STORAGE AND SERVICE AGREEMENT

R4 Services, LLC, a Delaware Limited Liability Company ("R4"), and Chicago Housing Authority, an Illinois municipal corporation ("Depositor"), enter into this Storage and Service Agreement and all schedules attached hereto (collectively referred to as the "Agreement") on the effective date of January 1, 2018 (the "Effective Date"). Pursuant to the terms and conditions contained herein, R4 hereby agrees to provide to Depositor certain warehousing facilities and to accept for storage such record material ("Storage Material") as from time to time may be tendered to R4. Other related services such as media storage, document and media shredding and document imaging may also be provided. The following terms and conditions shall be deemed incorporated into each and every warehouse receipt issued pursuant to this Agreement whether or not referred to therein.

1. TERM OF AGREEMENT. The initial term of this Agreement ("Initial Term") shall commence as of the Effective Date, and shall continue in full force and effect for two (2) years from the Effective Date, unless terminated earlier pursuant to paragraph (13) below. This Agreement shall be renewable by Depositor in writing for successive one-year terms, up to a maximum of two (2) successive terms. All storage and service charges payable by Depositor for any term after the Initial Term shall be at the levels set forth in Attachment A (R4's

Best and Final Fee Proposal).

2. RESTRICTED STORAGE MATERIAL. Depositor shall not, at any time, store with R4 any narcotics or materials considered to be highly flammable, explosive, toxic, radioactive, organic material which may attract vermin or insects or any other materials which are otherwise illegal, dangerous and unsafe to store or handle in a records center. R4 reserves the right to refuse acceptance of any materials for reasons that may compromise the integrity of R4's business or endanger the integrity and security of other clients' material at the Warehouse. All storage materials received by R4 will be in a container designed for records storage. R4 reserves the right to replace and repack containers that are not in good condition or unable to be stacked in order to put the materials into proper condition for storage. Container costs and labor costs to replace and repack will be billed to Depositor, at R4's standard published rates.

3. ACCEPTANCE OF STORAGE MATERIAL. Storage Material accepted by R4 for storage shall be identified by warehouse receipts issued by R4. All Storage Material tendered for storage by Depositor shall be made ready for pick-up by R4 in a segregated manner, properly marked and packaged for handling. Depositor agrees not to ship or otherwise deliver Storage Material to R4. If, in violation of this Agreement, Storage Material is shipped to R4 as the named consignee, Depositor agrees to notify the carrier in writing prior to such shipment with a copy of such notice to R4 that R4 is named as consignee, is a warehousemen under law, and has no beneficial title or interest in such property. Depositor further agrees to hold harmless R4 from any and all claims for unpaid transportation charges, or charges of any nature, in connection with the property so shipped, which may be claimed by a third party acting at Depositor's direction.

4. STORAGE AND SERVICE CHARGES.

receipt thereof.

(a) Monthly Storage Charges Monthly storage charges become applicable upon the date that R4 accepts care, custody, and control of the Storage Material. Monthly storage charges shall be computed as follows: (1) Storage Material received for storage after the first (1st) day of the month shall be assessed at a prorated amount of the monthly storage charge. All monthly storage charges are due and payable on the first (1st) day of the storage for the initial month and thereafter on the first day of the calendar month.

(b) Other Charges. R4 will invoice Depositor for all charges other than monthly storage charges. Transportation surcharges may apply and change monthly in accordance with R4's fuel surcharge policy. Depositor shall pay each such invoice within fifteen (15) days after (c) <u>Late Payments</u>. Any undisputed payments or amounts not paid when due shall bear interest at the rate of 6% per annum or at the maximum rate permitted by law under the Illinois Local Government Prompt Payment Act, whichever is less.

(d) Non-payment. Full Payment of all open and undisputed invoices must be paid within sixty (60) days. Failure to do so may result in

suspension of services.

(e) All charges shall be assessed as set forth in Attachment A, which is incorporated herein by reference, along with Depositor's Request For Proposal Event No.2247, which is incorporated herein by reference as Exhibit 1.

- (g) Notwithstanding the foregoing, the maximum not-to-exceed compensation payable under this Agreement for the Initial Term shall be in the amount not-to-exceed One Hundred Forty Five Thousand Three Hundred Twenty and 00/100 Dollars (\$145,320.00).
- 5. TRANSFER, DESTRUCTION AND REMOVAL OF STORAGE MATERIAL.
- (a) Transfer of Storage Material. Instructions to transfer Storage Material shall not be effective until Depositor delivers such instructions to R4 pursuant to Paragraph 16 or via telephone and pays all amounts due including all exit fees that apply.
- (b) <u>Destruction of Storage Material</u>. R4 may destroy Storage Material only upon written notice from Depositor. Depositor releases R4 from any liability by reason of destruction of such Storage Material pursuant to such notice, direction and authority from Depositor. Depositor agrees to pay R4's destruction fee. R4 will furnish a Certificate of Destruction when complete.
- (c) Removal of Storage Material. If, as a result of a quality or condition of the Storage Material of which R4 had no notice at the time of receipt, the Storage Material is a hazard to other property at the Warehouse or to persons, R4 shall immediately notify Depositor, and Depositor shall thereupon claim its interest in said Storage Material and remove it from the Warehouse. Pending such disposition, R4 may remove the Storage Material from the Warehouse and shall incur no liability by reason of such removal and exit fees will apply.
- 6. RIGHT OF ACCESS AND INSPECTION. Depositor shall have the right of reasonable access to Depositor's Storage Material located at the Warehouse. Access to Storage Material shall be given only to Depositor and its designated employees unless R4 is otherwise directed in writing by Depositor. Depositor shall, while on R4's premises, require its personnel to comply with all security, safety and other personnel rules and regulations, and where required by government regulations, shall submit satisfactory clearance from the U.S. Department of Defense and other applicable federal authorities. R4 will furnish access to Storage Material in response to subpoenas, court orders and other legal processes only after notifying Depositor of such a request. All costs of R4 in responding to such legal processes, including R4's legal fees, will be paid by Depositor.
- 7. LIABILITY AND LIMITATION OF DAMAGES. R4 shall exercise such care in storing Depositor's goods, including files, records, and computer media and in providing services in connection therewith as a reasonably careful person would under similar circumstances. R4 shall not be liable for any loss or damage, however caused, unless such loss or damage results from a failure of R4 to exercise such a level of care. If R4 becomes liable to Depositor for failing to exercise such a reasonable level of care in storing Depositor's goods, including files, records and computer media and/or in providing services to Depositor hereunder, R4's liability to Depositor shall be limited to an amount not to exceed the annual value of the monthly storage charges under the Agreement paid or payable during the year preceding the damage, beyond which value R4 shall not be liable. including for any consequential, punitive, incidental or exemplary damages. Depositor acknowledges that it is Depositor's responsibility to obtain its own insurance for any loss or damage beyond the scope of R4's agreed limited liability. The Depositor understands and

acknowledges that normal deterioration and aging of all record media occurs with time. Claims by the Depositor for loss, damage, or destruction must be presented in writing to R4 within sixty (60) days after Depositor learns of or is notified by R4 that loss, damage, or destruction to part or all of the goods occurred. No action may be maintained by Depositor against R4 for loss or damage to the goods covered hereunder unless commenced within twelve (12) months of the date that Depositor learns of or is notified of loss, damage, or destruction to its goods covered hereunder.

- **8.** INSURANCE. STORAGE MATERIAL IS NOT INSURED BY R4 AGAINST LOSS OR INJURY HOWEVER CAUSED.
- 9. NOTICE OF CLAIMS AND FILING OF SUITS. Claims by the Depositor and all other persons must be presented in writing to R4 within a reasonable time, and in no event longer than sixty (60) days of a loss or injury to the Storage Material. No action may be maintained by Depositor or others against R4 for loss or injury to Storage Material unless (a) a written claim has been given to R4 as provided herein, and (b) such action is commenced within nine (9) months after a loss or injury to the Storage Material.
- 10. COMPLIANCE WITH LAWS. R4 shall be responsible for observing all laws, ordinances, rules, and regulations of federal, state, municipal, and other governmental authorities relating specifically to the safeguarding, receiving, handling and storing of Depositor's Storage Material.
- 11.FEES Depositor agrees to pay R4 the fees set forth herein in accordance with the payment terms of R4's invoice. A Depositor's request for the removal of boxes shall not reduce the current monthly charge then in effect unless such request is in writing and call for permanent removal thereof, in which event a permanent removal charge shall apply in addition to reference charges.
- 12. BREACH. The following events shall constitute a breach by Depositor: (a) Depositor fails to pay any undisputed charges owed to R4 within thirty (30) days after notice thereof by R4 of such failure of timely payment, (b) Either party fails to perform or observe any other covenant or condition in this Agreement and fails to cure such breach within thirty (30) days after notice thereof by the non-defaulting party of such default, (c) Either party makes an assignment for the benefit of creditors, (d) Either party admits in writing its inability to pay debts as they come due, (e) Depositor ceases doing business as a going concern, (f) a proceeding is instituted against either party seeking reorganization, arrangement, readjustment, liquidation, dissolution or other similar relief under any law affecting the rights of creditors, and such proceeding is acquiesced in or is not dismissed within sixty (60) days; However, in any event of default claimed by either party, the party asserted to be in default shall have an opportunity to cure such material default within thirty (30) days of its receipt of notice of default delivered in writing and accordance with notice provisions set forth
- 13.TERMINATION. If a Breach occurs and such breach or default is not cured under Section 12, the non-breaching party may, at its option terminate this Agreement. Notwithstanding the foregoing, each party may exercise any other rights or remedies available at law or in equity. B. Early Termination: In the event that Depositor shall terminate this Agreement prior to the expiration of the Initial Term and/or any Renewal Term for any reason other than default or breach, the company shall have in addition to all other remedies, the right to receive all charges due or payable by Depositor as of the date of such early termination prior to the full release of the Depositor's stored materials.

- **14. CONFIDENTIAL INFORMATION.** R4 will treat and preserve as confidential all information received by R4 from Depositor as a result of this Agreement.
- 15. NOTICES. All notices required hereunder shall be in writing and shall be deemed served when (a) delivered personally to the person for whom intended, or (b) delivered two (2) days after deposit in the United States mail, certified mail, return receipt requested, addressed to the persons for whom intended at the following addresses. Any party may change the address or fax to which notices are to be sent by so notifying the other party as set forth above:

If to R4: R4 Services, LLC

Attention Trisha Rooney Alden

1301 West 35th

Chicago, Illinois 60609
Fax. (773) 843-3910
Trooney@r4services.com

If to Depositor: Chicago Housing Authority

Attention: Director, Dept. of Purchasing &

Contracts

60 East Van Buren

13th Floor

Chicago, Illinois 60605

- **16. GOVERNING LAW.** This Agreement shall be governed in all respects by the laws of the State of Illinois. The parties submit to jurisdiction in the Circuit Court of Cook County, Illinois.
- 17. DESCRIPTIVE HEADINGS. Title headings are for reference purposes only and shall have no interpretative effect.
- 18. ASSIGNMENT. This Agreement shall be binding upon and shall inure to the benefit of the original parties hereto and their respective heirs, personal representatives, successors and assigns. This Agreement shall be assignable in full and only upon written request to the other party, whose consent shall not be unreasonably Any party who assigns any or all of this Agreement will provide the other party with the name and address of the assignee.
- 19. PRECEDENCE, MODIFICATION. This Agreement is subject to the terms and conditions of the Depositor's procurement and award under its RFP Event No. 2247 (Exhibit 1), which is incorporated into the Agreement as if fully and originally set forth herein. Such terms shall be reasonably construed by the parties to be consistent. However, terms of the RFP shall take precedence over the Storage and Service Agreement in the event of a direct conflict, This contract represents the entire agreement of Depositor and R4, and shall not be modified or amended other than by written agreement of the parties.
- 20. SEVERABILITY. If any provision of this Agreement is declared or held invalid or unenforceable by a court of competent jurisdiction, such declaration or holding shall not affect the validity of any other provision and each term and provision shall be valid and enforceable to the fullest extent permitted by law.
- 21. **DISPUTE RESOLUTION:** The Parties agree that in the event of a dispute or alleged breach they will work together in good faith to resolve the matter internally by escalating it to higher levels of management and, if necessary, to use a mutually agreed upon alternative dispute resolution mechanism prior to resort to litigation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the later of the dates written below.

 Depositor

By: Worns Burkers

Title: Chief Procurement Officer

Date:_____

Approved as to Form and Legality

Chicago Housing Authority Office of the General Counsel

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