

### **CUSTOMER SPECIFIC ARRANGEMENT**

(Intrastate Detariffed Services -California)

Routing Code: 5V

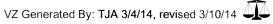
Customer Name:	City of Redlands ("Customer")	Main Billing Tel. No: 909-792-9304	
Address:	35 Cajon Street, Redlands, CA 92373	Agreement No.	<b>2014-70</b> 0361

Services. Customer hereby requests and agrees to purchase from the Verizon company(ies) identified in the applicable Exhibit(s) ("Verizon") the services, at the Customer locations identified in Exhibit A, attached to this Agreement, and in any Addendum expressly made a part hereof, (the "Services") pursuant to this Agreement and Verizon's applicable ILEC Product Guide, for the service period stated in the Exhibit or Addendum applicable to such Service (the "Service Period"). This Agreement and any Exhibit hereto shall become effective when executed by an authorized Verizon representative and an authorized representative of Customer (the "Effective Date"). Under no circumstances may Customer resell the Services being provided under the rates, terms and conditions of this Agreement. Each Verizon entity contracting under this Agreement is responsible only for the performance of the Services it is providing as set out in each Exhibit hereto and is not responsible for the performance of any other entity's obligations under this Agreement.

Customer Consent to Use of Customer Proprietary Network Information (CPNI). Verizon acknowledges that it has a duty, and Customer has a right, under federal and/or state law to protect the confidentiality of Customer's CPNI. CPNI includes information relating to the quantity, technical configuration, type, destination, location, and amount of use of the telecommunications and interconnected voice over Internet Protocol services Customer purchases from Verizon, as well as related local and toll billing information, made available to Verizon solely by virtue of Customer's relationship with Verizon. With Customer consent, Verizon may share Customer CPNI and other Confidential Information among its affiliates, including Verizon Wireless, and with agents and partners, so that all may use this information to offer Customer the full range of products and services offered by Verizon and its affiliates, including local, long distance, wireless, and Internet services (see www.verizon.com for a description of Verizon companies and services). By signing this Agreement, Customer consents to Verizon using and disclosing Customer CPNI as described above. Customer may refuse CPNI consent by signing this Agreement Verizon cpni-notices@verizonwireless.com notifying in writing at notices@verizonbusiness.com of Customer's decision to withhold Customer's consent. Customer's consent or refusal to consent will remain valid until Customer otherwise advises Verizon, and in either case, will not affect Verizon's provision of service to Customer.

ILEC Product Guide. Verizon's provision of the Services hereunder shall be governed by Verizon's Incumbent Local Exchange Carrier Product Guide (located at http://www.verizon.com/tariffs) ("ILEC Product Guide") and this Agreement. The ILEC Product Guide is incorporated into the Agreement by this reference. In the event of a conflict between the terms and conditions of the ILEC Product Guide and this Agreement, the terms and conditions of this Agreement shall prevail. With respect to the documents of the Agreement, the terms and conditions of the Service Exhibit shall have the highest order of precedence. Verizon may modify the ILEC Product Guide at any time and such modifications will become binding on Customer as further described below. To the extent such changes are material (and other than changes related to governmental charges or any applicable taxes), Verizon shall notify Customer of such changes via a bill insert, as a message on Customer's bill, in a separate mailing, by email or by any other reasonable method at Verizon's discretion. Such changes will become effective no sooner than thirty (30) days after such notice is provided. In the event such changes materially and adversely affect Customer, Customer may terminate the affected Service without the application of termination liability by providing Verizon immediate written notice of Customer's request to terminate, unless within (30) thirty days after receipt of Customer's termination notice Verizon agrees to revise the change in such a manner as to remove the material adverse effect on Customer. Customer shall remain responsible for the payment for Services rendered until the effective date of the termination. Customer's continued use of the Service after the material change becomes effective constitutes Customer's acceptance of the change.

Customer Responsibilities. Customer agrees to provide Verizon with any access and support necessary for the implementation, maintenance and provision of the Services requested hereunder. Customer is responsible for taking all steps necessary to interconnect the Services at Customer's location(s) including ensuring proper interconnection with the facilities and equipment provided by Verizon, paying all costs associated with interconnection, securing any necessary licenses, right of ways and permits and providing proper space, electrical



power, heating, ventilation and cooling. Verizon shall not be liable for any damages or losses caused by the failure of equipment, inside wire or other facilities provided by Customer or a third party, and Customer shall be liable if such facilities cause damage to Verizon, its network, customers, equipment and/or Verizon's providers. Customer is solely responsible for the selection, implementation and maintenance of security features for protection against unauthorized or fraudulent use of the Service(s) and Verizon shall have no liability therefore.

Charges and Payment. Customer will pay the rates and charges set forth in the attached Exhibit(s) and in any Addendum made a part hereof, which shall be fixed during the Service Period, and shall also pay all applicable taxes, fees, and other applicable charges, including Federal End User Common Line Charges, charged pursuant to applicable law or regulations in connection with the Services. Taxes, fees and/or surcharges are subject to change without notice to Customer, except as may be required by law. Except as otherwise provided in the Agreement, if Customer cancels or terminates this Agreement or any Services prior to expiration of the Service Period, Customer will promptly pay to Verizon termination charges as set forth in the applicable Exhibit(s) and Addendum(a).

Verizon shall invoice Customer monthly and payment will be due Net 30 days from the invoice date unless a different due date appears on the invoice. Undisputed charges paid after the due date may be subject to late payment charges as set out in the ILEC Product Guide until Customer's account is current. Any back-billing limitations otherwise applicable to the Services pursuant to the ILEC Product Guide shall not apply to the Services under this Agreement.

Unauthorized Use. Verizon shall not be liable for any damages, including charges for Services that Customer may incur as a result of the unauthorized use or misuse of the Services by Customer, Customer's employees, third parties or other members of the public. Customer shall remain responsible for such charges.

Indemnification. Customer agrees to defend, indemnify and hold Verizon, its employees, affiliates and agents, harmless from any and all losses, claims, demands, expenses (including reasonable attorney's fees), or any liability whatsoever, arising from any use of the Services by Customer or by person or entity permitted by Customer to use the Services, including without limitation, liability resulting from the content of communication such as defamation, fraud or invasion of privacy, or any combination of the Services with other products or services not provided by Verizon, any modification of the Services or any infringement of intellectual property.

Warranty Disclaimer. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE ILEC PRODUCT GUIDE, VERIZON DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED OR ARISING BY COURSE OF PERFORMANCE, DEALING, CUSTOM OR TRADE USAGE, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE (EVEN IF VERIZON KNEW OR SHOULD HAVE KNOW SUCH PURPOSE) AND NON-INFRINGEMENT. CUSTOMER AGREES THAT THE SERVICES PROVIDED HEREUNDER ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. VERIZON DOES NOT WARRANT THAT THE SERVICES WILL MEET CUSTOMER'S NEEDS, OR WILL BE UNINTERRUPTED, ERROR-FREE, OR SECURE.

Limitation of Liability. EXCEPT FOR DAMAGES RESULTING FROM UNAUTHORIZED OR ILLEGAL USE OF THE SERVICE BY CUSTOMER, ITS EMPLOYEES, AGENTS, SUBCONTRACTORS OR OTHER THIRD PARTIES. NEITHER PARTY (NOR ITS SUPPLIERS OR AFFILIATES) SHALL BE LIABLE TO THE OTHER PARTY FOR PUNITIVE, SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES INCLUDING WITHOUT LIMITATION, LOSS OF BUSINESS PROFITS, OR OTHER COMMERCIAL OR ECONOMIC LOSS ARISING IN CONNECTION WITH THE SERVICES. EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

EITHER PARTY'S MAXIMUM TOTAL LIABILITY TO THE OTHER PARTY IN CONNECTION WITH THE SERVICES, FOR ANY AND ALL CAUSES OF ACTION AND CLAIMS, SHALL BE:

- FOR DAMAGES DUE TO FAILURES OR DISRUPTION IN THE SERVICES CAUSED BY THE PARTY'S NEGLIGENCE OR BREACH OF OBLIGATIONS UNDER THE AGREEMENT, INCLUDING THE ILEC PRODUCT GUIDE, THE CHARGES FOR THE AFFECTED SERVICES FOR THE PERIOD OF THE
- FOR DAMAGES TO REAL OR TANGIBLE PERSONAL PROPERTY OR BODILY INJURY OR DEATH TO ANY PERSON PROXIMATELY CAUSED BY THE PARTY'S NEGLIGENCE, THE AMOUNT OF **DIRECT DAMAGES PROVEN:**
- FOR INDEMNITY, THE REMEDIES SET FORTH IN THE SECTION ABOVE TITLED INDEMNIFICATION;

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- (D) FOR ANY DAMAGES ARISING OUT OF THE WILLFUL OR INTENTIONAL MISCONDUCT OF THE PARTY. THE AMOUNT OF DIRECT DAMAGES PROVEN:
- FOR ALL OTHER DAMAGES NOT SET FORTH ABOVE AND NOT EXCLUDED UNDER THE AGREEMENT, INCLUDING THE ILEC PRODUCT GUIDE, EACH PARTY'S MAXIMUM LIABILITY DURING ANY TWELVE MONTH PERIOD SHALL BE LIMITED TO THE LESSER OF (i) DIRECT DAMAGES PROVEN, OR (ii) THE AMOUNT PAID BY CUSTOMER TO VERIZON UNDER THE AGREEMENT, INCLUDING THE ILEC PRODUCT GUIDE, FOR THE ONE MONTH PERIOD PRIOR TO ACCRUAL OF THE MOST RECENT CAUSE OF ACTION.

NOTHING IN THIS SECTION SHALL LIMIT CUSTOMER'S LIABILITY TO VERIZON FOR ANY AND ALL CHARGES INCURRED FOR SERVICES.

Termination of Services. Verizon may discontinue or limit use of the Services by Customer for non-payment, non-compliance with Verizon's rules of use, fraudulent use, and other conditions as provided in the Verizon California Inc. General Exchange Tariff, Schedule D&R, Rule No. 11, as incorporated herein.

Termination of the Services for any cause shall not release Customer from any liability which at the time of termination had already accrued to Customer or which thereafter accrues for any act or omission occurring prior to the termination or from an obligation which, by its nature, survives termination.

Performance Excused. No liability, including but not limited to refund of Service charges, shall result from Service failures caused by fires, floods, severe weather, acts of government or third parties, strikes, labor disputes, inability to obtain necessary equipment or services, or other causes beyond such party's reasonable control.

Notices. Notices under this Agreement shall be sent by first-class U.S. mail, postage prepaid, to Customer at the address specified above, and to Verizon at Verizon Business, Attn: Customer Service, 6415 Business Center Drive, Highlands Ranch, CO 80130, Email: notice@verizonbusiness.com with a copy to Verizon Business Services, 22001 Loudoun County Pkwy, Ashburn, VA 20147, Attn: Vice President Legal. Notices shall be deemed effective five business days after such mailing.

### Miscellaneous

- (a) Neither party will disclose the terms of this Agreement to any other person without the prior written consent of the other party, except as may be necessary to comply with applicable law, regulation, or filing requirements. Either party may issue or permit issuance of a press release or other public statement concerning this Agreement provided its contents have been reviewed and agreed upon by the parties.
- (b) In the event of a claim or dispute, the law and regulations of the jurisdiction in which Verizon provides to Customer the particular Service that is the subject of such claim or dispute shall apply. This Agreement and its provisions shall not be construed or interpreted for or against any party hereto because that party drafted or caused that party's legal representative to draft any of its provisions.
- (c) Either party's failure to enforce any of the provisions of the ILEC Product Guide or the Agreement or to exercise any right or option is not a waiver of any such provision, right or option, and shall not affect the validity of the ILEC Product Guide or the Agreement. If any provision of the ILEC Product Guide or this Agreement or the provision of any Service under the terms hereof is illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, then the ILEC Product Guide and this Agreement shall be construed as if not containing such provision or requiring the provision of such invalid, illegal, prohibited, or unapproved Service in such State or jurisdiction, and the remaining terms and conditions of the ILEC Product Guide and the Agreement shall continue to apply as necessary to reflect the original intention of the parties.
- (d) Verizon may assign or transfer part or all of this Agreement to any affiliate or successor to substantially all of its assets in the locations where Service is provided hereunder. Upon reasonable prior written notice to Verizon, Customer may assign or transfer this Agreement to any company that is the successor to substantially all of its assets, provided all charges for Services provided prior to such transfer or assignment are paid in full when due. Except as otherwise required by applicable law or regulation, all other attempted assignments shall be void without the prior written consent of the other party.
- (e) Services are offered in locations where made available by Verizon in its sole discretion.
- (f) The terms and conditions contained on a Customer purchase order document (whether signed by one or both parties) shall not serve to modify the terms and conditions of this Agreement.



The ILEC Product Guide, and this Agreement (including the Exhibits attached hereto and any Addenda made a part hereof) constitute the entire agreement between the parties with respect to the Services and shall supersede all prior oral or written quotations, communications, negotiations, representations, understandings or agreements made by or to any employee, officer, or agent of any party on the subject matter hereof. This Agreement may not be modified or rescinded except by a writing signed by authorized representatives of each party.

AGREED AND ACCEPTED:

CITY OF REDLANDS (Customer)

Name/Title N. Enrique Martinez, city Manager

Date 3-11-14

VERIZON BUSINESS NETWORK SERVICES INC., on behalf of VERIZON CALIFORNIA INC.

By Chithing 1

Name/Title Anthony Recine Vice President

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Routing Code: 5V

#### **Exhibit A**

Verizon Company Name: Verizon California Inc. (referred to in this Exhibit as "Verizon")

State: California

Customer name: <u>City of Redlands</u> CSO Case No.: <u>2014-700361</u>

Customer must sign and date this Agreement on or before July 1, 2014, or the proposed Service arrangement and pricing will no longer be available.

## 1. Service Description

1.1 Service Charges and Operational Requirements. Customer agrees to purchase the following Services from Verizon at the rates set forth below, which will be fixed during the Service Period and in quantities set forth below for the Service Period identified below. Any other work, services or facilities required will be provided subject to Verizon's standard rates and charges as set out in the applicable ILEC Product Guide, or under a separate contract arrangement or formal amendment to the Agreement. Customer shall provide to Verizon at each Customer location a suitable and secure environment for placement of the facilities and equipment to be used by Verizon to provide such Service. Such environment shall include, but not be limited to, the requisite conduit and cabling, entrance facilities and, as required by Verizon for particular Services, an uninterruptible power supply. Provision of the Services herein is subject to Verizon obtaining required permits for cable placement and specially constructed facilities, completion of specially constructed facilities and Verizon's installation of switching equipment necessary to provide the Service.

Initial Quantities	Transparent LAN Service (TLS) Item	Monthly Unit Rate	
6	Ethernet Multipoint Service (EMS) 10 MB Standard Access Lines	\$538.89 each	
0	EMS 100 MB Standard Access Lines	<b>\$7</b> 35.72 each	
2	EMS 1000 MB (GigE) Standard Access Lines	\$1,123.96 each	
See Note (ii)	Interoffice Mileage, (if applicable)	\$100.00 per ALM	

### Notes:

- (i) Any Specially Constructed Facilities are owned and controlled by Verizon and, upon completion of construction, become part of Verizon's service network.
- (ii) IOF Mileage applies where the Local Serving Office is different from the installed TLS serving office. IOF charges may apply in the event that adequate IOF facilities are not available at the time Service is to be installed. To the extent IOF mileage applies and is not otherwise addressed in the TLS Service monthly rates above, IOF mileage will be billed. Up to 20 airline miles (ALM) are included in the Standard Access Line rates shown above. Actual ALM in excess of 20 ALM per Line will be billed.
- (iii) Service is intraLATA, intrastate.
- (iv) Non-recurring charges do not apply to the initial Service Quantities above. For changes to the Service (including configuration change), non-recurring charges will be applied as set out in Verizon's ILEC Product Guide.
- (v) In all cases, Service provided pursuant to this Exhibit will be provided where and if adequate facilities exist and the Services are technically and commercially available at the requested location.
- (vi) Service is provided consistent with this Agreement and Verizon's ILEC Product Guide; Customer may purchase other TLS service features outside this Agreement and pursuant to applicable ILEC Product Guide rates, terms & conditions.
- (vii) The above charges do not include Federally mandated end user common line charges, any applicable local, state, or federal fees, taxes, surcharges, or other applicable ILEC Product Guide charges, which will be billed to Customer at prevailing rates.
- 1.2 **Minimum Commitment and Shortfall.** Customer shall be required to subscribe to a minimum of six (6) lines of Service with the TLS Service types shown above at all times during the Service Period (the "Minimum Line Obligation"). Verizon will review Customer's accounts periodically to determine if Customer has met the Minimum Line Obligation. If Customer does not meet the Minimum Line Obligation, Customer will be subject to a "Shortfall Liability" charge equal to the difference in quantity between the Minimum Line Obligation and the



actual number of lines in service multiplied by the Monthly Line Rate identified above for every month during which the Minimum Line Obligation is not met (the "Commitment Amount"). Customer will at all times be responsible for charges for the actual number of lines in service. For the purposes of this calculation, the Minimum Line Obligation will be adjusted for Service (a) which has been disconnected and (b) where termination charges have been paid.

# 1.3 Additional Quantities of Service, Service Upgrades.

- Subject to the provisions of Section 3 of this Exhibit A, Customer may order additional quantities and/or locations of the Service pursuant to Verizon's established ordering procedures at the monthly rates shown above. Such Additional quantities of the Service will be co-terminus with the Service Period of this Exhibit A. Non-recurring installation charges shall not apply to such Services ordered during the first twenty-four (24) months of the Service Period. After the first 24 months of the Service Period, a nonrecurring per unit/line installation charge of \$1,300.00 shall apply to such Services. Requests for service to additional locations shall be evaluated on a case-by-case basis to determine if adequate facilities exist and the Service is technically and commercially feasible under the rates, terms and conditions of the Agreement. To the extent that service to the requested additional locations is not feasible at the rates, terms and conditions of the Agreement or additional facilities are necessary or additional charges, including but not limited to Interoffice Mileage and Specially Constructed Facilities, are required, service to such additional locations shall be addressed via formal amendment to the Agreement or a new service exhibit. Such amendment will address various service related points including but not limited to rates, availability of adequate facilities, any applicable early termination charges and other necessary provisions.
- 1.3.2 Provided that adequate facilities and sufficient network capacity exists and subject to the provisions of Section 3 below, Customer may request an upgrade of any of its Services to a higher bandwidth without a formal amendment to this Agreement. Non-recurring installation charges shall not apply to such upgrades.
- 2. Service or Term Period. Once this Agreement is effective as described above, Verizon shall commence billing for Service as Service to each Customer location is installed. The overall in-service date for this Agreement shall be the date, after the effective date defined above, on which Verizon's provisioning has been completed and the Service is available at all eight (8) of Customer's locations as set out in this Exhibit A. The overall Service Period for the Agreement will be sixty (60) months from the overall in-service date (Initial Term Period). The Service Period for each TLS line shall be coterminous. The Parties agree that the Agreement may be extended for up to three (3) additional one (1) year term periods (Optional Renewal Terms) following the conclusion of the Initial Term Period provided Customer provides Verizon with written notice of its intent to exercise the Optional Renewal Term at least thirty (30) business days prior to the expiration of the then current Term Period.
- 3. Additional Charges Additional Facilities or Work. Additional charges may be applicable if suitable facilities are not available to provide Services at any locations under this Agreement, or if any additional work or other services are requested by Customer or otherwise necessitated in order to provide the Service(s) described herein or pursuant to subsequent orders. Verizon will inform Customer of any such applicable charges, and Verizon will install such facilities, perform such additional work or provide such other services only upon mutual written agreement of the parties to such additional charges. If Customer does not agree to pay such additional charges, then Verizon shall be excused from providing the affected Service or work. All other Service or work not so affected shall proceed in accordance with the terms and conditions herein.
- 4. Termination Charges. Except as otherwise provided in this Agreement, if Customer cancels this Agreement in whole or in part or terminates any Services prior to the expiration of the Service Period, including any Optional Renewal Terms if/as timely exercised, such that it is no longer satisfying the Minimum Line Obligation, Customer shall pay to Verizon a termination charge equal to 75% of the applicable monthly rate for the terminated Service multiplied by the number of months remaining in the unexpired portion of the Service Period, plus, if applicable, 100% of any unpaid Special Construction charges. Any such termination liability charge shall be due and payable in one lump sum within thirty (30) days of billing. Except as otherwise provided in this Agreement, if Customer terminates this Agreement subsequent to the execution of this Agreement by the parties but prior to the in-service date, Customer shall pay to Verizon its actual incurred costs for provisioning the Service up to the point of termination (including, if applicable all incurred costs associated with Verizon's performance of Special Construction). Termination charges will not apply if an exception contained in Verizon's ILEC Product Guide applies.



#### 5. Additional Provisions

- 5.1 Conditions. The parties acknowledge that the rates and other terms of this Agreement are premised on Customer's commitments, unique network design requirements, and Customer's service mix, usage patterns and concentration, and other characteristics.
- 5.2 Service Continuation. If, at the time of expiration of the Service Period, including Optional Renewal Term(s), if applicable and if/as timely exercised, a new agreement with Verizon for the Services is not effective as defined above and Customer has not requested, in writing, disconnection of the Services, then the Services as installed and configured at the time of expiration of the Service Period will continue to be provided under the rates, terms and conditions of this Agreement on a month-to-month basis (the "Extended Service Period"). During the Extended Service Period, the Customer may add such Service components as are available solely on a month-to-month basis at the agreed-upon rates as set out in this Agreement, but no other Service additions, changes or moves may be made under this Agreement during the Extended Service Period. During the Extended Service Period, this Agreement shall be deemed terminated without the assessment of termination liability charges under either of the following circumstance: (i) upon the in-service date of a new agreement with Verizon for the Services, this Agreement shall be deemed superseded and terminated, or (ii) either party may terminate the Agreement by providing at least 30 days written notice.
- 6. Locations. The Services shall be provided to Customer under the terms hereof at the following locations. Additional locations may be added to this Agreement upon Customer's written request and Verizon's assent.

Location Name	Address	City	State	Zip	MBPS
AK SMILEY LIBRARY	125 W VINE ST	Redlands	CA	92373	10 Mbps
Electric & Water Shop	1270 W PARK AVE	Redlands	CA	92373	1 GigE
Animal Shelters	504 KANSAS ST	Redlands	CA	92373	10 Mbps
Joslyn Community Center	21 GRANT ST	Redlands	CA	92373	10 Mbps
Lugonia Park Community Center	111 W LUGONIA AVE	Redlands	CA	92373	10 Mbps
1 City Plaza - City Offices	35 CAJON ST	Redlands	CA	92373	1 GigE
Highland Ave Water Treatment - Office, Lab & Pump House Maintenance /Shop - Parkford	955 PARKFORD DR	Redlands	CA	92373	10 Mbps
Nevada St - Redlands Waste Water Treatment - Control Building - 1950 Nevada	1950 Nevada St.	Redlands	CA	92373	10 Mbps