

PURCHASE AGREEMENT

This Purchase Agreement (“Agreement”) is made as of this ____ day of May, 2015 (“Effective Date”), by and between **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government pursuant to KRS 67A, whose primary address is 200 East Main Street, Lexington, Kentucky (“LFUCG”) and **KRAUS ASSOCIATES, INC. d/b/a AK ASSOCIATES**, whose primary address is 326 Porta Rosa Circle, St. Augustine, Florida 32092 (“AK Associates”).

RECITALS

WHEREAS, LFUCG requested bids for a Division of Enhanced 9-1-1 logging recorder RFP No. 65-2014, attached hereto and incorporated as Exhibit A (the “RFP”) and AK Associates has been selected as the most responsive vendor to such bid which is recited in full in AK Associates’ proposal, attached hereto and incorporated herein as Exhibit B (the “Proposal”);

WHEREAS, AK Associates is the distributor and/or integrator of certain equipment, software, and services, used in the provision of mission critical communication recording systems;

WHEREAS, AK Associates and LFUCG desire to enter into an agreement related to the bid and AK Associates’ response whereby AK Associates will provide to customer a new Exacom Hindsight-G2 Geo-Redundant P25-NG911 enabled logging recorder, including hardware (“Hardware”), Software (the hardware and software are collectively referred to as “System”), and implementation services (“Services”), as more fully described in the Proposal;

NOW THEREFORE, in consideration of the foregoing promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto agree as follows:

1. That the above recitals are incorporated herein by reference as if fully stated.
2. **ENTIRE AGREEMENT, CONFLICT.** This Agreement, the Exhibits hereto, and any Statements of Work entered into pursuant to this Agreement shall constitute the entire understanding between the parties concerning the subject matter hereof and supersede all prior discussions, agreements and representations, whether oral or written and whether or not executed by LFUCG and AK Associates. For clarification, this Agreement does not supersede the terms set forth in the RFP. RFP terms are included in the Proposal, with any exceptions stated in the Proposal. Accordingly, provisions such as the General Provisions and the Risk Management Provisions are deemed incorporated herein as if fully stated.

This Agreement shall include the following additional documents, which are attached hereto as Exhibits and incorporated herein by reference as if fully stated:

- A. Exhibit A – RFP # 65-2014, consisting of 49 pages;
- B. Exhibit B – AK Associates Proposal to RFP #65-2014, consisting of 52 pages;
- C. Exhibit C – AK Associates Quote Summary, #AK031015-300

In the event of conflict between and among the provisions of these documents, the provision of this Agreement shall prevail, followed by the provisions of RFP #65-2014 (Exhibit A) and AK Associates Proposal (Exhibit B).

3. SCOPE OF WORK. LFUCG shall purchase from AK Associates the System and Services. All system and services provided by AK Associates shall include all the materials, supplies, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the Proposal located in Quote# AK031015-300 (Exhibit C). AK Associates will coordinate, when necessary, with Airbus DS Communications to ensure successful project implementation.

4. TIME OF COMPLETION. The time period estimated and authorized by the parties for the proper execution of the work by AK Associates, in full, is fixed at fifty (50) calendar days from the date all parties have executed the Agreement.

5. PRICE AND PAYMENT

A. Price. The total price for the System and Services is **\$220,042.71**, as provided in the Proposal Attachment Exhibit C.

B. Payment Terms. AK Associates shall invoice LFUCG for the Hardware, System, and Services upon the occurrence of the following events:

- 20 % Execution of the Agreement
- 20 % Detailed Cutover Plan and Statement of work approved
- 40 % Completion of Installation
- 10 % Completion of Training and delivery of tutorials, installation and maintenance materials
- 10% Field Acceptance

Upon completion of each event in accordance with the project schedule and/or Cutover Plan, payment shall be made within thirty (30) days after the LFUCG's receipt of a corresponding invoice.

4. PROJECT PHASE. After execution of the agreement by all parties, AK Associates shall:

- A. Notify LFUCG in writing of its authorized representative who shall act as Project Manager and liaison representative between AK Associates and LFUCG.
- B. AK Associates must perform all duties necessary to fully complete the deliverables described in the Proposal, which includes responses to questions submitted by the LFUCG.
- C. AK Associates shall provide written documentation of all meetings and be responsible for incorporating all comments and changes resulting there from in final work product.
- D. Immediately notify LFUCG in writing of any delay in the delivery of a work product or deliverable, regardless of cause. Such written notice should be sent to LFUCG, pursuant to the Notice clause of this Agreement, within five (5) business days of whenever AK Associates observes or otherwise becomes aware of any development that affects the scope or timing of work.

5. ACCEPTANCE AND FINAL PAYMENT. Final payment shall be due within ninety (90) days after completion of all phases expressed in Section 3 of this Agreement, provided it has been fully completed and the Contract fully accepted.

Before issuance of final payment, AK Associates shall submit evidence satisfactory to the LFUCG that all material bills, sub-contractor bills, and other indebtedness connected with the project has been paid.

If, after the System has been substantially completed, full completion thereof is materially delayed through no fault of AK Associates, and the Director of Enhanced 911 so certifies, LFUCG shall, without terminating the Agreement, make payment of the balance due for that portion of the Work fully completed and accepted. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

6. NOTICES. All notices given under this Agreement shall be in writing and shall be delivered to the addresses specified below. Notices shall be effective upon receipt, and shall be deemed to have been received as follows: (i) if personally delivered, when delivered; (ii) if by certified mail return receipt requested, on the date it is officially recorded as delivered to or refused by the intended recipient by return receipt or equivalent; or, (iii) if by expedited messenger service (e.g. FedEx), when delivered as confirmed by delivery receipt.

FOR LFUCG:

Lexington-Fayette Urban
County Government
200 East Main Street
Lexington, Kentucky 40507
ATTN: Robert Stack

FOR AK ASSOCIATES:

Kraus Associates, Inc. d/b/a AK Associates
326 Porta Rosa Circle
St. Augustine, Florida 32092
ATTN: Julie Chase

7. AMENDMENT OR WAIVER. No provision of this Agreement shall be deemed waived, amended, or modified by either party unless such waiver, amendment or modification is in writing and contains the signature of an authorized representative of the party against whom it is sought to be enforced. For purposes of this section, an electronic mail shall not constitute a writing.

8. SEVERABILITY. If any part, term or provision of this Agreement is held to be void, illegal or unenforceable, the validity of the remaining portions or provisions shall not be affected thereby.

9. GOVERNING LAW. The validity, performance, and all matters relating to this Agreement, its Exhibits, and any amendment hereto shall be governed by the laws of the Commonwealth of Kentucky without reference to conflicts of law principles. The parties hereby consent to jurisdiction and venue in the federal and state courts of the Commonwealth of Kentucky.

10. AUTHORITY. Each party hereto represents and warrants that (i) it has obtained all necessary approvals, consents and authorizations of third parties and governmental authorities to enter into this Agreement and to perform and carry out its obligations hereunder; (ii) the persons executing this Agreement on its behalf have express authority to do so, and, in so doing, to bind the party thereto; (iii) the execution, delivery, and performance of this Agreement does not violate any provision of any bylaw, charter, regulation, or any other governing authority of the party; and (iv) the execution, delivery and performance of this Agreement has been duly authorized by all necessary governmental or corporate action and this Agreement is a valid and binding obligation of such party, enforceable in accordance with its terms.

11. SURVIVAL OF PROVISIONS. The parties agree that where the context of any provision indicates an intent that it shall survive the term of this Agreement then it shall survive.

12. CAPTIONS. Article and section headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have executed this Agreement at Lexington, Kentucky, the day and year first above written.

**LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT**

KRAUS ASSOCIATES INC.

By: _____
JIM GRAY, MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

By: _____
ELAINE M. KRAUS, PRESIDENT

The foregoing instrument was subscribed and acknowledged before me by Elaine M. Kraus, as President, for and on behalf of Kraus Associates, Inc., on this the _____ day of May, 2015.

My commission expires: _____.

Notary Public, State at Large, N.H.