Offer and Acceptance

State of Arizona
State Procurement Office
100 North 15th Avenue, Suite 201
Phoenix, AZ 85007

Solicitation No: **ADSPO14-00004241**
Description: **Carrier and Broadband Provider Services**

OFFER

TO THE STATE OF ARIZONA:
The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation and any written exceptions in the offer. Signature also certifies Small Business status.

Trans-West Network Solutions
Company Name

5202 South 39th Street
Address

Phoenix, AZ 85040
City State Zip

sales@twns.com
Contact Email Address

Signature of Person Authorized to Sign Offer

Herbert C. Rosen
Printed Name

President
Title

Phone: (602) 344-7208

Fax: (602) 437-4742

Federal Tax ID: 86-0625381
Arizona Trasaction Privilege Tax ID: 07367825-F

By signature in the Offer section above, the Offeror certifies:

1. The submission of the Offer did not involve collusion or other anticompetitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 2009-9 or A.R.S. §§ 41-1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror certifies that the above referenced organization X IS/ ___ IS NOT a small business with less than 100 employees or has gross revenues of $4 million or less.

ACCEPTANCE OF OFFER

The Offer is hereby accepted.

The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by the State.

This Contract shall henceforth be referred to as Contract No. ADSPO15-088475.

The effective date of the Contract is 7-1-15.

The Contractor is cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contract release document or written notice to proceed.

State of Arizona Awarded this 6th **day of** February **20** 15.

Barbara M Corella
Procurement Officer

Table of Content

Solicitation No: **ADSPO14-00004241**
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TABLE OF CONTENTS 1

SCOPE OF WORK 2

SPECIAL TERMS AND CONDITIONS 17

UNIFORM TERMS AND CONDITIONS 31

EXHIBIT A, BACKHAUL BANDWIDTH FOR CENSUS DESIGNATED PLACES 38

EXHIBIT B, STATE OF ARIZONA WAN STRATEGY DIAGRAM 50

1. PURPOSE

The State desires to establish a Contract or Contract Set for Carrier and Broadband Provider Services as described herein. The State acknowledges that the telecommunication and broadband industries and its suppliers are changing rapidly and as such desires to allow flexibility to accommodate open-standards-based products and new technologies.

2. BACKGROUND

The State currently holds nine (9) contracts for Telecommunication Carrier Services. Within these contracts a customer is able to obtain carrier services through a limited technology base. It is the intent of the State to widen the technologies and related services that are available for purchase by all eligible State customers from both traditional telecommunication carriers as well as broadband service providers to better serve the State of Arizona as a whole.

This contract will be utilized by two specific customer bases:

Primary Customers: Defined as all State Agencies, Boards and Commissions. These customers are *required* to be compliant with AZNet standards. The executive branch of the State has outsourced the management of its telecommunications infrastructure from a fragmented agency-centric model to a new enterprise network. Under this structure the State government has consolidated the purchasing power of all Executive Branch Agencies. At the direction of the State, AZNet has aggregated executive branch purchasing across the State.

Other Customers: Defined as customers who have membership in the State Purchasing Cooperative (specifically, all Arizona political subdivisions including, counties, cities, school districts and special districts.) Membership is also available to all non-profit organizations, as well as State governments, the US Federal Government and Tribal Nations or any other consortium of entities eligible to purchase under this contract.

3. OBJECTIVES

3.1 The objectives of this Solicitation are:

3.1.1 Standardized Carrier Services Descriptions: To provide Carriers more detailed and standardized communication service product descriptions, purchasable within this contract. The intention is to make Provider offerings more directly comparable with regard to functionality and specification as well as price.

3.1.2 Encourage Broader Participation: Encourage multiple Carriers and Broadband Providers to become contracted on a county-by-county basis so as to create robust and vital markets for multiple services throughout the State.

3.1.3 Harmonize with eRate: Allow contracts for eRate eligible purchasing. Align terms and product offerings in accordance with USAC's terms and approved products.

3.1.4 Strategic Infrastructure Investments: Encourage strategic investment by Carriers and Broadband Providers in building and expanding new high capacity (broadband) strategic infrastructure in Arizona counties and communities that currently have limited infrastructure capacity.

4. PRODUCT CATEGORIES

4.1 The following product categories are not exhaustive and are expected to evolve with emerging technologies and standards.

4.2 Standards and Quality of Service Guarantees.

4.2.1 *Current Standards and Standards Bodies:* At a minimum, all product and service offerings listed below and within the Product Categories of Attachment II shall be compliant with applicable standards for the particular

purchased product or service as required by the following standards setting bodies: Telcordia, ITU, ANSI, IEEE, IETF, FCC, NIST, CableLabs, Metro Ethernet Forum, and IP MPLS Forum.

4.2.2 *Quality of Service (QoS) Guarantees*: Specific types of QoS guarantees that are required to be included as part of the purchase price of offered services as described in the 'Product Description' section of Attachment II, associated with each service category. These guarantees are further specified as appropriate on a product-by-product basis in Attachment II. However, at a minimum, the following types of QoS guarantees shall be required by Bidder for every service category with stated Service Level Agreements (SLAs) appropriate to the specific product.

- Percentage of availability,
- Time to respond reported trouble,
- Time to repair reported trouble.

4.3 Desired Network Capabilities*:*

4.3.1 *Scalability*: The ability to increase delivery of service in number and/or size within a reasonable timeframe.

4.3.2 *Survivability*: The ability to continue to operate or quickly restore services in the face of unanticipated incidents, disasters, or catastrophes.

4.3.3 *Redundancy*: Having one or more circuits/systems available to sustain the operation of the service in case of failure of the main circuits/systems.

4.3.4 *Diversity*: Backbone network paths and infrastructure offered in such a way as to minimize the chance of a single point of failure.

4.4 CATEGORY 1: Dedicated Private Circuits and Networks (Leased Lines/Circuits, VPNs) requiring standards compliance.

4.4.1 Including but not limited to the following types of service:

4.4.1.1 Copper or Coaxial Analog Circuits:
4.4.1.1.1 Two Wire (POTS telephone line for voice or fax use)
4.4.1.1.2 Four wire (POTS telephone line for voice or fax use)
4.4.1.1.3 T1 (Channel bank termination up to 24 POTS lines)
4.4.1.1.4 T3 (Channel bank termination up to 72 POTS lines)

4.4.1.2 Digital TDM Circuits (Copper, Coax, Microwave, and HFC Transport)
4.4.1.2.1 DS0
4.4.1.2.2 DS1 (Data Transport or PBX Trunks, [CAS, or ISDN-PRI]
4.4.1.2.3 ISDN (BRI, PRI)
4.4.1.2.4 DS3 (Data Transport)

4.4.1.3 SONET Circuits (Optical Fiber, and/or Microwave Transport, and Fiber Terminal termination);
4.4.1.3.1 OC1
4.4.1.3.2 OC3
4.4.1.3.3 OC12
4.4.1.3.4 OC 24
4.4.1.3.5 OC 48
4.4.1.3.6 OC 192
4.4.1.3.7 OC 768

4.4.1.4 Virtual Private Circuits and Networks: may be transported over the following types of physical media: Copper pairs, Coax, Fiber, DWDM, Hybrid-Fiber/Coax (HFC), or Microwave and terminated

at the customer demarcation with the following types of access methods: 10/100/1000 Ethernet, Cable Modem, DSL Modem or Fiber Terminal.

4.4.1.4.1 Ethernet Virtual Connections (EVCs): Point-to-point, Hub and Spoke Service, Point to multi-point, Multi-point to Multi-point.
- 4.4.1.4.1.1 Ethernet Private Line (EPL)
- 4.4.1.4.1.2 Ethernet Virtual Private Line (EVPL)
- 4.4.1.4.1.3 Ethernet Virtual LAN (E-LAN)
- 4.4.1.4.1.4 Converged VoIP Services (Replicating Landline Voice Services over Metro Ethernet virtual networks and circuits and interoperable with the PSTN)
- 4.4.1.4.1.5 Stand Alone VoIP Services over Metro Ethernet virtual circuits and E-LANs
- 4.4.1.4.1.6 SIP Trunking over Metro Ethernet Virtual Circuits and E-LANs

4.4.1.4.2 MPLS-IP Virtual Network Services: Point-to-point, Hub and Spoke Service, Point to multi-point, Multi-point to Multi-point (Any-to-Any).
- 4.4.1.4.2.1 MPLS Virtual Private Line Service (point-to-point)
- 4.4.1.4.2.2 MPLS Virtual LAN service (multi-point to multi-point)
- 4.4.1.4.2.3 Converged VoIP Services (Replicating Landline Voice Services over MPLS networks and services and interoperable with the PSTN)
- 4.4.1.4.2.4 Stand Alone VoIP Services over MPLS virtual circuits and LANs
- 4.4.1.4.2.5 SIP Trunking over MPLS Virtual Circuits and E-LANs

4.5 CATEGORY 2: Voice Grade Services; Business phone “lines” shall be flexible, affordable and reliable. Carriers and Providers shall also provide options for call features. Phone “lines” can be provided as landline or VoIP services.

4.5.1 Basic telephone services: For Providers offering voice services, basic voice services shall include at a minimum: a “line” (Physical or Voice-over-Internet-Protocol (VoIP)) with an assigned telephone number and unlimited local calling with options for the following requested call features. Some of the features listed below, in section 4.5.3, must be enabled by the Provider; others may be enabled/disabled by the customer using Touch Tone commands, (Carrier provisioned or customer controlled). Local calling is defined as calls originating and terminating within a LATA or equivalent geographic boundary.

4.5.2 Number portability: Number portability shall be supported by telephone service Providers; allowing assigned numbers to be imported from other providers at the time of service activation and exported to other providers at the time of service termination using industry standard practices.

4.5.3 Basic telephone service optional features:

- 4.5.3.1 Call Back or equivalent;
- 4.5.3.2 Call Blocking or Selective Call Blocking;
- 4.5.3.3 Call Forwarding (Busy; No Answer; Selective; To Multiple Lines, etc)
- 4.5.3.4 Call Trace;
- 4.5.3.5 Call Transfer;
- 4.5.3.6 Call Waiting;
- 4.5.3.7 Caller ID Name and Number;
- 4.5.3.8 Distinctive Ringing Restricted Call Forwarding or equivalent;
- 4.5.3.9 Feature Blocking;
- 4.5.3.10 Line Hunting;
- 4.5.3.11 Long Distance Blocking;
- 4.5.3.12 Remote Access to Call Forwarding;
- 4.5.3.13 Teleconferencing
- 4.5.3.14 Three Way Calling;
- 4.5.3.15 Voice Mail; and
- 4.5.3.16 Other features that may not be listed above, or as emerge with technology.

4.5.4 Providers should also make available the following voice services:

4.5.4.1 Customer specified Default Long Distance provider;
4.5.4.2 Direct Inward Dialing Services (DID);
4.5.4.3 Domestic Long Distance and Global Long Distance access;
4.5.4.4 Foreign Exchange (FX) Services;
4.5.4.5 PBX ALI (Private Branch Exchange Automatic Location Identification); This is specific to a multiline telephone system (MLTS);
4.5.4.6 Teleconferencing Bridge Services (Audio Conferencing); and
4.5.4.7 Toll Free Services.

4.6 CATEGORY 3: WiFi Services. WiFi Access Services are eligible for purchase when the WiFi Access Points terminating the service at the customer premises are bundled with the Carrier or Broadband Provider's network access service for a private line or other network service. For such WiFi services the WiFi Access Points (and any required traffic aggregating routers located at the customer premises) shall be considered to be on the providers side of the provider's demark. The Provider of WiFi Access Service shall be responsible for all configuration and management of any equipment bundled with the service and necessary for its operation.

Primary Customers who may purchase WiFi Access Services shall require the Provider to support a user log-in splash screen capability and to comply with all other State Security Policies in the implementation of the service. The State of Arizona has adopted National Institute Standards and Technology (NIST) standards for security. The State of Arizona Security Policies will be available after contract award. Additionally, WiFi Access Services shall not be configured to connect directly to the State network. It is recommended that Other Customers who may order this service require the Provider to follow the same security guidelines as AZNet.

Please note: Specifically *not* eligible under *this* contract is the purchase, installation, or operation of any WiFi equipment by the customer.

4.6.1 WiFi Access Services:

4.6.1.1 Single 802.11a/g/n Access Point with 6 to 30 Mpbs access connection;
4.6.1.2 Single 802.11a/g/n/ac Access Point with 10 to 500 Mbps access connection;
4.6.1.3 Multiple 802.11a/g/n Access Points routed to a single access connection supporting up to 30 Mbps per Access Point;
4.6.1.4 Multiple 802.11a/g/n/ac Access Points routed to a single access connection supporting up to 500 Mbps per Access Point; and
4.6.1.5 Other services that may not be listed above, or as emerge with technology.

4.7 CATEGORY 4: Internet Access Services. These services may be bundled with transport or access services or provided separately for transport over private circuits and networks, or over Provider operated networks. Internet Access Services may also be bundled with Provider managed router services.

4.7.1 Feature functionality:

4.7.1.1 Symmetric
4.7.1.2 Asymmetric
4.7.1.3 Border Gateway Protocol (BGP)
4.7.1.4 Open Shortest Path First (OPSPF)
4.7.1.5 DNS Services
4.7.1.6 Carrier DHCP Addressing
4.7.1.7 Static IP Address
4.7.1.8 Private IP Address
4.7.1.9 Other features that may not be listed above, or as emerge with technology.

4.7.2 Providers may also make available the following Internet Security Services which may be bundled with Internet Access services or sold separately:

4.7.2.1 Next Generation Firewall Services;
4.7.2.2 Distributed Denial of Service Prevention (DDoS);
4.7.2.3 Data Loss Prevention (DLP);
4.7.2.4 Web Proxy Filtering;
4.7.2.5 Content Filtering;
4.7.2.6 Other Security Services that may not be listed above, or as emerge with technology.

4.8 CATEGORY 5: Fiber Services.

Fiber Services can be provided as:

4.8.1 Leased dedicated conduits or mirco-ducts within conduits (through which a customer can install and operate their own fiber and provide their electronics);

4.8.2 Leased "Dark" Dedicated Fiber Cable (point-to-point or ring configuration, Fiber Optic Distribution Unit (FODU) demarcation, customer provides electronics);

4.8.3 Leased "Dark" Fiber Strand Pairs on shared fiber cable (point-to-point or ring configuration, FODU demarcation, customer provides electronics);

4.8.4 Leased Dense Wavelength Division Multiplexing (DWDM) wavelength(s) on shared fiber pairs (point-to-point or ring configuration, Optical FODU Demarcation, Customers provides electronics); and

4.9 Excluded Products and Services: The following products and services shall be excluded from a resultant Contract:

4.9.1 Building Wiring System (BWS, cabling and connection devices beyond the telecommunications demarcation);
4.9.2 Mobile radio related products;
4.9.3 Wireless Mobility Services (specifically, cell phone carrier services)
4.9.4 Hardware and software for build-out of Buyer's campus networks (CPE); and
4.9.5 9-1-1 Services;
4.9.6 Integration Services; and
4.9.7 All other products and services not specified herein.

5. EXPANDING GEOGRAPHIC AVAILABILITY FOR TARIFFED AND NON-TARIFFED CARRIER TELECOMMUNICATION SERVICES

5.1 Geographic availability of ILEC and CLEC telecommunication services may change for an ILEC or CLEC during the life of a resultant contract. As such, under a resultant Contract is limited to the areas included herein. Based on technological advances and/or expanded capabilities and infrastructure, the Contractor may add supplemental Geographic Areas to the Contract as new ILEC or CLEC service territories and/or service capabilities become available. The addition of new Geographic Areas under the Contract shall be the State's discretion.

6. BROADBAND EXPANSION PROVISION

The state seeks to encourage the building and expansion of new broadband infrastructure by encouraging Providers to work aggressively and strategically with communities and anchor institutions in those communities in underserved areas of the State to coordinate the aggregation of demand and the coordinated purchase of new and expanded high capacity broadband services especially in underserved rural communities and counties in the state.

6.1 To encourage provider investment in, and implementation of such new infrastructure, the State will consider the following within a resultant contract:

6.1.1 Special Terms: When services are purchased in connection with new infrastructure expansion by Carriers and/or Broadband Providers, Special Terms and Conditions can be considered for approval, as follows:

6.1.1.1 Longer-Term Contracts. After the initial 5 years base the contract can be extended for one (1) three (3) year term. At the expiration of that three (3) year term, the contract can be extended a final time for two (2) additional years, making the max life of a resultant contract 10 years.

6.1.1.2 Longer-Term Service Contracts. If a Carrier or Provider wishes to seek special terms for a Longer-Term Service Contract (greater than five (5) years) with a customer, to justify investment in new infrastructure expansion, they shall submit a business case to the State Procurement Office for review and possible acceptance.

6.1.1.3 Early-Termination Terms. If a Carrier or Provider wishes to seek special terms for early-termination, a business case shall be submitted to the State Procurement Office for review and possible acceptance.

6.1.2 Non-Recurring Costs (NRC). NRC of new infrastructure construction can be amortized over the term of a service order by the allowance for an increase monthly recurring costs (MRC) for provided services beyond the awarded price for service(s) that may utilize such new infrastructure. This amortization can be for all or a portion of the term of those specific contracted services provided that the total cost shall not increase beyond the sum of the regular bid price and the quoted NRC.

6.1.2.1 The State considers that providing broadband capacity, requiring new infrastructure construction, to a community shall be defined as having at least one Provider Point of Presence within a Census Designated Place or a geographic Cluster of Census Designated Places having 4,000 or more households, connected with fiber-optic or microwave back-haul transport capacity equal to or greater than 1 Mbps per household to a Point of Presence in a metropolitan area. If a Census Designated Place with a population less than 4,000 households is to be considered as served with broadband capacity the minimum connection capacity between at least one Point of Presence in the community and a Point of Presence in metropolitan areas shall be 1 Gbps. Exhibit A lists all the recommended Backhaul Bandwidth for Census Designated Places and logical Clusters of Places.

6.1.3 Consortia / Group Buying. Eligible 'Other Customers', as defined in Section 2, Background, are allowed to create new consortia with or without the participation of Primary Customers, also defined in Section 2, Background, to increase their buying power for services and to enhance the likelihood of new infrastructure investments being made by Carriers and Broadband Providers.

6.1.3.1 Billing of Consortium Projects. If Carriers or Broadband Providers accept an order from a consortium that has more than one customer (example: a school district, a city, a county, a fire district, and a non-profit) the Carrier or Broadband Provider must agree to bill every member of the consortium separately for each of their agreed portion of the cost.

6.2 To be considered for an award within the broadband expansion provision of a resultant contract the Offeror shall follow the specific instructions on how to respond to this section stated with Attachment I, Offeror Questionnaire.

6.3 Pricing. If a Carrier or Broadband Provider can provide a services within a County only after committing to the construction of new Infrastructure in that County that would enable the delivery of said services the Carrier or Broadband Provider may request the negotiation of special terms and conditions for services that would utilize the new infrastructure in that County to justify their investment. In these cases the State acknowledges that pricing shall be negotiated.

6.4 Additional Expansion Proposals. If an infrastructure expansion opportunity arises in an area that was not originally identified to the State through the initial RFP process, the Contractor may submit a proposal to the State for review to be considered for the additional terms listed in 6.1.1.

7. SERVICE LEVEL GUARANTEES

7.1 Service Level Agreements (SLAs)

7.1.1 SLAs are required when establishing service for applicable products.

7.1.2 The customer shall negotiate SLAs directly with the carriers and providers when establishing requested service.

7.1.2.1 Once negotiated, the SLA shall be submitted the State Procurement Office for review and approval against the Terms and Conditions of a resultant contract.

7.1.3 Costs associated with more stringent guarantees then outlined below in section 7.2 may be added to a quote as a service premium.

7.1.3.1 The fixed rate MRC shall not be changed to reflect the premium associated with the SLAs rather it should be it's own monthly line item.

7.1.4 Carriers and Providers are required to monitor and report to customers monthly for agreed to Service Level Agreements performance and nonperformance.

7.2 Minimum Guarantees:

7.2.1 Restore and Response defined:

7.2.1.1 Restore – Means a 'full service restoration'.

7.2.1.2 Response – Means having a physical presence onsite.

7.2.2 Metro Areas defined:

7.2.2.1 Phoenix Metro, 50 mile radius of the Capital Mall circle

7.2.2.2 Tucson Metro, 50 mile radius of the University of Arizona

7.2.2.3 Yuma Metro, 25 mile radius of the Yuma County Court House

7.2.2.4 Flagstaff Metro, 25 mile radius of Coconino County Court House

7.2.2.5 Prescott Metro, 25 mile radius of Yavapai County Court House

7.2.3 Restore and Response <u>times</u>:

7.2.3.1 Metro Areas:

7.2.3.1.1 Specific sites to be provided after contract award.

7.2.3.1.1.1 Full restoration shall be completed within two (2) hours.

7.2.3.2 Rural Areas:

7.2.3.2.1 Specific sites to be provided after contract award.

7.2.3.2.1.1 Full restoration shall be completed within four (4) hours.

7.2.3.3 If full restoration cannot be achieved within the above stated time frames, the customer shall be notified immediately upon discovery of such event that hinders restoration.

7.2.3.3.1 Every hour that service has not been restored the carrier or provider shall be responsible for updating the customer of status on the restoration project.

7.2.4 Restore and Response penalties:

7.2.4.1 If Full Service Restoration is not completed the Contractor shall be liable for 1/720 of the MRC for each hour after the allowable response time has been exhausted. This will be seen in the form of a credit against the billed amount at the end of the month.

An "Outage" is an interruption in Service or use of the Equipment caused by a failure of the Contractor's Network, excluding degradation or disruption due to planned or emergency maintenance or an event outside of the Contractor's direct control.

7.2.4.2 If full restoration has not been completed within double the allowed time the customer will have the right to terminate services with that Carrier with no penalty.

7.2.4.2.1 Customer, at its discretion, can allow an exception to this within their negotiated SLA, based on agreed to terms by both parties, for allowances such as, but not limited to, force majeure.

7.2.5 Restore and Response tracking:

7.2.5.1 The two (2) or four (4) hour window shall start when the customer (AZNet, for the primary customer) calls the carrier directly and opens a repair ticket.

7.2.5.2 Once the service has been fully restored, the carrier shall call the customer and notify of completion.

7.2.5.3 Once notified the customer shall confirm that service has been fully restored before the carrier closes the open repair ticket. Once this confirmation has been completed the window for restoration shall be closed and calculated for any applicable penalties.

7.2.5.3.1 If the carrier or provider closes the repair ticket before confirmation has been provided by the customer and is required to open a new ticket, the restoration and response time shall not be restarted, rather merged with the original outage notification.

8. PROCESS FOR ESTABLISHING SERVICES:

8.1 Establishing Service for State Agencies, Boards and Commissions exclusively, please reference Exhibit B for the State of Arizona WAN Strategy Diagram:

8.1.1 Quote Process. The most current version of 10.5 AZNet II – RFI Carrier Order Process Guide can be found at https://aset.az.gov/aznet-ii-arizona-network.

8.1.1.1 Customer is required to open a Request for Information (RFI) ticket for requested Carrier products and services.

8.1.1.1.1 Within this request the Customer shall provide the 'AZ Service ID' found within Attachment II, Pricing Structure.

8.1.1.2 All Contractors awarded in geographical location are notified of an opportunity to provide a quote for requested products and services based on contract category.

8.1.1.3 Site Assessments:

8.1.1.3.1 Contractor will be notified at the time they are given the opportunity to quote that a site assessment is requested.

8.1.1.3.2 Site assessments shall be provided at no charge.

8.1.1.3.3 Contractor is able to waive the opportunity to walk the premises and still provide a quote, however, the quote shall not be revised if the Contractor waived their right to walk the site.

8.1.1.4 Providing the Quote:

8.1.1.4.1 Quote shall be in compliance with the Quote form provided by ASET-EIC.

8.1.1.4.2 NRC's quotes shall be firm fixed, ranges shall not be accepted.

8.1.1.4.3 MRC quotes shall be firm fixed.

8.1.1.4.4 Contractor(s) are required to submit the resulting quote to ASET_EIC_Carrier@azdoa.gov by the requested due date and time of the original RFI.

8.1.1.4.5 Late quotes shall not be accepted.

8.1.1.5 ASET-EIC compiles received quotes and sends them to the requesting customer for evaluation.

8.1.2 Ordering Process. The most current version of 10.6 AZNet II – MAC Project Carrier Order Process Guide can be found at https://aset.az.gov/aznet-ii-arizona-network.

8.1.2.1 Customer reviews quote(s) provided to them by ASET-EIC.
8.1.2.1.1 Decision shall be based on the results of the RFI.

8.1.2.2 Customer opens a new move, add, change (MAC) ticket.

8.1.2.3 AZNet sends the order to the Selected Carrier.

8.1.2.4 Carrier sends e-mail confirmation to AZNet within 24 hours of receipt of the order.

8.1.2.5 Depending on the product ordered the Carrier sends and e-mail to AZNet with applicable supporting information as follows:

8.1.2.5.1 Circuit Number;

8.1.2.5.2 Carrier Order Number; and

8.1.2.5.3 Due Date.

8.1.2.6 AZNet provides the supporting information to the AZNet Engineers and requesting Customer.

8.1.2.7 Carrier confirms that the product has been installed.

8.1.2.8 AZNet verifies with the AZNet Engineer and Customer that product was installed in compliance with the agreed upon project specifications.

8.2 Establishing Service for 'Other Customers':

As Eligible 'Other Customers' these customers are not required to follow the State of Arizona ASET requirements, nor are their networks and infrastructures managed by the State ASET department. As such, the customers may require the Contractor to assist in Order preparation by providing necessary product and services descriptions, operating parameters, and interface information. Contractor shall provide this assistance at no additional cost to the Customer.

8.2.1 Quote Process. Customers may request quotes for the specific products and/or services available under the Contract, through the issuance of a Contract Quote or Purchase Quote (Quote Request) to the Contractor. Quote Requests shall cite the Contract number and shall be limited to those products and/or services available under the Contract only.

Extra-contractual Products and Services Prohibited. Any attempt to use a Quote Request and/or any response thereto, to represent any products and/or services not specifically awarded and cited in the Contract as being included in the Contract is a violation of the Contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State, inclusive of but not limited to Contract termination for default, suspension and/or debarment of the Contractor.

8.2.1.1 Quote Request Form. Quote shall include, at a minimum, the following information:

8.2.1.1.1 Date the quote was requested;
8.2.1.1.2 Quote Number;
8.2.1.1.3 E-Rate SPIN number, if requested;
8.2.1.1.4 Customer information, to the individual department, division or office as applicable;
8.2.1.1.5 Customer contact person;
8.2.1.1.6 Term of the Service, including Service start date, expiration date – if applicable, and installation date – if applicable;
8.2.1.1.7 Total cost to the Customer; and
8.2.1.1.8 A list or description specifying the quantity, type and special options and/or provisions of the Service to be provided.

8.2.2 Ordering Process.

8.2.2.1 Purchase Order Issued. Purchase Orders shall be in accordance with the requirements set forth herein.

8.2.2.2 Order Acknowledgement. Contractor shall acknowledge receipt of all Orders. Contractor shall notify the Customer, in writing or electronically, within two (2) days of Order receipt. Customers may accept verbal Order acknowledgment when time and circumstances require.

8.2.2.3 Order Acceptance. Contractor shall acknowledge acceptance of all Orders. Contractor shall notify the Customer, in writing or electronically, within five (5) days of Order receipt. Orders that are not accepted and not specifically rejected by the Contractor within the five (5) days shall be considered accepted. Customers may accept verbal order acceptance when time and circumstances require. Order acceptance shall include the reservation of all elements necessary to deploy the ordered and accepted products and services.

8.2.2.4 Order Notification. Contractor shall, prior to the Order start date, notify Customer, in written or electronically, information pertaining to the installation of the Order's products and services.

8.2.2.5 Order Implementation. Contractor shall be responsible for and shall minimize the impact of any transition between the Customer's incumbent service providers and the Contractor. Contractor shall inform the Customer of all Customer responsibilities throughout service implementation. In general, Order implementation shall not exceed ninety (90) days but shorter or longer timeframes may be negotiated between the Customer and the Contractor on a case by case basis. Contractor shall be responsible for all billing variations incurred during an unsuccessful service implementation. For

example, new rates are not applied correctly or telephone numbers are not recognized in database, etc.

8.3 Additional Provisions regarding Service Establishment for both Primary and Other customers:

8.3.1 Major Service Implementations:

8.3.1.1 Inspection of all Major Services Implementations. A Major Services Implementation is defined as any Customers with ten (10) or more locations and / or ten (10) or more PVC's. Customer may appoint an Inspector(s) from time to time to serve as Customer's representative during, installation, testing, cutover, operation and maintenance of the Services (and its billing) and shall advise Contractor of same. Such inspection may extend to any part of the installation or operation of the Services. The Inspector shall not be permitted to modify in any way the provisions of the Contract, nor to delay the work by failing to complete the inspection with reasonable promptness. The Inspector shall not interfere with the Contractor's management of the work. Instructions given by the Inspector shall be respected and responded to by Contractor. Whenever required by the Inspector, Contractor shall furnish without additional charge, all tools, test equipment, and labor necessary to make an examination of the work completed or in progress or test the quality of the Services. If the Services, including its installation and operation, is found to be not in compliance with the Specifications, Contractor shall bear all expenses of such examination and of satisfactory correction of the deficiencies. After all Service installation and testing activities are completed, and upon delivery of all required Service and testing documentation, Final Services Acceptance (FCA) shall be executed.

8.3.1.2 Acceptance Testing of all Major Services Implementation. Upon notification of completion of Contractor testing, Customer shall commence its Acceptance Testing Period of 30 calendar days for compliance with Services performance requirements. In the event of apparent failure to meet any performance requirements or standards during any Acceptance Testing Period, it is not required that one 30-day period expire in order for another Acceptance Testing Period to begin. Furthermore, if, during any Acceptance Testing Period, Customer identifies Service Affecting deficiencies, it shall be at Customer's option if another 30-day Acceptance Testing Period is required after Contractor satisfactorily corrects such deficiencies. Customer's standard of performance shall be met when the Services operates in conformance with the SLA requirements during its operational-use-time for a period of 30 consecutive calendar days from the commencement date of the Performance Period. If Customer identifies Service Affecting deficiencies, during the Performance Period, Customer shall promptly notify Contractor in writing of such deficiencies. Contractor shall correct these deficiencies in a timely and satisfactory manner and shall notify Customer in writing when deficiencies are corrected. Customer shall make every effort to assist Contractor in the resolution of all deficiencies but the responsibility ultimately resides with Contractor. Promptly upon successful completion of the Performance Period, Customer may notify Contractor in writing that the Performance Period is now complete. Contractor's receipt of Customer's letter shall prompt the execution of the Final Services Acceptance Document. If the Performance Period Acceptance Testing is not completed within 90 calendar days of the Contractor's CSO Initiation date, Customer shall have the option of terminating the CSO, without penalty or of authorizing Contractor in writing of an extension of the Performance Period deadline. Customer's option to terminate the CSO shall remain in effect until such time as successful completion of the service performance requirements is attained.

8.3.2 Order Modifications and Cancellations:

8.3.2.1 Modifications or Cancellations **prior to** Order Acceptance:

Customer may, at any time prior to Order acceptance, modify or cancel the Order, in whole, or in part. Customer shall have no liability for making such modifications or cancellations.

8.3.2.2 Modifications or Cancellations **after** Order Acceptance:

Customer may modify or cancel an Order after Order acceptance. Contractors may modify Orders as authorized by the Customer. Modifications or cancellations shall be executed in writing or electronically. Any unauthorized modification or cancellation by Contractor shall constitute a material breach of the Contract and, at the Customer's option, cause the Order to be void. Customer liability for modifications or cancellation made after Oder acceptance shall be limited to the full cost of all non-recoverable expenses, including any special construction charges, caused by the modification, not to exceed the non-recurring costs for products and services in the Order. Customers may cancel an Order due to Contractor's failure to perform in accordance with the Order notification, and/or the service level agreements contained in the Contract. Cancellation for Contractor default shall limit Customer liability to the reoccurring and non-reoccurring costs already accepted and in use by Customer.

9. CONTRACT MANAGEMENT:

9.1 Performance Management. Contractor shall cooperate with the Procurement Officer in the administration of the Contract, to review performance indicators, to identify performance issues before, or promptly after, a problem occurs, and to address and resolve performance problems in a timely and responsible manner.

9.1.1 Annual and Semi-annual Meetings. Contractor shall, at least once annually and more frequently as required by the State, meet with the Procurement Officer and/or members of delegated representatives of the State's ASET-EIC department, to review Contractor performance against the terms, conditions and requirements of the Contract.

9.1.2 Issue and Problem Resolution. When an issue or problem requires notice and mitigation steps by the parties, the State and Contractor shall follow the same Dispute Resolution process as set forth herein. Depending on the severity of the issue or problem, the State may at its discretion, bypass the Dispute Resolution process herein and precede directly to the Remedies provisions of the Contract.

9.1.3 Responsibility Documentation. Contractor's past performance is a standard determinant of Offeror Responsibility in the award of Arizona State Contracts. Contractor performance, as documented in the Contract File, may positively or negatively effect future proposals submitted in response to solicitations conducted by the State of Arizona, its agencies, boards or commissions, as well as members of the State Purchasing Cooperative.

9.2 Broadband Expansion Management.

9.2.1 Annual and Semi-annual Meetings. Contractor shall, at least once annually and more frequently as required by the State, meet with the Procurement Officer and/or members of delegated representatives of the State's ASET-Broadband department, to review Contractor performance against the terms, conditions and requirements of the Contract. Reviewing progress on plans of expansion originally submitted.

9.2.2 Service Maps. Contractors shall provide maps of their current and planned broadband infrastructure in KMZ or an equivalent digital format for counties in which they intend to offer services under this contract, such maps need to include physical layer fiber routes, including long haul, middle mile and last mile segments; points-of-presence, interconnection/peering points, central offices, and data centers; other access points such as: manholes, splice points, etc. Direct information with regard to served customers need not be included. These maps are to be updated on a semi-annual basis and submitted to the State Procurement Office.

9.2.3 Issue and Problem Resolution. When an issue or problem requires notice and mitigation steps by the parties, the State and Contractor shall follow the same Dispute Resolution process as set forth herein. Depending on the severity of the issue or problem, the State may at its discretion, bypass the Dispute Resolution process herein and precede directly to the Remedies provisions of the Contract.

10. E-RATE COMPLIANCE

In order to provide the services listed within an awarded contract to E-Rate eligible entities a Carrier or Provider shall obtain a Service Provider Identification Number (SPIN) from the Universal Service Administrative Company as part of their response to this solicitation. Failure to do so will result in a Carrier or Provider being excluded from bidding services to said eligible entities.

If a provider chooses not to obtain a SPIN they will not be disqualified from consideration for this reason alone.

10.1 **The originating FCC Form 470 number for this RFP is 426480001240887.**

As required by federal law, providers of eligible services must comply with the Lowest Corresponding Price (LCP) rule:

a. 47 CFR § 54.500(f)
Lowest corresponding price is the lowest price that a service provider charges to non-residential customers who are similarly situated to a particular school, library, or library consortium for similar services. ("Similarly situated" means the "geographic service area" in which a service provider is seeking to serve customers with any of its E-rate services.)

b. 47 CFR § 54.511(b)
Providers of eligible services shall not charge schools, school districts, libraries, library consortia, or consortia including any of these entities a price above the lowest corresponding price for supported services, unless the Federal Communications Commission, with respect to interstate services or the state commission with respect to intrastate services, finds that the lowest corresponding price is not compensatory.

The Billed Entity Applicant Reimbursement (BEAR) FCC Form 472 is filed by the applicant and approved by the service provider after the applicant has paid for services in full. The Service Provider Invoice (SPI) FCC Form 474 is filed by the service provider after the applicant has been billed for the non-discount portion of the cost of eligible services. *Note: Applicants can choose their method of invoicing; service providers cannot force applicants to use a particular method*.

11. PRICING STRUCTURE

Providers shall only charge the pricing found within 'Attachment II, Pricing Structure', which shall be firm fixed pricing.

Providers are required to provide pricing as lowest corresponding price, which is defined as the lowest price that a service provider charges to non-residential customers, such as, schools, libraries, consortiums, and businesses who are similarly situated customers for similar services. "Similarly situated" means the "geographic service area" in which a service provider is seeking to serve customers.

11.1 Category 1, Dedicated Private Circuits and Networks:

11.1.1 Pricing Structure: Prices for Private (physical and virtual) circuit and network services shall be based on the service access medium and capacity, the provisioned bandwidth for the access connection, and the guaranteed QoS parameters of the service. The following are examples of allowed pricing elements:

11.1.1.1 Non-Recurring Costs (NRC) for installing and activating the service at a specific location;
11.1.1.2 'Extension' NRC for extending the provider's transport medium to an off-net location;
11.1.1.3 Monthly lease for Demarcation equipment if not provided by customer unless the description in Attachment II for a particular Type Of Service requires that any equipment associated with the service be bundled with the service and the cost to be included in the Monthly Recurring Cost (MRC);
11.1.1.4 Monthly Recurring Costs (MRC) for service at specified data rates with any required bundled equipment cost; and
11.1.1.5 MRC for any specific service level commitments not described in the product bid lists.

11.2 Category 2, Voice Grade Services:

11.2.1 Non-Recurring Costs (NRC) for installing and activating the service at a specific location;

11.2.1.1 Monthly Recurring Charge (MRC) for Voice Package:

11.2.1.1.1 Base voice service includes a local "line" with assigned local number and unlimited local calling.

11.2.1.1.2 Call feature packages including call features as selected by the Customer:

11.2.1.1.2.1 Base voice service with 1 include Call Feature;
11.2.1.1.2.2 Base voice service with bundled package of up to 5 Call Features;
11.2.1.1.2.3 Base voice service with bundled package of up to 10 Call Features; and
11.2.1.1.2.4 Base voice service with bundled package of 11 or more Call Features.

11.2.1.2 Long Distance Services:

11.2.1.2.1 Domestic: U.S. Long Distance rates shall be quotes as ICB on the following billing alternatives:

11.2.1.2.1.1 Flat Rate; and
11.2.1.2.1.2 Usage Based by 1/10th minute increments starting with called party answer.

11.2.1.2.2 Global: International Long Distance rates shall be quoted as ICB based on a country list provided by the Customer. Billing shall be based on the following alternatives:

11.2.1.2.2.1 Flat Rate by called country.; and
11.2.1.2.2.2 Usage Based by country called per 1/10th minute increments starting with called party answer.

11.2.1.3 'Extension' NRC for extending the provider's transport medium to an off-net location.

11.3 Category 3, WiFi Access Services:

11.3.1 Pricing for WiFi Access Services shall be based on, the provisioned bandwidth for the access connection, and the guaranteed QoS parameters of the service specified in the bid list. The following are examples of allowed pricing elements:

11.3.1.1 Non-Recurring Costs (NRC) for installing and activating the service per access point installed at a specific location;
11.3.1.2 'Extension' NRC for extending the provider's transport medium to an off-net location;
11.3.1.3 Monthly Recurring Costs (MRC) for transport service at specified data rates (including bundled Access Point(s) and any managed routers); and
11.3.1.4 MRC for any specific service level commitments not described in the product bid lists.

11.4 Category 4, Internet Access Services:

11.4.1 Pricing for Internet Access Services shall be based on the service access medium and capacity, the provisioned bandwidth for the access connection, and the guaranteed QoS parameters of the service. The following are examples of allowed pricing elements:

11.4.1.1 Non-Recurring Costs (NRC) for installing and activating the service at a specific location;
11.4.1.2 'Extension' NRC for extending the provider's transport medium to an off-net location;

11.4.1.3 Monthly cost for Demarcation equipment (such as cable modem, DSL modem, fiber termination panel, etc.) if not bundled with the service and included with the MRC. or if not provided by customer; and

11.4.1.4 Monthly Recurring Costs (MRC) for guarantee service at specified data rates and QoS/CoS levels.

11.5 Category 5, Fiber services:

11.5.1 Pricing for Fiber Services shall be based on the capacity, distance of the circuit, and Guaranteed Availability and Service Restoration commitments, as well as any bundled electronics on the Provider side of the demarcation. Examples of allowable charges are:

11.5.1.1 Non-Recurring Costs (NRC) for installing and activating the service at specific locations;

11.5.1.2 'Extension' NRC for extending the provider's transport medium to an off-net location;

11.5.1.3 Monthly lease for Demarcation equipment (such as fiber termination panel, FODUs etc.) if not bundled with the service and included with the MRC, or if not provided by customer; and

11.5.1.4 Monthly Recurring Costs (MRC) for guarantee service at specified data rates and QoS/CoS levels.

11.6 E-Rate Eligible Entities:

11.6.1 Specific only to E-Rate Eligible Entities, a Contractor may be required to quote the bundled rate pricing proposed within Attachment II, Pricing Structure, as a 'de-bundled' set of services separating Internet Access and transport services from managed router(s) and WiFi router service. If required to 'de-bundle' the pricing, the quoted price shall not exceed the pricing of the bundled rate proposed within Attachment II, pricing structure for the WiFi Access Service in question.

1. TERM OF CONTRACT

The contract shall begin on July 1, 2015 and shall continue for a term of five (5) years, unless terminated in accordance to the terms of this contract.

2. CONTRACT TYPE (AS NEEDED)

The contract shall be on an as needed, if needed basis at Firm Fixed Price rates.

3. NON-EXCLUSIVE CONTRACT

This contract has been awarded with the understanding and agreement that it is for the sole convenience of the State of Arizona. The State reserves the right to obtain like goods or services from another source when necessary. Off-contract purchase authorization(s) may be approved by the State Procurement Office. Approvals shall be at the exclusive discretion of the State and shall be final. Off-contract procurement shall be consistent with the Arizona Procurement Code.

4. ELIGIBLE AGENCIES (Statewide)

This Contract shall be for the use of all State of Arizona departments, agencies, commissions and boards. In addition, eligible State Purchasing Cooperative members may participate at their discretion. In order to participate in this contract, a cooperative member shall have entered into a Cooperative Purchasing Agreement with the Department of Administration, State Procurement Office as required by Arizona Revised Statues § 41-2632.

Membership in the State Purchasing Cooperative is available to all Arizona political subdivisions including cities, counties, school districts, and special districts. Membership is also available to all non-profit organizations, as well as State governments, the US Federal Government and Tribal Nations. Non-profit organizations are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the internal revenue service under section 501(c)(3) through 501(c)(6).

5. ESTIMATED QUANTITIES (CONSIDERABLE)

The State anticipates considerable activity resulting from contract(s) that will be awarded as a result of this solicitation; however, no commitment of any kind is made concerning quantities actually acquired and that fact should be taken into consideration by each potential Contractor.

6. ADMINISTRATIVE FEE / USAGE REPORTS

6.1 Method Method of Assessment. At the completion of each quarter, the Contractor reviews all sales under their contract in preparation for submission of their Usage Report. The Contractor identifies all sales receipts transacted by members of the State Purchasing Cooperative and assesses one percent (1.0%) of this amount in their Usage Report. An updated list of State Purchasing Cooperative members may be found at: https://spo.az.gov/state-purchasing-cooperative. At its option, the State may expand or narrow the applicability of this fee.

For this contract only, the State of Arizona will not assess the 1% administrative fee to Contractors for E-Rate eligible purchases. E-Rate eligible purchases can be made by eligible recipients per 47 CFR §54.501. To determine if a customer is an eligible recipient the Contractor shall refer to the following web address: http://usac.org/sl/applicants/beforeyoubegin/definitions.aspx

The Contractor shall summarize all sales, along with all assessed Administrative Fee amounts within their Usage Report, including total amounts for the following:

- Total sales receipts from State agencies, boards and commissions;
- Total sales receipts from members of the State Purchasing Cooperative; and
- Total Administrative Fee amount based on one percent (1.0%) of the sales receipts from members of the State Purchasing Cooperative.

6.2 Submission of Reports and Fees. Within thirty (30) days following the end of the quarter, the Contractor submits their Usage Report and if applicable, a check in the amount of one percent (1%) of their sales receipts from members of the State Purchasing Cooperative, to the Department of Administration, State

Procurement Office. Contractors are required to use the State's current report templates unless you have authorization from your contract officer to use a different format. You need to complete Form 799, which is a cover letter that gives the totals of your transactions; and Form 801, which is an Excel spreadsheet that details your transactions. Sales to state agencies and the cooperative members are to be totaled separately. The most current forms can be downloaded at https://spo.az.gov/statewide-contracts-administrative-fee.

6.2.1 The submission schedule for Administrative Fees and Usage reports shall be as follows:

FY Q1, July through September	Due October 31
FY Q2, October through December	Due January 31
FY Q3, January through March	Due by April 30
FY Q4, April through June	Due by July 31

6.2.2 Usage Reports and any questions are to be submitted by email to the state's designated usage report email address: usage@azdoa.gov

6.2.3 Administrative Fees shall be made out to the "State Procurement Office" and mailed to:

Department of Administration
General Services Division
ATTN: "Statewide Contracts Administrative Fee"
100 N. 15th Avenue, Suite 202
Phoenix, AZ 85007

6.3 The Administrative Fee shall be a part of the Contractor's unit prices and is not to be charged directly to the customer in the form of a separate line item. Statewide contracts shall not have separate prices for State Agency customers and State Purchasing Cooperative customers.

6.4 Contractor's failure to remit administrative fees in a timely manner consistent with the contract's requirements may result in the State exercising any recourse available under the contract or as provided for by law.

7. LICENSES

The Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of a business conducted by the Contractor.

8. SUBCONTRACTORS

Supplemental to the Subcontractor term in the Uniform Terms and Conditions, Contractor shall not enter into any Subcontract under this Contract, for the provision of supplies or performance of services under this Contract, without the advance written approval, by way of bilateral contract amendment, of the State Procurement Office. When requesting the Procurement Officer's approval, the Contractor shall list all new subcontractors, their contact information, certifications required of them, their Minority and Women Owned Enterprise status (cite any certifications use in determining such status) as well as the subcontractor's proposed responsibilities under the Contract. The Subcontractor's most current certificate of insurance shall be provided at this time as well. With the request, Contractor shall certify that all Subcontracts incorporate by reference the terms and conditions of this Contract.

Wholesale/Inter-carrier Agreements shall not be considered as subcontractor relationships that need to be disclosed or approved by the State Procurement Office.

9. PERFORMANCE BOND

The Contractor shall be required to furnish an irrevocable security in the amount of $1,000,000 payable to the State of Arizona, binding the Contractor to provide faithful performance of the contract. This shall be provided on an annual basis at the time of contract's annual anniversary.

Performance security shall be in the form of a performance bond, certified check or cashier's check. This security must be in the possession of the State Procurement Office within ten (10) calendar days from contract start date as defined in the Special Terms and Conditions Section 1. If the Contractor fails to execute the security document, as required, the Contractor may be found in default and contract terminated by the State. In case of default, the state reserves all rights to recover as provided by law.

10. NEW EQUPIMENT

All equipment, materials, parts and other components incorporated in the work or an item covered by this Contract shall be new, of the latest model and of the most suitable grade for the purpose intended. Any and all work under this Contract shall be performed in a skilled and workmanlike manner.

11. EMERGING TECHNOLOGIES

The telecommunication and broadband industries are changing rapidly and the types of services, technology, methods of deployment, and providers of product and services will likely change during the term of this Contract. The State seeks to ensure that Contracts can meet the shifting needs caused by these changes. If new services within the existing categories are identified the State at its option can add those new services within Attachment II via a bilateral contract amendment.

12. BROADBAND EXPANSION PROVISION

Contractors who are awarded the opportunity to provide new infrastructure expansion are eligible to receive consideration for the following additional terms:

12.1 Longer-Term Contracts. After the initial 5 years base the contract can be extended for one (1) three (3) year term. At the expiration of that three (3) year term, the contract can be extended a final time for two (2) additional years, making the max life of a resultant contract 10 years.

12.2 Longer-Term Service Contracts. If a Carrier or Provider wishes to seek special terms for a Longer-Term Service Contract (greater than five (5) years) with a customer, to justify investment in new infrastructure expansion, they shall submit a business case to the State Procurement Office for review and possible acceptance.

12.3 Early-Termination Terms. If a Carrier or Provider wishes to seek special terms for early-termination, a business case shall be submitted to the State Procurement Office for review and possible acceptance.

13. BRAND NAME

References made to items, identified by trade name, are intended to show kind and quality of products desired and is not intended to be restrictive or limit competition. The use of brand names or manufacturer's catalog references shall be constructed as quality level, method and type of performance and does not indicate that item cited is mandatory. The State reserves the right to determine what products are considered like or equal. Products substantially equivalent to those designated shall qualify for consideration.

14. WARRANTY

14.1 Liens. The Contractor warrants that the Materials supplied under this Contract are free of liens and shall remain free of liens.

14.2 Quality. Unless otherwise modified elsewhere in the terms and conditions, the Contractor warrants that, for one year after acceptance by the State, the Materials shall be:

- Of a quality to pass without objection in the trade under the Contract description;
- Fit for the intended purposes for which the Materials are used;
- Conform to the written promises or affirmations of fact made by the Contractor; and
- Fully compatible with the State's computer hardware and software environment.

14.3 Fitness. The Contractor warrants that any Materials supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

14.4 Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the Materials by the State.

14.5 Compliance with Applicable Laws. The Materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

Contractor represents and warrants to the State that Contractor has the skill and knowledge possessed by members of its trade or profession and Contractor will apply that skill and knowledge with care and diligence so Contactor and Contractor's employees and any authorized subcontractors shall perform the Services described in this Contract in accordance with the Statement of Work.

Contractor represents and warrants that the Materials provided through this Contract and Statement of Work shall be free of viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the Materials, collect unlawful personally identifiable information on users or prevent the Materials from performing as required under the terms and conditions of this Contract.

15. AUTHORIZATION FOR SERVICES

Authorization for purchase of services shall be made only upon the issuance of a Purchase Order that is signed by an authorized agent. The Purchase Order will indicate the contract number and the dollar amount of funds authorized. The Contractor shall only be authorized to perform services up to the amount on the Purchase Order. The State shall not have any legal obligation to pay for services in excess of the amount indicated on the Purchase Order. No further obligation for payment shall exist unless a) the Purchase Order is changed or modified with an official Change Order, and/or b) an additional Purchase Order is issued for purchase of services under this Contract.

16. EXTRA-CONTRACTUAL PRODUCTS AND SERVICES PROHIBITED

Any attempt to use an Order to represent any products and/or services not specifically awarded and cited in the Contract as being included in the Contract is a violation of the Contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State, inclusive of but not limited to Contract termination for default, suspension and/or debarment of the Contractor.

17. BILLING

Contractors will be doing business with Customers of dramatically different size and need. As such, different levels of complexity in billing may be required. An objective of this contract is to meet the various needs of different customers in standard electronic format. The State desires electronic billing be adopted where possible for any purchased services by any customer for services covered by this Contract.

17.1 Billing Detail

Invoices submitted for payment shall contain the same description detail as provided in the Quote Form, at a minimum, shall identify all products and services (e.g. circuit number, BTN, WTN), the unit price, units of quantity, extended price, service address or location of Service, and invoice total, for both paper and electronic media. Additionally, the approved electronic media shall also include at a minimum; Call Detail Records identifying the actual originating phone extension (unless ANI not sent by customer for dedicated facilities), Discount Details, Tax Details, Feature Details, Other Fees and Surcharges details, approved Adjustment details, circuit detail at the CSR level, and USOC level invoice details. Invoice Identification Information. Invoice Identification Information (III) shall include at a minimum the following 16 data elements: 1) Vendor Name; 2) Vendor Account Number; 3) Invoice Date; 4) Total Invoice Amount; 5) Total Current Charges; 6) Vendor Remit Address; 7) Account-Level Late Fees; 8) Account Level Outstanding Balance; 9) Account Level Payment Received; 10) Account Level Miscellaneous Fees;11) Point of Service ID (e.g., Circuit number, phone number, etc.); 12) Monthly Fees; 13) Usage-based Charges; 14) Feature Charges; 15) Taxes; and 16) Total Charges for Point of Service

17.2 Billing and Payment Data

Contractor shall provide basic billing data to all Ordering Entities that request it. This data shall include at a minimum Usage Statistics; Applicable Discount Details; Call Detail for LD at the actual originating extension level (unless ANI is not sent by Customer for dedicated facilities); Circuit Detail, when applicable, at the Customer Service Record (CSR) or equivalent level; Tax Details; Feature Details; Other Fees and Surcharges Details; Approved Adjustment Details; and Universal Service Order Code (USOC) level or equivalent Invoice Details. Ordering Entities may request this data at any point during the Term of Contract.

17.3 Billing SLA Affected Services

Contractor shall process invoices in accordance with the Billing and Payment Section of resultant Service Level Agreements. If, after the SLA is resolved the Customer owes the disputed amount in part or in whole to the Contractor, Contractor may assess overdue account charges up to a maximum rate of two-thirds of one percent per month on the outstanding balance.

17.4 Billing Disputes

Contractor and Customers shall use the following process in identifying and mitigating performance issues or problems associated with billing issues under the Contract. Contractor shall work with Customer, or their designee (which may be an approved Subcontractor), to automate the dispute process between Contractor and Customer. Contractor shall provide a responsibility matrix identifying representatives, their phone number and email address, for questions and resolution of issues, including escalation of unresolved disputes.

17.4.1 Billing Dispute Resolution

Failure by Customer to pay any portion of or the entire invoiced amount based on Contractor billing errors or disputed charges shall not constitute default under this Contract. Customer will pay undisputed portions of disputed or incorrect invoices where Customer can easily identify the undisputed portion. Payment of an amount less than the total amount due on all unpaid invoices shall be credited as directed by Customer. In no event shall Contractor apply any payment or portion thereof to any particular amount or item that is subject to any claim of error or dispute between the parties.

17.5 Billing Adjustments

Revised invoices or billing adjustments shall apply only to Contractor's Services that can be verified by the Customer, and requests for such adjustments must be submitted in writing to the Customer within 60 days of Service invoice delivery; shall reference the original invoice in which the error was made, and contain sufficient level of detail to make a reasonable determination of fact. Billing Adjustments, once determined to be fact, shall be documented in writing on all forms of billing, paper and electronic, in the next billing cycle.

17.6 Billing Agent

Contractor may use an Agent (designated herein as a Subcontractor) to prepare and submit invoices and receive Customer payments, on behalf of, but in the Contractor's name. Contractor shall remain responsible for the accuracy and correctness of the invoices issued and payments collected by any billing Agent. If Contractor exercises this option, Contractor shall promptly notify Customer in writing of such arrangement for invoicing and collection, including name, mailing and street addresses, and telephone number for the firm and the individual person responsible for this function, and any changes thereto.

18. PAYMENT PROCEDURES

The State will not make payments to any Entity, Group or individual other than the Contractor with the Federal Employer Identification (FEI) Number identified in the Contract. Contractor invoices requesting payment to any Entity, Group or individual other than the contractually specified Contractor shall be returned to the Contractor for correction.

The Contractor shall review and insure that the invoices for services provided show the correct Contractor name prior to sending them for payment.

If the Contractor Name and FEI Number change, the Contractor must complete an "Assignment and Agreement" form transferring contract rights and responsibilities to the new Contractor. The State must indicate consent on the form. A written Contract Amendment must be signed by both parties and a new W-9 form must be submitted by the new Contractor and entered into the system prior to any payments being made to the new Contractor.

19. PRICING

19.1 Price Increase

Contractor prices accepted and subsequently awarded by a Contract shall remain in effect for a minimum of one (1) year. All written requests for price adjustments made by the Contractor shall be submitted 60 to 90 days prior to the anniversary or contract renewal date.

The State will review any requested rate increase to determine whether such request is reasonable in relation to increased supplier or material costs. Contractor shall provide written justification for any price adjustment requested, including information contained in the Consumer Price Index or similar official cost analysis to support any requested price increase. The State shall determine whether the requested price increase or an alternate option is in the best interest of the State. Any price increase adjustment, if approved, will be effective upon execution of a written Contract amendment.

Contract release order/purchase orders placed before a price increase is authorized shall be delivered at the purchase order price. However, if the price should decrease between receipt of the order, and shipment of the order, the Contractor shall invoice at the new lowest discounted price. The awarded contract price shall remain the same throughout the term of the contract, to include all renewals.

19.2 Price Reduction

Price reductions may be submitted in writing to the State for consideration at any time during the contract period. The State at its own discretion may accept a price reduction.

In relation to recurring costs based on most favored term pricing, after 3 years of completed service customer may request a review of the contract to bring pricing into line with current market pricing.

Any price reductions requests that are accepted by the State will be acknowledged by the issuance and acceptance of a fully executed bilateral contract amendment. Any accepted price reduction shall be available to all customers who may utilize this contract.

19.3 Bulk Pricing:

In addition to decreasing contract pricing in accordance with Special Terms and Conditions, Section 19.2, Price Reduction, Contractor(s) may offer bulk pricing at any time during the Contract. Such pricing shall be at a MRC of at least 10% less than the current contract pricing for said service. The Bulk Pricing may be presented for consideration by the State in the form of tiered pricing as well.

If electing to exercise this provision the Contractor shall submit to the following to the State Procurement Office, Procurement Officer:

- A Formal request to consider an addition of Bulk Pricing for specified products;
- Product Identification, identifying the 'Arizona Service ID' as listed in Attachment II, Pricing Structure; and
- The Bulk Pricing vs the existing contract pricing.

Approval of Bulk Pricing shall be in the form of a bilateral contract amendment. Bulk Pricing shall be available to all customers allowed to purchase under the Contract and available for the life of the Contract.

20. DATA SECURITY / SECURITY

20.1 Data Privacy/Security Incident Management.

Contractor and its agents shall cooperate and collaborate with appropriate State personnel to identify and respond to an information security or data privacy incident, including a security breach.

20.1.1 Threat of Security Breach
Contractor(s) agrees to notify the Customer's Chief Information Officer (CIO), the Customer's Chief Information Security Officer (CISO) and other key personnel as identified by the Customer of any perceived threats placing the supported infrastructure and/or applications in danger of breach of security. The speed of notice shall be at least commensurate with the level of threat, as perceived by the Contractor(s). Customer shall agree to provide contact information for the CIO, the CISO and key personnel to the Contractor if applicable.

20.1.2 Discovery of Security Breach
Contractor agrees to immediately notify the Customer's CIO, the CISO and key personnel as identified by the State of a discovered breach of security. Customer shall agree to provide contact information for the CIO, the CISO and key personnel to the Contractor if applicable.

20.2 Security Requirements for Contractor Personnel.
Each individual proposed to provide services through this contract agrees to security clearance and background check procedures, including fingerprinting, as defined by the Arizona Department of Administration in accordance with Arizona Revised Statutes §41-710. The results of the individual's background check procedures must meet all HIPAA and law enforcement requirements. Contractor is responsible for all costs to obtain security clearance for their consultants providing services through this contract. Contractor personnel, agents or sub-contractors that have administrative access to the State's networks may be subject to any additional security requirements of ADOA-ASET as may be required for the performance of the contract. The Contractor, its agents and sub-contractors shall provide documentation to ADOA-ASET confirming compliance with all such additional security requirements for performance of the contract. Additional security requirements include but are not limited to the following:

20.2.1 Identity and Address Verification – that verifies the individual is who he or she claims to be including verification of the candidate's present and previous addresses;
20.2.2 UNAX/confidentiality Training;
20.2.3 HIPAA Privacy and Security Training; and
20.2.4 Information Security Training.

20.3 Information Access. The Contractor shall, where applicable, implement and/or use network management and maintenance applications and tools and appropriate fraud prevention and detection and encryption technologies. The Contractor and its employees, agents and Subcontractors shall comply with all policies and procedures of the individual Customer regarding data access, privacy and security, including those prohibiting or restricting remote access to the Customer's systems and data. The Customer shall authorize, and the Contractor shall issue, any necessary information-access mechanisms, including access IDs and passwords, and the Contractor agrees that the same shall be used only by the personnel to whom they are issued. The Contractor shall provide to such personnel only such level of access as is minimally necessary to perform the tasks and functions for which such personnel are responsible. The Contractor shall from time-to-time, upon request from the Customer, but in the absence of any request from the Customer at least quarterly, provide the Customer with an updated list of the Contractor personnel having access to the Customer's systems, software, and data, and the level of such access. Computer data and software, including the Customers Data, provided by the Customer or accessed (or accessible) by the Contractor personnel or the Contractor's Subcontractor personnel, shall be used by such personnel only in connection with the obligations provided hereunder, and shall not be commercially exploited by the Contractor or its Subcontractors in any manner whatsoever. Failure of the Contractor or the Contractor's Subcontractors to comply with the provisions of this Contract may result in the Customer restricting offending personnel from access to the Customer computer systems or the Customer Data or immediate termination of this Contract. It shall be the Contractor's obligation to maintain and ensure the confidentiality and security of the Customer Data in its possession or on its systems.

20.4 Information Disclosure. The Contractor shall establish and maintain procedures and controls that are acceptable to the State for the purpose of assuring that no information contained in its records or obtained from the state or from others in carrying out its functions under the contract shall be used or disclosed by it,

its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the State. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the State.

20.5 Building Access.

20.5.1 Contractor access to Customer facilities and resources shall be properly authorized by Customer personnel, based on business need and will be restricted to least possible privilege. Upon approval of access privileges, the Contractor shall maintain strict adherence to all policies, standards, and procedures. Policies / Standards, ADOA/ASET Policies / Procedures, and Arizona Revised Statues (ARS) 28-447, 28-449, 28-450, 38-421, 13-2408, 13-2316, 41-770).

20.5.2 Failure of the Contractor, its agents or subcontractors to comply with policies, standards, and procedures including any person who commits an unlawful breach or harmful access (physical or virtual) will be subject to prosecution under all applicable state and / or federal laws. Any and all recovery or reconstruction costs or other liabilities associated with an unlawful breach or harmful access shall be paid by the Contractor.

21. SECTION 508 COMPLIANCE

Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. § 41-3531 and § 41-3532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

22. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

The Contractor warrants that it is familiar with the requirements of HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH Act) of 2009, and accompanying regulations and will comply with all applicable HIPAA requirements in the course of this Contract. Contractor warrants that it will cooperate with the State in the course of performance of the Contract so that both the State and the Contractor will be in compliance with HIPAA, including cooperation and coordination with the Arizona Strategic Enterprise Technology (ASET) Group, Statewide Information Security and Privacy Office (SISPO), Chief Privacy Officer and HIPAA Coordinator and other compliance officials required by HIPAA and its regulations. Contractor will sign any documents that are reasonably necessary to keep the State and Contractor in compliance with HIPAA, including but not limited to, business associate agreements.

If requested, the Contractor agrees to sign a “Pledge to Protect Confidential Information” and to abide by the statements addressing the creation, use and disclosure of confidential information, including information designated as protected health information and all other confidential or sensitive information as defined in policy. In addition, if requested, Contractor agrees to attend or participate in job related HIPAA training that is: (1) intended to make the Contractor proficient in HIPAA for purposes of performing the services required and (2) presented by a HIPAA Privacy Officer or other person or program knowledgeable and experienced in HIPAA and who has been approved by the ASET/SISPO Chief Privacy Officer and HIPAA Coordinator.

23. FIRST PARTY LIMITATION OF LIABILITY

Contractor’s liability for first party damages to the State arising from this Contract shall be limited to two (2) times the maximum-not-to-exceed amount of this Contract. The foregoing limitation of liability shall not apply to: (i) liability, including indemnification obligations, for third party claims, including but not limited to, infringement of third party intellectual property rights; (ii) claims covered by any specific provision of the Contract calling for liquidated damages or other amounts, including but not limited to, performance requirements; or (iii) costs or attorneys’ fees that the State is entitled to recover as a prevailing party in any action.

24. INDEMNIFICATION

Contractor shall indemnify, defend with counsel reasonably approved by the State, and hold harmless, the State, its departments, agencies, boards, commissions, universities, officers, agents and employees (collectively, the

"Indemnitee") from and against any and all claims, actions, damages, costs (including attorneys' fees), and losses arising under this Contract, including, but not limited to, bodily injury or personal injury (including death) or loss or damage to tangible or intangible property, but excluding damages arising solely from the gross negligence or willful misconduct of the Indemnitee. This indemnification obligation includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of Contractor to comply with any federal, state or local law, statute, ordinance, rule, regulation or court decree. Contractor shall have control, subject to the reasonable approval of the State, of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when substantial principles of government or public law are involved, or when involvement of the State is otherwise mandated by law, the State may elect, in its sole and absolute discretion, to participate in such action at its own expense with respect to attorneys' fees and costs, but not liability, and the State shall have the right to approve or disapprove any settlement, which approval shall not be unreasonably withheld or delayed. The State shall reasonably cooperate in its defense and any related settlement negotiations.

25. IP INDEMNIFICATION

Indemnification - Patent and Copyright. With respect solely to Materials provided or proposed by Contractor or Contractor's agents, emp1oyees, or subcontractors (each a “Contractor Party”) for performance of this Contract, Contractor shall indemnify, defend and hold harmless the State, its departments, agencies, boards, commissions, universities, officers, agents and employees (collectively, the "Indemnitee"), against any third-party claims for liability, including, but not limited to, reasonable costs and expenses, including attorneys' fees, for infringement or violation of any patent, trademark, copyright or trade secret, by such Materials or the State’s use thereof.

In addition, with respect to claims arising from computer hardware or software manufactured or developed solely by a third party, Contractor shall pass through to the State such indemnity rights as it receives from such third party (the "Third Party Obligation") and will cooperate in enforcing them; provided, however, that (i) if the third party manufacturer fails to honor the Third Party Obligation, or (ii) the Third Party Obligation is insufficient to fully indemnify the State, Contractor shall indemnify, defend and hold harmless the State against such claims in their entirety or for the balance of any liability not fully covered by the Third Party Obligation.

The State shall reasonably notify the Contractor of any claim for which Contractor may be liable under this section. If the Contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply. Contractor shall have control, subject to the reasonable approval of the State, of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when substantial principles of government or public law are involved or when involvement of the State is otherwise mandated by law, the State may elect, in its sole and absolute discretion, to participate in such action at its own expense with respect to attorneys' fees and costs, but not liability, and the State shall have the right to approve or disapprove any settlement, which approval shall not be unreasonably withheld or delayed. The State shall reasonably cooperate in the defense and any related settlement negotiations.

If Contractor believes at any time that any Materials provided or in use pursuant to this Contract infringe a third party's intellectual property rights, Contractor shall, at Contractor's sole cost and expense, and upon receipt of the State's prior written consent, which shall not be unreasonably withheld, (i) replace an infringing Material with a non-infringing Material; (ii) obtain for the State the right to continue to use the infringing Material; or (iii) modify the infringing Material to be non-infringing, provided that following any replacement or modification made pursuant to the foregoing, the Material continues to function in accordance with the Contract. Contractor’s failure or inability to accomplish any of the foregoing shall be deemed a material breach of this Contract.

Notwithstanding the foregoing, Contractor shall not be liable for any claim for infringement based solely on any Indemnitee’s:

(i) modification of Materials provided by Contractor other than as contemplated by the Contract or the specifications of such Materials or as otherwise authorized or proposed in any way by Contractor or a Contractor Party;

(ii) use of the Materials in a manner other than as contemplated by this Contract or the specifications of such Materials, or as otherwise authorized or proposed in any way by Contractor or a Contractor Party; or

(iii) use of the Materials in combination, operation, or use with other products in a manner not contemplated by the Contract, or, the specifications of such Materials, or as otherwise authorized or proposed in any way by Contractor or a Contractor Party.

Contractor certifies, represents and warrants to the State that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of the Contract for the acquisition, operation or maintenance of Materials in violation of intellectual property laws.

26. INTELLECTUAL PROPERTY

20.1 Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, or trade secrets created or conceived solely pursuant to or as a result of this Contract and any related subcontract (collectively, the "Intellectual Property"), shall be work made for hire and the State shall be the owner of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this Contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Software and other Materials developed or otherwise obtained by or for Contractor or its affiliates independently of this Contract ("Independent Materials") do not constitute Intellectual Property. If Contractor creates derivative works of Independent Materials, then the elements of such derivative works created pursuant to this Contract shall constitute Intellectual Property owned by the State. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by Contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this Contract.

Notwithstanding the foregoing, if the State elects, in its sole and absolute discretion, to relinquish its ownership interest in any or all of the Intellectual Property, the State shall have the rights to use, modify, reproduce, release, perform, display, sublicense or disclose such Intellectual Property within State government and operations without restriction for any activity in which the State is a party (collectively, "Government Purpose Rights").

27. SURVIVAL OF RIGHTS AND OBLIGATIONS AFTER CONTRACT EXPIRATION OR TERMINATION

21.1 Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition the parties hereto acknowledge that pursuant to A.RS § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S. Title 12, Chapter 5.

21.2 Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer including, without limitation, all purchase orders received prior to, but not fully performed and satisfied at the expiration or termination of, this Contract.

28. INSURANCE REQUIREMENTS

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work

under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

28.1 **MINIMUM SCOPE AND LIMITS OF INSURANCE**: Contractor shall provide coverage with limits of liability not less than those stated below.

28.1.1 Commercial General Liability – Occurrence Form
Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability coverage.

- General Aggregate $5,000,000
- Products – Completed Operations Aggregate $1,000,000
- Personal and Advertising Injury $1,000,000
- Damage to Rented Premises $ 50,000
- Each Occurrence $1,000,000

28.1.1.1 The policy shall be endorsed **(Blanket Endorsements are not acceptable)** to include the following additional insured language: ***"The State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor."*** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

28.1.1.2 Policy shall contain a waiver of subrogation endorsement **(Blanket Endorsements are not acceptable)** in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

28.1.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

- Combined Single Limit (CSL) $1,000,000

28.1.2.1 The policy shall be endorsed **(Blanket Endorsements are not acceptable)** to include the following additional insured language: ***"The State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor."*** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

28.1.2.2 Policy shall contain a waiver of subrogation endorsement (**Blanket Endorsements are not acceptable)** in favor of the **"State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees"** for losses arising from work performed by or on behalf of the Contractor.

28.1.3 Worker's Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
  Each Accident $1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

28.1.3.1 Policy shall contain a waiver of subrogation endorsement **(Blanket Endorsements are not acceptable)** in favor of the "**State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees"** for losses arising from work performed by or on behalf of the Contractor.

28.1.3.2 This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. § 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

28.1.4 Technology Errors & Omissions Insurance

- Each Claim $ 2,000,000
- Annual Aggregate $ 2,000,000

28.1.4.1 Such insurance shall cover any and all errors, omissions, or negligent acts in the delivery of products, services, and/or licensed programs under this contract.

28.1.4.2 In the event that the Tech E&O insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

28.1.5 Network Security (Cyber) and Privacy Liability *(If applicable to service to be provided by the Contractor)*

- Each Claim $ 2,000,000
- Annual Aggregate $ 2,000,000

28.1.5.1 Such insurance shall include but not limited to coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and invasion of privacy regardless of the type of media involved in the loss of private information, crisis management and identity theft response costs – includes breach notification costs, credit remediation and credit monitoring, defense and claims expenses, regulatory defense costs plus fines and penalties, cyber extortion, computer program and electronic data restoration expenses coverage (data asset protection), network business interruption, computer fraud coverage, funds transfer fund

28.1.5.2 In the event that the Network Security and Privacy Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

28.2 **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed **(Blanket Endorsements are not acceptable)** to include, the following provisions:

28.2.1 The Contractor's policies shall stipulate that the insurance afforded the contractor shall be primary insurance and that any insurance carried by the Department, and its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

28.2.2 Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

28.3 **NOTICE OF CANCELLATION:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to **Charlotte Righetti, CPPB 100 N 15th Ave, Suite 201, Phoenix AZ 85007** and shall be sent by certified mail, return receipt requested.

28.4 **ACCEPTABILITY OF INSURERS:** Contractors insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

28.5 **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative.

All certificates and endorsements **(Blanket Endorsements are not acceptable)** are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Charlotte Righetti, CPPB 100 N 15th Ave, Suite 201, Phoenix AZ 85007**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

28.6 **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insured under its policies **or** Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

28.7 **APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.

28.8 **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

29. MARKET ACQUISITIONS

In the event a Contractor acquires a market within a geographical region which they were not originally awarded, the Contractor may request an amendment to its contract to include pricing of services for this newly acquired market. Documentation of the acquisition must be provided in order for the State to consider, at its option, this addition, via a bilateral contract amendment.

30. CUSTOMER SERVICE ORDERS (CSO's)

Contractors and Customers may enter into Customer Service Order Agreements for services covered within resultant contracts of this Solicitation. Agreement shall only be valid if the Customer has the legal authority to enter into these types of agreements without going through a competitive process. Additional Terms and Conditions found within a Contractors CSO shall not become part of the State of Arizona's Master Contract.

31. NON-RECURRING COSTS (NRC)

Providers are required to quote NRC for services provided within their awarded County(ies) and Categories as outlined within Attachment II, Pricing Structure. In the event that a Contractor elects to quote a Customer an additional NRC, over and above the listed NRC within Attachment II, the Contractor shall comply with the following:

- The reason for the 'Extension' NRC is based on extending the Provider's transport medium to an off-net location;
- 'Extension' NRC should not exceed six (6) times the firm fixed monthly recurring cost (MRC) for the service in question; and
- No more than 20% of the requested quotes submitted within a one year period, for the service in question, shall have an Extension NRC.

Final acceptance of the Extension NRC is at the sole option of the customer. Customer reserves the right to negotiate the proposed Extension NRC. Extension NRC shall not be permitted in lieu of or in connection with a Contractors Broadband Expansion Projects.

UNIFORM TERMS AND CONDITIONS

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1 *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2 *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3 "*Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4 *"Contractor"* means any person who has a Contract with the State.

1.5 *"Days"* means calendar days unless otherwise specified.

1.6 *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7 *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8 "*Materials"* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9 *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10 *"Services"* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11 *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12 *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13 *"State Fiscal Year"* means the period beginning with July 1 and ending June 30.

2. Contract Interpretation

2.1 Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2 Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

2.3 Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1 Special Terms and Conditions;

2.3.2 Uniform Terms and Conditions;

2.3.3 Statement or Scope of Work;

2.3.4 Specifications;

2.3.5 Attachments;

2.3.6 Exhibits;

2.3.7 Documents referenced or included in the Solicitation.

2.4 Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5 Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6 No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7 No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1 Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2 Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3 Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4 Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5 Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6 Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7 Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8 Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire

and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9 Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1 Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2 Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3 Applicable Taxes.

4.3.1 Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2 State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3 Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4 IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4 Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any

payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5 Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1 Accept a decrease in price offered by the contractor;

4.5.2 Cancel the Contract; or

4.5.3 Cancel the contract and re-solicit the requirements.

5. Contract Changes

5.1 Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2 Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3 Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1 Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2 Indemnification

6.2.1 Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2 Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3 Indemnification - Patent and Copyright**.** The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4 Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *"force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2 Force Majeure shall not include the following occurrences:

6.4.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2 Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3 Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4 Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5 Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1 Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2 Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1 Of a quality to pass without objection in the trade under the Contract description;

7.2.2 Fit for the intended purposes for which the materials are used;

7.2.3 Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4 Adequately contained, packaged and marked as the Contract may require; and

7.2.5 Conform to the written promises or affirmations of fact made by the Contractor.

7.3 Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5 Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6 Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1 Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2 Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1 Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2 Stop Work Order.

8.2.1 The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2 If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3 Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4 Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5 Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1 Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this

Contract as provided in A.R.S. § 38-511.

9.2 Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4 Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5 Termination for Default.

9.5.1 In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3 The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6 Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12. Comments Welcome

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

Exhibit A -
Backhaul Bandwidth for Census Designated Places

This Exhibit describes the State's minimum recommended back-haul desired for each Community or Community Area for each County in the State. Community Areas are defined those Communities whose boundaries are within at least one mile of the boundaries of another Community. The recommended minimum backhaul into a Community or Area to support residential broadband service is based on a potential market of 10% of the households in a Community or Area times 6 Mbps of minimum bandwidth per potentially served household.

From time to time the State intends to provide qualified Providers and Customers additional recommendations minimum backhaul bandwidth recommendations for Communities and Community Areas including for: Student, government entity, public safety, and business users of bandwidth. The purpose of this is to assist in defining sufficient demand aggregation in communities to justify investments in expanded bandwidth delivery infrastructure.

The State recognizes that in many Communities and Areas these minimum recommendations have already been significantly exceeded but in many Communities and Areas this minimal capacity is still lacking.

APACHE	Community or Community Area	Households	Population	Sq. Miles	Recommended Minimum Bandwidth To Community Or Area
	EAGAR	*2045*	*4885*	*11.2*	
	SPRINGERVILLE	*954*	*1961*	*11.7*	
	EAGAR AREA	2999	6846	22.9	1.8 Gbps
	CHINLE	1483	4518	16.1	0.9 Gbps
	WINDOW ROCK	*938*	*2712*	*5.3*	
	ST. MICHAELS	*518*	*1443*	*3.8*	
	WINDOW ROCK AREA	1456	4155	9.1	0.9 Gbps
	ST. JOHNS	1476	3480	26.1	0.9 Gbps
	FORT DEFIANCE	1250	3624	6.1	0.8 Gbps
	LUKACHUKAI	674	1701	22.0	0.5 Gbps
	MANY FARMS	491	1348	8.2	0.3 Gbps
	GANADO	445	1210	9.2	0.3 Gbps
	HOUCK	385	1024	42.5	0.3 Gbps
	TSAILE AREA	346	1205	6.0	0.3 Gbps
	DENNEHOTSO	264	746	10.0	0.2 Gbps
	ROUND ROCK	260	789	14.3	0.2 Gbps

	TEEC NOS POS	258	730	14.3	0.2 Gbps
	SAWMILL	243	748	5.8	0.2 Gbps
	SANDERS	242	630	2.4	0.2 Gbps
	ALPINE	205	145	0.6	0.2 Gbps
	ROCK POINT	205	642	14.2	0.2 Gbps
	RED MESA	202	480	12.8	0.2 Gbps
	BURNSIDE	174	537	9.3	0.2 Gbps
	GREER	167	41	0.5	0.2 Gbps
	ROUGH ROCK	160	414	12.8	0.1 Gbps
	NAZLINI	136	489	7.5	0.1 Gbps
	MCNARY	136	528	5.6	0.1 Gbps
	DEL MUERTO	103	329	1.0	0.1 Gbps
	STEAMBOAT	92	284	2.4	0.1 Gbps
	KLAGETOH	71	242	0.3	0.1 Gbps
	COTTONWOOD	66	226	0.1	0.1 Gbps
	RED ROCK	64	169	1.2	0.1 Gbps
	CORNFIELDS	62	255	0.4	0.1 Gbps
	VERNON	61	122	0.6	0.1 Gbps
	TSAILE AREA	52	135	0.7	0.1 Gbps
	CONCHO	36	38	0.5	0.1 Gbps
	NUTRIOSO	30	26	0.3	0.1 Gbps
	WIDE RUINS	24	176	0.4	0.1 Gbps
	OAK SPRINGS	21	63	0.2	0.1 Gbps
	LUPTON	8	25	0.4	0.1 Gbps
	TOYEI	6	13	0.3	0.1 Gbps
COCHISE					
	SIERRA VISTA	*18742*	*43888*	*152.4*	
	SIERRA VISTA SOUTHEAST	*6394*	*14797*	*110.8*	
	WHETSTONE	*1163*	*2617*	*11.9*	
	HUACHUCA	*920*	*1853*	*2.8*	
	MIRACLE VALLEY	*287*	*644*	*0.6*	
	PALOMINAS	*107*	*212*	*1.9*	
	SIERRA VISTA AREA	27613	64011	280.5	16.6 Gbps
	DOUGLAS	5652	17378	10.0	3.4 Gbps
	BISBEE	3284	5575	5.2	2 Gbps
	BENSON	2941	5105	41.4	1.8 Gbps
	WILLCOX	1659	3757	6.3	1 Gbps
	TOMBSTONE	864	1380	4.3	0.6 Gbps
	MESCAL	853	1812	4.9	0.6 Gbps
	ST. DAVID	804	1699	5.3	0.5 Gbps

	PIRTLEVILLE	631	1744	1.9	0.4 Gbps
	NACO	334	1046	3.3	0.3 Gbps
	BOWIE	256	449	1.7	0.2 Gbps
	ELFRIDA	243	459	3.8	0.2 Gbps
	SUNIZONA	206	281	8.5	0.2 Gbps
	SAN SIMON	127	165	0.7	0.1 Gbps
	MCNEAL	116	238	3.8	0.1 Gbps
	DRAGOON	115	209	1.8	0.1 Gbps
COCONINO					
	FLAGSTAFF	*26254*	*65870*	*63.9*	
	DONEY PARK	*1896*	*5395*	*14.9*	
	KACHINA VILLAGE	*1469*	*2622*	*1.2*	
	MOUNTAINAIRE	*621*	*1119*	*10.2*	
	FORT VALLEY	*371*	*779*	*7.6*	
	FLAGSTAFFAREA	30611	75785	97.9	18.4 Gbps
	PAGE	*2787*	*7247*	*16.6*	
	LECHEE	*359*	*1443*	*16.6*	
	PAGE AREA	3146	8690	33.2	1.9 Gbps
	MUNDS PARK	3019	631	22.3	1.9 Gbps
	WILLIAMS	*1426*	*3023*	*43.8*	
	PARKS	*1288*	*1188*	*172.3*	
	WILLIAMS AREA	2714	4211	216.0	1.7 Gbps
	TUBA	2465	8611	9.0	1.5 Gbps
	GRAND CANYON VILLAGE	858	2004	13.4	0.6 Gbps
	VALLE	583	832	243.8	0.4 Gbps
	FREDONIA	578	1314	7.3	0.4 Gbps
	KAIBITO	413	1522	15.9	0.3 Gbps
	TUSAYAN	289	558	8.9	0.2 Gbps
	CAMERON	285	885	18.7	0.2 Gbps
	MOENKOPI	284	964	1.5	0.2 Gbps
	LEUPP	255	951	13.6	0.2 Gbps
	TONALEA	132	549	9.9	0.1 Gbps
	BITTER SPRINGS	130	452	8.0	0.1 Gbps
	TOLANI LAKE	98	280	0.4	0.1 Gbps
	SUPAI	49	208	1.7	0.1 Gbps
GILA					
	PAYSON	*8958*	*15301*	*19.5*	
	STAR VALLEY	*1531*	*2310*	*36.1*	
	MESA DEL CABALLO	*406*	*765*	*0.3*	
	ROUND VALLEY	*227*	*487*	*4.8*	
	BEAVER VALLEY	*225*	*231*	*1.5*	
	TONTO VILLAGE	*215*	*256*	*0.3*	
	WASHINGTON PARK	*206*	*70*	*2.6*	
	WHISPERING PINES	*188*	*148*	*0.4*	
	EAST VERDE ESTATES	*165*	*170*	*2.5*	

OXBOW ESTATES	*141*	*217*	*0.5*	
KOHLS RANCH	*127*	*46*	*1.2*	
MEAD RANCH	*108*	*38*	*0.6*	
BEAR FLAT	*54*	*18*	*0.2*	
FREEDOM ACRES	*51*	*84*	*1.8*	
FLOWING SPRINGS	*39*	*42*	*1.7*	
PAYSON AREA	12641	20183	74.0	7.6 Gbps
GLOBE	*3386*	*7532*	*18.2*	
CENTRAL HEIGHTS-MIDLAND	*1191*	*2534*	*1.9*	
MIAMI	*973*	*1837*	*0.9*	
CLAYPOOL	*750*	*1538*	*1.2*	
SIX SHOOTER CANYON	*469*	*1019*	*2.9*	
WHEATFIELDS	*465*	*785*	*8.1*	
ICEHOUSE CANYON	*298*	*677*	*4.9*	
PINAL	*199*	*439*	*0.4*	
COPPER HILL	*63*	*108*	*7.3*	
EAST GLOBE	*61*	*226*	*3.4*	
CUTTER	*21*	*74*	*0.8*	
GLOBE AREA	7876	16769	50.1	4.8 Gbps
PINE	*2588*	*1963*	*32.4*	
STRAWBERRY	*1293*	*961*	*9.5*	
GERONIMO ESTATES	*122*	*60*	*1.3*	
PINE AREA	4003	2984	43.2	2.5 Gbps
TONTO BASIN	1383	1424	31.3	0.9 Gbps
SAN CARLOS	*998*	*4038*	*8.6*	
PERIDOT	*362*	*1350*	*5.2*	
SAN CARLOS AREA	1360	5388	13.7	0.9 Gbps
YOUNG	667	666	47.8	0.5 Gbps
GISELA	*331*	*570*	*2.9*	
DEER CREEK	*129*	*216*	*1.7*	
RYE	*63*	*77*	*0.5*	
GISELA AREA	523	863	5.1	0.4 Gbps
CHRISTOPHER CREEK	*388*	*156*	*3.0*	
HUNTER CREEK	*111*	*48*	*2.2*	
CHRISTOPHER CREEK AREA	499	204	5.2	0.3 Gbps
HAYDEN	*301*	*662*	*1.3*	
WINKELMAN	*163*	*353*	*0.8*	
HAYDEN AREA	464	1015	2.0	0.3 Gbps
CANYON DAY	310	1209	5.1	0.2 Gbps
TOP-OF-THE-WORLD	173	231	6.1	0.2 Gbps
DRIPPING SPRINGS	121	235	6.7	0.1 Gbps
CEDAR CREEK	97	318	17.0	0.1 Gbps
JAKES CORNER	81	76	1.4	0.1 Gbps
HAIGLER CREEK	46	19	1.6	0.1 Gbps
ROOSEVELT	43	28	3.1	0.1 Gbps
ROCK HOUSE	42	50	0.6	0.1 Gbps
CARRIZO	40	127	9.0	0.1 Gbps
EL CAPITAN	33	37	6.1	0.1 Gbps
GRAHAM				

	SAFFORD	*3908*	*9566*	*8.6*	
	THATCHER	*1840*	*4865*	*6.7*	
	PIMA	*870*	*2387*	*5.9*	
	SWIFT TRAIL JUNCTION	*679*	*2935*	*3.7*	
	CACTUS FLATS	*595*	*1518*	*6.2*	
	SAN JOSE	*211*	*506*	*4.2*	
	CENTRAL	*209*	*645*	*1.9*	
	SOLOMON	*171*	*426*	*0.2*	
	BRYCE	*60*	*175*	*0.8*	
	SAFFORD AREA	8543	23023	38.3	5.2 Gbps
	BYLAS	491	1962	4.4	0.3 Gbps
	FORT THOMAS	206	374	8.7	0.2 Gbps
GRENLEE					
	CLIFTON	1580	3311	14.8	1 Gbps
	MORENCI	792	1489	1.0	0.5 Gbps
	DUNCAN	398	696	2.2	0.3 Gbps
	YORK	336	557	1.9	0.3 Gbps
	FRANKLIN	51	92	1.0	0.1 Gbps
LAPAZ					
	CIENEGA SPRINGS	*2291*	*1798*	*3.9*	
	PARKER STRIP	*1387*	*662*	*4.2*	
	PARKER	*1098*	*3083*	*22.0*	
	BLUEWATER	*669*	*725*	*2.4*	
	CIENEGA SPRINGS AREA	5445	6268	32.4	3.3 Gbps
	QUARTZSITE	*3378*	*3677*	*36.8*	
	LA PAZ VALLEY	*695*	*699*	*29.4*	
	QUARTZSITE AREA	4073	4376	66.1	2.5 Gbps
	BOUSE	*914*	*996*	*136.4*	
	BRENDA	*725*	*676*	*6.9*	
	VICKSBURG	*687*	*597*	*143.1*	
	UTTING	*103*	*126*	*26.5*	
	BOUSE AREA	2429	2395	312.8	1.5 Gbps
	SALOME	1078	1530	33.4	0.7 Gbps
	EHRENBERG	948	1470	12.2	0.6 Gbps
	WENDEN	416	728	15.0	0.3 Gbps
	CIBOLA	307	250	20.2	0.2 Gbps
	POSTON	85	285	1.4	0.1 Gbps
	ALAMO LAKE	31	25	46.6	0.1 Gbps
	SUNWEST	31	15	24.3	0.1 Gbps
MARICOPA					
	PHOENIX	*590149*	*1445632*	*517.7*	
	SCOTTSDALE	*124001*	*217385*	*184.3*	
	GLENDALE	*90505*	*226721*	*60.1*	
	TEMPE	*73462*	*161719*	*40.2*	
	SURPRISE	*52586*	*117517*	*105.8*	
	SUN	*28169*	*37499*	*14.5*	
	AVONDALE	*27001*	*76238*	*45.6*	

	SUN WEST	*18218*	*24535*	*10.9*	
	BUCKEYE	*18207*	*50876*	*375.3*	
	FOUNTAIN HILLS	*13167*	*22489*	*20.4*	
	EL MIRAGE	*11326*	*31797*	*10.1*	
	ANTHEM	*8801*	*21700*	*8.0*	
	NEW RIVER	*6273*	*14952*	*55.7*	
	PARADISE VALLEY	*5643*	*12820*	*15.5*	
	YOUNG	*2831*	*6156*	*1.5*	
	LITCHFIELD PARK	*2716*	*5476*	*3.3*	
	CAVE CREEK	*2579*	*5015*	*37.9*	
	CAREFREE	*2251*	*3363*	*8.8*	
	TOLLESON	*2169*	*6545*	*5.7*	
	CITRUS PARK	*1385*	*4028*	*5.8*	
	GUADALUPE	*1376*	*5523*	*0.8*	
	GILA BEND	*943*	*1922*	*55.4*	
	WITTMANN	*301*	*763*	*1.0*	
	KOMATKE	*246*	*821*	*2.2*	
	MARICOPA COLONY	*201*	*709*	*5.6*	
	GILA CROSSING	*141*	*621*	*0.9*	
	ARLINGTON	*99*	*194*	*2.3*	
	PHOENIX METRO AREA	1084746	2503016	1595.4	650.9 Gbps
	MESA	*201173*	*439041*	*137.0*	
	CHANDLER	*94404*	*236123*	*64.5*	
	GILBERT	*74907*	*208453*	*68.1*	
	SUN LAKES	*10028*	*13975*	*5.3*	
	QUEEN CREEK	*8557*	*26361*	*28.1*	
	MESA METRO AREA	389069	923953	302.9	233.5 Gbps
	PEORIA	64818	154065	177.9	38.9 Gbps
	GOODYEAR	25027	65275	191.4	15.1 Gbps
	WICKENBURG	3619	6363	18.8	2.2 Gbps
	RIO VERDE	1647	1811	5.1	1 Gbps
	AGUILA	304	798	1.6	0.2 Gbps
	WINTERSBURG	173	136	0.5	0.2 Gbps
	MORRIS	139	227	0.8	0.1 Gbps
	ST. JOHNS	139	476	2.3	0.1 Gbps
	KAKA	57	141	0.3	0.1 Gbps
	THEBA	49	158	0.6	0.1 Gbps
	TONOPAH	30	60	1.4	0.1 Gbps
MOHAVE					
	LAKE HAVASU	*32327*	*52527*	*44.6*	
	DESERT HILLS	*1847*	*2245*	*4.9*	
	CRYSTAL BEACH	*171*	*279*	*0.3*	
	LAKE HAVASU AREA	34345	55051	49.8	20.7 Gbps
	BULLHEAD	*23464*	*39540*	*60.3*	
	FORT MOHAVE	*7179*	*14364*	*16.7*	
	WILLOW VALLEY	*1326*	*1062*	*5.0*	
	MOHAVE VALLEY	*1300*	*2616*	*14.1*	
	ARIZONA VILLAGE	*531*	*946*	*1.6*	
	MESQUITE CREEK	*240*	*416*	*1.0*	
	KATHERINE	*158*	*103*	*4.6*	

	MOJAVE RANCH ESTATES	*21*	*52*	*0.8*	
	BULLHEAD AREA	34219	59099	104.1	20.6 Gbps
	KINGMAN	*12724*	*28068*	*34.9*	
	NEW KINGMAN-BUTLER	*5863*	*12134*	*5.0*	
	GOLDEN VALLEY	*4342*	*8370*	*78.9*	
	WALNUT CREEK	*251*	*562*	*1.5*	
	SO-HI	*242*	*477*	*0.9*	
	LAZY Y U	*194*	*428*	*15.7*	
	PINION PINES	*102*	*186*	*1.5*	
	CLACKS CANYON	*83*	*173*	*3.3*	
	MCCONNICO	*56*	*70*	*6.6*	
	KINGMAN AREA	23857	50468	148.2	14.4 Gbps
	BEAVER DAM	*1202*	*1962*	*8.4*	
	SCENIC	*779*	*1643*	*16.5*	
	LITTLEFIELD	*153*	*308*	*12.0*	
	BEAVER DAM AREA	2134	3913	36.9	1.3 Gbps
	GOLDEN SHORES	1637	2047	8.2	1 Gbps
	DOLAN SPRINGS	1556	2033	58.2	1 Gbps
	MEADVIEW	1373	1224	31.1	0.9 Gbps
	VALLE VISTA	*936*	*1659*	*12.0*	
	ANTARES	*95*	*126*	*0.7*	
	VALLE VISTA AREA	1031	1785	12.7	0.7 Gbps
	COLORADO	*599*	*4821*	*10.3*	
	CENTENNIAL PARK	*225*	*1264*	*2.2*	
	CANE BEDS	*168*	*448*	*8.3*	
	COLORADO AREA	992	6533	20.8	0.6 Gbps
	PEACH SPRINGS	334	1090	7.9	0.3 Gbps
	WHITE HILLS	290	323	52.0	0.2 Gbps
	CHLORIDE	245	271	1.5	0.2 Gbps
	PINE LAKE	156	138	1.7	0.1 Gbps
	OATMAN	112	135	0.2	0.1 Gbps
	WIKIEUP	103	133	4.4	0.1 Gbps
	YUCCA	98	126	2.2	0.1 Gbps
	KAIBAB	*52*	*124*	*6.5*	
	MOCCASIN	*37*	*89*	*0.8*	
	KAIBAB AREA	89	213	7.2	0.1 Gbps
	TRUXTON	73	134	3.8	0.1 Gbps
	HACKBERRY	*45*	*68*	*17.6*	
	VALENTINE	*14*	*38*	*1.6*	
	CROZIER	*11*	*14*	*1.1*	
	HACKBERRY AREA	70	120	20.3	0.1 Gbps
	TOPOCK	31	10	0.3	0.1 Gbps
	GRAND CANYON WEST	19	2	17.6	0.1 Gbps
NAVAJO					
	SHOW LOW	*7722*	*10660*	*41.2*	
	PINETOP COUNTRY CLUB	*3789*	*1794*	*6.8*	
	PINETOP-LAKESIDE	*3451*	*4282*	*11.4*	
	LAKE OF THE WOODS	*2859*	*4094*	*4.1*	

SNOWFLAKE	*2074*	*5590*	*33.6*	
WHITE MOUNTAIN LAKE	*1772*	*2205*	*24.2*	
LINDEN	*1468*	*2597*	*30.5*	
TAYLOR	*1464*	*4112*	*32.7*	
WAGON WHEEL	*1163*	*1652*	*3.1*	
WHITERIVER	*1072*	*4104*	*15.8*	
NORTH FORK	*396*	*1417*	*61.6*	
HONDAH	*286*	*812*	*12.3*	
RAINBOW	*226*	*968*	*2.2*	
SEVEN MILE	*176*	*707*	*2.3*	
EAST FORK	*170*	*699*	*1.9*	
TURKEY CREEK	*77*	*294*	*0.8*	
FORT APACHE	*53*	*143*	*1.2*	
SHOW LOW AREA	28218	46130	285.4	17 Gbps
HEBER-OVERGAARD	3593	2822	6.9	2.2 Gbps
WINSLOW	*3362*	*9655*	*12.3*	
WINSLOW WEST	*173*	*438*	*17.9*	
WINSLOW AREA	3535	10093	30.19	2.2 Gbps
HOLBROOK	1881	5053	17.4	1.2 Gbps
KAYENTA	1602	5189	13.2	1 Gbps
FIRST MESA	*555*	*1555*	*15.7*	
SECOND MESA	*325*	*962*	*40.1*	
SHONGOPOVI	*240*	*831*	*1.6*	
KEAMS CANYON	*142*	*304*	*16.6*	
JEDDITO	*115*	*293*	*5.4*	
FIRST MESA AREA	1377	3945	79.5	0.9 Gbps
JOSEPH	547	1386	7.4	0.4 Gbps
CIBECUE	455	1713	6.0	0.3 Gbps
DILKON	361	1184	16.6	0.3 Gbps
PINON	338	904	6.5	0.3 Gbps
HOTEVILLA-BACAVI	*412*	*957*	*11.8*	
KYKOTSMOVI VILLAGE	*328*	*746*	*16.9*	
HOTEVILLA-BACAVI AREA	740	1703	28.67	0.5 Gbps
PINEDALE	332	487	9.7	0.2 Gbps
WHITECONE	300	817	45.1	0.2 Gbps
LOW MOUNTAIN	260	757	36.9	0.2 Gbps
CHILCHINBITO	228	506	23.8	0.2 Gbps
SHONTO	205	591	4.6	0.2 Gbps
GREASEWOOD	181	547	5.4	0.2 Gbps
CLAY SPRINGS	164	401	2.8	0.1 Gbps
SUN VALLEY	150	316	31.6	0.1 Gbps
TEES TOH	149	448	17.0	0.1 Gbps
WOODRUFF	85	191	5.8	0.1 Gbps
INDIAN WELLS	75	255	10.4	0.1 Gbps
SEBA DALKAI	57	136	15.1	0.1 Gbps
OLJATO-MONUMENT VALLEY	46	154	12.4	0.1 Gbps
HARD ROCK	41	94	5.9	0.1 Gbps

Pima

TUCSON	*229762*	*520116*	*226.9*	
CASAS ADOBES	*30364*	*66795*	*26.9*	
CATALINA FOOTHILLS	*27211*	*50796*	*42.1*	
ORO VALLEY	*20340*	*41011*	*35.6*	
GREEN VALLEY	*17322*	*21391*	*32.2*	
MARANA	*14726*	*34961*	*122.1*	
SAHUARITA	*10615*	*25259*	*31.0*	
DREXEL HEIGHTS	*9684*	*27749*	*20.2*	
FLOWING WELLS	*7505*	*16419*	*4.0*	
TANQUE VERDE	*7340*	*16901*	*33.0*	
TUCSON ESTATES	*6152*	*12192*	*13.0*	
PICTURE ROCKS	*4177*	*9563*	*70.8*	
VAIL	*3754*	*10208*	*22.6*	
CATALINA	*3290*	*7569*	*14.1*	
VALENCIA WEST	*3206*	*9355*	*10.4*	
AVRA VALLEY	*2487*	*6050*	*22.2*	
CORONA DE TUCSON	*2165*	*5675*	*6.1*	
SOUTH TUCSON	*2137*	*5652*	*1.0*	
RINCON VALLEY	*2044*	*5139*	*27.8*	
SUMMIT	*1708*	*5372*	*4.5*	
ARIVACA JUNCTION	*388*	*1090*	*2.9*	
LITTLE	*277*	*873*	*0.1*	
ELEPHANT HEAD	*253*	*612*	*7.4*	
AMADO	*207*	*295*	*5.3*	
NELSON	*100*	*259*	*0.4*	
RILLITO	*50*	*97*	*0.1*	
TUCSON METRO AREA	407264	901399	782.7	244.4 Gbps
THREE POINTS	2487	5581	46.4	1.5 Gbps
AJO	2175	3304	33.3	1.4 Gbps
SELLS	736	2495	9.5	0.5 Gbps
ARIVACA	492	695	27.8	0.3 Gbps
PIMACO TWO	313	682	4.5	0.2 Gbps
SUMMERHAVEN	259	40	4.5	0.2 Gbps
SANTA ROSA	223	628	6.5	0.2 Gbps
WHY	177	167	9.0	0.2 Gbps
TOPAWA	135	299	5.2	0.1 Gbps
PISINEMO	116	321	2.3	0.1 Gbps
ALI CHUKSON	*55*	*132*	*2.1*	
ALI MOLINA	*30*	*71*	*0.8*	
CHIAWULI TAK	*21*	*78*	*2.4*	
ALICHUKSON AREA	106	281	5.3	0.1 Gbps
GU OIDAK	91	188	7.1	0.1 Gbps
SAN MIGUEL	79	197	5.7	0.1 Gbps
WILLOW CANYON	68	1	0.3	0.1 Gbps
SOUTH KOMELIK	65	111	3.9	0.1 Gbps
ALI CHUK	60	161	1.4	0.1 Gbps
MAISH VAYA	59	158	4.2	0.1 Gbps
WAHAK HOTRONTK	46	114	1.5	0.1 Gbps

	ANEGAM	43	151	2.3	0.1 Gbps
	COWLIC	41	135	0.8	0.1 Gbps
	HAIVANA NAKYA	39	96	1.9	0.1 Gbps
	VENTANA	29	49	1.0	0.1 Gbps
	CHARCO	26	52	0.9	0.1 Gbps
	KO VAYA	16	46	1.1	0.1 Gbps
	NOLIC	15	37	0.5	0.1 Gbps
	AK CHIN	11	30	0.5	0.1 Gbps
	COMOBABI	5	8	1.2	0.1 Gbps
PINAL					
	SAN TAN VALLEY	*29417*	*81321*	*35.8*	
	APACHE JUNCTION	*22564*	*35840*	*35.0*	
	CASA GRANDE	*22400*	*48571*	*109.6*	
	MARICOPA	*17240*	*43482*	*47.5*	
	GOLD CANYON	*6874*	*10159*	*22.4*	
	FLORENCE	*5224*	*25536*	*52.5*	
	ARIZONA	*5064*	*10475*	*6.2*	
	COOLIDGE	*4796*	*11825*	*56.5*	
	ELOY	*3691*	*16631*	*111.5*	
	SACATON	*671*	*2672*	*8.1*	
	CASA BLANCA	*388*	*1388*	*15.8*	
	BLACKWATER	*332*	*1062*	*17.9*	
	CACTUS FOREST	*287*	*594*	*2.7*	
	AK-CHIN VILLAGE	*256*	*862*	*10.6*	
	PICACHO	*185*	*471*	*6.4*	
	STOTONIC VILLAGE	*181*	*659*	*5.0*	
	SACATON FLATS VILLAGE	*168*	*541*	*6.2*	
	UPPER SANTAN VILLAGE	*136*	*495*	*7.1*	
	GOODYEAR VILLAGE	*121*	*457*	*3.4*	
	LOWER SANTAN VILLAGE	*103*	*374*	*4.2*	
	CHUICHU	*96*	*269*	*6.9*	
	WET CAMP VILLAGE	*76*	*229*	*4.4*	
	SACATE VILLAGE	*50*	*169*	*3.5*	
	SWEET WATER VILLAGE	*26*	*83*	*0.8*	
	SAN TAN VALLEY AREA	120346	294165	579.7	72.3 Gbps
	SADDLEBROOKE	5671	9614	29.3	3.5 Gbps
	ORACLE	*1772*	*3686*	*16.4*	
	SAN MANUEL	*1541*	*3551*	*20.7*	
	CAMPO BONITO	*48*	*74*	*4.0*	
	ORACLE AREA	3361	7311	41.1	2.1 Gbps
	SUPERIOR	1465	2837	1.9	0.9 Gbps
	KEARNY	878	1950	2.8	0.6 Gbps
	RED ROCK	786	2169	47.3	0.5 Gbps
	MAMMOTH	635	1426	1.0	0.4 Gbps
	QUEEN VALLEY	621	788	9.7	0.4 Gbps
	DUDLEYVILLE	423	959	6.7	0.3 Gbps
	STANFIELD	222	740	3.9	0.2 Gbps
	VAIVA VO	29	128	0.5	0.1 Gbps

	KOHATK	15	27	0.1	0.1 Gbps
	SANTA CRUZ	13	37	1.6	0.1 Gbps
	TAT MOMOLI	9	10	0.9	0.1 Gbps
SANTA CRUZ					
	RIO RICO	*6356*	*18962*	*62.4*	
	TUBAC	*1067*	*1191*	*10.8*	
	TUMACACORI-CARMEN	*187*	*393*	*2.0*	
	RIO RICO AREA	7610	20546	75.1	4.6 Gbps
	NOGALES	*7260*	*20837*	*20.8*	
	BEYERVILLE	*55*	*177*	*0.3*	
	NOGALES AREA	7315	21014	21.2	4.4 Gbps
	PATAGONIA	576	913	1.3	0.4 Gbps
	SONOITA	462	818	10.6	0.3 Gbps
	ELGIN	85	161	5.9	0.1 Gbps
	KINO SPRINGS	65	136	0.3	0.1 Gbps
YAVAPAI					
	PRESCOTT	*22159*	*39843*	*41.6*	
	PRESCOTT VALLEY	*17494*	*38822*	*38.6*	
	CHINO VALLEY	*4967*	*10817*	*63.4*	
	WILLIAMSON	*2779*	*5438*	*56.9*	
	PAULDEN	*2268*	*5231*	*57.0*	
	DEWEY-HUMBOLDT	*1888*	*3894*	*18.6*	
	CORDES LAKES	*1463*	*2633*	*10.8*	
	MAYER	*849*	*1497*	*20.1*	
	SPRING VALLEY	*629*	*1148*	*10.6*	
	PRESCOTT AREA	54496	109323	317.6	32.7 Gbps
	COTTONWOOD	*5866*	*11265*	*16.4*	
	VERDE VILLAGE	*4989*	*11605*	*7.0*	
	CAMP VERDE	*4726*	*10873*	*43.1*	
	LAKE MONTEZUMA	*2334*	*4706*	*12.0*	
	CLARKDALE	*2059*	*4097*	*10.6*	
	JEROME	*290*	*444*	*0.9*	
	COTTONWOOD AREA	20264	42990	90.0	12.2 Gbps
	SEDONA	6367	10031	19.2	3.9 Gbps
	VILLAGE OF OAK CREEK (BIG PARK)	4076	6147	5.3	2.5 Gbps
	CORNVILLE	1695	3280	13.2	1.1 Gbps
	BLACK CANYON	1563	2837	24.3	1 Gbps
	CONGRESS	1226	1975	37.7	0.8 Gbps
	YARNELL	*597*	*649*	*8.8*	
	PEEPLES VALLEY	*338*	*428*	*15.1*	
	YARNELL AREA	935	1077	24.0	0.6 Gbps
	BAGDAD	838	1876	8.0	0.6 Gbps
	WILHOIT	483	868	15.7	0.3 Gbps
	SELIGMAN	292	445	6.4	0.2 Gbps

	ASH FORK	218	396	2.3	0.2 Gbps
YUMA					
	YUMA AREA	*38626*	*93064*	*120.7*	
	YUMA AREA	*21642*	*26265*	*40.2*	
	YUMA AREA	*6525*	*25505*	*32.2*	
	YUMA AREA	*4052*	*14287*	*7.3*	
	YUMA AREA	*2081*	*2882*	*29.0*	
	YUMA AREA	*1968*	*4176*	*0.7*	
	YUMA AREA	*394*	*1508*	*0.1*	
	YUMA AREA	*225*	*678*	*2.0*	
	YUMA AREA	*199*	*504*	*1.0*	
	YUMA AREA	*174*	*594*	*0.1*	
	YUMA AREA	*162*	*625*	*0.1*	
	YUMA AREA	*131*	*258*	*0.6*	
	YUMA AREA	*115*	*415*	*0.4*	
	YUMA AREA	*84*	*272*	*0.2*	
	YUMA AREA	*46*	*171*	*0.3*	
	YUMA AREA	76424	171204	234.9	45.9 Gbps
	MARTINEZ LAKE	510	798	9.2	0.4 Gbps
	TACNA	291	602	1.9	0.2 Gbps
	DATELAND	*221*	*416*	*22.1*	
	AZTEC	*24*	*47*	*6.2*	
	DATELAND AREA	245	463	28.3	0.2 Gbps
	BUCKSHOT	75	153	0.3	0.1 Gbps

Arizona Multi-Agency Network
Logical MPLS WAN Strategy
Approx 25 Capitol Mall Locations
Agency LAN
Firewall
Agency Server LAN
Agency PoE switch
Servers
Servers
Phone
Computer
MAGNET Edge (PE)
Phoenix (2) Internet
Phoenix (1) Internet
Tucson Internet
Internet Router
Redundant IPS/IDS Edge Firewall VPN Termination Internet Routing
Hosted VPN
Managed Firewall option
Redundant FusionVoIP Routing with Agency hosted firewall option
MAGNET MPLS Core BGP AS 65200
Phoenix 3 DC
Phoenix 1 DC
Phoenix 2 DC
Tucson 1 DC
1G CTL 3EVCs
1G Cox 3EVCs
1G TW 1EVC
1G CTL 1EVC
1G TW VRFs
1G CTL VRFs
North MOE (L2)
iBGP 65200, Jumbo MTU, QoS
VLAN 1 LDP
VLAN 2 LDP
Carrier MPLS (L3)
Where MOE isnt available
eBGP, QoS
South MOE (L2)
iBGP 65200, Jumbo MTU, QoS
The scope of this diagram it to illustrate high level data WAN strategy, not VoIP strategy.
Nx1FB to PSTN for dial backup
MOE Jumbo MTU, QoS approx 60 remotes
NxT1 or DS3 MPLS
MAGNET Edge (PE 65200)
MAGNET Edge (VRF-L1)
Typical Remote (MOE) Agency Core
Typical Remote (MOE) Agency Remote
Non-MOE Remotes
Diagram Name: AZNET WAN Strategy
Modified Date:
Page:
1
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