



**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number 2  
 to  
 Contract Number 180000001284

<b>CONTRACTOR</b>	MIDSTATE SECURITY COMPANY, LLC
	5975 Crossroads Commerce Pkwy, SW
	Wyoming, MI 49519
	Dave McDonald
	616-291-6269
	dmcDonald@midstatesecurity.com
	CV0008089

<b>STATE</b>	<b>Program Manager</b>	Brandon Philip	DTMB
		517-335-4110	
		philipb@michigan.gov	
	<b>Contract Administrator</b>	Steve Rigg	DTMB
		(517) 249-0454	
		riggs@michigan.gov	

<b>CONTRACT SUMMARY</b>				
<b>VERINT CAMERA SYSTEM INTEGRATOR AND INSTALLATION</b>				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2018	September 30, 2021	2 - 1 Year	September 30, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,010,000.00	\$922,221.00	\$1,932,221.00		
DESCRIPTION				
Effective 8/27/2019 pricing on this contract is hereby updated, per revised Schedule B - Pricing. In addition, this contract is hereby increased by \$922,221. All other terms, conditions, specifications, and pricing remain the same. Per contractor proposal and agency request, DTMB Procurement approval, and State Administrative Board approval on 8/27/2019.				

**Schedule B Pricing, State of Michigan Contract #171 18000001284 Revised 8-21-19**

**Software & Maintenance**

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
Verint	Appliance	V150	2TB/4TB/8TB	VMS-V150-4000-7.X	\$ 2,520.00
Verint	Appliance Hdwe	E150-RM	Rack Mount Kit	E150-RM	\$ 30.45
Verint	License	VMSX.XX-ENT	VMS Enterprise Software License	VMS-7.5-ENT	\$ 5,040.00
Verint	License	VMS-1CAM-ENT	Single Enterprise Camera License	VMS-1CAM-ENT-7.X	\$ 168.00
Verint	Maintenance	VER-MAN-GOLD	First Year Gold Software Maintenance	VER-MAN-GOLD	
Verint	Maintenance	VER-MAN-PWGOLD	Additional One (1) year Gold Software Maintenance	VER-MAN-PWGOLD	
Verint	Software	VMS-MSS-200	Multi-Site Directory Software	VMS-MSS-200	\$ 20,880.00
Verint	Software	VMS-1RV-S-LIC-7.X	Single Review Client Software	VMS-1RV-S-LIC-7.X	\$ 239.25
Verint	License	VMS-BASE-7.X	VMS Base Software License	VMS-BASE-7.6	\$ 1,176.00
Verint	License	VMS-1C-BASE-7.X	Single Base Camera License	VMS-1C-BASE-7.X	\$ 130.50

**IP Cameras**

Manufacturer	Type	Model/Series	Notes		Price
Aercont Vision	IP Camera	MicroDome Series	Fixed Dome Cameras	AV2456DN-S	\$ 371.53
Aercont Vision	IP Camera	MegaDome 2 Series	Fixed Dome Cameras	AV2355PM-H	\$ 688.41
Aercont Vision	IP Camera	SurroundVideo Omni Series	Fixed Dome Cameras	AV12176DN-28	\$ 1,685.60
AXIS	IP Camera	M30 Series	Fixed Dome Cameras	M3044-V	\$ 236.81
AXIS	IP Camera	M32 Series	Fixed Dome Cameras	P3224-V	\$ 498.61
AXIS	IP Camera	M50 Series	PTZ Cameras	M5054	\$ 593.81
AXIS	IP Camera	P12 Series	Fixed Bullet Cameras	P1264	\$ 355.81
AXIS	IP Camera	P14 Series	Modular Cameras	P1435-LE	\$ 712.81
AXIS	IP Camera	P32 Series	Fixed Dome Cameras	P3225-LVE	\$ 831.81
AXIS	IP Camera	P33 Series	Fixed Dome Cameras	P3367-V	\$ 1,188.81
AXIS	IP Camera	P37 Series	Fixed Dome Cameras	P3707-PE	\$ 1,426.81
AXIS	IP Camera	Q17 Series	Fixed Bullet Cameras	Q1765-LE	\$ 1,664.81
AXIS	IP Camera	Q60 Series	PTZ Cameras	Q6000-E	\$ 1,902.81
Pelco	IP Camera	Spectra HD Series	PTZ Cameras	SD436-HPE1	\$ 3,740.39
Verint	IP Camera	V3300 Series	Fixed Dome Cameras	V3320RD-L6	\$ 329.28
Verint	IP Camera	V4300 Series	Fixed Dome Cameras	V4320FDW-DN	\$ 1,083.60
Verint	IP Camera	V5600 Series	PTZ Cameras	V5620PTZ-30DW-C	\$ 3,192.00
Verint	IP Camera	V6000 Series	Fixed Dome Cameras	V6050FDW-DN	\$ 798.00
Verint	IP Camera	S5000 Series	Fixed Dome Cameras	V3520FD-DN	\$ 495.60
Verint	IP Camera	S5120 Series	Fixed Dome Cameras	V3520FDW-DN	\$ 537.60
Verint	IP Camera	S5250 Series	Fixed Dome Cameras	V4530FD-DN	\$ 915.60
Verint	IP Camera	S5500 Series	PTZ Cameras	V4530FDW-DN	\$ 1,083.60
Verint	IP Camera	S4300 Series	Fixed indoor/outdoor dome camera	V4320FDW-DN	\$ 955.00
Verint	IP Camera	V7100 Series	Fixed Indoor 360 fisheye dome camera	V7120FD-DN	\$ 1,044.00
Verint	IP Camera	V7100 Series	Fixed strip-height concealed camera	HS-2M-POE	\$ 460.00

**Analog Cameras**

Manufacturer	Type	Model/Series	Notes		Price
FLIR	Analog Camera	TCX Series	Thermal Imaging Camera	DISCONTINUED	\$ -
FLIR	Analog Camera	FC Series	Thermal Imaging Camera	FC-304	\$ 13,795.59
FLIR	Analog Camera	F Series	Thermal Imaging Camera	F-304	\$ 14,314.99
FLIR	Analog Camera	Ranger Series	Thermal Imaging Camera	Priced per project spec	\$ -
Samsung	Analog Camera	SCV Series	Fixed Dome Cameras	scv-6023R	\$ 131.04

**Encoder/Decoders**

Manufacturer	Type	Model/Series	Notes		Price
Verint	Decoder	NEX-HDR-P Micro	High Definition Receiver/Decoder	HDR-P-MICRO-7.X	\$ 1,470.00
Verint	Encoder	S1800 Series	Video Encoder, single channel	S1801e	\$ 504.00
Verint	Encoder	S1800 Series	Video Encoder, eight channel	S1808E	\$ 2,175.00
Verint	Encoder	S1800 Series	Video Encoder, sixteen channel	S1816E	\$ 3,132.00
Verint	Encoder Hardware	S1800 Series	Video Encoder Power Supply	PS12	\$ 20.88

**Camera Mounts**

Manufacturer	Type	Model/Series	Notes		Price
Aercont Vision	Mount	SO-CAP	Mounting Cap - SurroundVideo Omni Series	SO-CAP	\$ 45.64
Aercont Vision	Mount	MD-CAP	Mounting Cap - MegaDome Series	MD-CAP	\$ 60.62
Aercont Vision	Mount	AV-WMJB	Wall Mount	AV-WMJB	\$ 86.60
Aercont Vision	Mount	AV-CRMA	Corner Mount	AV-CRMA	\$ 28.87
Aercont Vision	Mount	AV-PMJB	Pendant Mount	AV-PMJB	\$ 86.60
Aercont Vision	Mount	AV-PMA	Pole Mount	AV-PMA	\$ 25.98
Aercont Vision	Mount	AV-JBA	Junction Box	AV-JBA	\$ 60.62
Aercont Vision	Mount	SO-FMA	Flush Mount - SurroundVideo Omni Series	SO-FMA	\$ 76.02
Aercont Vision	Mount	MD-CAP	Flush Mount - MegaDome Series	MD-CAP	\$ 60.62
AXIS	Mount	T94T01D	Pendant Mount	T94T01D	\$ 58.31
AXIS	Mount	T91B51	Ceiling Mount	T91B51	\$ 141.61
AXIS	Mount	T91B52	Extension Pipe	T91B52	\$ 58.31
AXIS	Mount	T91B63	Ceiling Mount	T91B63	\$ 141.61
AXIS	Mount	T94A01L	Recessed Mount	T94A01L	\$ 296.31
AXIS	Mount	T94B01D	Pendant Mount	DISCONTINUED	
AXIS	Mount	T94F01D	Pendant Mount	T94F01D	\$ 46.41
AXIS	Mount	T94F01L	Recessed Mount	T94F01L	\$ 105.91
AXIS	Mount	T94F02D	Pendant Mount	T94F02D	\$ 46.41
AXIS	Mount	T94K01D	Pendant Mount	T94K01D	\$ 46.41
AXIS	Mount	T94K01L	Recessed Mount	T94K02L	\$ 94.01
AXIS	Mount	T94M01L	Recessed Mount	T94M02L	\$ 131.04
AXIS	Mount	T91A64	Corner Mounting Bracket	T91A64	\$ 94.01

AXIS	Mount	T91B62	Parapet Mount	T91B62	\$ 224.91
AXIS	Mount	T94R01B	Corner Mounting Bracket	T94R01B	\$ 70.21
AXIS	Mount	T94P01B	Corner Mounting Bracket	T94P01B	\$ 94.01
AXIS	Mount	T91B61	Wall Mount	T91L61	\$ 117.81
AXIS	Mount	T91E61	Wall Mount	T91E61	\$ 46.41
AXIS	Mount	T91D61	Wall Mount	T91D61	\$ 99.96
FLIR	Mount	S1 Series	Pendant, Wall and Pole Mounts	FK-4129742 Wall Mount	\$ 83.99
FLIR	Mount	S2 Series	Pendant, Wall and Pole Mounts	FK-4132982 Pole Adapter	\$ 116.19
Pelco	Mount	CM400	Corner Mount	CM400	\$ 61.29
Pelco	Mount	BB5-PCA	Pendant Mount	BB5-PCA	\$ 76.06
Pelco	Mount	IWM/IDM4018 Series	Dome Wall Mount	IWM-GY	\$ 87.22
Pelco	Mount	PP350/PP351/PP450/PP451 Series	Parapet Wall/Rooftop Mount	Note price is all 4 total	\$ 1,676.89
Pelco	Mount	SWM Series	Corner, Pole and Wall Mounts	SWM Series	\$ 49.38
Samsung	Mount	SBP Series	Corner, Pole and Wall Mounts	SBP Series	\$ 53.09
Verint	Mount	WM-V33-43FDW	Verint Wall Mount Bracket	WM-V33-43FDW	\$ 100.05
Verint	Mount	PM2-V33-43FDW	Verint Pendant Mount Adapter	PM2-V33-43FDW	\$ 52.20

### Door Stations

Manufacturer	Type	Model/Series	Notes		\$ -
Aiphone	Door Stations	JF Series	Master Station	JF-2MED	\$ 714.90
Aiphone	Door Stations	JK Series	Master Station	JK-1MED	\$ 472.99
Aiphone	Door Stations	JP Series	Master Station	JP-4MED	\$ 1,370.98
Aiphone	Door Stations	LE Series	Master Station	LEF-5	\$ 242.51
Aiphone	Door Stations	JF Series	Door Station with Door Release	JF-DV	\$ 236.99
Aiphone	Door Stations	JK Series	Door Station with Door Release	JK-DV	\$ 278.95
Aiphone	Door Stations	JP Series	Door Station with Door Release	JP-DV	\$ 276.04
Aiphone	Door Stations	LE Series	Door Station with Door Release	LE-SS/A	\$ 234.09
Aiphone	Door Stations	RY Series	Release Relay	RY-3DL	\$ 92.02
Aiphone	Door Stations	PS Series	Power Supply	PS-1820UL	\$ 91.11
Aiphone	Door Stations	8100 Series	Master Cable per thousand foot	82221050C	\$ 344.39
Aiphone	Door Stations	8200 Series	Master Cable per thousand foot	82221050C	\$ 344.39
Aiphone	Door Stations	8700 Series	Master Cable per thousand foot	82221050C	\$ 344.39
Aiphone	Door Stations	8100 Series	Door Station Cable per thousand foot	82180210C	\$ 373.79
Aiphone	Door Stations	8200 Series	Door Station Cable per thousand foot	82180210C	\$ 373.79
Aiphone	Door Stations	8700 Series	Door Station Cable per thousand foot	82180210C	\$ 373.79

### Power, Networking & Miscellaneous

Manufacturer	Type	Model/Series	Notes		\$ -
L-Com	Accessories	NB141207-1HF	Weatherproof Enclosure 120VAC with Heater/Fan	NB141207-1HFS-UL	\$ 518.62
L-Com	Accessories	NB141207-KIT	Weatherproof Enclosure with Mounting Plate	NB141207-KIT	\$ 200.31
Middle Atlantic	Accessories	WMS Series	Wall Shelf	(WMS-2)	\$ 107.58
Middle Atlantic	Accessories	WRS Series	Wall Rack	(WRS-8)	\$ 447.64
Middle Atlantic	Accessories	VPM Series	Wall Rack	(VPM-4)	\$ 90.98
Middle Atlantic	Accessories	H Series	Rack Hardware	(HP-SCREWS)	\$ 20.94
Middle Atlantic	Accessories	S Series	Rack Hardware	Not valid	\$ -
Pelco	Accessories	500 Series	Monitors	DISCOUNTINUED	\$ -
Pelco	Accessories	600 Series	Monitors	(PMCL624)	\$ 531.36
Raytec	Accessories	Raymax and Vario Series	IR Illuminator	Raymax RM25-120-C	\$ 460.98
Raytec	Accessories	Raymax and Vario Series	IR Illuminator	Vario VAR2-i8-1	\$ 809.47
Raytec	Accessories	Raymax and Vario Series	120 IR Lens, Vario only, order Raymax with specific lens	Vario VAR- i8-LENS-12050	\$ 34.99
Ubiquiti	Accessories	NanoAC	Wireless Ethernet Transceiver	NBE-5AC-Gen2	\$ 169.30
Omnitron Systems	Networking	miConverter GX/T	Media Converter	1222-0-1	\$ 370.04
Omnitron Systems	Networking	miConverter GX/T PoE/D	Media Converter	1222D-0-11	\$ 667.08
Trendnet	Networking	TPE Series	Gigabit POE Plus Injector, Class 4	(TPE-115GI)	\$ 37.85
West Penn	Networking	Cat5e/Cat6e	Network Cable per thousand feet NON-PLENUM	Various, by manuf. & color	\$ 185.43
Altronix	Power	AL Series	IR Power Supply	AL100UL	\$ 92.13
AXIS	Power	T8125	High PoE 60W	T8125	\$ 186.58
AXIS	Power	T8133	PoE+ 30W	T8133	\$ 93.28
Dongan	Power	35-MO10 Buck/Boost	Transformer	35-MO10	\$ 116.62
Middle Atlantic	Power	PD Series	Rack Power Strip	(PD-920R-NS)	\$ 196.37
Middle Atlantic	Power	PDS Series	Rack Power Strip	(PDS-620R)	\$ 516.94
Tripp Lite	Power	SMART Line Interactive Series	Uninterruptable Power Supply (UPS) - Rackmount	SMART1500LCD	\$ 356.72
Tripp Lite	Power	TLP Series	AC Surge Plug Strip	TLP808	\$ 30.18
Synology	Storage media	DS1817+	Synology External Video Storage Array, 80TB	DS1817+	\$ 4,155.10

### Labor

		Price
Installation technology time	Per Hour	\$ 105.00
Programming time	Per Hour	\$ 125.00
After hours/ emergency calls	Per Hour	X 1.5 of above
Anticipated additional labor rates	Per Hour	\$ 105.00



**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number 1  
 to  
 Contract Number 17118000001284

<b>CONTRACTOR</b>	MIDSTATE SECURITY COMPANY, LLC
	5975 Crossroads Commerce Pkwy, SW
	Wyoming, MI 49519
	Dave McDonald
	616-291-6269
	dmcDonald@midstatesecurity.com
	CV0008089

<b>STATE</b>	<b>Program Manager</b>	Brandon Philip	DTMB
		517-335-4110	
		philipb@michigan.gov	
	<b>Contract Administrator</b>	Brian Fairbrother	DTMB
		(517) 249-0457	
		fairbrotherb@michigan.gov	

CONTRACT SUMMARY				
VERINT CAMERA SYSTEM INTEGRATOR AND INSTALLATION				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2018	September 30, 2021	2 - 1 Year	September 30, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
2%/Net 45				
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input checked="" type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,000,000.00	\$10,000.00	\$1,010,000.00		
DESCRIPTION				
Effective 10/17/2018, this contract is hereby increased by \$10,000.00 for the Michigan Gaming Control Board (MGCB). All other terms, conditions, specifications, and pricing remain the same. Per DTMB contractor and agency agreement, and DTMB Procurement approval.				



**STATE OF MICHIGAN  
ENTERPRISE PROCUREMENT**

Central Procurement Services

525 W. Allegan St., Lansing, MI 48933

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **171 180000001284**

between  
THE STATE OF MICHIGAN  
and

<b>CONTRACTOR</b>	Midstate Security Company, LLC
	5975 Crossroads Commerce Pkwy, SW
	Wyoming, MI 49519
	Dave McDonald
	616-291-6269
	dmcDonald@midstatesecurity.com
	CV008089

<b>STATE</b>	Program Manager	Brandon Philip	DTMB
		517-335-4110	
		philipb@michigan.gov	
	Contract Administrator	Brian Fairbrother	DTMB
		517.249.0457	
		fairbrotherb@michigan.gov	

<b>CONTRACT SUMMARY</b>			
<b>DESCRIPTION: Verint Camera System Integrator and Installation</b>			
<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW</b>
10/1/2018	9/30/2021	2, 1-year	
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
2%/10 Net 45		See below.	
<b>ALTERNATE PAYMENT OPTIONS</b>			<b>EXTENDED PURCHASING</b>
<input checked="" type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>MINIMUM DELIVERY REQUIREMENTS</b>			
N/A			
<b>MISCELLANEOUS INFORMATION</b>			
N/A			
<b>ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION</b>			<b>\$1,000,000.00</b>

**FOR THE CONTRACTOR:**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Authorized Agent Signature**

\_\_\_\_\_  
**Authorized Agent** (Print or Type)

\_\_\_\_\_  
**Date**

**FOR THE STATE:**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Brian Fairbrother, Category Analyst**

\_\_\_\_\_  
**Agency**

\_\_\_\_\_  
**Date**



# STATE OF MICHIGAN

## STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Midstate Security Company, LLC (“**Contractor**”), a Michigan limited liability company. This Contract is effective on October 1, 2018 (“**Effective Date**”), and unless terminated, expires on September 30, 2021.

This Contract may be renewed for up to two additional one-year period(s). Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

- Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Schedule A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Schedule A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Brian Fairbrother 525 W. Allegan St. Lansing, MI 48913 <a href="mailto:FairbrotherB@michigan.gov">FairbrotherB@michigan.gov</a> 517.249.0457	David McDonald, Strategic Account Manager 5975 Crossroads Commerce Pkwy SW Wyoming, MI 49519 <a href="mailto:dmcDonald@midstatesecurity.com">dmcDonald@midstatesecurity.com</a> 616-257-1151

- Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State: Brian Fairbrother 525 W. Allegan St. Lansing, MI 48933 <a href="mailto:FairbrotherB@michigan.gov">FairbrotherB@michigan.gov</a> 517.249.0457	Contractor: David McDonald, Strategic Account Manager 5975 Crossroads Commerce Pkwy SW Wyoming, MI 49519 <a href="mailto:dmcDonald@midstatesecurity.com">dmcDonald@midstatesecurity.com</a> 616-257-1151
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4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: Brandon Philip 615 W. Allegan St. Lansing, MI 48933 <a href="mailto:PhilipB@michigan.gov">PhilipB@michigan.gov</a> 517.335.4110	Contractor: David McDonald, Strategic Account Manager 5975 Crossroads Commerce Pkwy SW Wyoming, MI 49519 <a href="mailto:dmcDonald@midstatesecurity.com">dmcDonald@midstatesecurity.com</a> 616-257-1151
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5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
<b>Commercial General Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations  <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
<b>Umbrella or Excess Liability Insurance</b>	
<u>Minimal Limits:</u> \$5,000,000 General Aggregate	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds.
<b>Automobile Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
<b>Workers' Compensation Insurance</b>	
<u>Minimal Limits:</u>	Waiver of subrogation, except where waiver is prohibited by law.



Coverage according to applicable laws governing work activities.	
<b>Employers Liability Insurance</b>	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
<b>Privacy and Security Liability (Cyber Liability) Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
<b>Crime (Fidelity) Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Employee Theft Per Loss	Contractor must have their policy: (1) cover forgery and alteration, theft of money and securities, robbery and safe burglary, computer fraud, funds transfer fraud, money order and counterfeit currency, and (2) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as Loss Payees.

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Administrative Fee and Reporting.** Contractor must pay an administrative fee of 1% on all payments made to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions), MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

Department of Technology, Management and Budget  
 Cashiering  
 P.O. Box 30681  
 Lansing, MI 48909

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

8. **Extended Purchasing Program.** This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at [www.michigan.gov/mideal](http://www.michigan.gov/mideal). Upon written agreement between the State and Contractor, this contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein.
10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control

does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Schedule A. All containers and packaging becomes the State's exclusive property upon acceptance.
18. **Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.
19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund.
20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims

previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

24. **Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

- 27. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
- 28. Limitation of Liability and Disclaimer of Damages.** **IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
- 30. State Data.** Reserved.
- 31. State Data.**
- a. Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data,

mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("PHI") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.

- b. Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.
- c. Extraction of State Data. Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. Backup and Recovery of State Data. Unless otherwise specified in Schedule A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Schedule A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.
- e. Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what

steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This section survives termination or expiration of this Contract.

**32. Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the

State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

**33. Data Privacy and Information Security.**

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. Audit by Contractor. No less than annually, Contractor must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- c. Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.
- d. Audit Findings. Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- e. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

**34. Payment Card Industry Data Security Standard.** Reserved.

**35. CEPAS Electronic Receipt Processing Standard.** Reserved.

**36. Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.



- 37. Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.
- 38. Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
- 39. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 40. Prevailing Wage.** This Contract and any subcontract is subject to the Prevailing Wage Act, 1965 PA 166. Contractor must comply with the state prevailing wage law and its requirements.
- 41. State Printing.** Reserved.
- 42. Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
- 43. Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
- 44. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 45. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 46. Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
- 47. Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral

must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.

48. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
49. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
50. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and expressly incorporated schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
54. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

## STATE OF MICHIGAN

Contract No. 171 180000001284  
Camera Systems Integrator and Installation

### SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

#### BACKGROUND

This Contract supports the State of Michigan (SOM) Enterprise Networked Camera Solution through video management system maintenance and system maintenance through an Authorized Integrator, currently Verint Video Management System (VMS). The term of this contract is three (3) years with two, one-year options. The start date is October 1, 2018 through September 30, 2021.

#### SCOPE

The Contractor will provide complete camera installation services including equipment and labor. The current system is comprised of about 800 cameras at over 50 different locations and is continually growing. This has a very large and complicated network. This is the Video Security camera system installed in various buildings in downtown Lansing, the State Secondary Complex and various outstate (Detroit, Jackson, Grand Rapids, Flint, Escanaba, Saginaw, etc.) locations that tie back to the JOC (Joint Operations Center) firewall in the Mason building. The Cybersecurity and Infrastructure Protection system is monitored 24 x 7 at the JOC by Central Control staff. The Contractor will also provide/install VMS software maintenance (patches, updates, upgrades and troubleshooting) on all 20+ camera servers and appliances (billed hourly). In addition, the Contractor will provide Verint (Nextiva VMS) Gold Support maintenance for the entire Department of Technology, Management and Budget (DTMB) camera system. The Contractor must have a working knowledge of how video solutions will integrate with other key SOM security systems including Honeywell EBI card and Code Blue emergency phones.

#### REQUIREMENTS

##### 1. General Requirements, IT State Standards

The Contractor must adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at [http://www.michigan.gov/dtmb/0,5552,7-150-56355\\_56579\\_56755---,00.html](http://www.michigan.gov/dtmb/0,5552,7-150-56355_56579_56755---,00.html).

Contractor is not authorized to make changes to any State systems without prior written authorization from the State's Project Manager. Any changes Contractor makes to any State systems with the State's approval must be done according to applicable State procedures, including security, access, and configuration standards.

##### 1.1. Enterprise IT Policies, Standards and Procedures

The Contractor is advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractors are expected to provide proposals that conform to State IT policies and standards. All services and products provided as a result of this Contract must comply with all applicable State IT policies and standards. Contractor is required to review all applicable links provided below and state compliance in their response.

##### 1.2. Acceptable Use Policy

To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see [http://www.michigan.gov/dtmb/0,5552,7-150-56355\\_56579\\_56755---,00.html](http://www.michigan.gov/dtmb/0,5552,7-150-56355_56579_56755---,00.html). All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

##### 1.3. Mobile Responsiveness

To the extent possible, the Contractor's solution must be mobile responsive.

##### 1.4. ADA Compliance

The State is required to comply with the Americans with Disabilities Act of 1990 (ADA), and has adopted a formal policy regarding accessibility requirements for websites and software applications. The State is requiring that Contractor's proposed Solution, where relevant, to level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0. Contractor may consider, where relevant, the W3C's Guidance on Applying WCAG 2.0 to Non-Web Information and Communications Technologies (WCAG2ICT) for non-web software and content. The State may require that Contractor complete a Voluntary Product Accessibility Template for WCAG 2.0 (WCAG 2.0 VPAT) or other comparable document for the proposed Solution.

[http://www.michigan.gov/documents/dmb/1650.00\\_209567\\_7.pdf?20151026134621](http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621)

The Contractor acknowledges their agreement with this section and provide details for how they will meet the requirements. Contractor must provide a list of all mobile devices that are compatible with the Solution.

### **1.5. Product Specifications**

The Contractor will respond to all requests for camera system equipment and service components from the State of Michigan. A consistent service technician is required to work onsite with DTMB for eight (8) hours each week to support the Nextiva VMS and maintain the SOM CCTV infrastructure at the SOM direction. The number of hours is subject to change depending on the needs of the State of Michigan.

The Contractor is a preferred Verint partner with a minimum of five (5) years' experience. The Contractor will be an authorized reseller of Axis and Verint camera equipment.

### **1.6. Warranties**

The State requests a one-year warranty for parts and labor. The Contractor will offer extended warranties past one year that are available through manufacturers and suppliers.

### **1.7. Recall Requirements and Procedures**

The State of Michigan requests that in the event of a recall, the Contractor informs the State in writing immediately.

### **1.8. Quality Assurance Program**

The Contractor is responsible to ensure that any equipment purchased by the State be required to be integrated with the current State of Michigan Verint System.

## **2. Service Levels**

### **2.1. Time Frames**

The Contractor will provide quotes within two weeks or 10 business days of request unless an alternative is mutually agreed upon.

### **2.2. Delivery**

Delivery will be expected within twelve (12) business days upon date of order. Delivery will be made to the Joint Operations Center or where directed to by the State of Michigan Program Manager. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms.

### **2.3. Installation**

Installation will be expected within seven (7) business days upon date of delivery, unless otherwise agreed. Installation will be considered complete after a walk through with a State of Michigan employee.

### **2.4. Technical Support and Repairs**

When providing technical support, the Call Center must resolve the caller's issue within one (1) business day. If the caller's issue cannot be resolved within one (1) business day, on-site service must be scheduled. The on-site service must be performed within two (2) hours of the time the issue was scheduled for service. The Contractor must have a 24/7 service desk and be located within two hours of the Joint Operations Center. The Contractor acknowledges and will comply with all Technical Support and Repairs. The Contractor can be reached by the State 24/7/365 at (800) 955-1317. The Contractor's normal business hours are Monday through Friday from 8 a.m. to 5 p.m. After hours/emergency call pricing will be applied for work performed outside normal business hours.

### **2.5. Maintenance**

On-site maintenance must be performed according to the recommended manufacturer maintenance schedule.

### **2.6. Training**

The Contractor will have several Technicians who are trained by Verint to provide the necessary instruction and training. Ongoing training will be provided as either refresher courses on existing systems or update training on new versions of hardware and software on an ongoing basis. The Contractor's Lead Engineer assigned to the State will be an experienced educator. He has spent years as a student and professional tutor in College and went on to substitute teach several college courses. As an independent contractor he taught classes for the business and technical training division of Grand Rapids Community College. As a Manufacturer certified Advanced Systems Engineer for the State's current VMS (Verint Nextiva) the Lead Engineer was trained on Verint's site at their corporate offices in Denver, Colorado. He has hosted training classes at MDOT facilities for local users, as well as training users for the Michigan Legislatures. He is well equipped to handle one-on-one or classroom instruction. Additionally, as a partner vendor, the Contractor can sign up select customers employees for free web hosted video training classes provided by the manufacturer. These are often ideal for remote site operators or third shift employees.

## **2.7. Reporting**

The Contractor and its Suppliers acknowledge that the reporting capabilities will meet or exceed the State's standards for reporting system statistics, device inventory, programming audit trail information and other major components of the systems provided through this contract.

## **2.8. Meetings**

The Contractor must attend meetings as requested by the State of Michigan. The State may request meetings as it deems appropriate. The Contractor will attend a quarterly touch point meeting. The Contractor will be required to attend and present annually any new Emerging Technologies to the State. The Contractor will be required to walk-through new installation facilities on an as-needed project basis.

## **3. Staffing**

### **3.1. Contractor Representative**

The Contractor must appoint two individuals, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative"). The two individuals are

Dave McDonald  
[dmcdonald@midstatesecurity.com](mailto:dmcdonald@midstatesecurity.com)  
616-257-1151

George Duquesnel  
[gduquesnel@midstatesecurity.com](mailto:gduquesnel@midstatesecurity.com)  
616-257-1147

The Contractor must notify the Contract Administrator at least seven (7) business days before removing or assigning a new Contractor Representative.

### **3.2. Key Personnel**

The Contractor must appoint at least two Verint factory certified Advanced Systems engineers on staff with a working knowledge of how video solutions will integrate with other key SOM security systems who will be directly responsible for the day to day operations of the Contract ("Key Personnel"). Key Personnel, including an Account Manager, must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquires within 24 hours. The State of Michigan requests that the Contractor send the same consistent technicians who possess an understanding of the State systems to work at our sites.

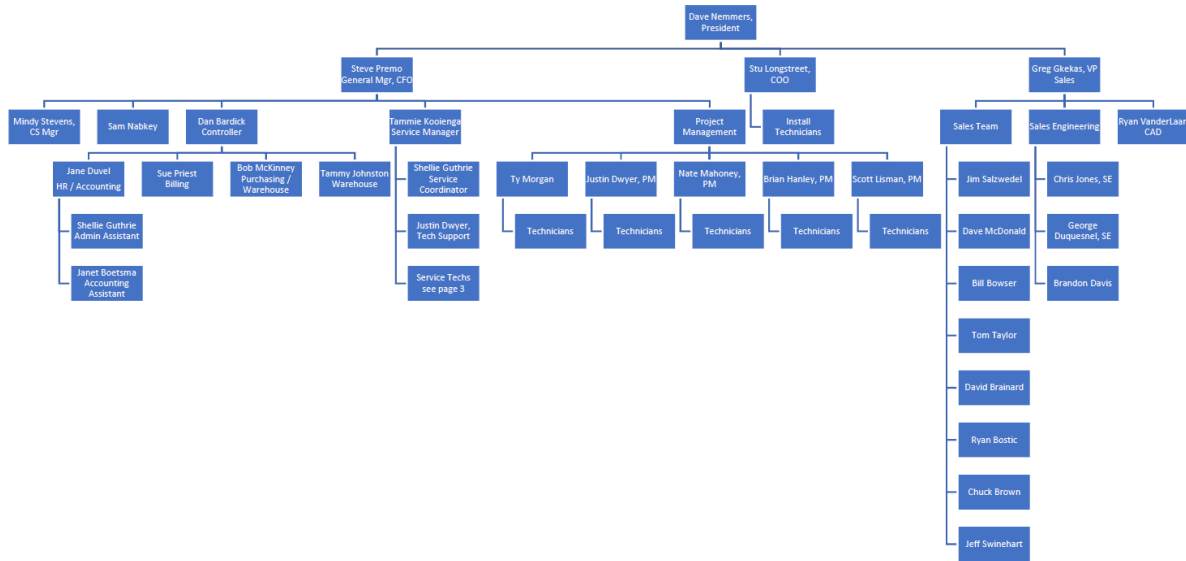
The Contractor may not remove or assign Key Personnel without the prior consent of the State. Prior consent is not required for reassignment for reasons beyond the Contractor's control, including illness, disability, death, leave of absence, personal emergency circumstances, resignation, or termination for cause. The State may request a résumé and conduct an interview before approving a change. The State may require a 30 calendar day training period for replacement personnel.

The Contractor must identify the Key Personnel, indicate where they will be physically located, describe the functions they will perform, and provide current chronological résumés.

### **3.3. Non-Key Personnel**

The Contractor must notify the Contract Administrator at least 10 calendar days before removing or assigning non-key personnel.

### 3.4. Organizational Chart



### 3.5. Customer Service Toll-Free Number

The Contractor specifies its toll-free number (800-955-1317) for the State to make contact with the Contractor Representative. The Contractor Representative must be available for calls 24 hours per day, 7 days per week.

### 3.6. Technical Support, Repairs and Maintenance

The Contractor specifies its toll-free number (800-955-1317) for the State to contact the Contractor for technical support, repairs and maintenance. The Contractor must be available for calls and service 24 hours per day, 7 days per week. Contractor should be located within two hours of the Joint Operations Center.

### 3.7. Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.

The relationship of the subcontractor to the Contractor.

Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.

A complete description of the Contract Activities that will be performed or provided by the subcontractor.

### 3.8. Security

The Contractor's staff assigned to buildings and property owned or leased by the State of Michigan will be subject to and must comply with SOM and/or State Agency specific security investigations necessary to obtain access and/or clearance to be present on SOM property. This includes but is not limited to name-based, fingerprint background checks, confidentiality training and other security clearance requirements as required by law, regulation, statute or Agency policy. The Contractor staff is subject to such investigation upon initial request and is subject to annual renewals as well as random requests throughout the terms set forth in the contract.

The Contractor is obligated to self-report any felony conviction of previously cleared staff assigned and associated with this contract to the SOM contractor manager throughout the terms set forth in of the contract. Contractor agrees to sign and abide by OIP Confidentiality Agreement.

The Contractor acknowledges and will comply with all Security Procedures throughout its contract. It is a requirement that all Contractor's employees pass an MSP background check as a condition of employment. Furthermore, in such facilities as Correctional institutions, the Contractor's employees are subject to L.E.I.N. clearance procedures on a yearly basis. All Contractor's will wear approved uniforms and carry Company picture IDs. Non-technical employees

carry Company picture ID's. The Contractor will comply with any requirement for any additional State ID requirements.

#### **4. Pricing**

##### **4.1. Price Term**

Pricing is firm for the entire length of the Contract. Please see Schedule B. The Contractor will provide additional pricing options on new products introduced to the market annually. The Contractor agrees to accept the State of Michigan offer for a 2%/10 net 45 prompt payment discount for this contract.

##### **4.2. Price Changes**

Option-year price adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.

Following the presentation of supporting documentation, both parties will have 30 days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are needed, both parties will negotiate such changes, for no longer than 30 days, unless extended by mutual agreement.

The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

#### **5. Ordering**

##### **5.1. Authorizing Document**

The appropriate authorizing document for the Contract will be a Delivery Order (DO).

##### **5.2 Order Verification**

The Contractor must have internal controls, approved by DTMB-Procurement, to verify abnormal orders and to ensure that only authorized individuals place orders.

#### **6. Delivery**

##### **6.1. Delivery Programs**

The Contractor acknowledges and will comply with the Delivery Programs requirements throughout its contract. Standard Delivery is generally shipment via surface transportation whose fees will already be included in any project quotation provided by the Contractor. Quick-ship methods such as overnight or other State designated emergency, expedited shipments will require additional fees. In the unlikely event that Contractor or its Vendors are at fault for delayed deliveries, the Contractor, at its option, will cover any expediting expenses. The Contractor currently uses UPS and FedEx as its primary shipping carriers.

##### **6.2. Packaging and Palletizing**

Packaging must be optimized to permit the lowest freight rate. Shipments must be palletized whenever possible using manufacturer's standard 4-way shipping pallets.

#### **7. Acceptance**

##### **7.1. Acceptance, Inspection and Testing**

The State has the sole right to determine acceptance of the Contract Activities.

#### **8. Invoice and Payment**

##### **8.1. Invoice Requirements**

All invoices submitted to the State must include: (a) date; (b) purchase order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); (g) summary of work performed; (h) name of individual who requested work; (i) location where work was performed; (j) itemized list of work performed; and (k) total price.

##### **8.2. Payment Methods**

The State will make payment for Contract Activities by EFT.

#### **9. Project Plan**

The Contractor will carry out this project under the direction and control of the Program Manager. Within 30 calendar days of the Effective Date, the Contractor will submit a project plan to the Program Manager for final approval. The plan must include: (a) the Contractor's organizational chart with names and title of personnel assigned to the project,

which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, and resources required.

#### **10. Licensing Agreement**

The Contractor must provide a copy of any applicable licensing agreement. Camera purchases as part of new projects must be quoted with the necessary licensing for said cameras.

#### **11. Liquidated Damages**

Late or improper completion of the Contract Activities will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, if there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages in the amount of \$5,000 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.

Unauthorized Removal of Key Personnel will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, the State may assess liquidated damages against Contractor as specified below.

The State is entitled to collect \$1,000 per individual per day for the removal of any Key Personnel without prior approval of the State.

The State is entitled to collect \$1,000 per individual per day for an unapproved or untrained key personnel replacement.

#### **12. Additional Requirements**

##### **12.1. Environmental and Energy Efficient Products**

The Contractor must provide products that meet the following environmental or energy efficient standards:

##### **12.2. Hazardous Chemical Identification**

In accordance with the federal Emergency Planning and Community Right-to-Know Act, 42 USC 11001, *et seq.*, as amended, the Contractor must provide a Material Safety Data Sheet listing any hazardous chemicals, as defined in 40 CFR §370.2, to be delivered. Each hazardous chemical must be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

The Contractor must identify any hazardous chemicals that will be provided under any resulting contract.

##### **12.3. Mercury Content**

Pursuant to MCL 18.1261d, mercury-free products must be procured when possible. The Contractor must explain if it intends to provide products containing mercury, the amount or concentration of mercury, and whether cost competitive alternatives exist. If a cost competitive alternative does exist, the Contractor must provide justification as to why the particular product is essential. All products containing mercury must be labeled as containing mercury.

##### **12.4. Brominated Flame Retardants**

The State prefers to purchase products that do not contain brominated flame retardants (BFRs) whenever possible. The Contractor must disclose whether the products contain BFRs.+8.7.



## Schedule B Pricing, State of Michigan

### Software & Maintenance

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
Verint	Appliance	V150	2TB/4TB/8TB	VMS-V150-4000-7.X	\$ 2,469.60
Verint	License	VMSX.XX-ENT	VMS Enterprise Software License	VMS-7.5-ENT	\$ 4,939.20
Verint	License	VMS-1CAM-ENT	Single Camera License	VMS-1CAM-ENT-7.X	\$ 164.64
Verint	Maintenance	VER-MAN-GOLD	First Year Gold Software Maintenance	VER-MAN-GOLD	\$ 26.00

### IP Cameras

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
Aercont Vision	IP Camera	MicroDome Series	Fixed Dome Cameras	AV2456DN-S	\$ 364.10
Aercont Vision	IP Camera	MegaDome 2 Series	Fixed Dome Cameras	AV2355PM-H	\$ 674.64
Aercont Vision	IP Camera	SurroundVideo Omni Series	Fixed Dome Cameras	AV12176DN-28	\$ 1,651.89
AXIS	IP Camera	M30 Series	Fixed Dome Cameras	M3044-V	\$ 232.07
AXIS	IP Camera	M32 Series	Fixed Dome Cameras	P3224-V	\$ 488.64
AXIS	IP Camera	M50 Series	PTZ Cameras	M5054	\$ 581.93
AXIS	IP Camera	P12 Series	Fixed Bullet Cameras	P1264	\$ 348.69
AXIS	IP Camera	P14 Series	Modular Cameras	P1435-LE	\$ 698.55
AXIS	IP Camera	P32 Series	Fixed Dome Cameras	P3225-LVE	\$ 815.17
AXIS	IP Camera	P33 Series	Fixed Dome Cameras	P3367-V	\$ 1,165.03
AXIS	IP Camera	P37 Series	Fixed Dome Cameras	P3707-PE	\$ 1,398.27
AXIS	IP Camera	Q17 Series	Fixed Bullet Cameras	Q1765-LE	\$ 1,631.51
AXIS	IP Camera	Q60 Series	PTZ Cameras	Q6000-E	\$ 1,864.75
Pelco	IP Camera	Spectra HD Series	PTZ Cameras	SD436-HPE1	\$ 3,665.59
Verint	IP Camera	V3300 Series	Fixed Dome Cameras	V3320RD-L6	\$ 322.69
Verint	IP Camera	V4300 Series	Fixed Dome Cameras	V4320FDW-DN	\$ 1,061.93
Verint	IP Camera	V5600 Series	PTZ Cameras	V5620PTZ-30DW-C	\$ 3,128.16
Verint	IP Camera	V6000 Series	Fixed Dome Cameras	V6050FDW-DN	\$ 782.04
Verint	IP Camera	S5000 Series	Fixed Dome Cameras	V3520FD-DN	\$ 485.69
Verint	IP Camera	S5120 Series	Fixed Dome Cameras	V3520FDW-DN	\$ 526.85
Verint	IP Camera	S5250 Series	Fixed Dome Cameras	V4530FD-DN	\$ 897.29
Verint	IP Camera	S5500 Series	PTZ Cameras	V4530FDW-DN	\$ 1,061.93

### Analog Cameras

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
FLIR	Analog Camera	F Series	Thermal Imaging Camera	f-304	\$ 14,028.69
FLIR	Analog Camera	Ranger Series	Thermal Imaging Camera	Priced per project spec	
Samsung	Analog Camera	SCV Series	Fixed Dome Cameras	scv-6023R	\$ 128.42

### Encoder/Decoders

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
Verint	Decoder	NEX-HDR-P Micro	High Definition Receiver/Decoder	HDR-P-MICRO-7.X	\$ 1,440.60
Verint	Encoder	S1800 Series	Video Encoder	S1801e	\$ 493.92

### Camera Mounts

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
Aercont Vision	Mount	SO-CAP	Mounting Cap - SurroundVideo Omni Series	SO-CAP	\$ 44.73
Aercont Vision	Mount	MD-CAP	Mounting Cap - MegaDome Series	MD-CAP	\$ 59.41
Aercont Vision	Mount	AV-WMJB	Wall Mount	AV-WMJB	\$ 84.87
Aercont Vision	Mount	AV-CRMA	Corner Mount	AV-CRMA	\$ 28.29
Aercont Vision	Mount	AV-PMJB	Pendant Mount	AV-PMJB	\$ 84.87
Aercont Vision	Mount	AV-PMA	Pole Mount	AV-PMA	\$ 25.46
Aercont Vision	Mount	AV-JBA	Junction Box	AV-JBA	\$ 59.41
Aercont Vision	Mount	SO-FMA	Flush Mount - SurroundVideo Omni Series	SO-FMA	\$ 74.50
Aercont Vision	Mount	MD-CAP	Flush Mount - MegaDome Series	MD-CAP	\$ 59.41
AXIS	Mount	T94T01D	Pendant Mount	T94T01D	\$ 57.14
AXIS	Mount	T91B51	Ceiling Mount	T91B51	\$ 138.78
AXIS	Mount	T91B52	Extension Pipe	T91B52	\$ 57.14
AXIS	Mount	T91B63	Ceiling Mount	T91B63	\$ 138.78
AXIS	Mount	T94A01L	Recessed Mount	T94A01L	\$ 290.38
AXIS	Mount	T94F01D	Pendant Mount	T94F01D	\$ 45.48
AXIS	Mount	T94F01L	Recessed Mount	T94F01L	\$ 103.79
AXIS	Mount	T94F02D	Pendant Mount	T94F02D	\$ 45.48
AXIS	Mount	T94K01D	Pendant Mount	T94K01D	\$ 45.48
AXIS	Mount	T94K01L	Recessed Mount	T94K02L	\$ 92.13
AXIS	Mount	T94M01L	Recessed Mount	T94M02L	\$ 128.42
AXIS	Mount	T91A64	Corner Mounting Bracket	T91A64	\$ 92.13
AXIS	Mount	T91B62	Parapet Mount	T91B62	\$ 220.41
AXIS	Mount	T94R01B	Corner Mounting Bracket	T94R01B	\$ 68.81
AXIS	Mount	T94P01B	Corner Mounting Bracket	T94P01B	\$ 92.13
AXIS	Mount	T91B61	Wall Mount	T91L61	\$ 115.45
AXIS	Mount	T91E61	Wall Mount	T91E61	\$ 45.48
AXIS	Mount	T91D61	Wall Mount	T91D61	\$ 97.96
FLIR	Mount	S1 Series	Pendant, Wall and Pole Mounts	FK-4129742 Wall Mount	\$ 82.31
FLIR	Mount	S2 Series	Pendant, Wall and Pole Mounts	FK-4132982 Pole Adapter	\$ 113.86
Pelco	Mount	CM400	Corner Mount	CM400	\$ 60.07
Pelco	Mount	BB5-PCA	Pendant Mount	BB5-PCA	\$ 74.54
Pelco	Mount	IWM/IDM4018 Series	Dome Wall Mount	IWM-GY	\$ 85.48
Pelco	Mount	PP350/PP351/PP450/PP451 Series	Parapet Wall/Rooftop Mount	Note price is all 4 total	\$ 1,643.35
Pelco	Mount	SWM Series	Corner, Pole and Wall Mounts	SWM Series	\$ 48.39
Samsung	Mount	SBP Series	Corner, Pole and Wall Mounts	SBP Series	\$ 52.03

### Door Stations

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
Aiphone	Door Stations	JF Series	Master Station	JF-2MED	\$ 700.60
Aiphone	Door Stations	JK Series	Master Station	JK-1MED	\$ 463.53
Aiphone	Door Stations	JP Series	Master Station	JP-4MED	\$ 1,343.56

Aiphone	Door Stations	LE Series	Master Station	LEF-5	\$	237.66
Aiphone	Door Stations	JF Series	Door Station with Door Release	JF-DV	\$	232.25
Aiphone	Door Stations	JK Series	Door Station with Door Release	JK-DV	\$	273.37
Aiphone	Door Stations	JP Series	Door Station with Door Release	JP-DV	\$	270.52
Aiphone	Door Stations	LE Series	Door Station with Door Release	LE-SS/A	\$	229.41
Aiphone	Door Stations	RY Series	Release Relay	RY-3DL	\$	90.18
Aiphone	Door Stations	PS Series	Power Supply	PS-1820UL	\$	89.29
Aiphone	Door Stations	8100 Series	Master Cable per thousand foot	82221050C	\$	337.50
Aiphone	Door Stations	8200 Series	Master Cable per thousand foot	82221050C	\$	337.50
Aiphone	Door Stations	8700 Series	Master Cable per thousand foot	82221050C	\$	337.50
Aiphone	Door Stations	8100 Series	Door Station Cable per thousand foot	82180210C	\$	366.31
Aiphone	Door Stations	8200 Series	Door Station Cable per thousand foot	82180210C	\$	366.31
Aiphone	Door Stations	8700 Series	Door Station Cable per thousand foot	82180210C	\$	366.31

### Power, Networking & Miscellaneous

Manufacturer	Type	Model/Series	Notes	Actual Part Number	Price
L-Com	Accessories	NB141207-1HF	Weatherproof Enclosure 120VAC with Heater/Fan	NB141207-1HFS-UL	\$ 518.62
L-Com	Accessories	NB141207-KIT	Weatherproof Enclosure with Mounting Plate	NB141207-KIT	\$ 200.31
Middle Atlantic	Accessories	WMS Series	Wall Shelf	(WMS-2)	\$ 107.58
Middle Atlantic	Accessories	WRS Series	Wall Rack	(WRS-8)	\$ 447.64
Middle Atlantic	Accessories	VPM Series	Wall Rack	(VPM-4)	\$ 90.98
Middle Atlantic	Accessories	H Series	Rack Hardware	(HP-SCREWS)	\$ 20.94
Pelco	Accessories	600 Series	Monitors	(PMCL624)	\$ 531.36
Raytec	Accessories	Raymax and Vario Series	IR Illuminator	Raymax RM25-120-C	\$ 460.98
Raytec	Accessories	Raymax and Vario Series	IR Illuminator	Vario VAR2-i8-1	\$ 809.47
Raytec	Accessories	Raymax and Vario Series	120 IR Lens, Vario only, order Raymax with specific lens	Vario VAR- i8-LENS-12050	\$ 34.99
Ubiquiti	Accessories	NanoAC	Wireless Ethernet Transceiver	NBE-5AC-Gen2	\$ 169.30
Omnitron Systems	Networking	miConverter GX/T	Media Converter	1222-0-1	\$ 370.04
Omnitron Systems	Networking	miConverter GX/T PoE/D	Media Converter	1222D-0-11	\$ 667.08
Trendnet	Networking	TPE Series	Gigabit POE Plus Injector, Class 4	(TPE-115GI)	\$ 37.85
West Penn	Networking	Cat5e/Cat6e	Network Cable per thousand feet NON-PLENUM	Various, by manuf. & color	\$ 185.43
Altronix	Power	AL Series	IR Power Supply	AL100UL	\$ 92.13
AXIS	Power	T8125	High PoE 60W	T8125	\$ 186.58
AXIS	Power	T8133	PoE+ 30W	T8133	\$ 93.28
Dongan	Power	35-MO10 Buck/Boost	Transformer	35-MO10	\$ 116.62
Middle Atlantic	Power	PD Series	Rack Power Strip	(PD-920R-NS)	\$ 196.37
Middle Atlantic	Power	PDS Series	Rack Power Strip	(PDS-620R)	\$ 516.94
Tripp Lite	Power	SMART Line Interactive Series	Uninterruptable Power Supply (UPS) - Rackmount	SMART1500LCD	\$ 356.72
Tripp Lite	Power	TLP Series	AC Surge Plug Strip	TLP808	\$ 30.18

Labor					Price
Installation technology time	Per Hour				\$ 105.00
Programming time	Per Hour				\$ 125.00
After hours/ emergency calls	Per Hour				X 1.5 of above
Anticipated additional labor rates	Per Hour				\$ 105.00