



5055 South 111th Street  
 Omaha, NE 68137  
 Phone: (402) 593-6500  
 Fax: (402) 593-8500

**Retail Sales Agreement**

**Proposal Number: 02-024-002696.5**

| Bill To   |                  | Ship To  | Project Location   |  |
|---|------------------|--|--|--|
| Attn: Accounts Payable<br>City of Grand Island<br>100 East 1st Street<br>Grand Island, NE 68801<br><br>Phone: (308) 385-5444x310<br>Email: jeremyW@grand-island.com<br>Customer Number: 633 |                  | Attn: Kevin Wagner<br>AVI Systems<br>5055 South 111 <sup>th</sup> Street<br>Omaha, NE 68137<br><br>Phone: (402) 593-6500<br>Email: | Attn: Jeremy Watson<br>City of Grand Island<br>100 East 1st Street<br>Grand Island, NE 68801<br><br>Phone: (308) 385-5444x310<br>Email: jeremyW@grand-island.com |  |
| Date: July 21, 2015   | OE#:             | Sales Rep: Guy Sauer - 24  |  |  |
| Customer PO#:   | Terms: Net 30    | Ship Via: Ground   | Freight Terms: Prepaid and Add   |  |
| Project #:  | Project Manager: | Eng Approved By:   |  |  |
| Comments: Full HD Upgrade - Master Control – Part 1.  |                  |  |  |  |

**Products and Services Summary**

|                      |                     |
|----------------------|---------------------|
| Equipment Contract   | \$60,882.00         |
| Integration Contract | \$38,830.00         |
| Pro Support Contract | Currently Covered   |
| Freight              | \$288.00            |
| Tax                  | See Terms           |
| <b>Grand Total</b>   | <b>\$100,000.00</b> |

The prices quoted reflect a discount for a cash payment (i.e., check, wire transfer) made by Customer in full within Net 30 days of each invoice. Discount only applies to new items included on the invoice, and only applies if the balance on the invoice is paid in full. All returned equipment is subject to a restocking charge.

**Invoicing**

AVI uses progress billing, and invoices for equipment allocated to the contract when it is received by AVI. Unless otherwise specified, all items quoted (goods and services) as well as applicable out of pocket expenses (permits, licenses, shipping, etc.) are invoiced in detail (including applicable sales taxes due for each category of invoiced items) on a monthly basis, with payment in full required within Net 30 days of the date of the invoice. Customer is to make payments to the following "Remit to" address:

AVI Systems  
 NW8393 PO Box 1450  
 Minneapolis, MN 55485-8393.

Full payment is due before any support coverage or prepaid block begins. Overdue balances are subject to a finance charge of 1.5% per month, or interest at the highest rate permitted by applicable law. In the event AVI must pursue collection of unpaid invoices, Customer agrees to pay all of AVI's costs of collection, including its attorneys' fees.

**Taxes and Delivery**

Unless stated otherwise in the "Products and Services Summary" above, AVI will add and include all applicable taxes, permit fees, license fees, and delivery charges to the amount of each invoice. Taxes will be calculated according to the state law(s) in which the product(s) and/or service(s) are provided. Customer should provide a valid tax exemption certificate for any tax exemption(s) claimed, otherwise AVI shall invoice for and collect all applicable taxes in accordance with state law(s).

**Agreement of Quotation and Contract Formation**

Customer hereby accepts the above quote for goods and/or services from AVI. When duly executed and returned to AVI, AVI's Credit Department will check Customer's credit and approve the terms. After approval by AVI's Credit Department and signature by AVI, this Retail Sales Agreement will, together with the AVI General Terms & Conditions which are attached form a binding agreement between Customer and AVI. (This Retail Sales Agreement and the AVI General Terms & Conditions are referred to collectively as the "Agreement"). Should AVI's Credit Department determine at any point prior to AVI commencing work that Customer's credit is not adequate, or should it otherwise disapprove of the commercial terms, AVI reserves the right to terminate the Agreement without cause and without penalty to AVI.

**AGREED AND ACCEPTED BY:**

|                                       |                  |
|---------------------------------------|------------------|
| Customer: <b>City of Grand Island</b> | AVI Systems, Inc |
| Signature:                            | Signature:       |

|                                       |                      |
|---------------------------------------|----------------------|
| Printed Name: <b>Jeremy L. Jensen</b> | Printed Name:        |
| Date: <b>7/28/2015</b>                | Date: <b>7/21/15</b> |

Stacy R. Donhof 7/23/15  
Asst. City Attorney

## Products and Services Detail

### Cameras

| <u>Line #</u> | <u>Model #</u> | <u>Type</u> | <u>Mfg</u> | <u>Description</u>         | <u>Qty</u> | <u>List</u> | <u>Discounted</u> | <u>Extended</u> |
|---------------|----------------|-------------|------------|----------------------------|------------|-------------|-------------------|-----------------|
| 1             | 999-6125-000W  | Equ         | VADDIO     | WallVIEW PRO HE120 - White | 4          | \$9,995.00  | \$9,392.00        | \$37,568.00     |
|               |                |             |            |                            |            |             | Cameras Subtotal  | \$37,568.00     |

### Production Switcher

| <u>Line #</u> | <u>Model #</u> | <u>Type</u> | <u>Mfg</u>   | <u>Description</u>   | <u>Qty</u> | <u>List</u> | <u>Discounted</u>            | <u>Extended</u> |
|---------------|----------------|-------------|--------------|--|------------|-------------|------------------------------|-----------------|
| 2             | Granite        | Equ         | BroadcastPix | 3RU Granite Switcher and 2RU Granite Server, with redundant power on both. Switcher has 11 HD/SD SDI inputs, 2 channel clips, 2 channels animations, and 4 channels graphics. Outputs 6 HD/SD SDI, 2 DVI, and provides 4 output types, including: program, preview, clean feed, PowerAuxA and B, and (on 2M/E models) M/E outputs. 6 Keyers. 6 DVEs for PiP (4 on 2M/E). 500GB Clip store holds up to 60 hours of H.264, ProRes and DNxHD clips. Harris GS CG. Fluent-View monitoring is customizable on 2 monitors with inputs, file libraries, keys, 4 outputs, clocks and touch-screen enabled. Fluent Macros automate effects with switcher and file recalls. Virtual Sets with easy set creation, except on 2M/E systems. Network file-based workflow with Fluent Watchfolders. 3 panel licenses for physical and SoftPanels. Device control of AJA recorders, Blackmagic HyperDeck Studios and ViewCast streamers. Minimal constant system delay. V4.0 software with ClearKey chromakeyer. Ships with keyboard, mouse, and owners manual. Monitors not included. All new systems shipping prior to the release of Version 4 will receive a free upgrade. | 1          | \$25,800.00 | \$23,314.00                  | \$23,314.00     |
|               |                |             |              |  |            |             | Production Switcher Subtotal | \$23,314.00     |

### Implementation

| <u>Line #</u> | <u>Model #</u> | <u>Type</u> | <u>Mfg</u>    | <u>Description</u>     | <u>Qty</u> | <u>List</u> | <u>Discounted</u>       | <u>Extended</u> |
|---------------|----------------|-------------|---------------|------------------------|------------|-------------|-------------------------|-----------------|
| 3             | AVICBLCON      | Int         | AVI TECH SERV | Cable / Connectors     | 1          | -           | \$4,433.00              | \$4,433.00      |
| 4             | AVIMATRLS      | Int         | AVI TECH SERV | Materials & Hardware   | 1          | -           | \$712.00                | \$712.00        |
| 5             | AVIONSITE      | Int         | AVI TECH SERV | Onsite Integration     | 1          | -           | \$17,069.00             | \$17,069.00     |
| 6             | AVISWCONFIG    | Int         | AVI TECH SERV | Software Configuration | 1          | -           | \$2,530.00              | \$2,530.00      |
| 7             | AVIPROJMGMT    | Int         | AVI TECH SERV | Project Management     | 1          | -           | \$1,530.00              | \$1,530.00      |
| 8             | AVITRAIN       | Int         | AVI TECH SERV | Training               | 1          | -           | \$824.00                | \$824.00        |
|               |                |             |               |                        |            |             | Implementation Subtotal | \$27,098.00     |

### Design/Engineering

| <u>Line #</u> | <u>Model #</u> | <u>Type</u> | <u>Mfg</u>    | <u>Description</u> | <u>Qty</u> | <u>List</u> | <u>Discounted</u>                   | <u>Extended</u> |              |
|---------------|----------------|-------------|---------------|--------------------|------------|-------------|-------------------------------------|-----------------|--------------|
| 9             | AVIENG         | Int         | AVI TECH SERV | Engineering / CAD  | 1          | -           | \$11,732.00                         | \$11,732.00     |              |
|               |                |             |               |                    |            |             | Design/Engineering Subtotal         |                 | \$11,732.00  |
|               |                |             |               |                    |            |             | Products and Services/Freight Total |                 | \$100,000.00 |

## Services to be Provided

### Integration Services Scope of Work

City of Grand Island would like to update their Master Control area to HD infrastructure.

AVI Systems will provide and install four new HD PTZ cameras, 16x16 HD-SDI router, and 16 input HD-SDI production switcher. New HD-SDI monitors will be installed to monitor cameras and production switcher Preview and Program outputs. Two Dual 8" HD-SDI rack mount monitors and two 17" HD-SDI monitors will be provided and installed.

There are a number of composite video sources and destinations to account for, which will require HD-SDI to composite, and composite to HD-SDI converters.

An Engineering Agreement is included in this proposal to design the conversion from analog standard definition system to HD system.

**NOTE** - After engineering is completed, a complete equipment list will be generated. There may be additional equipment needed after engineering is completed.

#### Streaming Solution

Customer would like to ability to have Council members view lectern presentations on their laptops.

AVI Systems will provide a streaming appliance in the Master Control area. The streaming appliance will be fed from the HD-SDI router.

Council members will view content by accessing the stream from the streaming appliance.

Customer would also like AVI Systems to install network connections at 16 Council member locations. The closet network closet is just behind the Media Room.

A single gang wall plate with network connector will be installed at the 16 Council member locations.

**NOTE - this contract does not make up the complete system for the scope of work detailed above.**

**A contract amendment will be required to add the additional equipment and labor to complete the designed system.**

### Integration Services Responsibilities

#### Integration Scope of Work/Responsibilities

AVI Systems, Inc will provide services/work for the project as described above in the Scope of Work or per the attached separate Scope of Work document detailing the scope of work to be performed.

#### AVI Systems, Inc Responsibilities

- Provide equipment, materials and service items per the contract products and services detail.
- Provide systems equipment integration and supervisory responsibility of the equipment integration.
- Provide systems configuration, checkout and testing.
- Provide project timeline schedules.
- Provide necessary information, as requested, to the owner or other parties involved with this project to insure that proper AC electrical power and cableways and/or conduits are provided to properly integrate the equipment within the facilities.
- Provide manufacturer supplied equipment documentation.
- Provide final documentation and "as built" system drawings (CAD) - if purchased.
- Provide system training following integration to the designated project leader or team.

#### Customer Responsibilities

- Provide for the construction or modification of the facilities for soundproofing, lighting, electrical, HVAC, structural support of equipment, and decorating as appropriate. Includes installation of ceiling mounted projection screen.
- Provide for the ordering, provisioning, installation, wiring and verification of any Data Network (LAN, WAN, T1, ISDN, etc.) and Telephone Line (Analog or Digital) equipment and services prior to on-site integration.
- Provide all necessary cableways and/or conduits required to facilitate AV systems wiring.
- Provide all necessary conduit, wiring and devices for technical power to the AV systems equipment.
- Provide reasonable accesses of AVI Systems, Inc personnel to the facilities during periods of integration, testing and training, including off hours and weekends.
- Provide a secure area to house all integration materials and equipment.
- Provide a project leader who will be available for consultation and meetings.
- Provide timely review and approval of all documentation (Technical Reports, Drawings, Contracts, etc.).

## AVI Systems General Terms and Conditions of Sale

The following General Terms & Conditions of Sale (the "T&Cs") in combination with a signed Retail Sales Agreement constitute a binding contract (the "Agreement") between AVI Systems, Inc. ("AVI") and the entity identified on page one of the Retail Sales Agreement (the "Customer"). Any terms and conditions set forth in any correspondence, purchase order or Internet based form from Customer to AVI which purport to constitute terms and conditions which are in addition to those set forth in this Agreement or which attempt to establish conflicting terms and conditions to those set forth in this Agreement are expressly rejected by AVI unless the same has been manually countersigned in wet ink by an Officer of AVI.

1. **Changes In The Scope of Work** – Where a Scope of Work is included with this Agreement, costs resulting from changes in the scope of this project by the Customer, including any additional requirements or restrictions placed on AVI by the Customer or its representatives, will be added to the contract price. When AVI becomes aware of the nature and impact of the change, a Contract Change Order will be submitted for review and approval by the Customer before work continues. Where applicable, changes in the configuration of the Equipment described herein shall be made in writing by submission of a Change Order document.
2. **Ownership and Use of Documents and Electronic Data** – Where applicable, drawings, specifications, other documents, and electronic data furnished by AVI for the associated project under this Agreement are instruments of the services provided. AVI shall retain all common law, statutory and other reserved rights, including any copyright in these instruments. These instruments of service are furnished for use solely with respect to the associated project under this Agreement. The Customer shall be permitted to retain copies of any drawings, specifications, other documents, and electronic data furnished by AVI for information and reference in connection with the associated project and for no other purpose.
3. **Proprietary Protection of Programs** – Where applicable this Agreement does not cause any transfer of title, or intellectual rights, in control systems programs, or any materials produced in connection therewith, including any source code. Any applications or programs supplied by AVI are provided, and are authorized for installation, execution, and use only in machine-readable object code form. This Agreement is expressly limited to the use of the programs by the Customer for the equipment in connection with the associated project. Customer agrees that it will not seek to reverse-engineer any program to obtain source codes, and that it will not disclose the programs source codes or configuration files to any third party, without the written consent of AVI. The programs, source codes and configuration files, together with AVI' know-how and integration and configuration techniques, furnished hereunder are proprietary to AVI, and were developed at its private expense. If Customer is a branch of the United States government, for purposes of this Agreement any software furnished by AVI hereunder shall be deemed "restricted computer software", and any data, including installation and systems configuration information, shall be deemed "limited rights data", as those terms are defined in FAR 52.227-14 of the Code of Federal regulations.
4. **Shipping and Taxes** – The prices shown are F.O.B. manufacturer's plant. The Customer, in accordance with AVI's current shipping and billing practices, will pay all destination charges. In addition to the prices on this Agreement, the Customer agrees to pay amounts equal to any sales tax invoiced by AVI, or (where applicable) any use or personal property taxes resulting from this Agreement or any activities hereunder. Customer will defend and indemnify AVI for any claims for all unpaid taxes or for any sales tax exemption claimed by Customer.
5. **Title** – Where applicable, title to the Equipment passes to the Customer on the earlier of: (a) the date of shipment from AVI to Customer, or (b) the date on which AVI transmits its invoice to Customer.
6. **Security Interest** – In addition to any mechanics' lien rights, the Customer, for value received, hereby grants to AVI a security interest under the Minnesota commercial code together with the a security interest under the law(s) of the state(s) in which work is performed or equipment is delivered. This security interest shall extend to all Equipment, plus any additions and replacements of such Equipment, and all accessories, parts and connecting Equipment now or hereafter affixed thereto. This security interest will be satisfied by payment in full unless otherwise provided for in an installment payment agreement. The security interest shall be security for all sums owed by Customer under this Agreement. A copy of this Agreement may be filed as a financing statement with the appropriate authority at any time after signature of the Customer. Such filing does not constitute acceptance of this Agreement by AVI
7. **Risk of Loss or Damage** – Notwithstanding Customer's payment of the purchase price for Equipment, all risk of loss or damage shall transfer from AVI to Customer upon transfer of Title to Customer. Customer shall be responsible for securing insurance on Equipment from this point forward.
8. **Receiving/Integration** – Unless the Agreement expressly includes integration services by AVI, the Customer agrees to furnish all services required for receiving, unpacking and placing Equipment in the desired location along with integration. Packaging materials shall be the property of the Customer.
9. **Equipment Warranties** – To the extent AVI receives any warranties from a manufacturer on Equipment, it will pass them through to Customer to the full extent permitted by the terms of each warranty. Factory warranties vary by manufacturer, and no additional warranties are expressed or implied.
10. **General Warranties** – Each Party represents and warrants to the other that: (i) it has full right, power and authority to enter into and fully perform its obligations under this Agreement, including without limitation the right to bind any party it purports to bind to this Agreement; (ii) the execution, delivery and performance of this Agreement by that Party does not conflict with any other agreement to which it is a Party or by which it is bound, and (iii) it will comply with all applicable laws in its discharge of its obligations under this Agreement. AVI warrants, for a period of 90 days from substantial completion, the systems integration to be free from defects in material and workmanship. CUSTOMER WARRANTS THAT IT HAS NOT RELIED ON ANY INFORMATION OR REPRESENTATION PROVIDED BY OR ON BEHALF OF AVI WHICH IS NOT EXPRESSLY INCLUDED IN THESE GENERAL TERMS AND CONDITIONS OR THE RETAIL SALES AGREEMENT. EXCEPT AS EXPRESSLY SET FORTH HEREIN, AVI DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES WITH REGARD TO THE MATERIALS AND SERVICES PROVIDED BY AVI, INCLUDING WITHOUT LIMITATION MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON INFRINGEMENT AND TITLE.
11. **Indemnification** – Customer shall defend, indemnify and hold harmless AVI against all damages, claims, liabilities, losses and other expenses, including without limitation reasonable attorneys' fees and costs, whether or not a lawsuit or other proceeding is filed, that arise out of from (a) from any negligent act or omission of Customer, its agents, or subcontractors, (b) Customer's failure to fully conform to all laws, ordinances, rules and regulations which affect the Agreement, or (c) Customer's breach of this Agreement. If Customer fails to promptly indemnify and defend such claims and/or pay AVI's expenses, as provided above, AVI shall have the right to defend itself, and in that case, Customer shall reimburse AVI for all of its reasonable attorneys' fees, costs and damages incurred in settling or defending such claims within thirty (30) days of each of AVI's written requests. AVI shall indemnify and hold harmless Customer against all damages, claims, liabilities, losses

and other expenses, including without limitation reasonable attorneys' fees and costs, whether or not a lawsuit or other proceeding is filed, to the extent that the same is finally determined to be the result of (a) any grossly negligent act or omission of AVI, its agents, or subcontractors, (b) AVI's failure to fully conform to any material law, ordinance, rule or regulation which affects the Agreement, or (c) AVI's material breach of this Agreement.

**12. Remedies** – Upon default as provided herein, AVI shall have all the rights and remedies of a secured party under the Minnesota commercial code and under any other applicable laws. Any requirements of reasonable notice by AVI to Customer, or to any guarantors or sureties of Customer shall be met if such notice is mailed, postage prepaid, to the address of the party to be notified shown on the first page of this Agreement (or to such other mailing address as that party later furnishes in writing to AVI) at least ten calendar days before the time of the event or contemplated action by AVI set forth in said notice. The rights and remedies herein conferred upon AVI, shall be cumulative and not alternative and shall be in addition to and not in substitution of or in derogation of rights and remedies conferred by the Minnesota commercial code and other applicable laws.

**13. Limitation of Remedies for Equipment** – AVI's entire liability and the Customer's exclusive remedy shall be as follows: In all situations involving performance or nonperformance of Equipment furnished under this Agreement, the Customer's remedy is the adjustment or repair of the Equipment or replacement of its parts by AVI, or, at AVI option, replacement of the Equipment.

**14. Limitation on Liability** – The total liability of a AVI under this Agreement for any cause shall not exceed (either for any single loss or all losses in the aggregate) the net amount actually paid by Customer to AVI under this Agreement during the twelve (12) month period prior to the date on which AVI's liability for the first such loss first arose.

**15. No Consequential Damages** – AVI SHALL NOT HAVE ANY LIABILITY TO CUSTOMER OR TO ANY OTHER PERSON OR ORGANIZATION FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES OF ANY DESCRIPTION (INCLUDING WITHOUT LIMITATION LOST PROFITS OR LOSS OR INTERRUPTION OF BUSINESS), WHETHER BASED ON CONTRACT, NEGLIGENCE, TORT, OR ANY OTHER LEGAL THEORY, REGARDLESS OF WHETHER ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND IRRESPECTIVE OF THE NUMBER OR NATURE OF CLAIMS.

**16. Acceleration of Obligations and Default** – Payment in full for all "Equipment," which is defined as all goods identified in the section of the Agreement with the same title, as well for any and all other amounts due to AVI shall be due within the terms of the Agreement. Upon the occurrence of any event of default by Customer, AVI may, at its option, with or without notice, declare the whole unpaid balance of any obligation secured by this Agreement immediately due and payable and may declare Customer to be in default under this Agreement.

**17. Choice of Law and Venue** – This Agreement shall be governed by the laws of the State of Minnesota in the United States of America without reference to or use of any conflicts of laws provisions therein. For the purpose of resolving conflicts related to or arising out of this Agreement, the Parties expressly agree that venue shall be in the State of Minnesota in the United States of America only, and, in addition, the Parties hereby consent to the exclusive jurisdiction of the federal and state courts located in Hennepin County, Minnesota in the United States of America. The Parties specifically disclaim application (i) of the United Nations Convention on the International Sale of Goods, 1980, and (ii) of Article 2 of the Uniform Commercial Code as codified. In the event AVI must take action to enforce its rights under the Agreement, the court shall award AVI the attorney's fees it incurred to enforce its rights under this Agreement.

**18. General** – Headings are for reference purposes only and shall not affect the meaning or interpretation of this Agreement. The Parties acknowledge and agree that this Agreement has been negotiated by the Parties and that each had the opportunity to consult with its respective counsel, and shall be interpreted fairly in accordance with its terms and without any strict construction in favor of or against either Party based on draftsmanship of the Agreement. This Agreement is not assignable by Customer without the prior written consent of AVI. Any attempt to assign any of the rights, duties, or obligations of this Agreement without such consent is void. AVI reserves the right to assign this Agreement to other parties in order to fulfill all warranties and obligations expressed herein, or upon the sale of all or substantially all of AVI's assets or business. This Agreement can only be modified by a written agreement duly signed by persons authorized to sign agreements on behalf of the Customer and of AVI, and variance from the terms and conditions of the Agreement in any order or other written notification from the Customer will be of no effect. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. AVI is not responsible for any delay in, or failure to, fulfill its obligations under this Agreement due to causes such as natural disaster, war, emergency conditions, labor strike, acts of terrorism, the substantial inoperability of the Internet, the inability to obtain supplies, or any other reason or any other cause or condition beyond AVI's reasonable control. Except as agreed herein, AVI is not obliged to provide any services hereunder for Equipment located outside the United States or Puerto Rico. Scheduled completion dates are subject to change based on material shortages caused by shortages in cable and materials that are industry wide.