EXHIBIT 12

CLEVELAND PUBLIC LIBRARY

Finance Committee

December 16, 2014

RESOLUTION AUTHORIZING AGREEMENT WITH INTEGRATED PRECISION SYSTEMS INC. FOR MAINTENANCE OF ACCESS CONTROL SYSTEM

- WHEREAS, On September 20, 2012, the Board of Trustees of the Cleveland Public Library authorized the Executive Director of the Cleveland Public Library to enter into an agreement with Integrated Precision Systems, Inc. ("IPS") for the purchase and installation of access control systems for various facilities owned by the Library; and
- WHEREAS, The Library entered into an agreement with IPS on October 23, 2012, and this Board approved four (4) subsequent amendments in 2013 to the agreement to install access controls on additional doors in various facilities; and
- WHEREAS, All work was completed by IPS and accepted by the Library on March 3, 2014. The Director of Property Management recommends that the Library enter into a maintenance agreement with IPS for the access control system for the period January 1, 2015 through December 31, 2015. The cost of a maintenance agreement for all the equipment is \$ 34,992.98; now therefore be it
- RESOLVED, That the Board of Trustees of the Cleveland Public Library hereby authorizes the Executive Director, CEO or his designee, to enter into an agreement with Integrated Precision Systems Inc. for maintenance services for the Library's access control system, in the amount of \$34,992.98, subject to approval of the Chief Legal Officer, with the expenditure being charged to the General Fund account 12930053-53340 Building Maintenance.



Precision Systems, Inc.

MAINTENANCE AGREEMENT

CUSTOMER:	CLEVELAND PUBLIC LIBRARY
CUSTOMER CONTACT:	CLEVELAND PUBLIC LIBRARY SECURITY
LOCATIONS:	Main, LSW, Lakeshore, Rice and Garden Valley
CONTRACT TYPE:	GOLD #TBD
ANNUAL PAYMENT TERMS:	\$30,736.05 ^B + Attachment C ^C
CONTRACT EFFECTIVE DATES:	Commencement Date Expiration Date
Note: This Agreement will commence t	he day following the expiration of the Warranty and will terminate one

eement will commence the day following the expiration of the Warranty and will terminate one [Note: This Agr year later. The Commencement and Expiration Dates will be filled out and initialed by the parties once the dates of the Warranty have been determined.] ^B – Covering all equipment outlined in Attachment B

^c – As described in section 11 of this contract

IPS, an Ohio corporation having its principle place of business at 9321 Ravenna Road, Twinsburg, Ohio and "CUSTOMER", as listed above, hereby agree to the terms and conditions on the first and subsequent pages of this Agreement, under which IPS shall provide Maintenance Service for the Equipment, and Standard/Custom Software. as detailed in the attached itemized spreadsheet.

Customer acknowledges that they have read and understand all pages of this agreement, and agrees to be bound by its terms and conditions. Further, customer acknowledges that this agreement is the complete and exclusive statement of the agreement between the parties, which supersedes all proposals or prior agreements, oral or written, and all other communication between the parties relating to the subject matter herein.

IPS:

AGREED TO AND ACCEPTED BY:

CUSTOMER:

BY: (Authorized Signature)

TITLE:		 	
ADDRE	SS:	 	

DATE:

BY: Leg Vorali
(Authorized Signature)
TITLE: President
ADDRESS: 9321 Ravenna, Rd #C
DATE: 10/24/12

IPS Maintenance Agreement

Customer and IPS agree that the terms and conditions contained in Section A of this Agreement apply only to maintenance for the Equipment, if any, as specified in Attachment B of this Agreement; Section B applies only to the Standard/Custom Software, if any, as specified in Attachment B of this Agreement; Section C Terms and Conditions apply to any Equipment (hardware), and any Standard/Custom Software as specified in Attachment B of this agreement.

A. TERMS AND CONDITIONS APPLICABLE TO EQUIPMENT (HARDWARE) ONLY

The following terms and conditions apply only to the Equipment, if any, at the location(s) specified in this Agreement.

1. Equipment Maintenance. During the Service Coverage Period, IPS will provide up to 2 Preventative Maintenance sessions per year to keep the equipment in, or restore the Equipment to, proper working order. All parts listed in attachment below are covered for 1 year parts and labor. Maintenance Parts, which will be new or reconditioned to perform as new, will be furnished on an exchange basis, and the exchanged parts will become the property of IPS. Maintenance provided under this Agreement does not assure uninterrupted operation of the equipment. If Customer requests that IPS perform maintenance outside the Service Coverage Period, any such emergency service will be provided, when available, at the IPS Service Fee Structure rates and terms then in effect.

Equipment Maintenance includes:

- a. On-Line/system support during the Service Coverage Period to an IPS Customer Support Center for problem reporting.
- b. Scheduled Preventive Maintenance during the Service Coverage Period, as defined below.
- c. Remedial maintenance performed at Customer's site during the Service Coverage Period following telephone notification by Customer to the IPS Customer Support Center that the Equipment is inoperative; Please consult attached Service Fee Structure for attributable charges.
- d. Hardware, Software and Firmware revision upgrades.
- e. "On-site in 60 seconds" WEB based remote diagnostics support sessions and meeting center.
- f. Replacement of printer print heads are left up to the discretion of the manufacturer. These items are covered only by the manufacturer's warranty, not by this contract.

B. TERMS AND CONDITIONS APPLICABLE TO STANDARD/CUSTOM SOFTWARE ONLY

The following terms and conditions apply only to the Standard/Custom Software, if any, at the location(s) specified in this Agreement.

- 1. **Standard Software Maintenance**. During the Service Coverage Period, IPS shall provide:
 - a. On-Line/system support during the Service Coverage Period to an IPS Customer Support Center for problem reporting.
 - b. Scheduled Preventive Maintenance during the Service Coverage Period, as defined below.
 - c. Remedial maintenance performed at Customer's site during the Service Coverage Period following telephone notification by Customer to the IPS Customer Support Center that the Equipment is inoperative; please consult attached Service Fee Structure for attributable charges.
 - d. WEB Access to iSolve™, installation specific knowledge base and training center.
 - e. Hardware, Software and Firmware revision upgrades.
 - f. WEB based/on-site training library.
 - g. "On-site in 60 seconds" WEB based remote diagnostics support sessions and meeting center.
 - h. Standard Software version upgrades and enhancements per the rates defined in the attached Service Fee Structure.
- Standard/Custom Software Exclusions. Services required for application program and conversions from products or software not supplied by IPS;

C. GENERAL TERMS AND CONDITIONS APPLICABLE TO MAINTENANCE OF EQUIPMENT (HARDWARE), AND STANDARD/CUSTOM SOFTWARE.

- 1. **Term of Agreement**. This Agreement shall be in effect as described by the service coverage period. Following the end of this agreement, this agreement shall automatically renew for an additional Twelve (12) month term on the anniversary date of its commencement, *unless either party notifies the other in writing (30) days prior to that anniversary renewal date.*
- 2. Service Coverage Period and IPS Response Time. IPS agrees to provide the maintenance services described in the Agreement between the hours of 8:30 a.m. and 5:00 p.m., Monday through Friday excluding IPS holidays (hereafter "Service Coverage Period"). For maintenance required under this Agreement, IPS agrees to provide an average response time not to exceed eight (8) business hours, for sites within a 150 mile radius of an IPS Customer Support Center. For sites outside the 150-mile radius, IPS agrees to respond within a reasonable time following notification, not to exceed two (2) IPS business days.
- 3. Payment. Customer shall pay annual maintenance charges in advance, within thirty (30) days after the Commencement Date of the initial or any renewal term. Customer shall pay applicable Zone Charges, and Service Fee Structure upon receipt of invoice. IPS shall be solely responsible for any sales or other taxes imposed upon the transaction which is the subject of this Agreement. Customer shall provide IPS with an appropriate certification of Customer's sales tax exemption upon request

After the initial term of this Agreement, annual maintenance charges, additional zone charges, zone definition, and the Service Coverage Period are subject to change by IPS. IPS agrees to notify Customer of any increases in the above charges and definitions at least 60 days prior to the expiration of the initial term or any renewal. Notwithstanding any other provision of this Agreement to the contrary, Customer may terminate this Agreement or any renewal thereof at any time in the event IPS increases annual maintenance charges or zone charges.

- 4. Addition of Equipment, Standard/Custom Software. Customer may request that equipment, Standard Software and/or Custom Software other than those specified on the face of this Agreement be added to this Agreement. If IPS agrees to any such addition, Customer agrees to pay the prorated charges for such addition, and any such addition shall be automatically renewed as provided in this Agreement.
- Maintenance Exclusions. Maintenance service does NOT include repair of damaged or replacement of spare parts resulting from:
 - a. Any cause external to the Equipment, or Standard/Custom Software, including, but not limited to, electrical work, fire, flood, water, wind, lightning, and transportation, or any act of God;
 - b. Customer's failure to continually provide a suitable installation environment including, but not limited to, adequate electrical power;
 - Customer's improper use, relocation, refinishing, management or supervision of the Equipment or Standard/Custom Software or other failure to use the Equipment, or Standard/Custom Software in accordance with IPS' Specifications;
 - Customer's repair, attempted repair or modification of the Equipment or Standard/Custom Software without prior authorization from IPS;
 - e. Customer's use of the Equipment or Standard/Custom Software for purposes other than those for which they are designed or the use of accessories or supplies not approved by IPS; or,
 - f. Customer's personal computer malfunctions.

Any maintenance necessary as a result of Section C.5. (a.) through (f.) above shall be charged to Customer at the then applicable IPS Service Fee Structure Rate.

- Responsibilities of the Customer. Customer agrees to:
 - provide IPS personnel with full, free and safe access to Equipment and Standard/Custom Software for purposes of maintenance, including use of the data communications facilities, if required;

- maintain and operate the Equipment, Standard/Custom Software in an environment and according to procedures which conform to IPS specifications communicated in writing to Customer; and
- c. not to allow maintenance or repair of the Equipment, Standard/Custom Software by anyone other than IPS without prior authorization from IPS.
- 7. Default. Each party reserves the right to terminate (or as pertains to IPS, suspend) maintenance service in the event the other party is in default under this or any other Agreement between the parties and such default is not corrected within Thirty (30) days after written notice. In addition, this Agreement will terminate, in the event that either party ceases to do business as a going concern or has its assets assigned by law.
- 8. Warranty Exclusion. IPS shall provide all maintenance services in accordance with the standard of care equal to that of vendors who provide the same services and products in Ohio. The parties agree that all other warranties, expressed or implied, including warranties of merchantability and fitness for a particular purpose, are excluded.
- 9. Limitation of Liability. Except in the event of IPS' negligence or material breach of contract, Customer's sole remedy, and the sole liability of IPS, for any breach by IPS shall be repeat performance of any repair, replacement, or maintenance required under this Agreement. IN NO EVENT WILL IPS BE LIABLE FOR (a) LOST PROFIT, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES; OR (b) DAMAGES CAUSED BY CUSTOMER'S FAILURE TO PERFORM ITS RESPONSIBILITIES.

10. General.

- a. This Agreement shall be governed by Ohio law.
- b. The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- c. Neither party shall assign this agreement without the prior written consent of the other and any purported assignment, without such consent, shall be void; provided however, that IPS may assign this Agreement to its parent affiliate or subsidiary without such written consent.
- d. Neither party shall be liable for failure or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failure or delays.
- e. All notices, which must be given under this Agreement, shall be in writing and sent to the attention of the IPS Contact and the Customer Contact at the address listed on the first page of this agreement.
- f. This agreement supersedes all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties.

11. Contract addendums

 Additional equipment may be added and covered by this contract based on an equipment inspection and the following rate table. Equipment inspections will be billed at the IPS standard labor rate.

Attachment B:

Main/LSW Parts Covered Under Maintenance/Warranty

Model/Part #	Qty	Description
5395	54	5395 Thinline II - Gray Std. Wiegand
S2-NN-E10R-WM	2	S2 Network Node with 10 readers, 20 inputs, 20 outputs capability
S2-NN-E6R-WM	5	S2 Network Node with 6 readers, 12 inputs, 12 outputs capability
S2-NN-E4R-WM	1	S2 Network Node with 4 readers, 8 inputs, 8 outputs capability
S2NN-E2R-WM	7	S2 Network Node with 2 readers, 4 inputs, 4 outputs capability
S2-OUTP	9	Relay controlled output application extension blade: 8 outputs
S2-INP	3	Supervised input application extension blade: 8 inputs
S2-SELECT-128	1	S2 Enterprise™ Select Controller w/ 128 portal license
S2-IDC-128	1	Identity Management for systems with at least 128 portals
269R	4	Emergency Door Lock
TS14	11	RTE PNMTC TMR, 1.5" BUTTON
TS14N	9	TS14 BUT MNTD ON 1.75" SS PLAT
RCRREXW	46	REQUEST TO EXIT SENSOR WHITE
491	2	BREAK GLASS DOOR WITH SIREN
MK2	44	MOM KYSWTH MOM DPDT SNGL GNG
947-75TBR	65	STEEL DOOR CONTACT W/TERM BR
RB5	54	RELAY BOARD, 6 OR 12 V
M62	16	12/24 1200LB 62DUAL VLTAGE MGL
DSBBK	5	DUAL SENSE BAR-BLACK ANODIZED
100610401	14	1006-12/24D-630 STRIKE BODY
100620021	11	FACEPLATE KD-630
100620041	3	FACEPLATE N-630
850010405	5	Mortice Electric Strike Low Profile Bronze Tone
960010404	1	9600 12/24 606 COMP STRIKE
1012ULACM	15	10AMP 12VDC FUSED POWER SUPPLY
AL175ULX	3	12/24VDC 1.6A UL LISTED P/S GY
1270	36	12V 7AMP BATTERY
1326LSSMV	400	PROX 2 CARDS,W/STANDRD ARTWORK
PVC00500	500	14 Mil Adhesive Back
D9412GV4-C	1	D9412GV4 WITH TRANSFORMER, D8103 STANDARD ENCLOSURE, LOCK AND KEY
D1255	1	ALPHA NUMERIC COMMAND CENTER WITH VACUUM FLUORESCENT DISPLAY - OFF-WHITE ENCLOSURE
D8125	2	POPEX ZONE EXPANDER FOR G SERIES
D9127U	165	POPIT WITH NO TAMPER SWITCH
BW108	14	INSTRUMENT BOX 11X11X3
P110i-U	1	P110i w/ USB
800015-340	3	5 Panel Color Ribbon - 350 images YMCKO
31141012	All	18/2 STR JKT CL2P 1M RL BGE
32955099	All	PLENUM PROFUSION ACCESS CBL 5C
31081112	All	22/10 STR CMP/CL2P 1000'BX NAT

Model/Part #	Qty	Description	
5395	24	5395 Thinline II – Gray Std. Wiegand	
S2-NN-E4R-WM	5	S2 Network Node with 4 readers, 8 inputs, 8 outputs capability	
S2-NN-E2R-WM	5	S2 Network Node with 2 readers, 4 inputs, 4 outputs capability	
SS2408EX	24	NUMATC STPR STN ADJ TMR BTN BL	
RCRREXW	24	REQUEST TO EXIT SENSOR WHITE	
RB5	25	RELAY BOARD, 6 OR 12 V	
1012ULACM	5	10AMP 12VDC FUSED POWER SUPPLY	
AL175UL	5	12/24VDC 1.6AMP UL LISTED	
1270	20	12V 7AMP BATTERY	
D9412GV4-C	1	D9412GV2 WITH TRANSFORMER, D8103 STANDARD ENCLOSURE, LOCK AND KEY	
D1255	1	ALPHA NUMERIC COMMAND CENTER WITH VACUUM FLUORESCENT DISPLAY – OFF-WHITE ENCLOSURE	
D8125	2	POPEX ZONE EXPANDER FOR G SERIES	
D9127U	64	POPIT WITH NO TAMPER SWITCH	
PG21e	2	Local Door Alarm	
PP100	2	Battery Eliminator	
BW108	11	INSTRUMENT BOX 11X11X3	
31141012	All	18/2 STR JKT CL2P 1M RL BGE	
32955099	All	PLENUM PROFUSION ACCESS CBL 5C	
31081112	All	22/10 STR CMP/CL2P 1000'BX NAT	

Lakeshore Parts Covered Under Maintenance/Warranty

Rice Parts Covered Under Maintenance/Warranty

Model/Part #	Qty	Description
5395	1	5395 Thinline II - Gray Std. Wiegand
S2-NN-E4R-WM	1	S2 Network Node with 4 readers, 8 inputs, 8 outputs capability
SS2408EX	1	NUMATC STPR STN ADJ TMR BTN BL
RCRREXW	1	REQUEST TO EXIT SENSOR WHITE
RB5	3	RELAY BOARD, 6 OR 12 V
AL175UL	2	12/24VDC 1.6AMP UL LISTED
1270	4	12V 7AMP BATTERY
D9412GV4-C	1	D9412GV2 WITH TRANSFORMER, D8103 STANDARD ENCLOSURE, LOCK AND KEY
D1255	1	ALPHA NUMERIC COMMAND CENTER WITH VACUUM FLUORESCENT DISPLAY - OFF-WHITE ENCLOSURE
D8125	2	POPEX ZONE EXPANDER FOR G SERIES
D9127U	42	POPIT WITH NO TAMPER SWITCH
D8129	1	OCTO-RELAY 8 RELAY MODULE FOR G SERIES
BW108	6	INSTRUMENT BOX 11X11X3
31141012	All	18/2 STR JKT CL2P 1M RL BGE
32955099	All	PLENUM PROFUSION ACCESS CBL 5C
31081112	All	22/10 STR CMP/CL2P 1000'BX NAT

Garden Valley Parts Covered Under Maintenance/Warranty

Model/Part #	Qty	Description
5395	2	5395 Thinline II Gry Std Weig
S2-NN-E2R-WM	1	S2 Network Node with 2 readers, 4 inputs, 4 outputs capability
SS2408EX	2	NUMATC STPR STN ADJ TMR BTN BL
RCRREXW	2	REQUEST TO EXIT SENSOR WHITE
RB5	2	RELAY BOARD, 6 OR 12 V
AL175UL	2	12/24VDC 1.6AMP UL LISTED
1270	4	12V 7AMP BATTERY
D9412GV4-C	1	D9412GV2 WITH TRANSFORMER, D8103 STANDARD ENCLOSURE, LOCK AND KEY
D1255	1	ALPHA NUMERIC COMMAND CENTER WITH VACUUM FLUORESCENT DISPLAY - OFF-WHITE ENCLOSURE
D8125	1	POPEX ZONE EXPANDER FOR G SERIES
D9127U	19	POPIT WITH NO TAMPER SWITCH
BW108	2	INSTRUMENT BOX 11X11X3
31141012	All	18/2 STR JKT CL2P 1M RL BGE
32955099	All	PLENUM PROFUSION ACCESS CBL 5C
31081112	All	22/10 STR CMP/CL2P 1000'BX NAT

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ATTACHMENT C

Additional Equipment to be added per customers request

Option #1

Years since system invoice date	Yearly equipment coverage rate
0-1 (included in base quote)	0% of original purchase price
1-5 (not included in quote)	10% of original purchase price if signed at time of purchase (not included in quote)
5-10 (not included in quote)	10% of original purchase price if signed at time of purchase (not included in quote)

Additional equipment maintenance cost

Option #2

Years since system invoice date	Monthly equipment coverage rate
0-1 (included in base quote)	0% of original purchase price
1-2 (not included in quote)	1% of original purchase price (not included in quote)
2-5 (not included in quote)	1.25% of original purchase price (not included in quote)
5-8 (not included in quote)	1.5% of original purchase price (not included in quote)
8-10 (not included in quote)	1.75% of original purchase price (not included in quote)

Additional equipment maintenance cost