

## CITY OF OLATHE PRICE AGREEMENT

THIS AGREEMENT is made in Johnson County, Kansas, by and between the City of Olathe, Kansas, hereinafter "City," and Border States Industries, Inc., hereinafter "Vendor" (each individually a "Party" and collectively, the "Parties"). City needs LED lighting supplies, and contracts with Vendor to supply the goods or services described in **Exhibit A**, as needed and as requested by City.

**1. PRICE AGREEMENT, ORDERS, AND TERM.** City agrees to pay Vendor at the prices listed in **Exhibit A** to supply the goods or services described in **Exhibit A**, as needed and as requested by City. The prices in Exhibit A shall be updated by the Parties as needed. City will have no financial obligation under this Agreement until an order has been placed. Any order placed under this Agreement remains subject to any applicable procurement policies of City, including approval by the appropriate authority based on the dollar amount of the order. Any order placed pursuant to this Agreement is subject to all terms and provisions of this Agreement. This contract will be a one (1)-year contract with the option to renew for up to four (4) additional one (1)-year periods upon the written agreement of both parties.

**2. ADDITIONAL SERVICES.** Vendor may provide services in addition to those listed **Exhibit A** when authorized in writing by City.

**3. BILLING.** Vendor may bill City monthly for all completed work and reimbursable expenses. Vendor must submit a bill which itemizes the work and reimbursable expenses. City agrees to pay Vendor within thirty (30) days of approval by the Governing Body or other agent of City in accordance with the City's Procurement Policy.

**4. PAYMENT.** If City becomes credibly informed that any representations of Vendor provided in its billing are wholly or partially inaccurate, City may withhold payment of sums then or in the future due to Vendor until the inaccuracy and the cause thereof is corrected to City's reasonable satisfaction.

**5. STANDARD OF CARE.** Vendor will exercise the same degree of care, skill, and diligence in the performance of the work as is ordinarily possessed and exercised by a professional under similar circumstances. If Vendor fails to meet the foregoing standard, Vendor will perform at its own cost, and without reimbursement, any work necessary to correct errors and omissions which are caused by Vendor's negligence.

**6. TERMINATION FOR CONVENIENCE.** City may terminate this Agreement for convenience by providing fifteen (15) days' written notice to Vendor. City will compensate Vendor for all work completed and accepted and reimbursable expenses incurred to the date of its receipt of the termination notice. Compensation will not include anticipatory profit or consequential damages, neither of which will be allowed. City will negotiate reasonable termination costs, if applicable.

**7. TERMINATION FOR LACK OF FUNDS.** If, for whatever reason, adequate funding is not made available by City to support or justify continuation of the level of work to be provided by Vendor under this Agreement, City may terminate or reduce the amount of work to be provided by Vendor under this Agreement. In such event, City will notify Vendor in writing at least thirty (30) days in advance of such termination or reduction of work for lack of funds.

**8. DISPUTE RESOLUTION.** The Parties agree that disputes regarding the work will first be addressed by negotiations between the Parties. If negotiations fail to resolve the dispute, the Party initiating the claim that is the basis for the dispute may take such steps as it deems necessary to protect its interests. Notwithstanding any such dispute, Vendor will proceed with undisputed work as if no dispute existed, and City will continue to pay for Vendor's completed undisputed work. No dispute will be submitted to arbitration without both Parties' written approval.

**9. SUBCONTRACTING.** Vendor may not subcontract or assign any of the work to be performed under this Agreement without first obtaining the written approval of City. Unless stated in the written approval to an assignment, no assignment will release or discharge Vendor from any obligation under this Agreement. Any person or entity providing subcontracted work under this Agreement must comply with **Section 11 (Insurance)**.

**10. OWNERSHIP OF DOCUMENTS.** All final documents provided to City as part of the work provided under this Agreement, including but not limited to reports, plans, and related documents, will become City's property except that Vendor's copyrighted documents will remain owned by Vendor. Such documents must be clearly marked and identified as copyrighted by Vendor.

**11. INSURANCE.** Vendor and any subcontractor will maintain for the term of this Agreement insurance as provided in **Exhibit B**.

**12. INDEMNIFICATION AND HOLD HARMLESS.** For purposes of this Agreement, Vendor agrees to indemnify, defend, and hold harmless City, its officers, appointees, employees, and agents from any and all loss, damage, liability or expense, of any nature whatsoever caused or incurred as a result of the negligence or other actionable fault of Vendor, its affiliates, subsidiaries, employees, agents, assignees, and subcontractors and their respective employees and agents. Vendor is not required hereunder to defend City, its officers, appointees, employees, or agents from assertions that they were negligent, nor to indemnify and hold them harmless from liability based on City's negligence. City does not indemnify Vendor.

**13. LIMITATION OF LIABILITY FOR BREACH OF CONTRACT OR NEGLIGENT PERFORMANCE.** Any attempt to limit liability for breach of contract or negligent performance to the amount of the payment to Vendor by City is void. Any attempt to limit Vendor's liability to City for consequential, exemplary, or punitive damages, or any other measure of damages permitted by law, in any action against Vendor for breach of contract is void.

**14. KANSAS ACT AGAINST DISCRIMINATION.** *Unless* Vendor employs fewer than four (4) employees during the term of this Agreement, *or unless* the total of all agreements (including this Agreement) between Vendor and City during a calendar year are cumulatively less than \$5,000, *then* during the performance of this Agreement, Vendor agrees that:

- a. Vendor will observe the provisions of the Kansas Act Against Discrimination (K.S.A. 44-1001 *et seq.*) and will not discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, national origin, or ancestry;
- b. in all solicitations or advertisements for employees, Vendor will include the phrase, "equal opportunity employer," or a similar phrase to be approved by the

Kansas Human Rights Commission (“commission”);

- c. if Vendor fails to comply with the way Vendor reports to the commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, Vendor will be deemed to have breached the present contract and it may be canceled, terminated, or suspended, in whole or in part, by City without penalty;
- d. if Vendor is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the commission which has become final, Vendor will be deemed to have breached the present contract and it may be canceled, terminated, or suspended, in whole or in part, by the contracting agency; and
- e. Vendor will include the provisions of subsections a. through d. in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.

**15. ENTIRE AGREEMENT.** This Agreement, including all documents and exhibits included by reference herein, constitutes the entire Agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to by both Parties.

**16. NO THIRD-PARTY BENEFICIARIES.** Nothing contained herein will create a contractual relationship with, or any rights in favor of, any Third Party.

**17. INDEPENDENT CONTRACTOR STATUS.** Vendor is an independent contractor and not an agent or employee of City.

**18. COMPLIANCE WITH LAWS.** Vendor will abide by all applicable federal, state, and local laws, ordinances, and regulations.

**19. FORCE MAJEURE CLAUSE.** Neither Party will be considered in default under this Contract because of any delays in performance of obligations hereunder due to causes beyond the control and without fault or negligence on the part of the delayed Party, including but not restricted to, an act of God or of a public enemy, civil unrest, volcano, earthquake, fire, flood, tornado, epidemic, quarantine restrictions, area-wide strike, freight embargo, unusually severe weather or delay of subcontractor or supplies due to such cause; provided that the delayed Party must notify the other Party in writing of the cause of delay and its probable extent within ten (10) days from the beginning of such delay. Such notification will not be the basis for a claim for additional compensation. The delayed Party must make all reasonable efforts to remove or eliminate the cause of delay and must, upon cessation of the cause, diligently pursue performance of its obligation under the Agreement.

**20. APPLICABLE LAW, JURISDICTION, VENUE.** Interpretation of this Agreement and disputes arising out of or related to this Agreement will be subject to and governed by the laws of the State of Kansas, excluding Kansas’ choice-of-law principles. Jurisdiction and venue for any suit arising out of or related to this Agreement will be in the District Court of Johnson County, Kansas.

**21. SEVERABILITY.** If any provision of this Agreement is determined to be void, invalid, unenforceable, or illegal for whatever reason, such provision(s) will be null and void; provided, however, that the remaining provisions of this Agreement will be unaffected and will continue

to be valid and enforceable.

**22. ORDER OF PRECEDENCE.** If there is any conflict between the terms of this Agreement, excluding exhibits, and anything contained in the exhibits referenced herein or attached hereto, the terms and provisions of this Agreement, excluding exhibits, shall control.

***[The remainder of this page is intentionally left blank.]***

The Parties hereto have caused this Agreement to be executed this \_\_\_\_\_ day of

\_\_\_\_\_ 20\_\_.

**CITY OF OLATHE, KANSAS**

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

APPROVED AS TO FORM:

Robert S. Gallimore  
City Attorney or Deputy/Assistant City Attorney

Border States Industries, Inc.

By: Michael E. Smith  
(INSERT NAME & TITLE)  
14903 W 99<sup>th</sup> ST  
Lenexa, KS 66215

AREA SALES MANAGER