

LAKE HAVASU CITY MOTO TRBO SYSTEM

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This offer is good for 180 days.

Presented By:

Deedee Wight, Senior Account Executive
Creative Communications Sales & Rentals, Inc.

3332 E. Broadway Road
Phoenix, Arizona 85040

Phone: (602) 955-8405

Fax: (602) 955-1049



Phoenix

Tucson

Flagstaff

Show Low

Lake Havasu City

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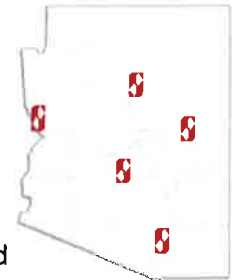
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1.0 Introduction

Since 1987, Arizona-owned and -operated Creative Communications Sales & Rentals, Inc. (Creative Communications) has sustained clients in virtually every industry with:

- State-of-the-art communications equipment
- Expert professional and technical services—including vehicle up-fitting/make-ready
- A substantial radio equipment rental program that also provides events support

We currently have over 125 employees serving clients out of our Phoenix, Tucson, Flagstaff, Show Low, and Lake Havasu City facilities.



As a Motorola Manufacturer's Representative and Premier Service Center, Creative Communications is authorized to sell and service Motorola's full line of communications and data technology products. We are a perennial top-10 finisher nationwide in Motorola sales and service rankings. Our Phoenix facility is a certified Motorola Factory Mutual (FM)¹ Approved repair facility—the only one west of Houston, Texas—and serves as proof that Creative Communications maintains the highest standards in employee technical training, quality assurance, procurement process, and service equipment maintenance. Our sales, management, and technical professionals—averaging more than 20 years of experience—effectively extrapolate all their Motorola knowledge and exceptional skills for projects that revolve around products of the many other industry-leading communications and data technology companies for which Creative Communications is a dealer and/or manufacturer representative—CSI, Dekolink, Andrews, David Clark, Daniels Equipment, Federal Signal, Firecom, NICE, Avtec, Twisted Pair, Telex, Zetron, PIPS Technology, Tait, Sinclair, Symbol, ICOM, Vertex, and many more. That breadth of knowledge and dedication to excellence—the *Creative Advantage*—are why Creative Communications has been entrusted to complete large-scale projects for the Arizona Department of Public Safety, Intel, PHI Air Medical, Phoenix International Raceway, US Airways, the Professional Golfers' Association PGA TOUR, Jobing.com Arena, nearly all of the state's larger municipalities (including Avondale, Buckskin, Bullhead City, Chandler, Glendale, Lake Havasu City, Mesa, Parker, Peoria, Phoenix, Scottsdale, Surprise, Tempe, and Tucson), nearly all of the state's counties, and many other prominent organizations.

Creative Communications offers Lake Havasu City Operations (LHC Operations) a unique combination of innovative technology, extensive market experience, and the ability to design, integrate, and seamlessly implement the various technologies that this project requires. This offer document—including the Statement of Work/Scope of Work (SOW), assumptions/clarifications, tasks and responsibilities, payment terms, and all other terms and conditions—composes the "Agreement." LHC Operations may indicate acceptance by signing as indicated in **5.0 Agreement #15001-11 Acceptance** and/or by issuing a Purchase Order (PO) that incorporates this offer document. Only this offer document's terms and conditions apply to the transaction, notwithstanding any inconsistent or

¹ Companies the world over rely on products and services that are Factory Mutual (FM) Approved (www.fmglobal.com). The FM Approved mark, which is backed by scientific research and testing, is Lake Havasu Operations' assurance that Creative Communications conforms to the highest standards. Our Phoenix facility undergoes independent verification and annual audit to maintain its certification.

additional terms and conditions contained in the PO. Upon acceptance, the project contract will be considered executed, equipment will be ordered, contract payment terms will commence, and the project will be initiated. This offer will remain valid for a period of thirty (30) days from Date.

2.0 Statement of Work/Scope of Work

This SOW describes the most current understanding of the effort required of Creative Communications for project success. The work entails:

1. Creative Communications shall supply and install a new MotoTRBO digital trunked radio system for use by LHC Operations radio users. It is expected that all non-public safety users shall use the new MotoTRBO digital trunked radio system for their day-to-day operations.
2. The new system shall operate on existing licensed 800 MHz frequencies on LHC Operations' FCC license (call sign WPXB342). This proposal includes Creative Communications' modification of license WPXB342 to accommodate the new MotoTRBO system. This license modification also accounts for the planned implementation of a new Project 25 trunked radio system for public safety agencies (proposed separately).
3. The new MotoTRBO system shall use three (3) 800 MHz frequency pairs which will operate in Time Division Multiple Access (TDMA) mode – allowing six (6) simultaneous talk paths.
4. The new system infrastructure shall be located at the existing "Island" site which currently houses LHC Operations' Smartnet analog radio system. The existing antenna network and combining equipment at the "Island" site shall be re-used for the new MotoTRBO system.
5. This proposal includes the required software upgrade for fifty-six (56) Motorola XPR6580 portable radios and fourteen (14) Motorola XPR4580 mobile radios currently owned by LHC Operations. This software upgrade will allow these seventy (70) radios to operate in digital mode and migrate to the new system.
6. Creative Communications shall supply and interface three (3) MotoTRBO control stations (base radios) to the public safety dispatch consoles at LHC Operations PD. This will allow direct communication between public works users and dispatch if necessary. This will also allow dispatchers to "patch" together public safety and public works talk groups (if desired) creating direct communication for users in the field.
7. Creative Communications shall coordinate closely with LHC Operations officials to develop a cutover plan to the new system to minimize disruption to LHC Operations' operations.
8. This proposal does not include any new MotoTRBO subscriber radios that may be required to supplement the existing seventy (70) MotoTRBO capable radios owned by LHC Operations. LHC Operations understands that the seventy (70) existing MotoTRBO radios are the only public works radios capable of migration to the new system.

9. All pricing is per Creative Communications' State of Arizona Radio Contract # ADSP013-036883.

Prior to equipment installation, Creative Communications shall perform a site evaluation to determine if the site is free of hazardous materials and ready to house the equipment based on equipment space requirements, installation space requirements, and compliance with the Creative Communications document entitled Standards and Guidelines for Communication Sites (R56). Creative Communications can be contracted to engineer and/or implement any necessary corrections discovered during this site evaluation.

1. Creative Communications shall use existing antenna structures (tower installation, roof mount, or parapet mount) where available and designed for the intended application. Where antenna structures do not exist or are inadequate, we shall provide non-penetrating roof-mounted structures and invoke the Change Order Process as necessary (**2. 3. Project Management**).
2. Creative Communications shall assume responsibility for all third party services contracted by Creative Communications.
3. Creative Communications shall verify site link performance prior to the interconnection of the Creative Communications-supplied equipment to the link equipment.
4. Creative Communications shall do all frequency coordination and FCC license preparation work up.
5. Creative Communications shall observe standards for proper grounding to ensure against site failure due to lightning or power fluctuations and to meet the manufacturer's warranty requirements.

No site acquisition services are included in this offer.

It is assumed:

1. All existing sites and equipment locations are free of hazardous materials such as flammables, combustibles, asbestos, etc.
2. All existing sites or equipment locations have sufficient space available for the system described (room to house the gear).
3. All existing sites or equipment locations have adequate space available for installation of the system described (room to work while installing the gear).
4. There are acceptable electrical power (within ten (10) feet of the equipment), site grounding (building grounding, internal grounding, and external grounding), and environmental controls to support the requirements of the system described.

- a. Electrical service and electrical wiring that meet the requirements of the NEC², the Creative Communications document entitled Standards and Guidelines for Communication Sites (R56)², and all other applicable city, county, and state requirements.
- b. Electrical service (AC, DC, UPS, generator, etc.) with the necessary capacity to supply power to the equipment associated with this offer. Critical equipment items are assumed to have dedicated circuits as defined by the engineering Design Documentation.
- c. A single-point ground system comprised of both internal and external components, which are bonded together, along with all other grounds at the site, to form the overall site grounding system.

Internal – All fixed equipment supplied under this contract requires a single-point ground system. The single-point ground system includes an internal master ground point and sub-system ground points, when applicable, located within three feet of the Creative Communications-supplied equipment. The internal master ground point serves as the single connection of all internal grounding to the external grounding electrode system.

External – Whenever possible and/or practical, the grounding electrode system meets a design goal of five (5) ohms or less. The grounding electrode system includes an interconnection to all other grounding electrodes and utility grounds at the site, thereby forming a single grounding electrode system.

- d. Environmental controls to meet the humidity and heating/ventilation/air-conditioning (HVAC) requirements (and backup generator/UPS, if available) as defined in the Creative Communications document entitled Standards and Guidelines for Communication Sites (R56) and according to Creative Communications' warranty specifications and manufacturers' warranty specifications (e.g., certain equipment, such as repeaters, must be installed in environmentally-controlled areas). Creative Communications would be pleased to quote the equipment specifications required for building environmental control sizing and design separately.
5. All work is performed during normal business hours (i.e., Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding Creative Communications holidays).
6. All local, state, and federal permits and licenses as may be required for the installation and operation of the equipment are approved; all structural analyses and licensed engineering drawings related to frequencies, antenna installation, site upgrades, and/or buildings have been completed; and, all other necessary approvals as listed in the SOW have been secured.

² Standards and Guidelines for Communication Sites (R56) is a compilation of numerous technical authorities and publications including, but not limited to, the Telecommunications Industry Association (TIA), the Institute of Electrical and Electronic Engineers (IEEE), the American National Standards Institute (ANSI), the National Electrical Code[®] (NEC[®]), and Motorola Publication #68P81089E50-A ("Standards & Guidelines for Communications Sites (R56)"). It is intended to define site requirements to ensure personnel safety and provide an environment for proper equipment operation.

2. 1. Equipment List

QTY	DESCRIPTION
System Infrastructure	
3	MTR 3000 BASE RADIO
3	ADD: 800 MHZ 100W POWER (806-870)
3	ADD: RACK MOUNT HARDWARE
3	MTR3000 CAPACITY PLUS SW UPGRADE
1	MISC. CABLING & INSTALL SUPPLIES
1	5 PORT NETGEAR NETWORK SWITCH
1	INSTALL, CONFIGURE, OPTIMIZE SYSTEM
1	MODIFY WPXB432 FOR PROJECT
Upgrade Existing Subscriber Radios	
70	FLASH UPGRADE FOR 6580 PORTABLE & 4380 MOBILE
1	LABOR TO INSTALL FLASH
Console Interface	
3	XPR 5580 MOBILE FOR CONSOLE INTERFACE
1	INTERFACE 5580 CTRL. STNS TO CONSOLE
3	800 MHz YAGI ANTENNA
240	LMR400 COAXIAL CABLE
12	"N" MALE CONNECTORS FOR LMR400
3	POLYPHASER
North Radio Tower	
1	60 FT. SELF-SUPPORTING TOWER SECTION AT NORTH WATER TREATMENT SITE, INCLUDES EXCAVATION, TOWER FOUNDATION, GROUNDING, SAFETY CLIMB SYSTEM, ICE BRIDGE, PORTS INTO THE BUILDING, BUS BARS, PERMITS AND DRAWINGS

2. 2. Lake Havasu City Responsibilities

1. Identify an individual as a primary point of contact who will work with our Project Manager.
2. Participate in the Kick-Off meeting and comply with all agreements struck during the meeting:
 - a. Provide safety rules. These rules must be followed during the integration phase of this project. Creative Communications shall conduct periodic inspections of all active job sites to ensure strict compliance with the project safety plan and any safety rules set forth by LHC Operations.
 - b. Provide times and dates of availability to participate in project events.
 - c. Identify and provide required equipment manuals, drawings, equipment lists, and other documentation of existing system(s), sites, and interfaces, if any.
 - d. Identify the location for secure, environmentally-appropriate, and hazmat-free equipment storage. This location will be used as the *ship to* address for the equipment and will be used to warehouse the equipment as the sites are being prepared.
3. Ensure that tasks are completed on a timely basis, including reviewing and providing feedback on project documentation and other deliverables that might require further discussion and/or changes.
4. Communicate schedule changes for tasks or phase events to the Creative Communications Project Manager to avoid unnecessary additional costs.

5. Provide a letter or other necessary items to allow Creative Communications or third party personnel to enter all sites covered by this offer. Provide all required liaison support with the agencies and vendors under LHC Operations jurisdiction.
6. Provide transport or other assistance if Creative Communications encounters difficulty accessing sites as a result of impassable roads, remote location, or other impediment (e.g., sites located on mountaintops).
7. De-commission, remove, and transport the old equipment, if any.
8. Assume responsibility for all third party services and/or equipment contracted by LHC Operations.
9. Provide and install all communication lines/equipment that are not Creative Communications-provided deliverables (i.e., all required system interconnections not specifically outlined in this offer).

Ensure that all IP (Internet protocol) infrastructure and connectivity are installed and operational before installation of new repeaters, and are completed within the Project schedule time frame; a network with static IP addresses at repeater locations is required. During the Detailed Design Review (DDR), Creative Communications will supply LHC Operations with the minimum acceptable performance specifications for microwave, fiber, or copper links. A demarcation point will also be established to define the connection point between the Creative Communications-supplied equipment and the LHC Operations-supplied link. LHC Operations shall also ensure all necessary phone lines from tower sites to remote sites are installed and operational.

2.3. Project Management

The project will be initiated with a Project Kick-Off meeting that will include key LHC Operations and Creative Communications project team participants. The objectives of this meeting include:

- Introduction of the project participants and review of their roles;
- Identification of communication flow and decision-making authority between project participants;
- Review of the performance schedule and deliverables; and,
- Set up of the DDR meeting.

After the Kick-Off meeting, LHC Operations and Creative Communications project teams will participate in the DDR meeting, to review the system design. The goal of this review is to achieve written agreement on the overall final system design and deliverables. Various design documents will be presented for LHC Operations approval. These documents will form the basis of the system and deliverables that will compose the project. This review is not intended to redesign the system architecture or to re-evaluate any specifications previously reviewed or approved. However, if in the course of design review discussions (and at any other point in the process of completing the project), changes to the design are identified that are determined to be outside of the offer scope, the changes can be accommodated through the change order process (COP):

Either party may request changes to a PO which was previously accepted and approved by both parties (a "change order"). Change orders are subject to acceptance by the other party. Change orders shall be treated as an amendment or modification to the original PO and, upon

agreement between Creative Communications and LHC Operations, shall follow Creative Communications' COP. In the event a requested change affects Creative Communications' ability to meet its obligations under the original PO—including any price (or discount, if applicable) or any date set forth in the performance schedule with respect to such original PO—Creative Communications and LHC Operations will agree to an equitable adjustment of the contract price or performance schedule, or both, and will reflect such adjustments in the change order. Neither party is obligated to perform requested changes unless both parties execute a written change order. Notwithstanding the foregoing and at no additional cost to LHC Operations, Creative Communications reserves the right to substitute any equipment, software, or services to be provided by Creative Communications, provided that the substitute meets or exceeds specifications and is of equivalent or better quality. Any such substitution will not require the prior approval of LHC Operations, but will be reflected in a change order.

3.0 Warranties, Returns, Maintenance, and Service

3.1. Product Warranty

Creative Communications passes on manufacturers' warranties for equipment/hardware, software, etc. and will repair or replace products in accordance with those warranties. Product warranties relate to manufacturers' defects (as stipulated by the manufacturer) and do not include any labor required to carry out the remedy (e.g., replacement or repair). While products are under warranty, Creative Communications provides on-call and on-site service during normal business hours at our standard time and materials rate of \$100 per hour. These service calls are billed to cover labor, travel, parts, and everything else not covered by warranty.

3.2. Warranty Wrap

This offer does not include Warranty Wrap.

3.3. Labor Warranty

Labor warranties relate to defects in workmanship. Creative Communications is confident that the workmanship of our technical professionals is exceptional and that any issues requiring remedial action will be identified in our quality control process and corrected prior to sign off. In the event that a Creative Communications workmanship problem is discovered within 30 days after acceptance sign off, Creative Communications will remedy the problem at no cost to LHC Operations.

3.4. Returns

Creative Communications' return policy is: discontinued, special-order, and custom-build product(s) may not be returned for credit.

Motorola will accept the return of new and unused Motorola products in their original packaging material within 45 days of original product shipment. A 20% restocking fee will be assessed after 45 calendar days. No returns of new, unused equipment will be accepted after 90 calendar days.

All Motorola radios and radio accessories must be returned in the original, unopened Motorola packaging; in new and saleable condition. Motorola will not accept any returned parts that are used, opened, or in an unsaleable condition.

Motorola will not accept for credit the return of batteries with any markings or labels, including scratches on the gold contacts. Batteries must be returned in the original boxes.

3. 5. Maintenance

Maintenance includes a pre-defined list of “housekeeping” duties that prevent failures and keep systems running efficiently, and all the labor associated with those tasks. Creative Communications is happy to develop maintenance agreement options under separate proposal, with a maintenance support plan—including specific tasks and on-site schedule—defined in collaboration with LHC Operations.

3. 5. Service

Service calls not covered by product or labor warranties or maintenance agreement are billed to cover travel and labor at our standard labor rate of \$100 per hour and all materials not covered by customer-owned spare parts.

4.0 Pricing, Payment, and Ordering

4. 1. Pricing

System Infrastructure Equipment

System Infrastructure Equipment	\$30,010.90
Solution Total	\$30,010.90

Upgrade Existing Subscriber Radios

Upgrade Existing Subscriber Radios Equipment	\$10,441.90
Solution Total	\$10,441.90

Console Interface

Console Interface Equipment	\$4,359.13
Solution Total	\$4,359.13

North Radio Tower

North Radio Tower	\$41,950.00
Solution Total	\$41,950.00

OFFER

This offer is good for 180 days from April 2, 2015.

Total MotoTRBO System Solution

System Infrastructure Equipment	\$30,010.90
Upgrade Existing Subscriber Radios Equipment	\$10,441.90
Console Interface Equipment	\$4,359.13
North Radio Tower	\$41,950.00
Solution Total	\$86,761.93

Plus any applicable taxes.

4. 2. Payment

Fifty percent (50%) of the contract price is due and payable upon execution of contract. At that point, Creative Communications will order the equipment and schedule the project. Remaining milestone terms are payable net 30 days from invoice date as follows:

- 25% of the contract price upon delivery of the equipment to the field, items as shipped.
- 15% of the contract price upon completion of the installation and optimization.
- 10% of the contract price upon completion of the Acceptance Test Procedure (ATP).

4. 3. Ordering

To complete the authorization for this project, a PO must be issued for the price of the total solution as listed above, plus selected options (if any). The PO must be issued to:

Creative Communications Sales & Rentals, Inc.
3332 E. Broadway Road, Phoenix, AZ 85040

All POs related to this project must include:

1. Current date
2. PO number
3. Authorized signature
4. Contact name and phone number
5. Creative Communications Project #15001-11
6. Selection of options, if any
7. Statement of payment terms as outlined in this offer (4. 2. Payment)
8. Correct "Bill To" address

5.0 Agreement #15001-11 Acceptance

Each party represents to the other that it has obtained all necessary approvals, consents, and authorizations to enter into this Agreement and to perform its duties under this Agreement; the person executing this Agreement on its behalf has the authority to do so; upon execution and delivery of this Agreement by the parties, it is a valid and binding contract, enforceable in accordance with its terms; and the execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law, or any other governing authority of the party.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The partially executed signature page of any counterpart of this Agreement may be attached to any other partially executed counterpart of this Agreement without impairing the legal effect of the signatures on such signature page.

Creative Communications Sales & Rentals, Inc.,
 An Arizona Corporation

Lake Havasu City
 2330 McCulloch Boulevard North
 Lake Havasu City, Arizona 86403

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____