

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

April 1, 2010

CHANGE NOTICE NO. 2
OF
CONTRACT NO. 071B6200186
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Kustom Signals Inc. 9325 Pflumm Rd. Lenaxa, KS 66215 Email: mbeiriger@kustomsignals.com	TELEPHONE: Mary Beiriger (800) 852-1270 x3107
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-1455 Laura Gyorkos
Contract Compliance Inspector: Jeffrey White (517) 373-0305 In-Car Video Systems, VHS and Digital, for Michigan Department of State Police	
CONTRACT PERIOD: From: April 1, 2006 To: September 30, 2010	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

NATURE OF CHANGE(S):

Effective immediately the State of Michigan hereby exercises 6-months of the second contract option year. The new Contract end date is now September 30, 2010.

All other terms, conditions, specifications and prices remain unchanged.

AUTHORITY/REASON:

Per Vendor Letter dated February 18, 2010 and DTMB Purchasing Operations.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$1,743,475.00

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

April 2, 2009

CHANGE NOTICE NO. 1
OF
CONTRACT NO. 071B6200186
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Kustom Signals Inc. 9325 Pflumm Rd. Lenaxa, KS 66215 Email: mbeiriger@kustomsignals.com	TELEPHONE: Mary Beiriger (800) 852-1270 x3107
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-1455 Laura Gyorkos
Contract Compliance Inspector: Jeffrey White (517) 373-0305 In-Car Video Systems, VHS and Digital, for Michigan Department of State Police	
CONTRACT PERIOD: From: April 1, 2006 To: March 31, 2010	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

NATURE OF CHANGE(S):

Effective immediately this Contract is hereby EXTENDED one (1) year through March 31, 2010.

All other terms, conditions, specifications and prices remain unchanged.

AUTHORITY/REASON:

Per Vendor Letter dated February 18, 2009 and DMB Purchasing Operations.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$1,743,475.00

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

May 12, 2006

**NOTICE
 OF
 CONTRACT NO. 071B6200186
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Kustom Signals Inc. 9325 Pflumm Rd. Lenaxa, KS 66215 Email: mbeiriger@kustomsignals.com	TELEPHONE: Mary Beiriger (800) 852-1270 x3107
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-0305 Jeffrey A. White
Contract Compliance Inspector: Jeffrey White (517) 373-0305 In-Car Video Systems, VHS and Digital, for Michigan Department of State Police	
CONTRACT PERIOD: From: April 1, 2006 To: April 1, 2009	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

The terms and conditions of this Contract are those of [ITB 07116200008](#) this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated. Contract Value: \$1,743,475.00

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

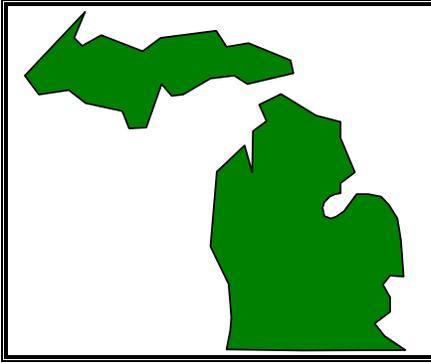
**CONTRACT NO. 071B6200186
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Kustom Signals Inc. 9325 Pflumm Rd. Lenaxa, KS 66215	TELEPHONE: Mary Beiriger (800) 852-1270 x3107 VENDOR NUMBER/MAIL CODE BUYER/CA (517) 373-0305 Jeffrey A. White
Contract Compliance Inspector: Jeffrey White (517) 373-0305 In-Car Video Systems, VHS and Digital, for Michigan Department of State Police	
CONTRACT PERIOD: From: April 1, 2006 To: April 1, 2009	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT. The terms and conditions of this Contract are those of ITB 07116200008 this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence. Estimated. Contract Value: \$1,743,475.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the **ITB No.07116200008**. Orders for delivery of equipment will be issued directly by the **Department of Michigan State Police** through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR: _____ <p style="text-align: center;">Kustom Signals, Inc.</p> _____ <p style="text-align: center;">Firm Name</p> _____ <p style="text-align: center;">Authorized Agent Signature</p> _____ <p style="text-align: center;">Authorized Agent (Print or Type)</p> _____ <p style="text-align: center;">Date</p>	FOR THE STATE: _____ <p style="text-align: center;">Signature</p> <p style="text-align: center;">Jeffrey A. White, Buyer Manager</p> _____ <p style="text-align: center;">Name</p> <p style="text-align: center;">Commodities Division, Acquisition Services</p> _____ <p style="text-align: center;">Title</p> _____ <p style="text-align: center;">Date</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



STATE OF MICHIGAN
Department of Management and Budget
Acquisition Services

Invitation to Bid No. 071B6200186
In-Car Video Systems, VHS & Digital

Buyer Name: Jeffrey A. White
Telephone Number: (517) 373-0305
E-Mail Address: whitej1@michigan.gov



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Article1 – Statement of Work (SOW)

1.0 Introduction

1.001 DEFINING DOCUMENT

This is a Contract Agreement. This document contains or incorporates defined requirements, the specifications and scope of work, and all contractual terms and conditions.

1.002 PROJECT TITLE AND DESCRIPTION

The purpose of this contract is to provide authority to purchase In-Car Video Systems as defined within the contract. Article 1 is designed to provide information on requirements associated with this contract.

1.003 PROJECT CONTROL

Project Control

- a. The Contractor will carry out this project under the direction and control of the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government.

1.004 COMMENCEMENT OF WORK

Contractor shall show acceptance of this agreement by signing two copies of the contract and returning them to the contract administrator. Contractor shall not proceed with performance of the work to be done under the agreement, including the purchase of necessary materials, until both parties have signed this agreement to show acceptance of its terms, and the contractor receives a purchase order/contract release from the ordering agency.

1.1 Product Quality

1.101 SPECIFICATIONS

Definite Specifications - All commodities and/or services to be furnished hereunder shall conform to the specifications as noted in the "Contract Agreement" and/or copies of specifications attached.

1.102 RESEARCH AND DEVELOPMENT

The contractor has a team that is constantly working on product improvement and innovations.

1.103 QUALITY ASSURANCE PROGRAM

The contractor has stage-by-stage quality control measures and testing at the point of manufacture, assembly, and field performance. In addition, the contractor provides factory service center support via toll free access @ (800) 835-0156 between the hours of 7:30 am and 4:30 pm Central Time, Monday through Friday, or via their website www.kustomsignals.com .

If customers are not satisfied with service from the factory service center, they may contact District Manager, Dennis Millinoff or Corporate Office Representative, Phyllis Robersts.

1.104 WARRANTY FOR PRODUCTS OR SERVICES

The prime contractor will be responsible for all materials and accessories used in the vehicle, whether the same is ready made or from an outside source; and this responsibility may not be transferred, conveyed, assigned to any other person, company, corporation or entity without the previous written approval of the State.

Systems are guaranteed to free of defects in material and workmanship for a period of one (1) year from date of delivery, and applies only to original owner or lessee.



Extension of warranty and or other policy adjustments will be considered when constant maintenance is required or if replacement parts prove unsound. The State of Michigan shall expect the manufacturer to have an adequate stock of replacement parts available to service State vehicles and to make delivery of all replacement parts to their dealers who may service State vehicles, within a reasonable time. The prime contractor will be required to contact the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government within ten (10) days after receipt of contract, to arrange procedures concerning the implementation of warranty claims and to designate personnel to handle claims.

The State further expects that warranty service and repairs as well as non-warranty service and repairs will be handled without prejudice.

To report service problems customers should contact the Factory Service Center. You should have the unit's serial number and describe the problem. After the preliminary diagnosis, the Factory Service Center will either ship a replacement part, or direct you to a local Authorized Service Center. Authorized Service Centers stock some replacement parts, so many repairs can be made within 48 hours.

1.2 Service Capabilities

1.201 CUSTOMER SERVICE/ORDERING

Orders may be placed phone, fax, or written communications. The corporate contact for orders is Mary Beiriger at (800) 852-1270 x3107 or fax (913) 492-1703, email mbeiriger@kustomsignals.com

The Contractor provides factory service center support via toll free access @ (800) 835-0156 between the hours of 7:30 am and 4:30 pm Central Time, Monday through Friday, or via their website www.kustomsignals.com . The Contractor's customer service must respond to all agency inquiries promptly.

1.202 TRAINING

The contractor will provide training on digital systems on how to effectively power-up, operate, obtain and view video footage. Class sizes should be no larger than 10 individuals per session, to allow personal attention and direction. It is recommended, but not required, that individuals taking the NXT course be PC literate.

Training will be performed by Dennis Millinoff.

1.203 REPORTING

The contractor is capable of providing various reports, when requested, including itemized report of total items (commodities and services) purchased by all agencies or individual agencies, open invoice reports, delivery compliance reports, quantity reports, service compliance reports, etc.

1.204 SPECIAL PROGRAMS

The contractor offers a "Preferred Kustomer" program that will provide emails and flyers on product offerings.

1.205 Reserved

1.3 Delivery Capabilities

1.301 TIME FRAMES

All orders will be delivered within 30 calendar days after receipt of order. Exact delivery will be determined by delivery schedules plus seven calendar days from order release date.



1.302 MINIMUM ORDER

The minimum order is one (1) unit.

1.303 PACKAGING

Packaging and containers, etc., shall be in accordance with supplier's commercial practice and shall meet the requirements of Department of Transportation (D.O.T.) and rail and motor carrier freight classifications in effect at time of shipment, which will permit application of the lowest freight rate.

1.304 PALLETIZING - Reserved

Shipments shall be palletized whenever possible and shall conform to the following:

- Manufacturers standard 4-way shipping pallets are acceptable.
- Maximum height: 5'6"; including pallet.
- Maximum weight: 3500 pounds; including pallet.
- Pallets are to be securely banded or shrink-wrapped.
- The cost of palletizing must be included in the unit price.

1.305 DELIVERY TERM

Prices are "F.O.B. Delivered" with transportation charges prepaid on all orders.

1.306 ACCEPTABLE DELIVERABLES/PPM EXPLANATION

- A. Principle Period of Maintenance (PPM) will be the same hours as the State's normal working hours (currently Monday through Friday, 8:00 A.M. to 5:00 P.M., excluding a one (1) hour lunch period, excepting State observed holidays).
- B. The PPM hours may be changed upon thirty (30) days written notice by mutual agreement, except the Contractor shall make every reasonable effort to change his schedule in a shorter period of time.

The contractor will proceed expeditiously to complete the repair of any defect or failure reported by the State in the shortest practicable time except that it shall not exceed five (5) State working days following notice of defect unless agency and contractor mutually agree on alternate repair arrangements. Such alternate arrangements shall be made within five (5) State working days of defect notice. If the Contractor fails to repair the equipment within five (5) State working days, the State shall have as its option the right to obtain the required repair from other sources, or to complete the work itself and hold the contractor liable for any cost incurred.

The State as it option for amounts due may deduct such from any money payable to the Contractor or may bill the Contractor as a separate item.

If the Contractor fails to remit amounts due, these claims shall be subject to the standard State of Michigan Collection Claim Procedures by the State Treasury Department, in addition failure to remit amounts due may be considered cause for a contractor to be considered in default.

1.4 Project Price

1.401 PROPOSAL PRICING

Prices are included in this contract. (see attached item listing)



STATE ADMINISTRATIVE FEE

The Contractor must collect an Administrative Fee on the sales transacted under the contracts resulting from this contract for Authorized Local Units of Government purchases. The 1% Administrative Fee shall be based upon the contract unit cost, without consideration of the addition of optional equipment. The Contractor must remit the Administrative Fee in U.S. dollars within thirty (30) days after the end of the quarterly sales reporting period. The Contractor must include the Administrative Fee in their bid prices for all items.

The Contractor must pay the Administrative Fee collected by check. To ensure the payment is credited properly, the Contractor must identify the check as an "Administrative Fee" and include the following information with the payment:

An itemized quarterly reports, each line shall state the BPO (Contract Number), name of the local unit of government which made a purchase, the item number purchased, the unit cost of the item purchased, the quantity purchased, the sales amount subject to the administrative fee, and the amount of the 1% administrative fee due the State of Michigan.

Contractor must forward the check to the following address:

Acquisition Services
530 West Allegan St.
Lansing, MI 48933

Please make check payable to: Treasurer, State of Michigan

1.402 QUICK PAYMENT TERMS

None offered.

1.403 PRICE TERM

Prices are the maximum for a period of 365 days from the date the Contract becomes effective.

Prices are subject to change at the end of each 365-day period. Such changes shall be based on changes in actual costs incurred. Documentation of such changes must be provided with the request for price change in order to substantiate any requested change. Acquisition Services reserves the right to consider various pertinent information sources to evaluate price increase requests (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics). Acquisition Services also reserves the right to consider other information related to special economic and/or industry circumstances, when evaluating a price change request. Changes may be either increases or decreases, and may be requested by either party. Approved changes shall be firm for the remainder of the contract period unless further revised at the end of the next 365-day period.

Requests for price changes shall be RECEIVED IN WRITING AT LEAST TEN DAYS PRIOR TO THEIR EFFECTIVE DATE, and are subject to written acceptance before becoming effective. In the event new prices are not acceptable, the CONTRACT may be cancelled. The continued payment of any charges due after September 30th of any fiscal year will be subject to the availability of an appropriation for this purpose.

1.404 INVOICING

The contractor shall submit two (2) copies of invoices, one (1) to the "Bill To" address and one (1) the "Ship To" address.



1.405 LATE PAYMENT TERMS

The maximum payment of “Vendor Late Payment Charges” will be approved if the deliveries are within the specified time and if the vehicles satisfactorily comply with the inspections requirements of this contract in accordance with Public Act 279 of 1984. If a bidder proposes “Vendor Late Payment Charges” that exceed those established within Public Act 279 shall disqualify the bidder from further consideration.

1.406 MANUFACTURER’S REBATE (INCENTIVES)

In any circumstance during or prior to completion of the contract, whereupon the State of Michigan (customer) becomes eligible to receive a rebate for any equipment purchased under the contract, it shall be the prime contractors responsibility to inform the State (customer), in writing, of its qualification for such rebate and to advise the procedures of obtaining such rebates.

1.5 Quantity term

- (X) Requirements – Vendor agrees to supply all that the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government require.



Article 2 – General Terms and Conditions

2.0 Introduction

2.001 GENERAL PURPOSE

The Contract is for In-Car Video Systems for the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government. Exact quantities to be purchased are unknown, however the Contractor will be required to furnish all such materials and services as may be ordered during the Contract period. Quantities specified if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities. Orders for delivery will be issued directly to the Contractor by the Michigan Department of State Police, Field Operations Division, Traffic Safety Section on the Purchase Order Contract Release Form.

Units of local government may also issue orders, see Non-State Agency Statement.

2.002 ISSUING OFFICE AND CONTRACT ADMINISTRATOR

The Contract is issued by Acquisition Services, State of Michigan, Department of Management and Budget, hereinafter known as Acquisition Services, for the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government, hereinafter known as MSP and Authorized Local Units of Government. Where actions are a combination of those of Acquisition Services and MSP and Authorized Local Units of Government and Public Transit Agencies, the authority will be known as the State.

Acquisition Services is the sole point of contact in the State with regard to all procurement and contractual matters relating to the commodities and/or services described herein. Acquisition Services is the only office authorized to negotiate, change, modify, amend, alter, clarify, etc., the specifications, terms, and conditions of the Contract. Acquisition Services will remain the SOLE POINT OF CONTACT throughout the procurement process.

Contractor proceeds at its own risk if it takes negotiation, changes, modification, alterations, amendments, clarification, etc., of the specifications, terms, or conditions of the contract from any individual or office other than Acquisition Services and the listed contract administrator

All communications covering this procurement must be addressed to contract administrator indicated below:

Department of Management and Budget
 Acquisition Services
 Attn: Jeffrey A. White
 2nd Floor, Mason Building
 P.O. Box 30026
 Lansing, Michigan 48909
 (517) 373-0305
whitej1@michigan.gov

2.003 NOTICE

Any notice given to a party under the Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.



2.004 CONTRACT TERM

The term of this Contract will be for three (3) years and will commence with the issuance of a Contract. This will be May 1, 2006 through May 1, 2009.

Option. The State reserves the right to exercise 2 one-year option, at the sole option of the State with agreement of the contractor. Contractor performance, quality of products, price, cost savings, and the contractor's ability to deliver on time are some of the criteria that will be used as a basis for any decision by Acquisition Services to exercise an option year.

Written notice will be provided to the Contractor within 45 days prior to expiration, provided that the State and Authorized Local Units of Government gives the Acquisition Services a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension. If the Government exercises this option, the extended contract shall be considered to include this option clause.

2.005 GOVERNING LAW

The Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. By signing the agreement, vendor consents to personal jurisdiction in the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

2.006 APPLICABLE STATUTES

The following statutes, rules, and laws are applicable to the performance of this contract; some statutes are reflected in the clauses of this contract. This list is NOT exhaustive.

MI Uniform Commercial Code (MIUCC) MCL 440. (All sections unless otherwise altered by agreement)
 MI OSHA MCL §§ 408.1001 – 408.1094
 Freedom of Information Act (FIOA) MCL §§ 15.231, et seq.
 Natural Resources and Environmental Protection Act MCL §§ 324.101, et seq.
 MI Consumer Protection Act MCL §§ 445.901 – 445.922
 Laws relating to wages, payments of wages, and fringe benefits on state projects MCL §§ 408.551 – 408.558, 408.471 – 408.490, 1965 PA 390.
 Department of Civil Service Rules and regulations
 Elliot Larsen Civil Rights Act MCL §§ 37.2201, et seq.
 Persons with disabilities Civil Rights Act MCL §§ 37.1101, et seq.
 MCL §§ 423.321, et seq.
 MCL § 18.1264 (law regarding debarment)
 Davis-Bacon Act (DBA) 40 USCU §§ 276(a), et seq.
 Contract Work Hours and Safety Standards Act (CWHSSA) 40 USCS § 327, et seq.
 Business Opportunity Act for Persons with Disabilities MCL §§ 450.791 – 450.795
 Rules and regulations of the Environmental Protection Agency
 Internal Revenue Code
 Rules and regulations of the Equal Employment Opportunity Commission (EEOC)
 The Civil Rights Act of 1964, USCS Chapter 42
 Title VII, 42 USCS §§ 2000e et seq.
 The Americans with Disabilities Act (ADA), 42 USCS §§ 12101 et seq.
 The Age Discrimination in Employment Act of 1967 (ADEA), 29 USCS §§ 621, 623 et seq.
 The Old Workers Benefit and Protection Act of 1990 (OWBPA), 29 USCS §§ 626, et seq.
 The Family Medical Leave Act of 1993 (FMLA), 29 USC §§ 651 et seq.
 The Fair Labor Standards Act (FLSA), 29 USC §§ 201 et seq.
 Pollution Prevention Act of 1990 (PPA) 42 U.S.C. §13106
 Sherman Act, 15 U.S.C.S. § 1 et seq.
 Robinson-Patman Act, 15 U.S.C.S. § 13 et. seq.
 Clayton Act, 15 U.S.C.S. § 14 et seq.

**2.007 RELATIONSHIP OF THE PARTIES**

The relationship between the State and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

2.008 HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

2.009 MERGER

The contract document will constitute the complete, final, and exclusive agreement between the parties. All other prior writings and negotiations are ineffective.

2.010 SEVERABILITY

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

2.011 SURVIVORSHIP

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of the Contract for any reason.

2.012 NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term or any other term of the Contract.

2.013 PURCHASE ORDERS

Orders for delivery of commodities and/or services may be issued directly by MSP and Authorized Local Units of Government through the issuance of a Purchase Order Form referencing this Contract (Blanket Purchase Order) agreement and the terms and conditions contained herein. Contractor is asked to reference the Purchase Order Number on all invoices for payment.

2.1 Vendor/Contractor Obligations**2.101 ACCOUNTING RECORDS**

The Contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three years from expiration date and final payment on the Contract or extension thereof.



2.102 NOTIFICATION OF OWNERSHIP

The Contractor shall make the following notifications in writing:

1. When the Contractor becomes aware that a change in its ownership or officers has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify Acquisition Services within 30 days.
2. The Contractor shall also notify Acquisition Services within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

The Contractor shall:

1. Maintain current, accurate, and complete inventory records of assets and their costs;
2. Provide Acquisition Services or designated representative ready access to the records upon request;
3. Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership or officer changes; and
4. Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership or officer change.

2.103 SOFTWARE COMPLIANCE

The vendor warrants that all software for which the vendor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure year 2000 compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

2.104 IT STANDARDS - Reserved

2.105 PERFORMANCE AND RELIABILITY - Reserved

2.106 PREVAILING WAGE - Reserved

2.107 PAYROLL AND BASIC RECORDS - Reserved

2.108 COMPETITION IN SUB-CONTRACTING

The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the contract.



2.109 CALL CENTER DISCLOSURE

Contractor and/or all subcontractors involved in the performance of the contract providing call or contact center services to the State of Michigan must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this agreement.

2.2 Contract Performance

2.201 TIME IS OF THE ESSENCE

Contractor is on notice that time is of the essence in the performance of this contract. Late performance will be considered a material breach of this contract, giving the State a right to invoke all remedies available to it under this contract.

2.202 CONTRACT PAYMENT SCHEDULE

The specific payment schedule for any Contract(s) entered into, as the State and the Contractor(s) will mutually agree upon this agreement. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month.

2.203 POSSIBLE PROGRESS PAYMENT - Reserved

2.204 POSSIBLE PERFORMANCE –BASED PAYMENTS - Reserved

2.205 ELECTRONIC PAYMENT AVAILABILITY

Electronic transfer of funds is available to State contractors. Vendor is required register with the State of Michigan Office of Financial Management so the State can make payments related to this Contract electronically at www.cpexpress.state.mi.us.

2.206 PERFORMANCE OF WORK BY CONTRACTOR - Reserved

2.3 Contract Rights and Obligations

2.301 INCURRING COSTS

The State of Michigan is not liable for any cost incurred by the Contractor prior to signing of the Contract. The State fiscal year is October 1st through September 30th. The Contractor(s) should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations. Total liability of the State is limited to terms and conditions of the Contract.

2.302 CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities, whether or not that Contractor performs them. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, the Contract must include a list of subcontractors, including firm name and address, contact person and a complete description of work to be subcontracted. The State reserves the right to approve subcontractors and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract. Any change in subcontractors must be approved by the State, in writing, prior to such change.



2.303 ASSIGNMENT AND DELEGATION

The Contractor shall not have the right to assign this Contract, to assign its rights under this contract, or delegate any of its duties or obligations under the Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any purported assignment in violation of this Section shall be null and void. Further, the Contractor may not assign the right to receive money due under the Contract without the prior written consent of the Director of Acquisition Services.

The Contractor shall not delegate any duties or obligations under the Contract to a subcontractor other than a subcontractor named and approved in the bid unless the Director of Acquisition Services has given written consent to the delegation.

Bidder must obtain the approval of the Director of Acquisition Services before using a place of performance that is different from the address that the bidder provided in the bid.

2.304 TAXES

Sales Tax: For purchases made directly by the State of Michigan, the State is exempt from State and Local Sales Tax. Prices shall not include such taxes. Exemption Certificates for State Sales Tax will be furnished upon request.

Federal Excise Tax: The State of Michigan may be exempt for Federal Excise Tax, or such taxes may be reimbursable, if articles purchased under this Contract are used for the State's exclusive use. Certificates exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent to the Contractor upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices shall not include the Federal Excise Tax.

The State's Tax Exempt Certification is available for vendor viewing upon request to the Contract Administrator.

2.305 INDEMNIFICATION

General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

1. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract.
2. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;
3. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;



4. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;
5. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

Patent/Copyright Infringement Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its employees and agents from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the 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.

Code Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in sub clauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other sub clause.

Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and affect notwithstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.



Indemnification Procedures

The procedures set forth below shall apply to all indemnity obligations under this Contract.

- (a) After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to so notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.
- (b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the Defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.
- (c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

2.306 LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages. Such limitation as to indirect or consequential damages shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; to Contractor's indemnification obligations (2.305); or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.



A. Insurance

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor’s performance of services under the terms of this Contract, whether such services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract.

All insurance coverage provided relative to this Contract/Purchase Order is PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The insurance shall be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Contractor shall have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if such ratings are no longer available, with a comparable rating from a recognized insurance rating agency. Companies that have been approved to do business in the State shall issue all policies of insurance required in this Contract.

See www.michigan.gov/cis

Where specific limits are shown, they are the minimum acceptable limits. If Contractor’s policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits.

Before both parties sign the Contract or before the purchase order is issued by the State, the Contractor must furnish to the Director of Acquisition Services, certificate(s) of insurance verifying insurance coverage (“Certificates”). The Certificate must be on the standard “accord” form or equivalent. **THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverage afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Acquisition Services, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Acquisition Services, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State’s sole option, result in this Contract’s termination.

The Contractor is required to pay for and provide the type and amount of insurance checked **below**:

1. Commercial General Liability with the following minimum coverage:

\$2,000,000	General Aggregate Limit other than Products/Completed Operations
\$2,000,000	Products/Completed Operations Aggregate Limit
\$1,000,000	Personal & Advertising Injury Limit
\$1,000,000	Each Occurrence Limit
\$500,000	Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED(S) on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.



2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

3. Workers' compensation coverage must be provided in accordance with applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If a self-insurer provides the applicable coverage, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

4. Employers liability insurance with the following minimum limits:

\$100,000	each accident
\$100,000	each employee by disease
\$500,000	aggregate disease

5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).
6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which shall apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.
7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars (\$3,000,000.00) each occurrence and three million dollars (\$3,000,000.00) annual aggregate.
8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of such office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to the replacement value thereof, where such office space and its contents are under the care, custody and control of Contractor. Such policy shall cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State shall be endorsed on the policy as a loss payee as its interests appear.

**B. Subcontractors**

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor shall require all of its Subcontractors under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractors. Alternatively, Contractor may include any Subcontractors under Contractor's insurance on the coverage required in this Section. Subcontractor(s) shall fully comply with the insurance coverage required in this Section. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

C. Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Acquisition Services certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insured's, but only to the extent of liabilities assumed by Contractor as set forth in Indemnification Section of this Contract, under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Contractor, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.

2.307 CONTRACT DISTRIBUTION

Acquisition Services shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Acquisition Services.

2.308 FORM, FUNCTION, AND UTILITY

If the Contract is for use of more than one State agency and if the good or service provided under this Contract do not meet the form, function, and utility required by a State agency, that agency may, subject to State purchasing policies, procure the good or service from another source.

2.309 ASSIGNMENT OF ANTITRUST CAUSE OF ACTION

For and in consideration of the opportunity to submit a quotation and other good and valuable consideration, the bidder hereby assigns, sells and transfers to the State of Michigan all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of payment and which relate solely to the particular goods, commodities, or services purchased or procured by this State pursuant to this transaction.



- 2.310 PURCHASE FROM OTHER STATE AGENCIES - Reserved
- 2.311 TRANSITION ASSISTANCE - Reserved
- 2.312 WORK PRODUCT - Reserved
- 2.313 PROPRIETY RIGHTS - Reserved
- 2.314 WEBSITE INCORPORATION

State expressly states that it will not be bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of such content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representation of the State.

2.4 Contract Review and Evaluation

2.401 CONTRACT COMPLIANCE INSPECTOR

Upon receipt at Acquisition Services of the properly executed Contract Agreement(s), the person named below will be allowed to oversee the Contract performance on a day-to-day basis during the term of the Contract. However, overseeing the Contract implies **no authority to negotiate, change, modify, clarify, amend, or otherwise alter the terms, conditions, and specifications of such Contract(s). That authority is retained by Acquisition Services.** The Contract Compliance Inspector for this project is:

Sgt. Kevin Beasley
 Michigan Department of State Police
 Field Operations Division
 Traffic Safety Section
 714 S. Harrison Road, Bldg. D, 2nd Floor
 East Lansing, MI 48823
e-mail: beasleykc@michigan.gov
Telephone No. (517) 336-6651
Fax No. (517) 336-6259

2.402 PERFORMANCE REVIEWS

Acquisition Services in conjunction with the Michigan Department of State Police, Field Operations Division, Traffic Safety Section, may review with the Contractor their performance under the Contract. Performance reviews shall be conducted quarterly, semi-annually or annually depending on Contractor's past performance with the State. Performance reviews shall include, but not limited to, quality of products/services being delivered and provided, timeliness of delivery, percentage of completion of orders, the amount of back orders, status of such orders, accuracy of billings, customer service, completion and submission of required paperwork, the number of substitutions and the reasons for substitutions, and other requirements of the Contract.

Upon a finding of poor performance, which has been documented by Acquisition Services, the Contractor shall be given an opportunity to respond and take corrective action. If corrective action is not taken in a reasonable amount of time as determined by Acquisition Services, the Contract may be canceled for default. Delivery by the Contractor of unsafe and/or adulterated or off-condition products to any State agency is considered a material breach of Contract subject to the cancellation provisions contained herein.

2.403 AUDIT OF CONTRACT COMPLIANCE/ RECORDS AND INSPECTIONS

The Contractor agrees that the State may, upon 24-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.



- (a) **Inspection of Work Performed.** The State's authorized representatives shall at all reasonable times and with ten (10) days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and shall have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon ten (10) Days prior written notice and during business hours, the State's representatives shall be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that such access will not interfere or jeopardize the safety or operation of the systems or facilities. Contractor must provide all reasonable facilities and assistance for the State's representatives, so long as no security, labor relations policies and propriety information policies are violated.
- (b) **Examination of Records.** No more than once per year, Contractor agrees that the State, including its duly authorized representatives, until the expiration of seven (7) years following the creation of the material (collectively, the "Audit Period"), shall, upon twenty (20) days prior written notice, have access to and the right to examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the terms and conditions of the Contract and with applicable laws and rules, including the State's procurement rules, regulations and procedures, and actual performance of the Contract for the purpose of conducting an audit, examination, excerpt and/or transcription but the State shall not have access to any information deemed confidential to Contractor to the extent such access would require such confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.
- (c) **Retention of Records.** Contractor shall maintain at least until the end of the Audit Period all pertinent financial and accounting records (including time sheets and payroll records, and information pertaining to the Contract and to the Services, equipment, and commodities provided under the Contract) pertaining to the Contract in accordance with generally accepted accounting principles and other procedures specified in this Section. Financial and accounting records shall be made available, upon request, to the State at any time during the Audit Period. If an audit, litigation, or other action involving Contractor's records is initiated before the end of the Audit Period, the records must be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.
- (d) **Audit Resolution.** If necessary, the Contractor and the State shall meet to review each audit report promptly after issuance. The Contractor will respond to each audit report in writing within thirty (30) days from receipt of such report, unless a shorter response time is specified in such report. The Contractor and the State shall develop and agree upon an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in such audit report.
1. **Errors.** If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.
 2. In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten (10%), then the Contractor shall pay all of the reasonable costs of the audit.



2.5 Quality and Warranties

2.501 PROHIBITED PRODUCTS

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Acquisition Services has approved a change.

2.502 QUALITY ASSURANCE

The State reserves the right to periodically test products, which have been received to verify compliance with specifications. If laboratory analysis shows that the product does not meet specifications or fails to perform satisfactorily at any time, the Contractor shall be responsible for:

1. All costs of testing and laboratory analysis.
2. Disposal and/or replacement of all products which fail to meet specifications.
3. All costs of repair and/or replacement of equipment deemed to have been damaged by substandard products as determined by the State.

2.503 INSPECTION

All goods are subject to inspection and testing. In the event goods are defective in material or workmanship, or otherwise fail to meet the requirements of the Contract, the State shall have the right to reject the goods or retain the goods and correct the defects. The Contractor shall pay the State for expenses incurred in correcting defects. Rejected goods will be held for 45 days after delivery. The Contractor must arrange for the return of said goods, including paying for handling, packing, and transportation costs. The State has the authority to dispose of the goods without further liability to the State in the event the Contractor fails to make arrangements within the specified time period.

2.504 GENERAL WARRANTIES

Warranty of Merchantability – Goods provided by vendor under this agreement shall be merchantable. All goods provided under this contract shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the vendor or on the container or label.

Warranty of fitness for a particular purpose – When vendor has reason to know or knows any particular purpose for which the goods are required, and the State is relying on the vendor's skill or judgment to select or furnish suitable goods, there is a warranty that the goods are fit for such purpose.

Warranty of title – Vendor shall, in providing goods to the State, convey good title in those goods, whose transfer is right and lawful. All goods provided by vendor shall be delivered free from any security interest, lien, or encumbrance of which the State, at the time of contracting, has no knowledge. Goods provided by vendor, under this agreement, shall be delivered free of any rightful claim of any third person by of infringement or the like.

2.505 CONTRACTOR WARRANTIES

The Contract will contain customary representations and warranties by the Contractor, including, without limitation, the following:

1. The Contractor will perform all services in accordance with high professional standards in the industry;
2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;



3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;
4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;
5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;
6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;
7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor is capable in all respects of fulfilling and shall fulfill all of its obligations under this contract.
9. The contract appendices, attachments, and exhibits identify all equipment and software services necessary for the deliverable(s) to perform and operate in compliance with the contract's requirements.
10. The Contractor is the lawful owner or licensee of any Deliverable licensed or sold to the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government by Contractor or developed by Contractor under this contract, and Contractor has all of the rights necessary to convey to the state the ownership rights or license use, as applicable, of any and all Deliverables.
11. If, under this Contract, Contractor procures any equipment, software or other Deliverable for the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to such items as set forth in this Contract, Contractor shall assign or otherwise transfer to the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.
12. The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter this contract, on behalf of Contractor.
13. The Contractor is qualified and registered to transact business in all locations where required.
14. Neither the Contractor nor any Affiliates, nor any employee of either, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.
15. All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the CONTRACT or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor. All written information furnished to the State by or behalf of Contractor in connection with this Contract, including



material its bid, it true, accurate, and complete, and contains no untrue statement of material fact or omits any fact necessary to make such information not misleading.

- 16. The successful contractor shall have a factory dealer with repair facilities and/or personnel in Michigan capable of handling corrections, and warranty follow-up.

2.506 STAFF

The State reserves the right to approve the Contractor’s assignment of Key Personnel to this project and to recommend reassignment of personnel deemed unsatisfactory by the State.

The Contractor shall not remove or reassign, without the State’s prior written approval any of the Key Personnel until such time as the Key Personnel have completed all of their planned and assigned responsibilities in connection with performance of the Contractor’s obligations under this Contract. The Contractor agrees that the continuity of Key Personnel is critical and agrees to the continuity of Key Personnel. Removal of Key Personnel without the written consent of the State may be considered by the State to be a material breach of this Contract. The prohibition against removal or reassignment shall not apply where Key Personnel must be replaced for reasons beyond the reasonable control of the Contractor including but not limited to illness, disability, resignation or termination of the Key Personnel’s employment.

2.507 SOFTWARE WARRANTIES - Reserved

2.508 EQUIPMENT WARRANTY

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it will maintain such equipment/system(s) in good operating condition and will undertake all repairs and preventive maintenance in accordance with the applicable manufacturer’s recommendations for the period specified in this Contract.

- A. Principle Period of Maintenance (PPM) will be the same hours as the State’s normal working hours (currently Monday through Friday, 8:00 A.M. to 4:00 P.M., excluding a one (1) hour lunch period, excepting State observed holidays).
- B. The PPM hours may be changed upon thirty (30) days written notice by mutual agreement, except the Contractor shall make every reasonable effort to change his schedule in a shorter period of time.

Within five (5) business days of notification from the State, the Contractor shall adjust, repair or replace all equipment that is defective or not performing in compliance with the Contract. The Contractor shall assume all costs for replacing parts or units and their installation including transportation and delivery fees, if any.

The Contractor shall provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Contractor.

The Contractor agrees that all warranty service it provides under this Contract shall be performed by original equipment manufacturer (OEM) trained, certified and authorized technicians.

The Contractor shall act as the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government any and all warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

2.509 Reserved



2.6 Breach of Contract

2.601 BREACH DEFINED

Failure to comply with articles, sections, or subsections of this agreement, or making any false statement in this agreement will be considered a material breach of this agreement giving the state authority to invoke any and all remedies available to it under this agreement.

In addition to any remedies available in law and by the terms of this contract, if the Contractor breaches Sections 2.508, 2.509, or 2.510, such a breach may be considered as a default in the performance of a material obligation of this contract.

2.602 NOTICE AND THE RIGHT TO CURE

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage or destruction of any real or tangible personal property.

2.603 EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another contractor); injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.
2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable hereunder shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written notice of cancellation to the Contractor. The Contractor will not have the right to any additional payments from the State as a result of any excusable failure occurrence or to payments for services not rendered as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.



2.7 Remedies

2.701 CANCELLATION

The State may cancel this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents, and employees for any of the following reasons:

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess re-procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.

In the event this Contract is cancelled for cause pursuant to this section, and it is therefore determined, for any reason, that the Contractor was not in breach of contract pursuant to the provisions of this section, that cancellation for cause shall be deemed to have been a cancellation for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in the Contract for a cancellation for convenience.

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.
3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.
4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach



- the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. Approvals Rescinded. The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 7. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

2.702 RIGHTS UPON CANCELLATION

A. Rights and Obligations Upon Termination

- (1) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in equipment and software that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables and other Developed Materials intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.
- (2) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for partially completed Deliverables, on a percentage of completion basis. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
- (3.) If any such termination by the State is for cause, the State shall have the right to set-off against any amounts due Contractor the amount of any damages for which Contractor is liable to the State under this Contract or pursuant to law or equity.
- (4.) Upon a good faith termination, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and materials provided under this Contract, and may further pursue completion of the Services under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

B. Reserved

**C. Reservation of Rights**

Any termination of the Contract or any Statement of Work issued under it by a party shall be with full reservation of, and without prejudice to, any rights or remedies otherwise available to such party with respect to any claims arising prior to or as a result of such termination.

D. End of Contract Transition

In the event the Contract is terminated, for convenience or cause, or upon expiration, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of the Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 270 calendar days. These efforts shall include, but are not limited to, the following:

- (1) Personnel - The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor shall allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by the Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors.
- (2) Knowledgeable Personnel. Contractor will make available to the State or a Third Party Provider knowledgeable personnel familiar with the operational processes and procedures used to deliver products and services to the State. The Contractor personnel will work with the State or third party to help develop a mutually agreeable transition plan, work to transition the process of ordering, shipping and invoicing equipment and services to the State.
- (3) Information - The Contractor agrees to provide reasonable detailed specifications for all Services needed by the State, or specified third party, to properly provide the services required under the Contract. The Contractor will also provide any licenses required to perform the Services under the Contract.
- (4) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services under the Contract. This shall include any documentation being used by the Contractor to perform the Services under the Contract. If the State transfers any software licenses to the Contractor, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level.
- (5) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of the Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after Contract expiration that result from transition operations). The hourly rates or fixed price to be charged will be agreed upon prior to the work commencing.
- (6) Single Point of Contact. Contractor will maintain a Single Point of Contact (SPOC) for the State after termination of the Contract until all product and service obligations have expired.

E. Transition out of this Contract

- (1) In the event that the- Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the Contractor agrees to perform the following obligations, and any others upon which the State and the Contractor agree:



- (i) Cooperating with any contractors, vendors, or other entities with whom the State contracts to meet its telecommunication needs, for at least two hundred and seventy (270) days after the termination of this Contract;
 - (ii) Reserved.
 - (iii) Providing the State with all asset management data generated from the inception of this Contract through the date on which this Contract is terminated, in a comma-delimited format unless otherwise required by the Program Office;
 - (iv) Reconciling all accounts between the State and the Contractor;
 - (v) Allowing the State to request the winding up of any pending or ongoing projects at the price to which the State and the Contractor agreed at the inception of the project;
 - (vi) Freezing all non-critical software changes;
 - (vii) Notifying all of the Contractor’s subcontractors of procedures to be followed during the transition out phase;
 - (viii) Assisting with the communications network turnover, if applicable;
 - (ix) Assisting in the execution of a parallel operation until the effective date of termination of this Contract
 - (x) Answering questions regarding post-migration services;
 - (xi) Delivering to the State any remaining owed reports and documentation still in the Contractor’s possession.
- (2) In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:
- (i) Reconciling all accounts between the State and the Contractor;
 - (ii) Completing any pending post-project reviews.

2.703 LIQUIDATED DAMAGES

A. The Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government and the Contractor hereby agree to the specific standards set forth in this Contract. It is agreed between the Contractor and the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government that the actual damages to the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government as a result of Contractor's failure to provide promised services would be difficult or impossible to determine with accuracy. The Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government and the Contractor therefore agree that liquidated damages as set out herein shall be a reasonable approximation of the damages that shall be suffered by the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government as a result thereof. Accordingly, in the event of such damages, at the written direction of the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government, the Contractor shall pay the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government the indicated amount as liquidated damages, and not as a penalty. Amounts due the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government as liquidated damages, if not paid by the Contractor within fifteen (15) days of notification of assessment, may be deducted by the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government from any money payable to the Contractor pursuant to this Contract. The Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government will notify the Contractor in writing of any claim for liquidated damages pursuant to this paragraph on or before the date the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government deducts such sums from money payable to the Contractor. No delay by the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government in assessing or collecting liquidated damages shall be construed as a waiver of such rights.



B. The Contractor shall not be liable for liquidated damages when, in the opinion of the Michigan Department of State Police, Field Operations Division, Traffic Safety Section and Authorized Local Units of Government, incidents or delays result directly from causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God, fires, floods, epidemics, and labor unrest; but in every case the delays must be beyond the control and without the fault or negligence of the Contractor.

C. Liquidated damages will be assessed as follows:

If the contractor does not deliver the required system/s, ready for use on or before the scheduled delivery date, the contractor shall pay to the State and/or Local Unit of Government, as fixed and agreed, liquidated damages, for each calendar day between the delivery date specified and the date of final delivery, but not more than 30 calendar days in lieu of all other damages due to such non-delivery, an amount of 1/10th of 1% of the Purchase Order/Departmental Contract Release Form unit cost per system.

If some, but not all, of the system/s described in the Purchase Order/Departmental Contract Release Form are delivered ready for use, by the scheduled delivery date, liquidated damages shall not accrue against the system/s delivered.

If the delay is more than thirty 30 calendar days, then by written notice to the Contractor, the State and/or Local Unit of Government may terminate the right of the contractor to deliver, and may obtain substitute system/s. In this event, the Contractor shall be liable for liquidated damages in the amounts specified above until acceptable substitute system/s are delivered, ready for use, or for 30 days from the scheduled delivery date, whichever occurs first.

2.704 STOP WORK

1. The State may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by this Contract for a period of up to 90 days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either:
 - a) Cancel the stop work order; or
 - b) Cancel the work covered by the stop work order as provided in the cancellation section of this Contract.

2. If a stop work order issued under this section is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the contract price, or both, and the Contract shall be modified, in writing, accordingly, if:
 - a) The stop work order results in an increase in the time required for, or in the Contractor's costs properly allocable to the performance of any part of this Contract; and
 - b) The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided, that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.

3. If the stop work order is not canceled and the work covered by the stop work order is canceled for reasons other than material breach, the State shall allow reasonable costs resulting from the stop work order in arriving at the cancellation settlement.



4. If a stop work order is not canceled and the work covered by the stop work order is canceled for material breach, the State shall not allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.

An appropriate equitable adjustment may be made in any related contract of the Contractor that provides for adjustment and is affected by any stop work order under this section. The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this section.

2.705 SUSPENSION OF WORK

The Contract Administrator may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Contract Administrator determines appropriate for the convenience of the Government.

If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contract Administrator in the administration of this contract, or (2) by the Contract Administrator's failure to act within the time specified in this contract (or within a reasonable time if not specified), an adjustment shall be made for any increase in the cost of performance of this contract (excluding profit) necessarily caused by the unreasonable suspension, delay, or interruption, and the contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor, or for which an equitable adjustment is provided for or excluded under any other term or condition of this contract.

A claim under this clause shall not be allowed:

- (1) For any costs incurred more than 20 days before the Contractor shall have notified the Contract Administrator in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order); and
- (2) Unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.

2.8 Changes, Modifications, and Amendments

2.801 APPROVALS

The Contract may not be modified, amended, extended, or augmented except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

2.802 TIME EXTENTIONS

Time extensions for contract changes will depend upon the extent, if any, by which the changes cause delay in the completion of the various elements of performance as described in the statement of work. The change order granting the time extension may provide that the contract completion date will be extended only for those specific elements related to the changed work and that the remaining contract completion dates for all other portions of the work will not be altered. The change order also may provide an equitable readjustment of liquidated damages under the new completion schedule.

2.803 MODIFICATION

Acquisition Services reserves the right to modify this contract at any time during the contract term. Such modification may include changing the locations to be serviced, additional locations to be serviced, method or manner of performance of the work, number of days service is to be performed, addition or deletion of tasks to be performed, addition or deletion of items, and/or any other modifications deemed necessary. Any changes in pricing proposed by the Contractor resulting from the proposed changes are subject to



acceptance by the State. Changes may be increases or decreases. IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATION.

The State reserves the right to add an item(s) that is not described on the item listing and is available from the Contract vendor. The item(s) may be included on the Contract, only if prior written approval has been granted by Acquisition Services.

2.804 AUDIT AND RECORDS UPON MODIFICATION

DEFINITION: records includes books, documents, accounting procedures and practices, and other data, regardless of whether such items are in written form, electronic form, or in any other form

Contractor shall be required to submit cost or pricing data with the pricing of any modification of this contract to the Contract Administrator in Acquisition Services. Data may include accounting records, payroll records, employee time sheets, and other information the state deems necessary to perform a fair evaluation of the modification proposal. Contract Administrator or authorized representative of the state shall have the right to examine and audit all of the contractor's records, including computations and projections, related to:

1. The proposal for modification;
2. The discussions conducted on the proposal, including those related to negotiation;
3. Pricing of the modification; or
4. Performance of the modification.

Contractor shall make available at its office at all reasonable times the materials described in the paragraphs above.

If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement.

2.805 CHANGES

- (a) The Contract Administrator may, at any time, without notice to the sureties, if any, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract, including changes:
 - (1) In the specifications (including drawings and designs);
 - (2) In the method or manner of performance of the work;
 - (3) In the Government-furnished facilities, equipment, materials, services, or site; or
 - (4) Directing acceleration in the performance of the work.
- (a) Any other written or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contract Administrator that causes a change shall be treated as a change order under this clause; Provided, that the Contractor gives the Contract Administrator written notice stating:
 - (1) The date, circumstances, and source of the order; and
 - (2) That the Contractor regards the order as a change order.
- (b) Except as provided in this clause, no order, statement, or conduct of the Contract Administrator shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.

VHS In-Car Video System Specifications

Section

I.

System Description:

- A. The Patrol Car Surveillance System shall consist of a windshield mounted miniature camera, trunk mounted vault with recorder, control center, compact monitor, and wireless microphone to provide audio and video recording of traffic stops, pursuits, D.U.I. tests, etc.
- B. The miniature color camera shall be CCD type, and shall be capable of operating in extreme weather conditions. Its small size shall not obstruct the driver's field of view.
- C. The vault with recorder shall provide a safe environment to maintain the integrity of the tape. The vault shall be self contained, sealing out dust and humidity. It shall not be acceptable to pull conditioned air from the passenger compartment into the vault to control the temperature.
- D. The control center shall mount within easy reach of the driver's seat, and give the officer the ability to rewind and play back recorded segments. The system shall also protect recorded segments to insure they are not recorded over.
- E. The wireless microphone shall allow audio recording of events inside/outside the car. Each unit shall include an interior microphone system.
- F. The system shall have an external record/microphone indicator. This indicator shall consist of a light to be seen from the front of the patrol vehicle to indicate to an officer outside the vehicle that the recorder is recording, and that audio from the wireless transmitter is being received.
- G. All cables and hardware required for installation shall be supplied.
- H. Software updates shall be provided free of charge in either of the below listed ways:
 - 1) The vault shall include a serial port next to the recorder. Software updates shall be available from system manufacturer via e-mail. Software updates shall be capable of being downloaded to the in-car video system through the serial port of agency supplied laptop computer.
 - 2) If a serial port to download software updates is not available the system manufacturer shall supply software updates free of charge including, but not limited to parts and labor, installation, and travel time.
- I. Each in-car video system shall be capable of interfacing to compatible traffic speed measurement devices. Target and patrol speeds may be displayed on the monitor, and recorded on the videotape simultaneously with the traffic being recorded by the camera.
- J. The Patrol Car Surveillance System must be upgradeable using existing hardware to a DVD-RAM and removable Hard Drive based Digital Patrol Car Surveillance System.

**Section
II.**

VHS Recorder:

- A. Recording shall be handled by a high quality industrial/commercial grade VHS video recorder. The recorder shall be housed in an environmentally controlled recorder enclosure.
- B. The industrial recorder shall utilize 4 recording heads.
- C. The industrial recorder shall offer a signal to noise (S/N) ratio of at least 43 db.
- D. The industrial recorder shall offer a horizontal resolution of at least 230 lines.
- E. The industrial recorder shall be capable of operating horizontally or vertically in a moving environment. Modifications to the recorder by anyone other than the original manufacturer to meet this requirement shall not be acceptable.
- F. The industrial recorder shall be designed by the original manufacturer to operate directly from a 12-volt DC power source (without the need for a DC/AC inverter) and have an operating power consumption of no more than 16 watts.
- G. The industrial recorder shall have an operating temperature range of 20° F to 170°F.
- H. The industrial recorder shall be capable of 2, 6 or 8 hour recording times.
- I. The industrial recorder shall have two audio tracks to allow a second audio source to be recorded simultaneously with the wireless microphone.

**Section
III.**

VHS Vault:

- A. The industrial recorder shall be mounted in an environmentally controlled, stainless steel vault. The vault shall include a key lock to allow the agency to control access to the recorder and tape.
- B. The vault shall include at least a ½" layer of foam board insulation.
- C. The vault's mount shall allow the vault to be oriented horizontally or vertically. A recessed keyed lock shall be provided to secure the vault to its mounting plate, and to ensure against unauthorized removal. This plate shall prevent water and road spray from entering the vault through the mounting holes.
- D. Interior heating of the vault shall be accomplished with the use of a resistance-heating module.
- E. The heating module shall be thermostatically controlled and capable of producing over 40 watts of power, dissipated as heat.

- F.** The heating module shall be mounted in a way to minimize recorder warm up times.
- G.** The vault shall house the system's microprocessors, provide for the interconnection of the components, and perform any necessary power filtering for components requiring lower voltages.
- H.** Modular plug-in cable connectors for each component shall be located on the vault to provide for easy attachment of the component cables, or if the system uses a single main cable harness, a single multi-function cable connector shall be provided.
- I.** The vault shall provide a connector for an emergency lights, siren and brakes tie-in. This connection will allow the emergency lights or siren to start the recorder, and will indicate their use (as well as brake use) on the videotape. Two methods of interfacing with the siren shall be provided at the vault. One method shall connect directly to the siren controller's switched 12-volt side. The other method shall connect to the siren's external speaker.
- J.** Use of the wireless microphone shall be indicated on the tape.
- K.** The video system shall provide a connector for speed measurement to compatible speed measurement devices showing target and patrol speeds to document tracking history. The video system shall be capable of directly communicating with compatible speed measurement devices.
- L.** An option shall be available to restrict access to the system's set-up menu. This key lock, mounted inside the vault, shall control when the menu access switches on the Control Center are active. A key shall be included to allow menu access.
- M.** The vault shall provide an audio/video out connector to allow the video system's picture and sound to be output to another device.
- N.** The system shall comply with vehicle ignition standards of 13.6 VDC plus or minus 20%.
- O.** The system shall protect against Radio Frequency Interference (RFI). The system's power ground shall be isolated from the vehicle's chassis for maximum protection against RFI.
- P.** All functions for each module shall be derived from internally regulated power supplies to minimize any potential of ignition and alternator noise caused by long inter-unit powerline connections.
- Q.** The vault shall include a fast blo fuse to prevent over-voltage conditions from damaging the system's components.
- R.** Vault dimensions shall be approximately 12" x 7" x 12.9" w/h/d.
- S.** Vault weight shall be approximately 24 lbs.

**Section
IV.**

Control Center:

- A.** The Control Center shall be mounted in an overhead console that includes a color LCD monitor, with the following:
 - 1.** The Overhead Console shall combine the Control Center and Color Monitor in a single housing.
 - 2.** The Console shall position the Control Center just above the vehicle's rear view mirror.
 - 3.** The Console shall allow the color monitor, if it hangs below the housing, to be recessed up into the housing when not in use.
 - 4.** When mounted, no cables connecting to the Console shall be visible to the driver.

- B.** An option shall be available to allow mounting of the Control Center in a variety of locations. This includes mounting brackets to mount the Control Center separately to the dash, in a radio rack, and to the vehicle's headliner.

- C.** The Control Center's mounting bracket shall not require any holes or cuts to be made in the vehicle's headliner.

- D.** All controls and displays shall be positioned for convenient viewing and access. It shall not be acceptable to use a separate controller to operate the camera.

- E.** The microprocessor-controlled Control Center shall be compact to allow mounting in a variety of locations. Mounting brackets shall be available to mount the Control Center separately to the dash, in a radio rack, and to the vehicle's headliner.

- F.** The Control Center's cable shall connect to the rear of the panel and be capable of routing up or down to assist in concealing the cable during installation.

- G.** All controls shall be identified with backlighted legends for night operation. The Record and Stop buttons shall use a different color back lighting than all other controls.

- H.** LED displays shall indicate the status of the recorder and microphone, and indicate when a low voltage condition exists.

- I.** The Control Center shall provide audible feedback (beeps) when the system is turned on, when the recorder starts recording, when a low voltage condition exists, when the tape nears its end, and when an extreme temperature condition exists in the recorder enclosure.

- J.** The Control Center shall have the ability to start the recorder from outside the car using the wireless microphone.

K. Control Center features shall include:

- 1) Power ON/Off.
- 2) Record START/STOP.
- 3) Rewind, Playback and Fast Forward.
- 4) On-Screen Rewind and Fast Forward (Search).
- 5) Zoom Wide/Tele.
- 6) Programmable Auto Zoom. Pressing one button shall automatically zoom the motorized zoom lens to the agency's preferred magnification, pause to record the license plate, then return to the agency's preferred wide-angle position. These lens positions shall be field programmable by non-technical personnel through the system's set-up menu.
- 7) Focus Auto/Manual.
- 8) Backlight Compensation.
- 9) No Tape in Recorder Indicator.
- 10) Time Left on Tape LED Display. Displayed on Control Center in hours and minutes.
- 11) End of Tape Warning - System shall provide audible and visible warnings as the tape nears its end. The Time Left LEDs shall begin to flash when 10 minutes of tape remain, flash faster when 5 minutes remain. When the tape reaches its end, the time left display shall read "End".
- 12) Rechargeable Battery Backup - Stores time, date, characters, and minutes left on tape when system is OFF. Back-up battery shall be charging whenever the system is on.
- 13) Record protection - The Control Center shall require positive feedback from the recorder before indicating that a command has been activated. This feature shall ensure that the Control Center LED indicator will not falsely indicate that the system is recording.
- 14) Record over protection - The system shall automatically fast forward to the end of the previously recorded activity if the operator presses the Record button during/after playback or rewind. The Record LED shall blink, and the monitor shall display "SEEKING EOT" (End Of Tape) as the tape is being cued up to the end of the last recorded segment. Once the system has confirmed it can and has started to record, the Record LED shall switch to a steady display.

- 15) Head Cleaning Reminder – The Control Center shall keep track of the amount of time the system is recording. A Clean Heads reminder shall be displayed on the Control Center and Monitor when the accumulated record time reaches 100 hours. This counter/reminder shall be operator reset-able.
 - 16) Microphone Indicator - (LED)
 - 17) Low Voltage Indicator - (LED)
 - 18) Officer shall have the ability to start recording by turning on the remote microphone.
 - 19) Photocell - Automatically adjusts Control Center LED intensity.
- L. The Control Center shall include a Set-Up menu that shall include the following features/options:
- 1) Menu access and entry shall not require a separate programmer or external device.
 - 2) Time and Date Generator - Records time on the tape in hours, minutes and seconds.
 - 3) Time/Date Change Recording - All changes to the set up menu shall be recorded automatically. Changes to the time and date shall not be possible without a tape in the recorder recording the change. This feature shall be incapable of being defeated by the operator.
 - 4) Time and Date Position - The time and date shall be capable of being placed at the top or bottom of the screen.
 - 5) Time and Date Format - Time and date format shall be available through the Set-Up Menu.
 - 6) Flash Preference - The set-up menu shall allow the operator to set the display to flash or to remain steady. Flashing the display prevents it from covering important details in the scene.
 - 7) Character Generator – At least 2 lines of 20 characters per line shall be available for operator to insert descriptive identifier data.
 - 8) Record Length - 2, 6, or 8 hour record times shall be available. The record length selected shall result in an accurate time left LED display, even if the record length is changed while using a tape. A message shall be displayed on the screen, and the system shall not be operable, if the recording speed (set at the recorder) is not compatible with the record length selected in the set-up menu.

- 9) Tape Count - The Set-Up Menu shall allow the recorder's tape count to be displayed on the monitor and recorded on the tape. The tape count shall reset whenever the videotape is ejected from the recorder to assist in dismissing false claims of tampering.
- 10) Auto Zoom Positions - The telephoto and wide-angle positions used for Auto Zoom shall be adjustable through the Set-Up menu.
- 11) Audio Out Select - The set-up menu shall allow the operator to select audio from the wireless microphone, the (optional) in-car microphone, or both at the same time, to be heard over the system's monitor.
- 12) Beep Tones - The set-up menu shall allow the operator to turn the beep tones mentioned in ON or OFF.
- 13) Daylight Savings - The set-up menu shall allow the program to either automatically adjust the system's clock for Daylight Savings, or leave this feature off.
- 14) Control Center dimensions shall be approximately 6.5" x 2.1" x 1.75" w/h/d/.

Section V.

Camera

- A. The solid state color CCD camera shall not be subject to burn in, introduction of geometric distortion not be affected by magnetic fields, and shall be highly resistant to damage from vibration and shock.
- B. The camera shall resist nighttime blooming and smearing from light sources.
- C. The camera shall operate on 12 VDC, and offer a minimum of 450 lines horizontal resolution.
- D. The camera shall be capable of a minimum illumination of 1 lux.
- E. The camera's dimensions (including lens) shall be approximately 2.3" x 2.3" x 3.8" w/h/d.
- F. The camera with lens shall weigh approximately 17.8 oz (504g).
- G. The camera shall, at a minimum, be able to operate between the temperatures of 14°F to 175°F (-10°C to 79°C).
- H. The motorized zoom lens shall offer a minimum of 10X optical zoom lens with 4X digital zoom for a total zoom ratio of 40:1.
- I. The camera shall provide a horizontal field of view of at least 17 feet at a distance of 20 feet from the camera.

- J. The camera shall include auto and manual focus capabilities.
- K. The camera shall offer auto white balance.
- L. The camera shall offer backlight compensation.
- M. The camera shall offer a S/N ratio of better than 50dB.
- N. The auto iris lens shall automatically adjust for varying light levels from day to night. The use of electronic shuttering to adjust for varying light levels shall not be acceptable.
- O. The camera shall be mounted with a heavy-duty controlled pivot mount. The mount shall attach to the windshield using a high strength adhesive, and shall allow the camera to be easily rotated through 360° of rotation.
- P. The camera mount shall allow the camera to be positioned easily and secured in place without tools.

**Section
VI.**

Color Monitor

- A. A high quality active matrix color LCD monitor shall be provided for focusing the camera and for continuous viewing.
- B. The monitor shall be mounted in the Overhead Console Center and shall be clearly visible by the operator. If on a swivel mount, the monitor shall be able to be recessed up into the housing or swing down and swivel side-to-side for the best viewing angle.
- C. The monitor's screen shall be non-reflective for optimum viewing in the vehicle. Mirror-like reflective screens shall not be acceptable.
- D. The monitor's screen size shall be no smaller than 3", and no larger than 4", measured diagonally.
- E. The monitor shall provide controls for power/volume and brightness.
- F. The monitor's dimensions shall be approximately 4.55" x 3.45" x 2.25" w/h/d (x cm w/h/d).
- G. The monitor's audio output shall be no less than 100 mW (7.2 ohms).
- H. Mounting brackets shall be available to mount the monitor virtually anywhere in the vehicle's interior: to the dash, to the vehicle's headliner, or on a heavy-duty posi-lock stem mount.

- I. If supplied as a stand-alone monitor connectors shall be included on the bottom and at the back of the monitor. These two connectors shall be identical, allowing the monitor cable to attach to the connector that works best with the chosen mounting location.
- J. Audio from the remote microphone shall be able to be heard on the monitor's speaker. A separate "remote" speaker, or use of an earplug shall not be acceptable.
- K. Audio and video monitoring shall be possible whether or not the system is recording.
- L. The monitor shall be capable of displaying:
 - 1) Time and Date:
 - 2) ***At least two lines of identifier information:***
 - 3) Emergency Lights Indicator (L):
 - 4) Siren Indicator (S):
 - 5) Microphone Reception Indicator (M):
 - 6) Brake Use Indicator (B):
 - 7) End-of-recorded tape search indicator (Seeking EOT):
 - 8) Target and Patrol speeds from speed measurement devices:

**Section
VII.**

Audio System

- A. The system shall offer digital audio to ensure that transmissions from the officer to the car are private and interference free. FCC approved frequencies in the 900 MHz band shall be used.
- B. The audio system shall allow up to 20 users at a scene. Different codes/IDs shall be available for use with the transmitters to ensure that no two transmitters use the same code.
- C. The system shall provide an in-vehicle docking station. This station shall include the system's receiver and shall be capable of recharging the transmitter's battery.
- D. Both the transmitter and docking station shall have the ability of sending simultaneous audio and data streams. The data stream shall be used to send status information between the transmitter and the docking station.

- E. The transmitter shall program/sync its unique code into the docking station whenever it is placed in the docking station. Once programmed, the receiver shall only accept audio from that transmitter. Any transmitter shall be capable of programming and being used with any docking station.
- F. The transmitter shall include a rechargeable battery. This battery shall provide 10-12 hours of ON time, and 20 days of service in the standby mode.
- G. The transmitter shall be capable of operating 300' to 500' from the vehicle.
- H. The docking station shall have the ability to automatically activate the officer-worn audio transmitter whenever the video system receives a record command from the light bar, siren or record switch.
- I. The transmitter shall have an Off/Standby/On switch, or an automated standby mode. The Standby position shall allow the transmitter to be activated by the docking station, while minimizing power consumption.
- J. The transmitter shall include a detachable mic cord with clip to allow the mic to be placed anywhere on the officer's uniform.
- K. The transmitter shall also include a built-in mic as an alternative to the mic cord or as a back-up should the mic cord become damaged.
- L. The transmitter's antenna shall be built into the case. No external antenna shall be acceptable.
- M. The docking station shall employ built-in diversity (two) antennas. Connectors shall also be included to support the use of external antennas if desired.

**Section
VIII.**

Operating Instructions And Specification Manual

- A. A full and complete set of operating instructions shall be furnished by the Contractor with each unit.
- B. The system manufacturer shall provide a page of optional equipment, with prices, available to either upgrade or downgrade the system.

**Section
IX.**

Manufacturer's Quality Control And Testing

- A. All electrical components utilized, including integrated circuits, shall be highly reliable commercial grade parts.
- B. Each individual electrical and electronic component shall be subjected to a complete quality control inspection. This is required before installation into a printed circuit board or other sub-assembly.

- C. All assembled printed circuit boards and sub-assemblies shall be thoroughly inspected and completely tested mechanically and electrically before being installed into a video system.
- D. All printed circuit boards shall be glass epoxy, type FR4 or equivalent. Also, all high-density circuit boards shall be the solder mask type.
- E. All components dissipating power in excess of one watt and mounted directly against a circuit board shall have adequate heat sinks for circuit board protection. All electronic and electrical components shall only be utilized within their manufacturer's operating specifications, pertaining to voltage, current and heat dissipation characteristics.
- F. Each complete video system shall be individually bench tested for all functions and test parameters.

**Section
X.**

Warranty

- A. The manufacturer shall guarantee their patrol car video systems to be free of defects in materials, workmanship, and installation for a period of one year from the date of installation of the unit. All shipping charges (both ways) shall be at the expense of the manufacturer for the first year after installation of the systems. Thereafter, shipping charges from the agency to the manufacturer shall be at the expense of the agency. Return shipping charges from the manufacturer to the agency shall be at the sole expense of the manufacturer during the warranty period. This warranty shall not extend to finish, appearance items, or malfunction due to abuse, neglect, misuse, accidents, or operation under other than specified conditions.

**Section
XI.**

Delivery

- A. Each unit shall be delivered within 30 days of receipt of a Purchase Order.
- B. The price of each unit shall include installation.
- C. Installation shall be made within 30 days from the date of delivery.

**Section
XII.**

Service Centers

- A. The system manufacturer shall provide at least eight (8) authorized service centers located throughout Michigan. At least two shall be located in Michigan's Upper Peninsula. All service calls shall be accomplished in a timely manner.
- B. The system manufacturer shall provide a list, with locations of authorized service centers located within Michigan, if requested. If an authorized service center is located outside of Michigan, but is willing to travel to Michigan, it shall be listed.

Digital In-Car Video System Specifications

Section

I. System Description:

- K.** The Digital Patrol Car Surveillance System shall consist of a windshield mounted miniature camera, overhead control center, with compact monitor, wireless microphone and interface box.
Configurable options must be available to record to DVD-RAM, removable Hard Disc Drive (HDD), and/or other removable digital media to provide audio and video recording of traffic stops, pursuits, D.U.I. tests, etc.
- L.** The miniature color camera shall be CCD type, and shall be capable of operating in extreme weather conditions. Its small size shall not obstruct the driver's field of view.
- M.** The control center shall mount within easy reach of the driver's seat, and give the user the ability to rewind and play back recorded segments. The system shall also protect recorded segments to insure they are not recorded over.
- N.** The system shall start recording automatically when the vehicle's emergency lights, siren, or wireless transmitter are activated. Status of the lights, siren, transmitter and vehicle brakes shall be indicated on the video.
- O.** The optional Crash Record Activation feature shall include two accelerometers mounted perpendicular to each other to detect impacts from all four sides of the vehicle.
- P.** The activation of the emergency lights, siren, wireless transmitter and crash activation sensor shall be stored as metadata that can be used as search criteria by the video database product.
- Q.** The system shall include an A/V out connector to allow an external monitor to duplicate what is seen on the system monitor.
- R.** The video system shall be capable of interfacing with a GPS system to record GPS coordinates/vehicle location on the video.
- S.** The system shall have an external record/microphone indicator. This indicator shall consist of a light to be seen from the front of the patrol vehicle to indicate to an officer outside the vehicle that the recorder is recording, and that audio from the wireless transmitter is being received.
- T.** Software updates shall be provided free of charge in either of the below listed ways:

 - 3)** Software updates shall occur automatically whenever a HDD, DVD-RAM disc, or other digital media with new software is inserted in the systems media enclosures.
 - 4)** If updates cannot occur automatically from inserted media. The system manufacturer shall supply software updates free of charge including, but not limited to parts and labor, installation, and travel time.

Section

II. Video Compression and Recording

- J. The digital video system shall be capable of recording to a DVD-RAM drive, HDD, and/or other digital media.
- K. The system shall offer MPEG1, MPEG2 or MPEG4 compression schemes. If multiple compression schemes are offered, compression shall be user selectable through the system's set-up menu to allow the user to easily change compression without assistance from the manufacture. Windows 2000 and XP-compatible software shall be included with the system to allow recordings from the system to be played on any PC with Windows Media Player, version 9.0 or higher.
- L. Each compression scheme shall offer three user selectable recording rates to allow the user to make their own record-quality/storage requirement selection.
- M. The system shall continue to record live video to the buffer memory even during playback.

Section

III. Control Center:

- M. The Control Center shall be mounted in an overhead console that includes a color LCD monitor, with the following:
 - 5. The Overhead Console shall combine the Control Center and Color Monitor in a single housing.
 - 6. The Console shall position the Control Center just above the vehicle's rear view mirror.
 - 7. The Console shall allow the color monitor, if it hangs below the housing, to be recessed up into the housing when not in use.
 - 8. When mounted, no cables connecting to the Console shall be visible to the driver.
- N. An option shall be available to allow mounting of the Control Center in a variety of locations. This includes mounting brackets to mount the Control Center separately to the dash, in a radio rack, and to the vehicle's headliner.
- O. If mounted in a Ford Crown Victoria or Chevrolet Impala the Control Center's mounting bracket shall not require any holes or cuts to be made in the vehicle's headliner.
- P. All controls and displays shall be positioned for convenient viewing and access. It shall not be acceptable to use a separate controller to operate the camera.

- Q.** All controls shall be identified with backlighted legends for night operation.
- R.** The Control Center's cable shall connect to the rear of the panel and be capable of routing up or down to assist in concealing the cable during installation.
- S.** The Control Center shall provide audible feedback (beeps) when the system is turned on, when the recorder starts recording, when a low voltage condition exists and when the recording capacity of the media is low.
- T.** The Overhead Control Center shall include a camera switch that is used when the system is equipped with two cameras. This switch shall have no effect when the second camera is not present.
- U.** The Control Center shall provide audible feedback (beeps) when the system is turned on, when the recorder starts recording, when a low voltage condition exists, when the digital media nears its end, and when an extreme temperature condition exists in the recorder enclosure.
- V.** The Control Center shall have the ability to start the recorder from outside the car using the wireless microphone.
- W.** Control Center features shall include:
 - 20)** Power ON/Off.
 - 21)** Record START/STOP.
 - 22)** Rewind, Playback and Fast Forward.
 - 23)** On-Screen Rewind and Fast Forward (Search).
 - 24)** Zoom Wide/Tele.
 - 25)** Programmable Auto Zoom. Pressing one button shall automatically zoom the motorized zoom lens to the agency's preferred magnification, pause to record the license plate, then return to the agency's preferred wide-angle position. These lens positions shall be field programmable by non-technical personnel through the system's set-up menu.
 - 26)** Focus Auto/Manual.
 - 27)** Backlight Compensation.
 - 28)** No Media in Recorder Indicator.
 - 29)** Time Left on Media LED Display. Displayed on Control Center in hours and minutes.

- 30) Media Full Warning - System shall provide audible and visible warnings as the recorded video reaches the media capacity. The Time Left LEDs shall begin to flash when 10 minutes of capacity remain, flash faster when 5 minutes remain. When the media is fully used, the time left display shall read "End".
 - 31) Rechargeable Battery Backup - Stores time, date, characters, and minutes left on tape when system is OFF. Back-up battery shall be charging whenever the system is on.
 - 32) The Control Center shall require positive feedback from the recorder before indicating that a command has been activated. This feature shall ensure that the Control Center LED indicator will not falsely indicate that the system is recording.
 - 33) Record over protection – The system shall have an automated record over protection feature.
 - 34) Microphone Indicator - (LED)
 - 35) Low Voltage Indicator - (LED)
 - 36) Officer shall have the ability to start recording by turning on the remote microphone.
 - 37) Photocell - Automatically adjusts Control Center LED intensity.
- X. The Control Center shall include a Set-Up menu that shall include the following features/options:
- 15) Menu access and entry shall not require a separate programmer or external device.
 - 16) Limiting Menu Access – A method shall be available to limit access to the menu.
 - 17) Time and Date Generator - Records time on the media in hours, minutes and seconds.
 - 18) Time/Date Change Recording - All changes to the set up menu shall be recorded automatically. Changes to the time and date shall not be possible without media in the recorder recording the change. This feature shall be incapable of being defeated by the operator.
 - 19) Time and Date Position - The time and date shall be capable of being placed at the top or bottom of the screen.
 - 20) Time and Date Format - Time and date format shall be available through the Set-Up Menu.

- 21) Flash Preference - The set-up menu shall allow the operator to set the display to flash or to remain steady. Flashing the display prevents it from covering important details in the scene.
- 22) Character Generator – At least 2 lines of 20 characters per line shall be available for operator to insert descriptive identifier data.
- 23) Selectable Compression Scheme – If multiple compression schemes are offered, the desired compression scheme shall be available through the Set-Up menu.
- 24) Selectable Recording Rates – Three recording rates shall be available for each compression scheme through the Set-Up Menu.
- 25) Auto Zoom Positions - The telephoto and wide-angle positions used for Auto Zoom shall be adjustable through the Set-Up menu.
- 26) Audio Out Select - The set-up menu shall allow the operator to select audio from the wireless microphone, the (optional) in-car microphone, or both at the same time, to be heard over the system's monitor.
- 27) Beep Tones - The set-up menu shall allow the operator to turn the beep tones mentioned in ON or OFF.
- 28) Daylight Savings - The set-up menu shall allow the program to either automatically adjust the system's clock for Daylight Savings, or leave this feature off.
- 29) The system shall allow partially used media to be inserted into the recorder without jeopardizing the previously recorded segments. Then new media is loaded, the system shall determine the available capacity and subject to the resolution selected calculate the time left available for new recordings, then display this number in the prominent Time-Left Display. The system shall not allow previously recorded segments to be recorded over.

Section IV.

Camera

- Q.** The solid state color CCD camera shall not be subject to burn in, introduction of geometric distortion not be affected by magnetic fields, and shall be highly resistant to damage from vibration and shock.
- R.** The camera shall resist nighttime blooming and smearing from light sources.
- S.** The camera shall operate on 12 VDC, and offer a minimum of 470 lines horizontal resolution.
- T.** The camera shall be capable of a minimum illumination of 1 lux.

- U. The camera's dimensions (including lens) shall be approximately 2.1" x 2.0" x 3.5" w/h/d.
- V. The camera with lens shall weigh approximately 17.8 oz (504g).
- W. The camera shall, at a minimum, be able to operate between the temperatures of 14°F to 175°F (-10°C to 79°C).
- X. The motorized zoom lens shall offer a minimum of 10X optical zoom lens with 4X digital zoom for a total zoom ratio of 40:1.
- Y. The camera shall provide a horizontal field of view of at least 17 feet at a distance of 20 feet from the camera.
- Z. The camera shall include auto and manual focus capabilities.
- AA. The camera shall offer auto white balance.
- BB. The camera shall offer backlight compensation.
- CC. The camera shall offer a S/N ratio of better than 50dB.
- DD. The auto iris lens shall automatically adjust for varying light levels from day to night. The use of electronic shuttering to adjust for varying light levels shall not be acceptable.
- EE. The camera shall be mounted with a heavy-duty controlled pivot mount. The mount shall attach to the windshield using a high strength adhesive, and shall allow the camera to be easily rotated through 360° of rotation.
- FF. The camera mount shall allow the camera to be positioned easily and secured in place without tools.

**Section
V.**

Color Monitor

- M. A high quality active matrix color LCD monitor shall be provided for focusing the camera and for continuous viewing.
- N. The monitor shall be mounted in the Overhead Console Center and shall be clearly visible by the operator. If on a swivel mount, the monitor shall be able to be recessed up into the housing or swing down and swivel side-to-side for the best viewing angle
- O. The monitor's screen shall be non-reflective for optimum viewing in the vehicle. Mirror-like reflective screens shall not be acceptable.
- P. The monitor's screen size shall be no smaller than 3", and no larger than 4", measured diagonally.

- Q. The monitor shall provide controls for power and brightness.
- R. The monitor's dimensions shall be approximately 4.55" x 3.45" x 2.25" w/h/d (x x cm w/h/d).
- S. Mounting brackets shall be available to mount the monitor virtually anywhere in the vehicle's interior: to the dash, to the vehicle's headliner, or on a heavy-duty posi-lock stem mount.
- T. Video monitoring shall be possible whether or not the system is recording.
- U. The monitor shall be capable of displaying:
 - 9) Time and Date
 - 10) ***At least two lines of identifier information***
 - 11) Emergency Lights Indicator (L)
 - 12) Siren Indicator (S):
 - 13) Microphone Reception Indicator (M):
 - 14) Brake Use Indicator (B):
 - 15) Target and Patrol speeds from speed measurement devices:

Section VI.

Audio System

- N. The system shall offer digital audio to ensure that transmissions from the officer to the car are private and interference free. FCC approved frequencies in the 900 MHz band shall be used.
- O. The audio system shall allow up to 20 users at a scene. Different codes/IDs shall be available for use with the transmitters to ensure that no two transmitters use the same code.
- P. The system shall provide an in-vehicle docking station. This station shall include the system's receiver and shall be capable of recharging the transmitter's battery.
- Q. Both the transmitter and docking station shall have the ability of sending simultaneous audio and data streams. The data stream shall be used to send status information between the transmitter and the docking station.
- R. The transmitter shall program/sync its unique code into the docking station whenever it is placed in the docking station. Once programmed, the receiver shall only accept audio from that transmitter. Any transmitter shall be capable of programming and being used with any docking station.

- S. The transmitter shall include a rechargeable battery. This battery shall provide 6-8 hours of ON time, and 80 hours of service in the standby mode.
- T. The transmitter shall be capable of operating 300' to 500' from the vehicle.
- U. The docking station shall have the ability to automatically activate the officer-worn audio transmitter whenever the video system receives a record command from the light bar, siren or record switch.
- V. The transmitter shall have an Off/Standby/On switch, or an automated standby mode. The Standby position shall allow the transmitter to be activated by the docking station, while minimizing power consumption.
- W. The transmitter shall include a detachable mic cord with clip to allow the mic to be placed anywhere on the officer's uniform.
- X. The transmitter shall also include a built-in mic as an alternative to the mic cord or as a back up should the mic cord become damaged.
- Y. The transmitter's antenna shall be built into the case. No external antenna shall be acceptable.
- Z. The docking station shall employ built-in diversity (two) antennas. Connectors shall also be included to support the use of external antennas if desired.

**Section
VII.**

Operating Instructions And Specification Manual

- C. A full and complete set of operating instructions shall be furnished by the Contractor with each unit.
- D. The system manufacturer shall provide a page of optional equipment, with prices, available to either upgrade or downgrade the system.

**Section
VIII.**

Manufacturer's Quality Control And Testing

- G. All electrical components utilized, including integrated circuits, shall be highly reliable commercial grade parts.
- H. Each individual electrical and electronic component shall be subjected to a complete quality control inspection. This is required before installation into a printed circuit board or other sub-assembly.
- I. All assembled printed circuit boards and sub-assemblies shall be thoroughly inspected and completely tested mechanically and electrically before being installed into a video system.

- J. All printed circuit boards shall be glass epoxy, type FR4 or equivalent. Also, all high-density circuit boards shall be the solder mask type.
- K. All components dissipating power in excess of one watt and mounted directly against a circuit board shall have adequate heat sinks for circuit board protection. All electronic and electrical components shall only be utilized within their manufacturer's operating specifications, pertaining to voltage, current and heat dissipation characteristics.
- L. Each complete video system shall be individually bench tested for all functions and test parameters.

**Section
IX.**

Warranty

- B. The manufacturer shall guarantee their patrol car video systems to be free of defects in materials, workmanship, and installation for a period of one year from the date of installation of the unit. All shipping charges (both ways) shall be at the expense of the manufacturer for the first year after installation of the systems. Thereafter, shipping charges from the agency to the manufacturer shall be at the expense of the agency. Return shipping charges from the manufacturer to the agency shall be at the sole expense of the manufacturer during the warranty period. This warranty shall not extend to finish, appearance items, or malfunction due to abuse, neglect, misuse, accidents, or operation under other than specified conditions.

**Section
X.**

Delivery

- A. Each unit shall be delivered within 30 days of receipt of a Purchase Order.
- B. The price of each unit shall include installation.
- C. Installation shall be made within 30 days from the date of delivery.

**Section
XI.**

Service Centers

- C. The system manufacturer shall provide at least eight (8) authorized service centers located throughout Michigan. At least two shall be located in Michigan's Upper Peninsula. All service calls shall be accomplished in a timely manner.
- D. The system manufacturer shall provide a list, with locations of authorized service centers located within Michigan, if requested. If an authorized service center is located outside of Michigan, but is willing to travel to Michigan, it shall be listed.

**Section
XII.**

Server and Support Systems

- A.** The bidder shall provide details and offerings regarding, but not limited to the following: components, software, hardware, storage capacity, required to meet individual operational needs of various size law enforcement agencies that may utilize resulting contracts, which will consist of individual local units of government and the Michigan State Police Department. Bidders should provide itemized unit price offerings for required components so agencies are offered a full range of flexibility in the building and design/acquisition of systems and networks.

ITEM LISTING

Item No.	Quantity	Unit	DESCRIPTION	UNIT PRICE
1.	EA.		<p><u>VHS In-Car Video System:</u> per Mich. State Police Specifications (copy attached)</p> <p>MAKE: <u>Kustom Signals</u> MODEL: <u>Eyewitness II</u></p> <p>System to include:</p> <ul style="list-style-type: none"> • Miniature Color CCD Camera/Lens Module w/40:1 Zoom with automatic Iris Lens • External Record Indicator in Camera Module • High Quality 3.5" Active Matrix Color LCD Monitor • Microprocessor Control Center in Overhead Console w/Intergrated Flip-Down Color Monitor • ClearComm 900MHz Wireless Microphone System (1 Transmitter / 1 Receiver) • In-Car Microphone Kit • Radar Speed Data Input Port (Compatible Protocol Radar data required) • JVC Industrial Grade Law Enforcement VHS Recorder • Environmentally Controlled Vault Recorder Enclosure • 1 Year Warranty • Installation 	<p><u>\$ 2,980.00</u></p>
			<p style="text-align: center;"><u>Options:</u></p> <p>Menu Security \$41.00 each</p> <p>GPS Interface \$656.00 each</p> <p>Ignition Module \$51.00 each</p>	

Item No.	Quantity	Unit	DESCRIPTION	UNIT PRICE
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2.		EA.	<p><u>DIGITAL In-Car Video System:</u> per Mich. State Police Specifications (copy attached)</p> <p>MAKE: <u>Kustom Signals</u> MODEL: <u>Digital Eyewitness NXT</u></p> <p>System to include:</p> <ul style="list-style-type: none"> • Miniature Color CCD Camera/Lens Module w/Power Zoom with automatic Iris Lens • External Record Indicator in Camera Module • Overhead Console Unit with 3.5" Monitor • Microprocessor Control Center in Overhead Console w/Intergrated Flip-Down Color Monitor • ClearComm 900MHz Wireless Microphone System (1 Transmitter / 1 Receiver) • In-Car Microphone Kit • Menu Security • Radar Speed Data Input Port (Compatible Protocol Radar data required) • Choice of Removable Hard Drive or DVD RAM Media (Must be specified at time of order) • Choice of MPEG1, 2 or 4 Compression • Pre-Event Recording • Installation 	<p><u>\$ 5,197.00</u></p>
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Options: (Must be specified at time of order)

Upgrade 40GB Removable Hard Drives to 80GB	
Removable Hard Drives	\$291.00 each
GPS Interface	\$202.00 each
Crash Activation	\$228.00 each
Rear-Facing Black and White Camera	\$228.00 each
Additional 40GB Removable Hard Drive	\$261.00 each
Additional 80GB Removable Hard Drive	\$407.00 each
Additional 4.7GB DVD RAM Disks	\$ 8.00 each
Wireless Transfer (In-car components only)	\$505.00 each
Wired Ethernet Transfer (In-car components only)	\$101.00 each

Optional Deducts: (Must be specified at time of order)

MDC Interface instead of Overhead Console Configuration, Deduct	-\$400.00
(Utilizes and agency provided Mobil Data Computer as the control center and monitor)	
*Agency provided MDC must operate on Windows 2000 or newer and have an available serial port.	

Item No.	Quantity	Unit	DESCRIPTION	UNIT PRICE														
3.		EA.	<p><u>DIGITAL In-Car Video System, "Cab Mounted":</u> per Mich. State Police Specifications (copy attached)</p> <p>MAKE: <u>Kustom Signals</u> MODEL: <u>Digital Eyewitness NXT</u></p> <p>System to include:</p> <ul style="list-style-type: none"> • Miniature Color CCD Camera/Lens Module w/Power Zoom with automatic Iris Lens • External Record Indicator in Camera Module • Overhead Console Unit with 3.5" Monitor • Microprocessor Control Center in Overhead Console w/Intergrated Flip-Down Color Monitor • ClearComm 900MHz Wireless Microphone System (1 Transmitter / 1 Receiver) • In-Car Microphone Kit • Menu Security • Radar Speed Data Input Port (Compatible Protocol Radar data required) • Choice of Removable Hard Drive or DVD RAM Media (Must be specified at time of order) • MPEG1 Compression • Pre-Event Recording • Installation <p><u>Options: (Must be specified at time of order)</u></p> <table style="width: 100%; border: none;"> <tr> <td>GPS Interface</td> <td style="text-align: right;">\$656.00 each</td> </tr> <tr> <td>Crash Activation</td> <td style="text-align: right;">\$228.00 each</td> </tr> <tr> <td>Rear-Facing Black and White Camera</td> <td style="text-align: right;">\$228.00 each</td> </tr> <tr> <td>Additional 40GB Removable Hard Drive</td> <td style="text-align: right;">\$177.00 each</td> </tr> <tr> <td>Additional 4.7GB DVD RAM Disks</td> <td style="text-align: right;">\$ 8.00 each</td> </tr> <tr> <td>Wireless Transfer (In-car components only)</td> <td style="text-align: right;">\$505.00 each</td> </tr> <tr> <td>Wired Ethernet Transfer (In-car components only)</td> <td style="text-align: right;">\$101.00 each</td> </tr> </table>	GPS Interface	\$656.00 each	Crash Activation	\$228.00 each	Rear-Facing Black and White Camera	\$228.00 each	Additional 40GB Removable Hard Drive	\$177.00 each	Additional 4.7GB DVD RAM Disks	\$ 8.00 each	Wireless Transfer (In-car components only)	\$505.00 each	Wired Ethernet Transfer (In-car components only)	\$101.00 each	<p><u>\$ 4,288.00</u></p>
GPS Interface	\$656.00 each																	
Crash Activation	\$228.00 each																	
Rear-Facing Black and White Camera	\$228.00 each																	
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Wired Ethernet Transfer (In-car components only)	\$101.00 each																	

Item No.	Quantity	Unit	DESCRIPTION	UNIT PRICE
4.			<p><u>Digital Back Office Options:</u> Desktop Digital Eyewitness Media Manager I</p> <ul style="list-style-type: none"> • Hardware – Dell Precision Desktop with 2 250GB Hard Drive • Operating Software – Demm Software, Nero 6 CD/DVD Burning Software <p>➤ *No installation/training provided (Priced Separately) ➤ System capable of storing up to 1,100 hours of video and utilizes manual hard drive or DVD RAM transfer.</p>	<u>\$3,283.00</u>

Item No.	Quantity	Unit	DESCRIPTION	UNIT PRICE
5.			<p><u>Digital Back Office Options:</u> Desktop Digital Eyewitness Media Manager II</p> <ul style="list-style-type: none"> • Hardware – Dell Precision Desktop with 2 500GB Hard Drive • Operating Software – Demm Software, Nero 6 CD/DVD Burning Software • Installation and Support Provided <p>➤ System capable of storing up to 2,200 hours of video and utilizes manual hard drive or DVD RAM transfer. ➤ Upgrade for wired or wireless video transfer available.</p> <p>Upgrades: DVD Duplicator \$2,374.00 *Duplicates and Lables DVD's for long term storage. 75 Disc Capacity (DVD's not included) Wireless Hot Spots \$ 606.00 Includes Access Points for Video Download Wired Ethernet Docking Stations: Includes Access Points for Video Download *Certain space constrictions can limit the capability/availability of wired transfer. Review with manufacturer is necessary to determine the appropriate price.</p>	<u>\$5,995.00</u>

Item	Quantity	Unit	DESCRIPTION	UNIT PRICE
6.			<p><u>Digital Back Office Options:</u> Digital Eyewitness Media Manager Rack Mounted System Review with manufacturer is necessary to determine the system components and appropriate price. Networks may consist of Desktop Computer with large capacity to a full multi-terabyte server.</p>	
			<p>Options: DVD Duplicator \$2,374.00 *Duplicates and Lables DVD's for long term storage. 75 Disc Capacity (DVD's not included)</p>	<u>To Be Determined</u>
			<p>Wireless Hot Spots \$ 606.00 Includes Access Points for Video Download</p>	
			<p>Wired Ethernet Docking Stations: Includes Access Points for Video Download *Certain space constrictions can limit the capability/availability of wired transfer. Review with manufacturer is necessary to determine the appropriate price.</p>	

Staffing:

Name:	Title:	Location:	Telephone No.	Responsibility:
Dennis Millinoff	District Manager	Farmington Hills, Michigan	(913) 302-9674	Sales Service and Training
Phyllis Roberts	Corporate Office Rep	Lenexa, Kansas	(800) 458-7866	Customer Service and Ordering
Dave Teeter	Video Product Manager	Lenexa, Kansas	(800) 458-7866	Video Configurations
Warren Page	Digital Video Engineer	Chanute, Kansas	(800) 458-7866	Research & Devel.
Kevin Unrein	Customer Service Mgr.	Chanute, Kansas	(800) 835-0156	Warranty Service and Training

E-Mail: sales@kustomsignals.com

Service Centers:

Tele-Rad, Inc. 2306 Clyde Park SW Grand Rapids, MI 49509 (616) 452-4591	Tele-Rad, Inc. 1387 E Laketon, Suite 1 Muskegon, MI 49442 (800) 986-7336	Tele-Rad, Inc. 1001 Pipestone Road Benton Harbor, MI 49022 (616) 926-7696	Tele-Rad, Inc. 511 East 8 th Holland, MI 49423 (800) 456-5619
Tele-Rad, Inc. 2351 Cass Road Traverse City, MI 49684 (231) 947-8330	ABL Electronic Service Part Department 850 Chicago Road Troy, MI 48083 (248) 588-6663 ext. 227	Anderson Radio 6149 W. Saginaw Road Bay City, MI 48706 (989) 684-9969	KCI, Inc. 3656 Jefferson Rd. Clark Lake, MI 48262 (734) 242-0806
Herkimer Radio Service Inc. 2708 N. Telegraph Road Monroe, MI 48262 (989) 356-4971	L.E.V. Repair 409 Campbell Street Alpena, MI 49707 (989) 356-4971	West Michigan Public Safety 35 West Street Coopersville, MI 49404 (231) 853-6235	Technical Services 3 Birch Place Kincheloe, MI 49788 (906) 495-5130
Randall Weber Radio Shop 306 Avenue A Gwin, MI 49841 (906) 346-5229			