furnished to MSP.

Should performance of MSP's responsibilities under the terms of this agreement, and subsequent Statements of Work, require that MSP place hardware and/or other assets at Customer's facilities, offices, or other Customer owned or maintained locations, MSP will be responsible for the maintenance of said assets under normal operating conditions. If any labor, repair or parts replacement is required because of accident, negligence, misuse, theft, vandalism, fire, water, or other peril; or because of conditions outside of specifications, including but not limited to, electrical power, temperature, humidity, or dust; or by moving, repair, relocation or alteration not performed by MSP or any cause other than normal use, MSP's maintenance obligations described herein shall not apply and Customer shall be responsible for all costs incurred for such labor, repair, or parts.

It is the Customer's responsibility for any failure or malfunction of electrical or telecommunications infrastructure or services that causes damage to MSP's products or services and MSP disclaims all responsibility for any loss including data.

8. CUSTOMER DATA OWNERSHIP AND RESPONSIBILITY. Customer shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of any data, information or proprietary material submitted by Customer to MSP.

8.1. Software Installation or Replication. If MSP is required to install or replicate Customer software as part of the Services, Customer will independently verify that all such software is properly licensed. Customer's act of providing any software to MSP will be deemed Customer's affirmative acknowledgement to MSP that Customer has a valid license that permits MSP to perform the Services related thereto. In addition, Customer will retain the duty and obligation to monitor Customer's equipment for the installation of unlicensed software unless MSP in a written statement of work ("SOW") expressly agrees to conduct such monitoring. Customer will indemnify and hold harmless MSP against all damages and expenses it may incur (including reasonable attorney's fees and disbursements) related to Customer providing infringing materials to MSP or any Customer breach of this Section.

9. INTELLECTUAL PROPERTY. MSP retains all intellectual property rights in any property invented or composed in the course of or incident to the performance of this Agreement, as well as any software, materials, or methods created prior to or after conclusion of any work. Customer acquires no right or interest in any such intellectual property, by virtue of this Agreement or the work performed under this Agreement.

9.1. Customer may only use and disclose Product in accordance with the terms of this Agreement and applicable Order. MSP reserves all rights in and to the Product not expressly granted in this Agreement. Customer may not disassemble or

reverse engineer any software Product, or decompile or otherwise attempt to derive any software Product's source code from executable code, except to the extent expressly permitted by applicable law despite this limitation, or provide a third party with the results of any functional evaluation, or benchmarking or performance tests on the Products, without MSP's prior written approval. Except as expressly authorized in this Agreement or an Order, Customer may not (a) distribute the Product to any third party (whether by rental, lease, sublicense or other transfer), or (b) operate the Product in an outsourcing or MSP business to process the data of third parties. Additional usage restrictions may apply to certain third-party files or programs embedded in the Product - applicable installation instructions or release notes will contain the relevant details.

9.2. License Agreements.

(a) **License.** Subject to the terms of this Agreement, MSP grants Customer a non-exclusive, non-transferable license to use and modify all documentation, reports, and any other product provided as part of the Services solely for its own internal use. This license is valid during the term of this Agreement.

(b) **Pre-Existing License Agreements.** Any software product provided to Customer by MSP as a reseller for a third party, which is licensed to Customer under a separate software license agreement with such third party, will continue to be governed by the third party license agreement.

(c) **End User License Agreements (EULA).** Customer hereby consents permission to MSP to sign all EULA's necessary for any software product installed on Customer's computer system.

9.3. Third-Party Products. Product warranties for third party products, if any, are provided by the manufacturers thereof and not by MSP. MSP's sole obligation is to act on behalf of Customer to assist in the satisfaction of any such warranty. No additional warranties beyond the manufacturer's original warranty are provided or implied by MSP.

10. WARRANTY. MSP warrants that it will perform the Services substantially in accordance with the specifications set forth whether under this Agreement, a statement of work, a purchase order, other work order or otherwise in connection with any of them. For any breach of the foregoing warranty, MSP will exercise commercially reasonable efforts to re-perform any non-conforming services that were performed within the fifteen (15) business day period immediately preceding the date of Customer's written notice to MSP specifying in reasonable detail such non-conformance. If MSP concludes that conformance is impracticable, then MSP will refund all fees paid by Customer to MSP hereunder, if any, allocable to such nonconforming Services.

Notwithstanding the above, MSP does not warrant its products or services beyond a reasonable standard or skill consistent with industry standards. MSP does not guarantee or promise any cost savings, profits, or returns on investment.

11. SOFTWARE, HARDWARE, & SECURITY. Customer understands and agrees that data loss or network failures will occur, whether or not foreseeable, and that said losses or failures are more likely to occur if Customer fails to maintain proper security for its computer and information systems, including software and hardware updates. Customer therefore warrants that it will follow software and hardware updates and maintain specific security standards, policies, procedures set forth in Addendum A ("Network Security") attached hereto and incorporated herein by reference.

CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT NO NETWORK CAN BE MADE ONE HUNDRED PERCENT (100%) SECURE, AND THAT FOLLOWING ADDENDUM A, OR ANY OTHER RECOMMENDATIONS MADE BY MSP, DOES NOT IMPLY NOR GUARANTEE FULL, ABSOLUTE SECURITY.

12. TERRORISM AND CYBER TERRORISM. In no event, including the negligent act or omission on its part, shall MSP, whether under this Agreement, a purchase order, other work order or otherwise in connection with any of them, be liable in contract, tort, third-party liability, breach of statutory duty or otherwise, in respect of any direct, indirect or consequential losses or expenses, including without limitation loss of anticipated profits, company shut-down, third-party loss or injury, any loss because of data breach, any loss of personally identifiable or protected information, goodwill, use, market reputation, business receipts or contracts or commercial opportunities, whether or not foreseeable, if such loss was the result of or arose from any act of cyber terrorism, including but not limited to ransomware/viruses/malware of all types, terrorism, strike or similar labor action, war, invasion, act of foreign enemy, hostilities or warlike operations, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, or any action taken in controlling, preventing or suppressing any of these things, including any such act or series of acts of any person or group(s) or persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including but not limited to the intention to influence any government and/or to put the

public in fear for such purposes by using activities perpetrated electronically that are directed towards the destruction, disruption or subversion of communication and information systems, infrastructure, computers, telecommunications or electronic networks and/or its content thereof or sabotage and or threat therefrom.

13. TELEMARKETING & UNSOLICITED EMAILS. In no event, including the negligent act or omission on its part, shall MSP, whether under this Agreement, a purchase order, other work order or otherwise in connection with any of them, be liable in contract, tort, third-party liability, breach of statutory duty or otherwise, in respect of any direct, indirect or consequential losses or expenses, including without limitation loss of anticipated profits, company shut-down, third-party loss or injury, any loss because of data breach, any loss of personally identifiable or protected information, goodwill, use, market reputation, business receipts or contracts or commercial opportunities, whether or not foreseeable, if the Customer's data is breached because of the distribution of unsolicited email, direct mail, facsimiles, telemarketing or because of the collection of information by means of electronic "spiders", "spybots", "spyware", wire tapping, bugging, video cameras or identification tags.

14. EXTRAORDINARY EVENTS. In no event, including the negligent act or omission on its part, shall MSP, whether under this Agreement, a Statement of Work, a purchase order, other work order or otherwise in connection with any of them, be liable in contract, tort, third-party liability, breach of statutory duty or otherwise, in respect of any direct, indirect or consequential losses or expenses, including without limitation loss of anticipated profits, company shut-down, third-party loss or injury, any loss because of data breach, any loss of personally identifiable or protected information, goodwill, use, market reputation, business receipts or contracts or commercial opportunities, whether or not foreseeable, if such loss was the result of or arose from any failure or malfunction of electrical or telecommunications infrastructure or services not under MSP's control, any satellite failure, or from any fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God or other physical event.

15. LIMITATIONS OF LIABILITY. EXCEPT AS OTHERWISE NOTED IN THIS AGREEMENT, UNDER NO CIRCUMSTANCES SHALL MSP BE LIABLE TO CUSTOMER FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY AMOUNT IN EXCESS OF THE LICENSE FEE OR FOR INDIRECT DAMAGES, LOSS OF GOOD WILL OR BUSINESS PROFITS, WORK STOPPAGE, DATA LOSS, COMPUTER FAILURE OR MALFUNCTION, ANY AND ALL OTHER COMMERCIAL DAMAGES OR LOSS, OR EXEMPLARY OR PUNITIVE DAMAGES. UNDER NO CIRCUMSTANCES, SHALL MSP'S AGGREGATE LIABILITY ARISING FROM OR OUT OF OR RELATING TO THIS AGREEMENT EXCEED THE FEES PAID UNDER THIS AGREEMENT.

MSP SHALL NOT BE LIABLE TO CUSTOMER FOR ANY DELAY IN DELIVERY OR PERFORMANCE, OR FAILURE TO DELIVER OR PERFORM AT OR WITHIN THE DEADLINES SET FORTH IN THIS AGREEMENT EXCEPT TO THE EXTENT THAT SUCH DELAY OR FAILURE IS A RESULT OF MSP'S SOLE NEGLIGENCE.

16. MSP'S EMPLOYEES. Finding, hiring, and training employees is time consuming and costly. Customer agrees that it will not while doing business with MSP, and for one (1) year afterwards, hire any person who is or was an employee of MSP during the period of Customer's and MSP's business relationship, without notifying, in writing, and receiving the expressed written consent of an officer of MSP. Customer agrees that if they should fail to notify MSP and receive said consent, Customer will be liable to MSP for liquidated damages in an amount equal to one year's wages of the employee that it hired, at the rate last paid to that employee by MSP.

17. DISCLAIMERS. The express remedies set forth in this Agreement will constitute Customer's exclusive remedies, and MSP's sole obligation and liability, for any claim (a) that a Service or deliverable provided hereunder does not conform to specifications or is otherwise defective, or (b) that the Services were performed improperly.

MSP shall not be responsible for impairments to the Services caused by acts within the control of Customer or its employees, agents, contractors, suppliers or licenses, the interoperability of Customer applications, or other cause reasonably within Customer's control and not reasonably related to services provided under this Agreement.

EXCEPT FOR THE WARRANTIES MADE BY MSP IN SECTION 10, WHICH ARE LIMITED WARRANTIES AND THE ONLY WARRANTIES PROVIDED TO CUSTOMER, THE SERVICES AND DELIVERABLES ARE PROVIDED STRICTLY "AS-IS." MSP DOES NOT MAKE ANY ADDITIONAL WARRANTIES, EXPRESSED, IMPLIED, ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, OR STATUTORY, AS TO THE DELIVERABLES OR SERVICES PROVIDED HEREUNDER, OR ANY MATTER WHATSOEVER. THE PARTIES DISCLAIM ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, TITLE AND NON-INFRINGEMENT.

MSP DOES NOT WARRANT THAT THE SERVICES OR ANY DELIVERABLES WILL MEET ANY PARTICULAR CUSTOMER REQUIREMENTS, THAT ANY DELIVERABLES WILL OPERATE IN THE COMBINATIONS THAT CUSTOMER MAY SELECT FOR USE, THAT THE OPERATION OF ANY DELIVERABLES WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT ALL ERRORS CAN BE CORRECTED. IF PRE-PRODUCTION (E.G., "ALPHA" OR "BETA") RELEASES OF SOFTWARE ARE PROVIDED TO CUSTOMER, SUCH COPIES ARE PROVIDED "AS-IS" WITHOUT WARRANTY OF ANY KIND.

No statement by any MSP employee or agent, orally or in writing, will serve to create any warranty or obligation not set forth herein or to otherwise modify this Agreement in any way whatsoever.

18. **SEVERABILITY.** If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal or unenforceable, such provision shall be automatically reformed and construed so as to be valid, operative and enforceable, to the maximum extent permitted by law or equity while preserving its original intent. The invalidity of any part of this Agreement shall not render invalid the remainder of this Agreement.

19. **AMENDMENT.** This Agreement may not be amended except by a writing executed by an authorized individual MSP.

20. **RELATIONSHIP.** The Parties are independent parties; and this Agreement does not make the Parties principal and agent, partners, employer and employee, nor does it create a joint venture.

21. **LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without reference to principles of conflicts of laws. The Parties irrevocably submit to the exclusive jurisdiction of the courts of the State of Texas.

22. **WAIVER.** Failure by either Party to insist upon strict performance of any provision herein shall not be deemed a waiver by such Party of its rights or remedies, or a waiver by it of any subsequent default by the other Party.

23. **FORCE MAJEURE.** With the exception of Customer payment for service rendered, neither party shall be responsible for any failure to perform or delay caused where such failure or delay is due to circumstances reasonably beyond the party's control. This includes fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God or any other physical event.

24. **ASSIGNMENT.** Neither Party may assign its rights or obligations under this Agreement without the other Party's prior written consent which shall not be unreasonably withheld.

25. **COUNTERPART AND ELECTRONIC SIGNATURES.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. The Customer's electronic signature of this Agreement shall have the same validity and effect as a signature affixed by the Customer's hand.

26. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement by and between the Parties regarding the subject matter contained herein, and supersedes all prior and contemporaneous undertakings and agreement of the Parties, whether written or oral, with respect to such subject matter.

Customer - Port Arthur Economic Development Corporation

By: [Signature]
Printed Name: Kristle Malle
Title: Interim CEO
Date: 10/4/22

MSP - Discovery Information Technologies, Inc.

By: [Signature]
Printed Name: Delilah Fadhil
Title: Vice President
Date: 10-10-2022

ADDENDUM A NETWORK SECURITY

Customer agrees to abide by and follow the network security standards, actions, policies, and procedures set forth below:

1. **Patch, Update and Upgrade Software In a Timely Fashion**
Apply all available operating system software patches and updates in a timely fashion, using automated processes where possible.
2. **Require End-User Security Training**
End-users must attend training that increases their network security risk awareness, especially as it relates to email and online behavior.
3. **Set Standard Security Requirements**
Have minimum, layered security requirements for all users and equipment, including password requirements, antivirus, firewalls, and disabling open external RDP access.
4. **Set Strong Firewall Policies**
Block web sites that have a high probability of containing malicious code, including social media sites, gambling sites, pornographic/adult material sites, gaming sites, and sites/emails from outside the U.S.
5. **Enforce Strong Password Policies**
Passwords should be at least 12 characters in length, include upper and lower case letters/numbers/special characters, expire after a maximum of 90 days, lock the users out of the account for at least 30 minutes after 5 unsuccessful login attempts, and should not be shared between users.
6. **Utilize Multi-factor Authentication**
Multi-factor authentication should be utilized for all systems for which it is available.
7. **Implement Future Security Policies/Actions**
Implement additional security policies/actions that may be outlined by MSP in the future, in order to protect against new and evolving security threats.

Accepted for Port Arthur Economic Development Corporation on 10/4/22.

Authorized Signature(s): [Signature]

Print Name: Krista Miller

Title: Information EEO

Addendum B - Statement of Work ProMSP Full Managed Services

This ProMSP Full Managed Services Statement of Work ("SOW") is governed under the Master Service Agreement ("Agreement") between MSP and Customer.

1. **Services.** Subject to the terms described in this SOW and in the attached Schedule 1, MSP shall provide the services listed in Schedule 2, attached ("Services"), for the devices listed in Schedule 3. The services provided as part of Schedule 2 are subject to change at MSP's discretion.
2. **Commencement Date.** The Services will commence on the following date: The date that MSP deploys its monitoring agent to the Customer's applicable covered devices ("Commencement Date"). Services will continue to be provided until the term of this SOW expires, unless sooner terminated pursuant to the Agreement or as expressly indicated herein.
3. **Equipment Changes.** In the event that new equipment is added to the Client's network, a properly completed Change Order Form must be submitted and monthly fees will automatically be adjusted to cover said equipment.
4. **Coverage.**
 - a. Remote Helpdesk and Vendor Management of Client's IT networks will be provided to the Client by Discovery I.T. through remote means between the hours of 8:00 am - 5:00 pm Monday through Friday, excluding public holidays. Network Monitoring Services will be provided 24/7/365. All services qualifying under these conditions, as well as Services that fall outside this scope will fall under the provisions of Schedule 2.
 - b. Discovery I.T. will respond to Client's Trouble Tickets under the provisions of Schedule 1, and with best effort after hours or on holidays. Trouble Tickets must be opened via our customized portal <https://connectwise.discovery.it.com/support> or by phone if internet is unavailable. Each call will be assigned a Trouble Ticket number for tracking. Our escalation process is detailed in Schedule 1.
 - c. Emergency services performed outside of the hours of 8:00 am - 5:00 pm Monday through Friday, excluding public holidays, shall be subject to provisions of Schedule 2. Access to emergency services can be gained by calling Discovery I.T.'s main number, (409)727-7080, and following the prompts for after-hours service, and leaving a detailed message.
 - d. In no event shall Discovery I.T. be held liable for indirect, special, incidental or consequential damages arising under this contract, including but not limited to loss of profits or revenue, loss of use of equipment, lost data, costs of substitute equipment, or other costs.
 - e. Discovery I.T. or its suppliers shall not be liable for any indirect, incidental, consequential, punitive, economic or property damages whatsoever (including any damages for loss of business profits, business interruption, loss of data or other pecuniary loss) arising out of this Agreement.
 - f. Customer grants Discovery I.T. authorization to view any data within the regular routine of the repair or system improvement. Customer also authorizes Discovery I.T. to reasonably delete, change, and/or rewrite any necessary information to complete the system repair or improvement that is consistent with the standards and practices in the industry.
5. **Monitoring Services.** Discovery I.T. will provide ongoing monitoring and security services of all critical devices as indicated in Schedule 2. Discovery I.T. will provide quarterly reports, in the form of a Quarterly Business Review, as well as document critical alerts, scans and event resolutions to Client. Should a problem be discovered during monitoring, Discovery I.T. shall make every attempt to rectify the condition in a timely manner through remote means.
6. **Minimum Standards Required for Services.** In order for Client's existing environment to qualify for Discovery I.T.'s Managed Services, the following requirements must be met:
 - a. All Server and Desktop Software, Operating Systems, and applications must be Genuine, Licensed and Vendor-Supported, and all of the latest Service Packs and Critical Updates must be installed.
 - b. The environment will utilize a currently licensed, up-to-date and Vendor-Supported Server-based Antivirus Solution protecting all Servers, Desktops, Notebooks/Laptops, and Email which will be provided by Discovery I.T. as part of the Managed Services program.

- c. The environment must either utilize Discovery I.T.'s Backup & Disaster Recovery (BDR) Service or have a Discovery I.T. approved, currently licensed, commercial grade, Vendor-Supported Server-based Backup Solution that Customer will accept responsibility for administering.
- d. The environment must have a Discovery I.T. approved, currently licensed, Vendor-Supported, commercial grade, hardware Firewall between the Internal Network and the Internet.
- e. All Wireless data traffic in the environment must be securely encrypted to standards which are acceptable to Discovery I.T.,
- f. Industry standard network/internet security policies will be enforced, including, but not limited to blocking of social networking Internet site, enforcement of password change and lockout policies, not allowing open RDP ports, and enabling SSL/deep header scanning.

Should Client request that required standards not be enforced for convenience or any other reason, Client assumes all responsibility and liability for any consequences of Client's decision to request that the required standard(s) are not enforced and expressly acknowledges that Discovery I.T. shall not be held responsible for said consequences.

7. Chronically Failing Equipment. Experience has shown, equipment belonging to the client which has initially passed Minimum Standard Requirements for Service can reveal itself to become chronically failing. This means that the equipment repeatedly breaks down and consistently causes user and business interruption even though repairs may be successfully effected. While these circumstances are rare, should this occur, client agrees to work constructively and positively with Discovery I.T. to replace the equipment at additional cost to client through Discovery I.T.

8. Excluded Services. Services rendered under this Agreement do not include:



- 1) Customer's phone and other telecommunications systems, unless separately contracted.
- 2) The cost of any Software, Licensing, or Software Renewal or Upgrade Fees of any kind, except Anti-virus software provided by Discovery I.T.
- 3) The cost of any 3rd Party Vendor or Manufacturer Support or Incident Fees of any kind.
- 4) The cost to bring Client's environment up to minimum standards required for Services.
- 5) Failure due to acts of God, building modifications, power failures or other adverse environmental conditions or factors.
- 6) Service and repair made necessary by the alteration or modification of equipment, software, or systems, other than that authorized by DISCOVERY I.T., including alterations, software installations, cyber-attacks of any kind, or modifications made by Client's employees or anyone other than DISCOVERY I.T. personnel.
- 7) Maintenance of Applications software packages, whether acquired from DISCOVERY I.T. or any other source unless specified in Schedule 2.
- 8) Programming (modification of software code) and program (software) maintenance.
- 9) Training Services of any kind.
- 10) This proposal does not include replacement of, parts required for, or data migration necessitated by repairs on any Customer owned equipment, including, but not limited to, computers, servers, switches, printers, screens or peripherals, PDA's, Point of Sale Scanners, Digital Cameras, Cell Phones nor any other specialized accessory.
- 11) Consumables of any kind (such as printer maintenance kits, toner, ink, batteries, paper, etc.) are not included or covered under this service agreement and will be invoiced separately.

It is understood that any and all Services requested by Client that fall outside of the terms of this Agreement will be considered Projects, and will be quoted and billed as separate, individual Services. An initial setup fee may apply, to begin a proposed Project. Upon completion of the project, billing for the Project will take place immediately.

9. **Pricing and Term.** All prices are per designated unit, per month. Applicable sales/use tax will be added to all billings. Specific quantities, per type of fee/cost, will be detailed in quote #DITQ20404. Initial term is 36 months, with an option to extend for up to two (2) additional years.

a. ProMSP Full Site Management (FSM) Suite = Site Fee	\$ 49.00 each per month
b. ProMSP Full Site Management (FSM) Suite = Desktops/Laptops	\$ 35.00 each per month
c. ProMSP Full Site Management (FSM) Suite = Infrastructure devices (firewall, switch, excluding Cisco devices)	\$ 49.00 each per month
d. ProMSP Full Site Management (FSM) Suite = Software Applications	\$ 100.00 each per month
e. ProMSP Full Site Management (FSM) = Infrastructure devices (Cisco firewalls)	\$ 99.00 each per month
f. ProMSP Full Site Management (FSM) = Windows servers	\$ 149.00 each per month
g. ProMSP Full Site Management (FSM) = ShoreTel Phone System Server	\$ 149.00 each per month
h. One-Time Setup Fee	\$ 750.00 upon initial setup

Accepted by:

		<u>10/4/22</u>
Authorized Signature, Title	Customer	Date
	V.P. Discovery Information Technologies, Inc.	<u>10/10/22</u>
Authorized Signature, Title	MSP	Date

DISCOVERY I.T. – Full Agreement

Schedule 1

RESPONSE AND RESOLUTION TIME

REPORTED TROUBLE	PRIORITY	RESPONSE TIME (IN BUSINESS HRS.)	RESOLUTION TIME (IN BUSINESS HRS.)	ESCALATION THRESHOLD (IN BUSINESS HRS.)
Service not available (All users and functions unavailable.)	1	Within 2 Hours	ASAP - Best Effort	4 Hours
Significant degradation of service (Large number of users or Business Critical Functions affected.)	2	Within 4 Hours	ASAP - Best Effort	8 Hours
Limited degradation of service (Limited number of users or functions affected, Business Process can continue.)	3	Within 24 Hours	ASAP - Best Effort	48 Hours
Small service degradation (Business Process can continue, or only one user affected.)	4	Within 48 Hours	ASAP - Best Effort	96 Hours

Please note: All work done after hours is done at "Best Effort" to find a solution.

SUPPORT TIERS

The following table details and describes our Support Tier Levels.

SUPPORT TIER	DESCRIPTION OF SUPPORT ESCALATION
Tier 1 Support	All support incidents begin in Tier 1, where the initial trouble ticket is created; the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated.
Tier 2 Support	All support incidents that cannot be resolved with Tier 1 Support are escalated to Tier 2, where more complex support on hardware/software issues can be provided by more experienced Engineers.
Tier 3 Support	Support incidents that cannot be resolved by Tier 2 Support are escalated to Tier 3, where support is provided by the most qualified and experienced Engineers who have the ability

to collaborate with 3rd Party (Vendors) Support Engineers to resolve the most complex issues.

DISCOVERY I.T. – Full Agreement

Schedule 1 (cont'd)

Service Request Escalation Procedure

- 1. Support Request Submitted by Client**
(By Phone, Service Portal or E-mail Request)
- 2. Trouble Ticket is Created**
- 3. Issue is Identified and documented in Ticketing System**
- 4. Issue reviewed by Service Coordinator to determine appropriate routing**
- 5. Trouble ticket assigned to Technical Resource**
- 6. Trouble ticket resolved or re-assigned as needed**

Schedule 1 (cont'd)

DISCOVERY I.T. - Service Flow Chart

7

GENERAL

DESCRIPTION	FREQUENCY	INCLUDED
Hardware and Software Changes Documented	As needed	YES
Quarterly Technology Business Reviews	Quarterly	YES

SERVERS

Manage Servers	Ongoing	YES
Check Print Queues	As needed	YES
Server Monitoring and Critical Services Alerting	Ongoing	YES
Monitor Event Log for potential issues	Ongoing	YES
Monitor Hard Drive free space on Server(s)	Ongoing	YES
Monitor Server Resources	Ongoing	YES
Monitor Active Directory replication	Ongoing	YES
Exchange Server Management	As needed	YES
Manage Group Policy	As needed	YES
Reboot Servers if needed	As needed	YES
After Hours Server Maintenance	As needed	YES
Management of Network Users, Email Accounts & Security/Email Distribution Groups	As needed	YES
Perform Microsoft Updates as per company policy	Ongoing	YES
Install Approved Line of Business Application Updates	As needed	YES
Alert Client to any serious server conditions	As needed	YES

DISASTER RECOVERY

Monitor Backup Status**	Daily	YES
Monitor Test Virtualizations**	Monthly	YES
Manage Automated Offsite Backups**	Daily	YES
Perform Disaster Virtualization**	As needed	YES

**Included as part of Discovery L.P.'s Backup & Disaster Recovery (BDR) service which is contracted independently from this service agreement.

DEVICES

Manage Desktops	Ongoing	YES
Manage Other Networked Devices	As needed	YES
Manage Smartphones	As needed	YES

Schedule 2 (cont'd)

NETWORKS

Performance Monitoring/Capacity Planning	As needed	YES
Monitor Network Switches and Internet Connectivity	As needed	YES

SECURITY

Check Firewall Logs	As needed	YES
Manage Security Services on the Firewall	As needed	YES
Manage Client Provided Content Filtering Policy	As needed	YES
Manage Email Spam/Virus Filtering Solution	As needed	YES
Manage Client Provided VPN Policy	As needed	YES
Monitor Anti-Virus Agent	Ongoing	YES
Manage Client Provided File Security Policy	As needed	YES
Set up new users including login restrictions, passwords, security, login to existing applications	As needed	YES
Set up and change security for users and applications	As needed	YES
Monitor for unusual activity among users	As needed	YES

PROFESSIONAL SERVICES

8x5 Help Desk Phone Support	As needed	YES
Remote Screen Sharing Desktop Assistance	As needed	YES
Onsite Field Support for Included Services	As needed	YES
Technology Solution Consulting	As needed	YES
Quarterly Business Review	Quarterly	YES

SERVICE RATES

LABOR SERVICE	RATE
Network Monitoring: 24 hours a day, 7 days a week	INCLUDED
Help Desk: 8 hours a day, 5 days a week = Monday thru Friday excluding holidays	INCLUDED
Remote Network Management: 8:00am to 5:00pm = Monday - Friday, excluding holidays	INCLUDED
Onsite Labor*: 8:00am to 5:00pm = Monday - Friday, excluding holidays	INCLUDED
Major Site Outage*: 8:00am to 5:00pm = Monday - Friday, excluding holidays	INCLUDED

Schedule 2 (cont'd)

LABOR SERVICE (AFTER BUSINESS HOURS)

Remote Network Management

Onsite Labor

RATE

**Current Hourly After Hours
Service Rate**

**Current Hourly After Hours
Service Rate**

*** Excluding new installations, projects, customer requested moves, adds or changes, or other excluded services.**

Addendum C - Statement of Work

Data Backup and Disaster Recovery Service (BDR) With Offsite Option

1. Services Provided

- a. An on-site Backup & Disaster Recovery (BDR) unit that acts as a local storage device and stand-by server in the event of server failure.
- b. Incremental backups done on the BDR at selected frequency
- c. Secure Remote (Off-site) Storage provided at a minimum of two (2) hardened Data Centers
- d. Secure multi-site replication of BDR data
- e. Day to day data restoration of files, file folders, or emails
- f. Full recovery of data, with the previous day's data being the most current information provided from the off-site data center, in the event of total catastrophe where the server and BDR on site are destroyed.
- g. Full management of the BDR unit(s) and remote storage and / or replicated BDR including 24x7 monitoring and alerting, periodic backup testing and problem resolution.
- h. Regular maintenance of the BDR unit(s) including any labor and materials
- i. Help Desk and call in based local technical support during normal business hours

2. Security

- a. Data is encrypted, using 256-bit AES encryption technology, before leaving customer servers. If using the remote off-site storage option, the data is then encrypted again for its transit over the Internet. Files are then stored, in encrypted form, on multiple servers in secured facilities.
- b. SSL (Secure Socket Layers) technology is utilized for remote communication. Online backups of data are encrypted at all times using the 256-bit AES encryption.
- c. Data is hosted in an encrypted state at the remote Data Centers.

3. File compression

Files are encrypted before being compressed on the BDR.

4. Backup Frequency

Backups to the on-site BDR are set to occur hourly, but can be adjusted to times as short as every fifteen (15) minutes upon written customer request. Off-site backup frequencies will be dependent on image sizes and internet bandwidth available but are typically performed once per day (usually during non-production hours).

5. Smart Data Transport

Data transmission can easily be configured to minimize bandwidth consumption. BDR leverages Adaptive Bandwidth Throttling, which allows us to set a limit on outbound bandwidth used. It is the Client's responsibility to notify and/or consult with the MSP if they wish to utilize this Adaptive Bandwidth Throttling feature.

6. Remote Storage provided at two high availability Data Centers (only applicable if the remote off-site storage option is chosen):

- a. Redundant storage with backup images stored at the data centers on a SAN at the primary facility, then replicated to the secondary facility.
- b. Connectivity provided by multiple providers with automatic failover capabilities.
- c. Facilities provide fiber optic network drops for our backbone.
- d. Full physical security at each facility including security cameras, and key card access.
- e. Network is secured with high-end redundant, automatic failover firewalls.
- f. Environmental control provided.
- g. Automatic backup power provided by on-site generator.
- h. All data stored at the off-site data centers is encrypted utilizing a secure 256 bit AES encryption algorithm.

7. Retention Periods:

On the local Network Attached Storage (BDR) unit:

1. Base image (the initial backup)
2. Monthly synthetics (as many as storage on the BDR will allow)
3. Weekly synthetics (for last 90 days)
4. Daily synthetics (for last 7 days)
5. Intra-day incrementals (for last 3 days-whatever frequency you select)

At the remote storage facility:

(only applicable if the remote off-site storage option is chosen)

1. One daily backup is sent and retained at each of two off-site co-located datacenters, one locally, and the second at a geographically independent datacenter (depending on customer bandwidth availability). Only the most current image is retained at the off-site co-location datacenters (unless specifically contracted to do otherwise).
2. Retrieval of the data from either data center is done by either imaging a replacement BDR (or other portable storage device), with one selected image and physically sending the replacement BDR unit (or other storage device) to the location you specify (additional event based fees for this service apply, see section 14 for more details).

NOTE: Under no circumstances is Discovery I.T. obligated to retain customer's backup information which is more than 90 days old. If customer requires data archiving beyond 90 days, Discovery I.T. can instruct customer on how to export backups to external media for extended archiving.

8. Remote Storage and Base Remote Backup Image Creation:

- a. Data is stored (in encrypted form) in two secure online geographically separated data backup centers.
- b. The initial BASE IMAGE will be sent via hard drive, encrypted with the aforementioned 256 bit AEC data security protocol, to the primary remote storage facility. There is generally a three-week turnaround time required for this base image transfer to occur. Incremental back UPS will occur in the meantime and they will consolidate into the base image when the base image transfer is complete.

9. Minimum Remote Storage Requirements:

- a. Remote storage is provided and billed in increments of 100GB. There is no minimum storage requirement tied to this Agreement. Remote storage is tracked on a monthly basis, based on the daily average of the data on the servers being backed up.

10. Routine retrieval testing.

- a. The integrity of backups are checked as they occur and are further tested for server virtualization based recovery on a routine basis.

11. Recovery Time Objective (RTO)

- a. The MSP will log all retrieval requests from the Client.
- b. The MSP will attempt to resolve access, backup, or retrieval problems over the phone on first call within 24 hours of the first system alert or customer request.
- c. In a disaster scenario, where you should lose your entire office server infrastructure or where the on-site BDR backup device is rendered inoperable and non-repairable, we will have a new BDR imaged, with the most current backup information (which will typically be the previous day's data). We will then have it shipped out via next-business day air transportation to a location of your choice. When the BDR arrives, it is ready to be used as a virtual server. Additional event based fees for this service apply, see section 14 for more details.

- d. The BDR can also be used to perform a bare metal restore to dissimilar hardware which means that when a new server arrives, the BDR can be used to restore the most current data to that new server regardless of differences in the server hardware type or version.
- e. Entire server restoration services performed by the MSP, and which are required due to no fault of and/or beyond the control of the MSP will be billable at the MSP's then applicable hourly rate schedule.

12. Ownership of the Data

The backup data being stored on the BDR and at any Data Centers remains the sole property of the Client. If the Client chooses to terminate services, the MSP will assist Client in the orderly termination of services billable at MSP's then current hourly rates.

13. Pricing

All prices are per designated unit, per month as per quote DITQ20404. Applicable sales/use tax will be added to all billing. Initial term is 36 months, with an option to extend for up to two (2) additional years.

Primary Onsite BDR cost per Server	\$ 149.00 each per month
BDR Replication and Offsite Storage Capacity Fee	\$ 75.00 per 100GB per month
* Cost is for up to 100GB of storage/data	
* \$50 per month for each additional 100GB	
Or portion thereof	
One-Time Setup/Configuration Fee	\$ 500.00 upon initial setup

Accepted by Port Arthur Economic Development Corporation on 10/4/22

Authorized Signature [Signature]

Printed Name Kristle Muller

Title John CEO

Exhibit “B”



904 Hwy 69 - Nederland, TX - 77627
 Phone: 409-727-7080 - Fax: 409-727-2456 - Email: mroland@discoveryit.com

QUOTATION

Date	Quote #
05/23/2022	DITQ20404

Sold To: Port Arthur Economic Development Corporation
 Krystle Villarreal
 501 Proctor St.
 Port Arthur, TX 77640
 United States
Phone: (409) 963-0579
Fax: (409) 962-4445

Ship To:

Phone:
Fax:

Terms	Rep	P.O. Number	Ship Via
Net 30 days	MRoland		

Ln #	Qty	Description	Unit Price	Ext. Price
1		PROACTIVE NETWORK MANAGEMENT AND SUPPORT: - For two offices, EDC and new building next door.		
2				
3	2	Site Fee/ all inclusive travel fees	\$49.00	\$98.00
4	1	Windows Servers - domain controller and fileserver (based on multiple servers; if only this one then price is \$199/ month)	\$149.00	\$149.00
5	1	Windows Servers - ShoreTel Phone System Server	\$149.00	\$149.00
6	1	Backup & Disaster Recovery Service - Single Server (up to 300GB) - On-Site NAS/BDR, Backup, File/Mailbox/Bare-Metal Restore, Server	\$149.00	\$149.00
7	1	Co-located, Redundant Off-Site Backup Option per 100GB (Requires On-Site BDR NAS) [Additional capacity available at \$50/ 100 GB of data]	\$75.00	\$75.00
8				
9	0	Software Applications (each) - e.g. Accounting application; Business Management Applications; etc.	\$100.00	\$0.00
10	3	Infrastructure Devices - Firewall; Network copier; ShoreTel Voice Switch (No VPNs included or in use at this time)	\$49.00	\$147.00
11	1	Infrastructure Devices - CISCO Complex firewall (Client to provide admin access to the device) - (No VPNs included at this time).	\$99.00	\$99.00
12	16	Desktop(s)/Laptops(s) (must be current supported Windows platforms) - Includes a full license of Trend Micro Antivirus software (also managed).	\$35.00	\$560.00
13		SubTotal		\$1,426.00
14				
15	1	One-Time Setup Fee - On-boarding the fileserver, Phone server, and 8 computers. Includes loading the monitoring software and configuring the alerting system. - NOTE - if the BDR backup and offsite solution is chosen then there will be a one time set up/ configuration cost to customer of \$500.00 along	\$750.00	\$750.00

Ln #	Qty	Description	Unit Price	Ext. Price
		with the quoted set up fee.		
			SubTotal	\$2,176.00
			Sales Tax	\$0.00
			Shipping	\$0.00
			Total	\$2,176.00

This quotation, on the goods named, is subject to Discovery I.T.'s standard terms and conditions. A copy of these terms and conditions can be provided upon request.

To accept this quotation, sign & date here and return: Kate Miller Date: 10/4/22

*** Confidential Document ***

The information provided herein is considered confidential between Discovery I.T. and the recipient. Under no circumstances should this information be shared in whole or in part with any third parties without the express written consent of Discovery I.T.

TERMS AND CONDITIONS

The products and services listed herein are being sold by Discovery Information Technologies. All product sold by Discovery Information Technologies are warranted to be free from defects in materials and workmanship under normal use and service. Upon notification of a defect, as set forth below, Discovery Information Technologies shall have the option to repair or replace any defective part(s). Replacement of defective part(s) is only available within the first 30 days after date of purchase, unless otherwise expressly provided for by the original equipment manufacturer. Such services by Discovery Information Technologies shall be the customer's sole and exclusive remedy.

Discovery Information Technologies shall honor warranties set forth by the original manufacturer for a period of one (1) year, unless otherwise specified by the manufacturer. Warranty period commences on the date of the original purchase invoice. No warranties, expressed or implied, will apply after this period.

DISCOVERY INFORMATION TECHNOLOGIES DOES NOT MAKE ANY WARRANTIES WITH RESPECT TO THIS PRODUCT EITHER EXPRESS OR IMPLIED, INCLUDING NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT. RECOMMENDATIONS OF EQUIPMENT AND/OR SOFTWARE, INCLUDING BUT NOT LIMITED TO ITEMS INCLUDED ON THIS TICKET, ARE BASED ON PUBLICLY AVAILABLE INFORMATION PROVIDED BY THE INDIVIDUAL MANUFACTURERS OF SAID EQUIPMENT AND/OR SOFTWARE. DISCOVERY INFORMATION TECHNOLOGIES CANNOT BE HELD RESPONSIBLE FOR MISREPRESENTATIONS OR INCOMPLETE INFORMATION PROVIDED BY THESE MANUFACTURERS WITH REGARD TO THE PERFORMANCE OF THEIR EQUIPMENT/SOFTWARE. TIME SPENT BY DISCOVERY INFORMATION TECHNOLOGIES' PERSONNEL TO CORRECT PROBLEMS THAT ARE A RESULT OF MANUFACTURERS' MISREPRESENTATIONS OR OPERATIONAL DIFFICULTIES OF THEIR PRODUCTS IS BILLABLE AT CURRENT LABOR RATES AND IS THE SOLE RESPONSIBILITY OF THE CUSTOMER.

If any labor, repair or parts replacement is required because of accident, negligence, misuse, theft, vandalism, fire, water, or other peril; or because of conditions outside of specifications, including but not limited to, electrical power, temperature, humidity or dust; or by moving, repair, relocation or alteration not performed by Discovery Information Technologies or any cause other than normal use, the warranty and maintenance obligations provided herein shall not apply. Except as herein set forth, Discovery Information Technologies shall not, under any circumstances be responsible for any direct, indirect, incidental, or consequential damage resulting from the use or sale of any products sold by Discovery Information Technologies.

Finding, hiring, and training employees is time-consuming and expensive. Customer agrees that it will not while doing business with Discovery Information Technologies and within one year afterwards, hire any person who has been an employee of Discovery Information Technologies without the expressed written consent of an officer of Discovery Information Technologies. If Customer violates the paragraph, it will be liable to Discovery Information Technologies for liquidated damages in an amount equal to one year's wages of the employee, at the rate last paid that employee by Discovery Information Technologies.

For and in consideration of the extension of credit from Discovery Information Technologies to Customer, customer grants to Discovery Information Technologies, to secure payment of all amounts owing from Customer to Discovery Information Technologies pursuant to such extension of credit, security title and security interest in and to the following described property; wherever located, whether now existing or hereafter acquired: (1) all inventory and equipment delivered to Customer by, or on behalf of, Discovery Information Technologies as more particularly described in a Discovery Information Technologies invoice and/or packing slip accompanying the same; (2) ALL RIGHTS OF Customer to payment for such inventory and equipment sold, leased or otherwise transferred; (3) all additions, improvements, betterments, replacements, and substitutions to or for such inventory or equipment; and (4) all proceeds of any and all the foregoing, including, without limitation, insurance proceeds. Customer irrevocably designates and appoints Discovery Information Technologies its true and lawful attorney-in-fact for the purpose of executing and filing all documents on behalf of Customer to perfect Discovery Information Technologies' security interest.

Statements made to you in the course of this sale are subject to the Year 2000 Information and Readiness Disclosure Act (XX U.S.C. XX, Public Law 105-271). In the case of a dispute, this Act may reduce your legal rights regarding the use of any such statements, unless otherwise specified by your contract or tariff.