

**AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
PACKET FUSION, INC.**

PREAMBLE

This agreement ("Amendment No. 1") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Packet Fusion, Inc., a California corporation, (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California and Packet Fusion, Inc.", dated February 25, 2019 (Agreement); and
- B. The Parties entered into the Agreement for the purpose of having Contractor provide support and maintenance services for the City's Telephony System, and the Parties now wish to amend the Agreement to extend the term of the Agreement for one year through February 28, 2025 for a revised not-to-exceed maximum compensation of Four Hundred Twenty-Eight Thousand Eight Hundred Sixty-Four Dollars and Forty-Eight Cents (\$428,864.48), and add three additional one-year options through February 28, 2028, subject to the appropriation of funds.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 2 of the Agreement, entitled "TERM OF AGREEMENT" is amended to read as follows:
 - A. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written Amendment to this Agreement, the term of this Agreement shall begin on March 1, 2019 and terminate on February 28, 2025.
 - B. After the Initial Term, the City reserves the right, at its sole discretion, to extend the term of this Agreement for up to three (3) additional one-year terms through February 28, 2028 ("Option Periods"), subject to the

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appropriation of funds. See Exhibit E for Notice of Exercise of Option to Extend Agreement Form.

2. Section 6 of the Agreement, entitled "COMPENSATION AND PAYMENT" is amended to read as follows:

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Revised Exhibit B, entitled "Schedule of Fees." The maximum compensation of this Agreement is set forth in Section 1 of Revised Exhibit B, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials, and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstance.

3. Exhibit A of the Agreement as Amended, entitled "Scope of Services", is hereby amended to read as shown in Revised Exhibit A, attached and incorporated into this Amendment No. 1.
4. Exhibit B of the Agreement as Amended, entitled "Schedule of Fees", is hereby amended to read as shown in Revised Exhibit B, attached and incorporated into this Amendment No. 1.
5. Exhibit E, entitled "Notice of Exercise of Option to Extend Agreement Form", is hereby added to the Agreement and incorporated into this Amendment No. 1.
6. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

SIGNATURES ON NEXT PAGE

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The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

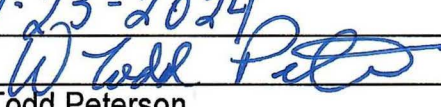
Dated: _____

GLEN R. GOOGINS
City Attorney

JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

PACKET FUSION, INC.
a California corporation

Dated: 1-23-2024
By (Signature): 
Name: W. Todd Peterson
Title: President
Principal Place of Business Address: 4301 Hacienda Drive, Suite 400
Pleasanton, CA 94588
Email Address: tpeterson@packetfusion.com
Telephone: (925) 701-2053
Fax: (925) 701-2030
"CONTRACTOR"

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REVISED EXHIBIT A SCOPE OF SERVICES

The Services to be performed for the City by the Contractor under this Agreement are set forth below.

1. The City has a ShoreTel/Mitel Voice over IP (VoIP) unified communications solution to best meet the City's needs. The City maintains a 1100+ end user telephone system serving all City office locations and includes telephones (physical and soft-phones), voice mail, automated call distribution, call recording capabilities and enhanced features for the utility billing enterprise contact center. The system is SIP based with redundancy and failover.
2. The primary objective of this Scope of Service is to outline a customer focused Issue Resolution and Support Service Delivery Process. Packet Fusion, Inc. (PFI) will provide remote monitoring services of citywide ShoreTel/ Mitel equipment and licensing, (excluding MiCC which is not able to be monitored via Kaseya). A Customer Support Process for identified issues and a method for determining additional services needs and upgrade paths to the existing equipment and software. The detailed scope of services is more completely defined below.
3. MiCC in its entirety will be supported by PFI through the end of the initial term.

4. Issue Resolution and Support Service Delivery Process

4.1. Monitoring - Proactive Full Time Monitoring

4.1.1. Proactive monitoring using Kaseya management monitoring software will be provided on a 24 hour a day, 7 days a week, 365 days a year basis.

4.1.2. All alarms from the ShoreTel communication system will be sent to PFI's Network Operations Center (NOC) and treated in the following manner:

4.1.2.1. PFI will attempt to fix the problem remotely and then notify the City of the outcome.

4.1.2.2. If the problem is not fixed remotely, the issue will be considered a Service Restoration Issue and the City will notified within the timeframe laid out in the SLA in the Service Restoration section below.

4.1.2.3. Root Cause Analysis (RCA) will be done to establish the true cause of problem(s), and develop an error record, to record the known errors, which is issued to inform relevant personnel of identified errors(s) and fault isolation activities for continuous improvement relating to the environment. An initial RCA within be provided to the City within 48



hours and the final review will be submitted within 5 business days.

5. Service Restoration

5.1. Unlimited Support Services upon request by the City to restore malfunctioning operating component parts of the equipment to proper working order. For the equipment and restoration of malfunctioning system platform component parts, and licensing to proper working order for services specified in Appendix A, "Schedule of Equipment and Software" herein. Hours of coverage to be provided shall be 24 hours a day, 7 days a week and 365 days a year.

5.2. With respect to on-site and remote response times for Outage of Equipment (classified as a Priority 1, 2, or 3 failures as defined below), PFI will use its best efforts as follows:

Priority	Definition	Response Time	Target Resolution Time
P1	Emergency issue impacting an entire site or customer's business is severely affected. (System Down / Loss of Call Center / Loss of Voice Mail / Call processing has ceased) RCA documented and shared.	Immediate (within 15 mins)	1 Hour
P2	Urgent issue impacting peripheral application or an escalated service or call quality issue impacting an individual person. (Loss of call capability of 25% or more / System degradation of 25% or more Less than 25% system outage) RCA documented and shared.	4 Hours	2 business days
P3	Standard issues not impacting the ability to make or receive phone calls. (Intermittent call quality issues/ Static on lines / Peripheral application - equipment malfunctioning / All other issues not covered in P1/P2) RCA documented and shared.	24 Hours	1 business week

5.3. Note, any on-site labor performed for major malfunctions is covered in this agreement and provided free of charge to the City.

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- 5.4. Any remote phone or remote access services that is not support related, which lasts less than 30 minutes, shall not be billed.

6. Training

- 6.1. PFI will make training available for city users including the following:

6.1.1. End User Training - Mitel training webinars, End-User Refresher Training via Webinar

6.1.2. Administrator Training

7. Health Checks, Upgrades, and Value Add Services

- 7.1. PFI and City to participate in a monthly support/ TAC review call. This is a remote conference call to review all outstanding tickets, issues and situations.
- 7.2. PFI to perform a yearly health check/ system audit in the first quarter of each calendar year and present findings and recommendations to the City. The audit shall include information relating to Mitel Configuration, Server Configuration, LAN/WAN, Mitel Compliance, Best Practices, Contact Center Review, etc.
- 7.3. PFI and City to participate in a bi-annual business review meeting to review findings from above health check and TAC review calls, present Product Enhancements for Mitel Core UC, MiCC and all related Mitel telephony entities, provide an overview of industry trends in UC/ UCaaS / CCaaS, new technologies and future roadmap.
- 7.4. Remote labor for 1 voluntary upgrade per year is included in PFI's annual support services. If the upgrade is required due to a service affecting situation, then there is no labor charged for the upgrade and does not count towards the 1 included voluntary upgrade. For each of these upgrade scenarios, if the upgrade requires on-site assistance due to service affecting problems caused by the upgrade, there is no charge for on-site labor.
- 7.5. PFI to provide 20 additional professional service labor hours per year to be used at City's discretion.

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Appendix A, "Schedule of Equipment and Software"

Primary support without phone coverage will include:

Product	Qty
AGENT CALL MANAGER LICENSE	10
BUNDLE, LICENSE UPGRADE FROM SIP TRUNK TO VIRTUAL SIP TRUNK	250
DIST VOICE SVCS SVR	1
Extension and Mailbox License	1120
Extension and Mailbox License BDL	200
Extension Only License	2
LIC BUNDLE, ADV APP ESSENTIALS ONSITE	200
LICENSE BUNDLE, ESSENTIALS ONSITE	200
LICENSE, ACTIVE DIRECTORY IMPORT	1
LICENSE, ADDITIONAL SITE	30
LICENSE, AUDIO CONFERENCING 10 PORTS	1
LICENSE, AUDIO CONFERENCING 10 PORTS*	4
LICENSE, OUT CAMPAIGN IVR (ADD-ON 5 CALLS)	1
LICENSE, OUT CAMPAIGN IVR (BASE 5 CALLS)	1
LICENSE, ROAMANYWHERE CLIENT ACCESS, MOBI	375
LICENSE, SIP DEVICE	15
License, SIP trunk (ST/SG Voice Switch)	320
LICENSE, VIRTUAL EDGE GATEWAY SERVER	1
LICENSE, VIRTUAL PHONE CAPACITY QTY 1	5
LICENSE, VIRTUAL SIP TRUNK QTY 1	5
OPERATOR CALL MANAGER LICENSE	1
PROFESSIONAL CALL MANAGER	50
SHORETEL ROAMANYWHERE CLIENT ACCESS LICE	25
SHOREWARE PERSONAL CALL MANAGER REQUIRE	77
SUPERVISOR CALL MANAGER LICENSE	10
Voice Switch SG-90(PLM approval REq'd)	9
VOICE SWITCH, SG220T1 MADE IN USA	4
VOICE SWITCH, SG220T1A MADE IN USA	2
VOICE SWITCH, SG24A MADE IN USA	4
VOICE SWITCH, SG30 MADE IN USA	19
VOICE SWITCH, SG50 MADE IN USA	1

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**REVISED EXHIBIT B
SCHEDULE OF FEES**

1. MAXIMUM COMPENSATION

1.1. The maximum amount payable for all services provided under this Agreement shall not exceed Four Hundred Twenty-Eight Thousand Eight Hundred Sixty-Four Dollars and Forty-Eight Cents (\$428,864.48), subject to budget appropriations. Any additional services or materials requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement.

1.2. The compensation amount is specified below:

Table B1

Description	Cost
Support Fee	
Initial Term Years 1 - 5	\$ 226,670.00
Initial Term Year 6 – Amendment No. 1	\$ 52,194.48
Support Total	\$ 278,864.48
Upgrade to MiCC (Previously Approved Contingency)	\$ 100,000.00
Contingency – Amendment No. 1	\$ 50,000.00
TOTAL MAXIMUM COMPENSATION NOT-TO-EXCEED	\$ 428,864.48

2. ANNUAL FEE FOR SUPPORT

The annual fee for support is specified in Table B2 below:

Table B2

Description	Support Fee
Initial Term Year 1	\$ 45,334.00
Initial Term Year 2	\$ 45,334.00
Initial Term Year 3	\$ 45,334.00
Initial Term Year 4	\$ 45,334.00
Initial Term Year 5	\$ 45,334.00
Amendment No. 1	
Initial Term Year 6	\$ 52,194.48

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Description	Support Fee
Not-to-Exceed Amount for Option 1 of 3 (If Executed, at City's Discretion)	\$ 75,000.00
Not-to-Exceed Amount for Option 2 of 3 (If Executed, at City's Discretion)	\$ 75,000.00
Not-to-Exceed Amount for Option 3 of 3 (If Executed, at City's Discretion)	\$ 75,000.00

3. PRICING AND OPTION RENEWALS

- 3.1. Pricing shall be fixed for the initial term of the agreement.
- 3.2. Pricing for option years shall be as specified in Table B2 above.

4. FEES FOR AS-NEEDED SERVICES

As-needed services shall be billed at the following hourly rates and material fee specified in Table B3:

Table B3

Description	Standard Hourly Rate	Overtime Hourly Rate
Standard Support Customers	\$ 145.00	\$ 217.50
Material: 20% Discount off list price for any additional equipment not covered under support.		

5. INVOICE REQUIREMENTS

- 5.1. Contractor will bill City on an invoice and in a format approved by City and subject to verification and approval by City.
- 5.2. City will pay Contractor within thirty (30) days of City's receipt of an approved invoice.

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EXHIBIT E
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE:	
CONTRACTOR:	
DATE:	

Pursuant to Section ___ of the Agreement referenced above, the City of Santa Clara hereby exercises its option to extend the term under the following provisions:

OPTION NO.	# of #
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NEW OPTION TERM

Begin date:	
End date:	

☐ **CHANGES IN RATE OF COMPENSATION**

Percentage change in CPI upon which adjustment is based:	
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Pursuant to Section ___ of the Agreement the rates of compensation are hereby adjusted as follows:
(use attachment if necessary)

MAXIMUM COMPENSATION for New Option Term:	
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For the option term exercised by this Notice, City shall pay Contractor an amount not to exceed the amount set forth above for Contractor's services and reimbursable expenses, if any. The undersigned signing on behalf of the City of Santa Clara hereby certifies that an unexpended appropriation is available for the term exercised by this Notice, and that funds are available as of the date of this signature.

Dated: _____

Approved as to Form: _____

GLEN R. GOOGINS
City Attorney

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