ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD SUITE 500
ARLINGTON, VIRGINIA 22201

NOTICE OF RENEWAL OF CONTRACT

TO: VIRGINIA SYSTEMS, INC.
9022 MATHIS AVENUE
MANASSAS, VA 20110

DATE ISSUED: September 26, 2013

CONTRACT NO: 573-12

CONTRACT TITLE: DTS - IT PRODUCT REPAIR SERVICES

THIS IS A NOTICE OF RENEWAL OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

This is your notice that the above referenced contract has been renewed. The contract term covered by this Notice of Renewal is effective JULY 29, 2013 and expires on JULY 28, 2014.

This is the FOURTH year of a possible SIX year contract.

CONTRACT PRICING:

REFER TO AGREEMENT NO. 573-12, EXHIBIT A (VITA CONTRACT NO. VA-100729-VASI)

ATTACHMENT:
AGREEMENT NO. 573-12

EMPLOYEES NOT TO BENEFIT:
NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: DESI ARNAIZ
VENDOR PAYMENT TERMS: NET 30 DAYS
COUNTY CONTACT: JEFF BRANDT

TELEPHONE NO.: 800-685-8435
EMAIL ADDRESS: DESI@VASI.COM
TELEPHONE NO.: 703-228-7983
EMAIL ADDRESS: JBRANDT@ARLINGTONVA.US

CONTRACT AUTHORIZATION
Charity Hooper
Procurement Officer
9/26/13

DISTRIBUTION
VENDOR: 1
BID FOLDER: 2
RIDERS AGREEMENT NO. 573-12

THIS AGREEMENT (hereinafter "Agreement") is made, on the date of its execution by the County, between Virginia Systems, Inc., 9022 Mathis Avenue, Manassas, VA 20110 ("Contractor"), a Virginia Corporation authorized to transact business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration and quantity (ies) specified herein or specified in a County Purchase Order referencing this Agreement, agree as follows:

1. CONTRACT DOCUMENTS
The Contract Documents consist of this Agreement, Exhibit A (Nondisclosure and Data Security Agreement), and Exhibit B (Virginia Information Technologies Agency (VITA) contract number VA-100729-VASI) together with any exhibits and amendments issued or applicable thereto ("Contract Documents" or "Contract"). This Agreement rides a contract awarded to the Contractor by VITA and extended by the Contractor to the County on the same terms and conditions as the Contractor’s agreement with VITA, and substituting the phrases "County Board of Arlington County" or "Arlington County", as appropriate, for the phrase "Virginia Information Technologies Agency" or "VITA" wherever those phrases appear in the Contract Documents. Where the terms of this Agreement vary from the terms and conditions of the other Contract Documents, the terms and conditions of this Agreement shall prevail.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to the parties’ agreement which is not contained in the Contract Documents.

2. CONTRACT TERM
The Contractor’s work for the County ("Work") shall commence upon execution by the County and be completed no later than July 28, 2012 ("Initial Contract Term"), subject to any modifications as provided for in the Contract Documents. Upon satisfactory performance by the Contractor and with the concurrence of the Contractor, the County may authorize continued operations of the Contractor under the same contract unit prices for not more than four (4) additional twelve (12) month periods from July 29, 2012 to July 28, 2016 (Each such period shall be referred to as a "Subsequent Contract Term").

3. PROJECT OFFICER
The performance of the Contractor is subject to the review and approval of the County Project Officer ("Project Officer") who shall be appointed by the Director of the Arlington County department or agency which seeks to obtain the Work pursuant to this Contract. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its Work pursuant to the Contract Documents.

4. COUNTY PURCHASE ORDER REQUIREMENT
County purchases are authorized only if a County Purchase Order is issued in advance of the transaction. A Purchase Order must indicate that the ordering agency has sufficient funds available to pay for the purchase. Such a Purchase Order is to be provided to the Contractor by the ordering agency. The County will not be liable for payment for any purchases made by its employees without appropriate purchase authorization issued by the County Purchasing Agent. Contractors providing goods or services without a signed County Purchase Order do so at their own risk and expense.
5. NON-APPROPRIATION
All funds for payments by the County under this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia. In the event of non-appropriation of funds by the County Board of Arlington County, Virginia for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County shall not be obligated under this Contract beyond the date of termination specified in the County’s written notice.

6. PAYMENT OF SUBCONTRACTORS
The Contractor is obligated to take one of the two following actions within seven (7) days after receipt of amounts paid to the Contractor by the County for work performed by any subcontractor under this Contract:

a. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or

b. Notify the County and the subcontractor, in writing, of the Contractor’s intention to withhold all or a part of the subcontractor’s payment with the reason for nonpayment.

The Contractor is obligated to pay interest to the subcontractor on all amounts owed by the Contractor to the subcontractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from the County for work performed by the subcontractor under this Contract, except for amounts withheld as allowed in subsection b., above. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts, if any are permitted, a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

The Contractor’s obligation to pay an interest charge to a subcontractor pursuant to the above provisions may not be construed to be an obligation of the County. A Contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

7. EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED
During the performance of this Contract, the Contractor agrees as follows:

A. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law related to discrimination in employment except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to
post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

B. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an Equal Opportunity Employer.

C. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

D. The Contractor will comply with the provisions of the Americans with Disabilities Act of 1990 which prohibits discrimination against individuals with disabilities in employment and mandates their full participation in both publicly and privately provided services and activities.

E. The Contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

8. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED
In accordance with §2.2-4311.1 of the Virginia Code, the Contractor acknowledges that it does not, and shall not during the performance of this Contract for goods and/or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

9. DRUG-FREE WORKPLACE TO BE MAINTAINED BY CONTRACTOR
During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor by Arlington County in accordance with the Arlington County Purchasing Resolution, the employees of which contractor are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

10. INDEMNIFICATION
The Contractor covenants for itself, its employees, and subcontractors to save, defend, hold harmless and indemnify the County, and all of its elected and appointed officials, officers, current and former employees, agents, departments, agencies, boards, and commissions (collectively the "County" for purposes of this section) from and against any and all claims made by third parties or by the County for any and all losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, demands or exposure, however caused, resulting from, arising out of, or in any way
connected with the Contractor's acts or omissions, including the acts or omissions of its
employees and/or subcontractors, in performance or nonperformance of the work
called for by the Contract Documents. This duty to save, defend, hold harmless and
indemnify shall survive the termination of this Contract. If, after notice by the County, the
Contractor fails or refuses to fulfill its obligations contained in this section, the Contractor
shall be liable for and reimburse the County for any and all expenses, including, but not
limited to, reasonable attorneys' fees incurred and any settlements or payments made.
The Contractor shall pay such expenses upon demand by the County, and failure to do
so may result in such amounts being withheld from any amounts due to Contractor under
this Contract.

11. RELATION TO COUNTY
The Contractor is an independent contractor and neither the Contractor nor its
employees or subcontractors will, under any circumstances, be considered employees,
 servants or agents of the County. The County will not be legally responsible for any
negligence or other wrongdoing by the Contractor, its employees, servants or agents.
The County will not withhold payments to the Contractor for any federal or state
unemployment taxes, federal or state income taxes, Social Security tax, or any other
amounts for benefits to the Contractor. Furthermore, the County will not provide to the
Contractor any insurance coverage or other benefits, including workers' compensation,
normally provided by the County for its employees.

12. DISPUTE RESOLUTION
All disputes arising under this Contract, or its interpretation, whether involving law or fact,
or extra work, or extra compensation or time, and all claims for breach of contract shall
be submitted to the Project Officer for decision at the time of the occurrence or
beginning of the work upon which the claim is based, whichever occurs first. Any such
claim shall state the facts surrounding it in sufficient detail to identify it, together with its
character and scope. In accordance with the Arlington County Purchasing Resolution,
claims denied by the Project Officer may be submitted to the County Manager in writing
no later than sixty (60) days after final payment. The time limit for final written decision by
the County Manager in the event of a contractual dispute, as that term is defined in the
Arlington County Purchasing Resolution, is fifteen (15) days. Procedures for considering
contractual claims, disputes, administrative appeals, and protests are contained in the
Arlington County Purchasing Resolution, which is incorporated herein by this reference. A
copy of the Arlington County Purchasing Resolution is available upon request from the
Office of the Purchasing Agent. The Contractor shall not cause a delay in the Work
pending any decision of the Project Officer, County Manager, County Board, or a court
of law.

13. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION
This Contract and the work performed hereunder shall be governed in all respects by the
laws of the Commonwealth of Virginia, and the jurisdiction, forum, and venue for any
litigation with respect thereto shall be in the Circuit Court for Arlington County, Virginia,
and in no other court. In performing its Work pursuant to this Contract, the Contractor
shall comply with applicable federal, state, and local laws, ordinances and regulations.

14. NOTICES
Unless otherwise provided herein, all notices and other communications required by this
Contract shall be deemed to have been given when made in writing and either (a)
delivered in person, (b) delivered by an agent, such as an overnight or similar delivery
service, or (c) deposited in the United States mail, postage prepaid, certified or
registered, addressed as follows:
TO THE CONTRACTOR:

Virginia Systems, Inc.
Cheri Arnaiz, Vice President
9022 Mathis Ave.
Manassas, VA 20110

AND

Virginia Systems, Inc.
Christopher Steffeck, Finance
9022 Mathis Ave.
Manassas, VA 20110

TO THE COUNTY:

The County Project Officer
Kevin Dolan
2100 Clarendon Boulevard, Suite 610
Arlington, Virginia 22201

AND

Richard D. Warren, Jr., Purchasing Agent
Arlington County, Virginia
2100 Clarendon Boulevard, Suite 500
Arlington, Virginia 22201

15. ARLINGTON COUNTY BUSINESS LICENSES
The Contractor must comply with the provisions of Chapter 11 ("Licenses") of the
Arlington County Code, if applicable. For information on the provisions of that Chapter
and its applicability to this Contract, the Contractor must contact the Arlington County
Business License Division, Office of the Commissioner of the Revenue, 2100 Clarendon
Blvd., Suite 200, Arlington, Virginia, 22201, telephone number (703) 228-3060.

16. INSURANCE REQUIREMENTS
The Contractor shall provide to the County Purchasing Agent a Certificate of Insurance
indicating that the Contractor has in force the coverage types and minimum amounts
below prior to the start of any Work under this Contract and upon any contract
extension. The Contractor agrees to maintain such insurance until the completion of this
Contract or as otherwise stated in the Contract Documents. All required insurance
coverage must be acquired from insurers authorized to do business in the
Commonwealth of Virginia, with a rating of "A-" or better and a financial size of "Class
VI" or better in the latest edition of the A.M. Best Co. Insurance Guides, and acceptable
to the County. The minimum insurance coverage types and amounts shall be:
a. Workers Compensation - Virginia Statutory Workers Compensation (W/C) coverage including Virginia benefits and employers liability with limits of $100,000/100,000/500,000. The County will not accept W/C coverage issued by the Injured Worker's Insurance Fund, Towson, MD.

b. Commercial General Liability - $1,000,000 combined single limit coverage with $2,000,000 general aggregate covering all premises and operations and including Personal Injury, Completed Operations, Contractual Liability, Independent Contractors, and Products Liability. The general aggregate limit shall apply to this Contract. Evidence of Contractual Liability coverage shall be typed on the certificate.

c. Business Automobile Liability - $1,000,000 Combined Single Limit (Owned, non-owned and hired).

d. Additional Insured - Arlington County, and its officers, elected and appointed officials, employees, and agents shall be named as an additional insureds on all policies except Workers Compensation and Auto and Professional Liability; and evidence of the Additional Insured endorsement shall be typed on the certificate.

e. Cancellation - All insurance policies required by this Contract shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation or non-renewal until thirty (30) days prior written notice has been given to the Purchasing Agent, Arlington County, Virginia." If there is a material change or reduction in coverage the Contractor shall notify the Purchasing Agent immediately upon Contractor's notification from the insurer. Any policy on which the Contractor has received notification from an insurer that the policy has or will be cancelled or materially changed or reduced must be replaced with another policy consistent with the terms of this Contract, and the County notified of the replacement, in such a manner that there is no lapse in coverage. Not having the required insurance throughout the Contract Term is grounds for termination of the Contract.

f. Any insurance coverage that is placed as a "claims made" policy must remain valid and in force, or the Contractor must obtain an extended reporting endorsement consistent with the terms of this Contract, until the applicable statute of limitations has expired, such date as determined to begin running from the date of the Contractor's receipt of final payment.

g. Contract Identification - The insurance certificate shall state this Contract's number and title.

The Contractor must disclose the amount of any deductible or self insurance component applicable to the General Liability, Automobile Liability, Professional Liability, Intellectual Property or any other policies required herein, if any. The County reserves the right to request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible. Thereafter, at its option, the County may require a lower deductible, funds equal to the deductible be placed in escrow, a certificate of self-insurance, collateral, or other mechanism in the amount of the deductible to ensure protection for the County.

The Contractor shall require all subcontractors to maintain during the term of this
Contract, Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation insurance in the same form and manner as specified for the Contractor. The Contractor shall furnish subcontractors' certificates of insurance to the County immediately upon request by the County.

No acceptance or approval of any insurance by the County shall be construed as relieving or excusing the Contractor from any liability or obligation imposed upon the Contractor by the provisions of the Contract Documents.

The Contractor shall be responsible for the work performed under the Contract Documents and every part thereof, and for all materials, tools, equipment, appliances, and property of any description used in connection with the work. The Contractor assumes all risks for direct and indirect damage or injury to the property or persons used or employed on or in connection with the Work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract, or in connection in any way whatsoever with the contracted work.

The Contractor shall be as fully responsible to the County for the acts and omissions of its subcontractors and of persons employed by them as it is for acts and omissions of persons directly employed by it.

Notwithstanding any of the above, the Contractor may satisfy its obligations under this section by means of self insurance for all or any part of the insurance required, provided that the Contractor can demonstrate financial capacity and the alternative coverage are submitted to and acceptable to the County. The Contractor must also provide its most recent actuarial report and provide a copy of its self insurance resolution to determine the adequacy of the insurance funding.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

AUTHORIZED SIGNATURE:

NAME: RICHARD D. WARREN, JR.
TITLE: PURCHASING AGENT
DATE: 8-11-11

VIRGINIA SYSTEMS, INC.

TAXPAYER ID (EIN): 54-1570333

AUTHORIZED SIGNATURE:

NAME AND TITLE: Cheri Arnaiz, VP
DATE: Aug 8, 2011
AGREEMENT NO. 573-12
EXHIBIT A

NONDISCLOSURE AND DATA SECURITY AGREEMENT
(CONTRACTOR)

Virginia Systems, Inc. (Contractor) hereby agrees that it will hold County information, documents, data, images, records and the like (hereafter "information") confidential and secure and to protect it against accidental loss, misuse, alteration, destruction or disclosure. This includes but is not limited to the information of the County, its employees, contractors, residents, taxpayers, and property and includes but is not limited to, data that the County shares with Contractor for testing, support, conversion or for support services.

Contractor agree that it will maintain the security of the information and it will not divulge this information or allow or facilitate access to it by any unauthorized person, for any purpose, or any information obtained directly, or indirectly, as a result of its performance of the Work for Contract No 573-12. This includes but is not limited to information that in any manner that describes, locates or indexes anything about an individual including, but not limited to, his/her (hereinafter "his") real or personal property holdings, and his education, financial transactions, medical history, ancestry, religion, political ideology, criminal or employment record, social security number, tax status or payments, date of birth, address, phone number or that affords a basis of inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such individual, and the record of his presence, registration, or membership in an organization or activity, or admission to an institution.

Contractor also agree that it will not directly or indirectly use or facilitate the use or dissemination of information (whether intentionally or by inadvertence, negligence or omission verbally, electronically, through paper transmission or otherwise), for any purpose other than that directly associated with its officially assigned duties pursuant to Contract No. 573-12. Contractor is aware that any unauthorized use or disclosure of information is prohibited and, in addition, may also constitute a violation of Virginia law (e.g., the Government Data Collection and Dissemination Practices Act, formerly called the Privacy Protection Act, Va. Code § 2.2-3800 et seq., and the Secrecy of Information Act, Va. Code § 58.1-3, which may be punishable by a jail sentence of up to six months and/or a fine of up to $1,000.00.)

Contractor also agrees that it will not divulge or facilitate the divulgence to or access by any unauthorized person, for any purpose, of any confidential or proprietary information not related to the Work obtained directly, or indirectly, as a result of the performance of Work under Contract No. 573-12.

Contractor also agree that it will take strict security measures to ensure that information is not improperly stored, that if stored that it is encrypted and stored securely, and cannot be retrieved or accessed by non-authorized persons, and that any device or media on which data is stored, even temporarily, will have strict security and access control, and that it will not cause any such information to leave its work site or the County’s physical facility, if working onsite. Contractor also agrees that it will not work remotely or remove any information from its worksite or the County’s physical facility without express written authorization of the County Project Officer. If so authorized, Contractor agrees and understands that it is responsible for the security of the electronic equipment or paper.
files on which the information is stored.

Contractor will ensure that any Contractor laptop, other equipment or media connected to the County network shall be free of all of all computer viruses and/or running the latest version of an industry standard virus protection program.

Contractor agrees that it will notify the County Project Officer immediately upon discovery or becoming aware or suspicious of any breach of this Agreement, County policy, Contractor's security system, or any unauthorized use or disclosure of the information, or any other breach of this Nondisclosure and Data Security Agreement, and Contractor will cooperate with the County in every way to help the County regain possession of any information and prevent its further unauthorized disclosure, use, or dissemination.

Contractor agrees that all duties and obligations enumerated in this agreement also extend to any and all employees, agents or subcontractors who are given access to County information. Breach of any of the above conditions by Contractor's employees, agents or subcontractors shall be treated as a breach by Contractor.

Contractor agrees that it shall take all reasonable measures to ensure its employees, agents and subcontractors are aware of and abide by the terms and conditions of this Agreement.

At the conclusion of the term of Contract No. 573-12, Contractor agrees to return all non-Contractor information to the County Project Officer.

This Agreement remains in full force and effect throughout the Contractor's Work on Contract No. 573-12 and shall survive termination of Contract No. 573-12.

Signed: Cheri Arnez

Date: Aug. 8, 2011