



FULLY EXECUTED
Contract Number: 4400000180
Contract Effective Date: 06/13/2007
Valid From: 04/01/2007 To: 03/31/2012

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Your SAP Vendor Number with us: 162505

Purchasing Agent
Name: Pearson James
Phone: 717-346-3837
Fax: 717 346-3820

Supplier Name/Address:
ANIXTER INC
1400 N PROVIDENCE RD
MEDIA PA 19063 US

Please Deliver To:

To be determined at
the time of the Purchase Order
unless specified below.

Supplier Phone Number: 610-627-3900
Supplier Fax Number: 610-627-3927

Contract Name:
Anixter, Inc.

Payment Terms
NET 30

Solicitation No.: Issuance Date:

Supplier Bid or Proposal No. (if applicable): Solicitation Submission Date:

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

| Item | Material/Service Desc | Qty | UOM | Price | Per Unit | Total |
|------|---------------------------------------|-------|-----|-------|----------|-------|
| 4 | CCTV Systems Parts | 0.000 | | 0.00 | 1 | 0.00 |
| 5 | Access Control Systems Parts | 0.000 | | 0.00 | 1 | 0.00 |
| 6 | Security Communications Systems Parts | 0.000 | | 0.00 | 1 | 0.00 |

General Requirements for all Items:

No further information for this Contract

Information:

Supplier's Signature _____
Printed Name _____

Title _____
Date _____

SPECIAL CONTRACT TERMS AND CONDITIONS

CONTRACT SCOPE/OVERVIEW: This Contract No. 6350-03 (CN00024777) will cover the requirements of Commonwealth agencies for (1) Surveillance and Security Equipment and Supplies (including limited set up); and (2) for the provision of Furnish, Installation, Construction and other related Services for Surveillance and Security Systems. This contract will provide Commonwealth agencies the ability to purchase these goods from Manufacturers/OEMs directly or through their authorized dealers. This Contract will also provide Commonwealth agencies the ability to purchase Furnish, Installation and other related services from Prime Contractors (service providers). Bidders shall supply all requested information or your bid may be rejected. **No bid security is required.**

ORDER OF PRECEDENCE: These Special Contract Terms and Conditions supplement the Standard Contract Terms and Conditions for Department of General Services Statewide Services Contracts -SAP. To the extent that these Special Contract Terms and Conditions conflict with the Standard Contract Terms and Conditions for Department of General Services Statewide Services Contracts -SAP, these Special Contract Terms and Conditions shall prevail.

TERM OF CONTRACT: This is a five (5) year Contract with no renewal options. The Contract shall commence on the Effective Date, which shall be no earlier than April 1, 2007 and expire on April 1, 2012.

OPTION TO EXTEND: The Department of General Services (DGS) reserves the right, upon notice to the Contractor, to extend the Contract or any part of the Contract for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new contract.

DEFINITIONS:

a. OEM: Original Equipment Manufacturer ("OEM") is defined as the prime manufacturer of components, parts, and equipment that are used in the Furnish, Installation and Construction of Surveillance and Security Systems.

b. Authorized Dealers: A dealer or reseller/distributor of a Manufacturer/OEM'S product line that has written certification from the Manufacturer/OEM that it is authorized to sell the manufacturer/OEM'S line of products.

c. Suppliers: For purposes of this Contract, Suppliers means Manufacturers/OEMs or their authorized dealers.

d. Service Providers: For purposes of this Contract, Service Providers means other Contractors who will provide Furnish, Installation, Construction of Surveillance and Security Systems and other related services on this Contract.

e. Prime Contractors: For purposes of this Contract, Prime Contractors are defined as an individual or company that specializes (directly or indirectly) in the Furnish/Installation/Construction of new and/or modification of existing, complete Surveillance, Security, Fire Detection, Fire Suppression, and other life protection systems by putting together components from various manufacturers/OEMs and authorized dealers that are Suppliers of equipment, supplies, components and parts for surveillance and security systems covered under the scope of this Contract, to meet agency requirements. Prime Contractors (service providers) shall not be utilized by contracting agencies as equipment, supplies, components, and parts resellers and/or distributors. The Prime Contractors/Service Providers may purchase equipment, supplies, components and parts off contract if such equipment, supplies, components and parts are necessary to complete a project.

METHOD OF AWARD: This is a multiple award ITQ contract that will be awarded in the following manner.

Part A: Suppliers of Equipment, Supplies, Components and Parts: One award will be made for each Manufacturer/OEM's line of products to the Manufacturer/OEM or authorized dealer (if applicable), bidding on their behalf, offering GSA pricing, if available, or the greatest discount percentage from the Manufacturer/OEM's current catalog price list, if GSA pricing is not available. Each selected Contractor will be required to furnish equipment, supplies, components and parts required and ordered by Commonwealth using Agencies at the prices established in the contract, less any additional discount percentage negotiated by DGS (Department of General Services) or offered to or negotiated by the using Agency. Pricing shall include basic set up of equipment, or may include fees for set up of more sophisticated components or equipment. The Manufacturer/OEM's line of products may be supplied by an authorized, SAP approved list (**see attachment P-3 List of Manufacturers/OEMs Representatives**) of suppliers, authorized dealers or distributors. This list must be supplied by the Manufacturer/OEM, or their Authorized Dealer attempting to qualify on their behalf, in the Excel format. The awarded Contractor is responsible for the performance of any suppliers, authorized dealers and approved distributors that they list. The awarded Contractor must insure that all suppliers, authorized dealers and approved distributors that they list shall abide by the established pricing guidelines and all other Terms and Conditions of this contract.

Part B: Prime Contractors (Service Providers): Contract award will be made to every bidder who meets the eligibility requirements to furnish and install security systems, including construction work and design engineering to the extent that it is necessary and included in the installation cost, and as needed for the modification of existing security systems and other related services on this Contract. Commonwealth agencies seeking such services will issue Requests for Quotes during the contract period and will issue Purchase Orders to selected contractors based upon **best value**. There is no guarantee that the award of a Contract will result in an award of a Purchase Order.

ELIGIBILITY REQUIREMENTS:

1. To qualify for **Part A** of this Contract (Supplier of Equipment, Supplies, Components and Parts), the bidder must be a Manufacturer/OEM or authorized dealer, bidding on their behalf, and be able to supply the equipment, supplies, components and parts required within the category(s) specified in **Attachment P2**. Please see **Attachment A** for categories and definitions of equipment, supplies, components and parts. A Manufacturer/OEM must be able to directly or through its authorized dealer supply all equipment, supplies, components and parts required under the scope of the category(s) specified. Authorized dealers who bid directly must be able to supply all equipment, supplies, components and parts required under the scope of the category(s) specified. Authorized dealers must submit a letter from the manufacturers certifying them as authorized dealers. Letters should include the representation that the manufacturer will honor all manufacturer warranties for equipment, supplies, components and parts provided by the bidder. Bidders shall supply all requested, verifiable information for qualification or the bid may be rejected. Bidders must complete the following attachments: **Attachment P1 - Manufacturer/OEM or Authorized Dealer Information Sheet On Contract #6350-03 (CN00024777); Attachment P2 - Qualified Manufacturer/OEM or Authorized Dealer Category/Sub-Category Checklist Contract 6350-03 (CN00024777); Attachment P3 - List of Manufacturers/OEMs Representatives Contract 6350-03 (CN00024777); Attachment P4 - Manufacturer/OEM, Authorized Dealer Geographic Information Sheet Contract 6350-03 (CN00024777) and Attachment P5 - Manufacturer Warranty - Equipment, Supplies, Components, Parts Only Contract 6350-03 (CN00024777)**. Suppliers shall abide by all terms and conditions of this Contract.

2. To qualify for **Part B** of this Contract (Prime Contractors - Service Providers), the bidder must be able to perform the services required within the category(s) specified by the bidder in **Attachment S2**. Bidders must provide a list of the manufacturers/OEMs whose equipment they are authorized to install. Bidders shall supply all requested, verifiable information for qualification or the bid may be rejected. Bidders must complete the following attachments: **Attachment S1 - Prime Contractor (Service Provider) Information Sheet on Contract #6350-03 (CN00024777); Attachment S2 - Prime Contractor (Service Provider) Category/Sub-Category Checklist Contract 6350-03 (CN00024777); Attachment S3 - Prime Contractor (Service Provider) List of Manufacturers/OEMs Represented Contract 6350-03 (CN00024777); Attachment S4 - Manufacturer Warranty and Attachment S5 - Labor Rate Cost Data Information**. Prime Contractors - Service Providers/Integrators must be able to and shall abide by all terms and conditions of this Contract.

All information submitted with this bid is subject to review and acceptance by the Department of General Services.

INSTRUCTIONS FOR COMPLETING BID ATTACHMENTS: The bid attachment information is in the Excel format. There are two Excel workbooks. One containing the **Attachments P1 through P5**. All bidders attempting to qualify for **Part A** of this Contract (**Supplier for Equipment, Supplies, Components and Parts**) must complete and return **Attachments P1 through P5**.

The other workbook consists of **Attachments S1 through S5**. All bidders attempting to qualify for **Part B** of this Contract (**Prime Contractors - Service Providers**) must complete and return **Attachments S1 through S5**.

All information requested **must** be supplied and verifiable.

Download the spreadsheets to disk and return along with a printed hard copy of the completed bid item sheets with your signed bid in a sealed envelope.

PRINT YOUR COMPANY'S NAME ON THE DISK LABEL

VENDOR REGISTRATION: In order to do business with the Commonwealth you **must register** with the Central Vendor Management Unit (CVMU). Registration does not mean that you will automatically receive this or any other contract with the Commonwealth, but you must obtain a Vendor Number to be paid or to bid other offerings by the Commonwealth in the future. If you already have a vendor number, disregard this notice. If you do not, please register electronically at www.vendorregistration.state.pa.us or call toll Free 1-866-775-2868 or locally at 717-214-2868, or by e-mail at: ra-co-bfm-cvmu@state.pa.us

ORDERING PROCEDURE: Contracting agencies shall process all orders based on the following:

1. Orders for Part A -Equipment, Supplies, Components, Parts and Set-up Only. Orders will be processed as Purchase Orders via the SAP system.
2. Orders for Part B – Prime Contractors (Service Providers) - The Contracting Agency will contact in writing by facsimile transmission or email a minimum of three (3) service providers from the list of qualified service providers and invite them to submit quotes for the particular service project. The Contracting Agency will provide the service providers with the written specifications of the service project. The service providers must submit their quotes in writing (fax or email is acceptable). The Contracting Agency will select a service provider to provide the service based on documented best value. After selecting a service provider, the Contracting Agency will process a Purchase Order via the SAP system attaching the requirements/specifications and the service provider's offer to acquire and install the needed surveillance and/or security systems.

DISADVANTAGED BUSINESS PARTICIPATION: If the cost of services is anticipated to be \$50,000 or more, the Contracting Agency will attach Form STD-168, MBE/WBE Subcontractor and Supplier Solicitation and Commitment Form, and the Special Provisions for Invitations for Bids/Certified Minority and Women

Business Utilization to the written solicitation for quotes. See Attachment via <http://www.dgs.state.pa.us/bcabd/lib/bcabd/forms/std168.pdf>.

DOMESTIC WORKFORCE UTILIZATION CERTIFICATION: To the extent that any services, such as design and consulting services, could be performed outside of the geographical boundaries of the United States, the Service Provider will be required to certify that those services will be performed exclusively within the geographical boundaries of the United States or specify the percentage of the direct labor that will be performed outside of the United States. The certification form will be included with the written solicitation for quotes and must be completed by the Service Provider. The Contracting Agency will use the certification in making a best value selection.

OPTION TO ADD/REMOVE CONTRACTORS: The addition and/or deletion of any Contractor during the life of this Contract will be at the discretion of the Department of General Services if it is deemed in the best interest of the Commonwealth of Pennsylvania. Existing Contractors may be removed from the Contract if they are no longer in business or cannot supply the goods or perform the services as required or it has been determined by the Department of General Services that their removal is in the best interest of the Commonwealth.

OTHER PRODUCTS: A Supplier of equipment, with written approval from the Department of General Services, may add other product lines that are on the category list for this Contract if they acquire/purchase another company and/or patent(s) rights.

OPTION FOR SEPARATE COMPETITIVE BIDDING PROCEDURE: DGS reserves the right to purchase products or services covered under this Contract through a separate competitive bidding procedure, whenever DGS deems it in the best interest of the Commonwealth. The right will generally be exercised only when a specific need for a large quantity of the product or service exists or when the price offered is significantly lower than the Contract price.

PRICING: Pricing for this Contract will be **current** GSA catalog pricing for goods and services, where such pricing exists, or a percentage (%) of discount off of the Supplier's **current** catalog list for items not on **current** GSA catalog or a combination of both if required, or any additional percentage (%) of discount negotiated by DGS (Department of General Services) or the using agency, whichever dollar amount is less. Percentage of discount may vary according to category and product line awarded and must be specified. Discount percentage (%) can be increased but not decreased during the life of this contract. **These pricing guidelines will be adhered to by the Contractors and shall apply to all Contracting Agencies.** Labor Rate Cost Data Information (see Attachment S5) shall be provided for each Contractor of **Services**.

Please Note: Travel and Subsistence – No travel costs (i.e. mileage, lodging, subsistence) will be reimbursed except for extenuating circumstances with prior written approval by the Commonwealth of Pennsylvania. The Contractor may not charge for time spent in travel. If travel reimbursement is approved by the Commonwealth of Pennsylvania, such reimbursement shall be in accordance

with the requirements of the Commonwealth of Pennsylvania's Management Directive 230.10, *Travel and Subsistence Allowances*, and travel related expenses shall be subject to the same limitations that apply to Commonwealth employees.

DISCOUNT INFORMATION: For those items that are Customized, Specialized, or Build To Order an initial (C), (S), or (BTO) should be placed in the discount block of the bid and a percentage as stated above should be entered. It is understood that the percentage of discount is for a non-standard catalog item and may change due to agency requirements. Specifications for these items may be furnished by the agency requesting the equipment or services.

UPDATE PRICE OPTION: Contractors will be responsible for maintaining current GSA catalog and Contractor catalog list pricing throughout the term of the contract. Contractors may adjust their Labor Rate pricing (**reference Attachment S5**) one (1) time every twelve (12) month period during the Contract term. A Contractor seeking to update its' Labor Rate pricing list shall submit a letter with adjusted prices in accordance with the Table 4. COMPENSATION (NOT SEASONALLY ADJUSTED): Employment Cost Index for total compensation, private industry workers, by bargaining status, region, and area <http://stats.bls.gov/news.release/eci.t04.htm>. **Example:** Reference - Bargaining Status - Region (4) - Northeast - 12 months ended Dec. 2005 - 3.4%.

SUPPLEMENT TO AUTHORIZED INSTALLER LIST: Prime Contractors (service providers) may supplement one (1) time every six (6) month period during the Contract term their listing of the Manufacturers/OEMs whose equipment they are authorized to install.

BILLING REQUIREMENTS: Notwithstanding the provisions set forth in GSPUR-12F (SAP), Standard Contract Terms and Conditions for DGS Statewide Services Contracts, the Contractor shall include in all of its invoices the following minimum information:

- Contractor name and "Remit to" address, including SAP Vendor number and, if ACH, the bank routing information or SAP 4-digit account identifier
- SAP Purchase Order number
- Delivery Address, including name of Commonwealth agency
- Description of the supplies/services delivered in accordance with SAP Purchase Order (include purchase order line number if possible)
- Quantity provided
- Unit price
- Price extension
- Total price
- Delivery date of supplies or services

If an invoice does not contain the minimum information set forth in this paragraph, the Commonwealth may return the invoice as improper. If the Commonwealth returns an invoice as improper, the time for processing a payment under GSPUR-12F (SAP), Standard Contract Terms and Conditions for DGS Statewide Services Contracts, Paragraph 10, Payment will be suspended until the Commonwealth receives a correct invoice. The Contractor may not

receive payment until the Commonwealth has received a correct invoice.

Contractors are required to establish separate billing accounts with each using agency and invoice them directly using the invoice provided in Attachment "B". Each invoice shall be itemized with adequate detail and match the line item on the agency's Purchase Order. In no instance shall any payment be made for services to the Contractor that are not in accordance with the prices on the agency's Purchase Order, Contractor's original or updated price list with DGS or any discounts negotiated by the purchasing agency.

BLANKET CONTRACT PURCHASE ORDERS: Commonwealth agencies may issue Blanket Contract Purchase Orders against this Contract. Such orders may cover all anticipated requirements for a set period of time (i.e. a month, quarter, or year.) **Note:** These orders constitute the Contractor's authority to perform the services at the requesting agency site(s). All Contract Purchase Orders received by the Contractor up to and including the expiration date of the Contract are acceptable and must be performed in accordance with the Contract Purchase Order and the Contract. The period of performance under any Contract Purchase Order can extend beyond the expiration date of the Contract, but cannot exceed the performance time periods specified in the Contract Purchase Order. While no Contract Purchase Orders can be issued under the Contract after the expiration date of the Contract, the Contract does not expire and continues to be in effect for all existing Contract Purchase Orders until the performance time periods of the existing orders have expired. Each Contract Purchase Order will be deemed to incorporate the terms and conditions set forth in the Contract.

Note: Contracting agencies may select any number or all goods and services covered under the scope of this Contract based on their specific need and in accordance with the Special Contract Terms And Conditions of this Contract. No Terms And Conditions provided by Contractors shall apply.

QUARTERLY SALES REPORT: Upon award of the Contract, the Contractor shall furnish an electronic Contract use report no later than the fifteenth calendar day after each quarter in the Contract period. All such reports shall be created using a template provided by DGS in an Excel format (**See Attachment E**).

- A. The Contractor shall e-mail the reports to Jim Pearson, Commodity Specialist, at japearson@state.pa.us.
- B. On each report, the Contractor shall include the Contractor's name and address, the Contract number, and the period covered by the report. The following information shall be the minimum listed on the report for each order received:
 - State Agency **OR** Public Procurement Unit
 - Order Date
 - Delivery Date
 - Description of Service
 - Number of Return Service Calls
 - Invoiced Price

BID SECURITY: Contractors are not required to submit bid security with their bids.

PERFORMANCE SECURITY: Contractors will be required to provide performance and payment security on a project-by-project basis.

a. For purchase orders under \$25,000.00, no performance security will be required.

b. For purchase orders between \$25,000.00 and \$100,000.00, performance security in an amount equal to at least 50 percent of the purchase order price will be required.

For projects in excess of \$100,000.00, a performance bond, executed by a surety company authorized to do business in this Commonwealth, in a form acceptable to the Commonwealth and made payable to the Commonwealth, in an amount equal to 100 percent of the price specified in the purchase order will be required. The performance bond will be conditioned upon the faithful performance of the contract in accordance with the plans, specifications, and conditions of the contract. The performance bond shall be solely for the protection of the Contracting Agency which awarded the contract.

c. Failure to provide performance security within ten (10) business days after notification may result in award to another contractor, and the contractor who did not supply the performance security shall be responsible for any increase in cost, if incurred.

d. Where the Contractor does not comply with the contract, Contract Purchase Order(s), or bid obligations, the amount of the Commonwealth's damages shall be liquidated to the amount of the performance security or the Commonwealth may, at its option, sue the bidder or its surety for the damages it has suffered for any breach of contract, in which case security held by the Commonwealth shall be applied as a credit in such suit for damages.

PAYMENT BOND: For projects in excess of \$100,000.00, a payment bond, executed by a surety company authorized to do business in this Commonwealth and made payable to the Commonwealth, in an amount equal to 100 percent of the price specified in the contract and conditioned upon the prompt payment for all materials furnished or labor supplied or performed in the prosecution of the work, will be required. Labor or materials include public utility services and reasonable rentals of equipment for the periods when the equipment is actually used at the site. A payment bond shall be solely for the protection of claimants supplying labor or materials to the prime contractor to whom the contract was awarded or to any of its subcontractors in the prosecution of the work provided for in the contract whether or not the labor or materials constitute a component part of the construction.

BONDS: The specific performance bond and the payment bond given by the Contractor conditioned upon the faithful performance of the contract and for the payment of labor, material, equipment rental and public utility service claims are attached to this contract and are made a part of it. No third party shall

acquire any rights against the Commonwealth under the contract documents. **Reference Attachment "C", Contract Bond. All Bond information will be held by the agency issuing the PO.**

SAMPLE EQUIPMENT: The Contractor may be required to supply to the Commonwealth, a representative sample of equipment offered in the bid for demonstration and evaluation purposes. Once the Commonwealth has completed the demonstration and evaluation process, the sample equipment will be returned to the Contractor. It shall be the Contractor's responsibility to retrieve and remove all loaned equipment from the Commonwealth premises. The Commonwealth shall not be held responsible for any damages, which may occur during normal use for demonstration or evaluation.

ON SITE WARRANTY SERVICE: Awarded Prime Contractors (service providers) of this contract must have the capability to perform on-site warranty service (warranty is defined as the standard provided by the manufacturer for the period of time indicated in the contract). Contractors must have the ability to perform warranty services at the Commonwealth site of the equipment in need of such service as specified by the Contracting agency. This requirement is to ensure the Contractor's ability to perform such service; it is not to be included in the bid price offered. If such services are required, they shall be acquired separately.

GENERAL WARRANTIES: Should any item of equipment be found to be defective within one (1) year from the date of installation, the Contractor agrees to repair such item or, if necessary, furnish and install, without charge, similar items to replace it; provided, however, that the original item is returned to the Contractor and inspection by the manufacturer establishes the claim. All shipping and transportation costs involved in the repair or replacement of the defective equipment shall be paid by the Contractor.

The Contractor shall provide, at no charge during the warranty period, any labor required to repair or replace defective equipment or parts.

The warranty provisions under this Section are in addition to and not in lieu of any warranties made by equipment or component manufacturers. After installation of the Security System, Contractor shall deliver to the Agency all manufacturer warranty certificates, documents, operation and maintenance instructions and manuals, and similar documents.

STANDARD WARRANTY: The Contractors' price for equipment shall include the standard manufacturer's warranty for all products provided. The warranty shall commence upon delivery and/or installation. All Contractors under **Part A** of the Contract are required to complete the attached warranty table (**see Attachment P5**). All Contractors under **Part B** of the Contract are required to complete the attached warranty table (**see Attachment S4**) which contains product and service warranty information. The information shall represent the manufacturer's standard warranty and shall be in compliance with the "**General Warranties**" requirements for service providers. Failure to complete and return this information may result in the bid being deemed ineligible for award.

Extended warranties may be procured as an Ancillary service in relation to this Contract as required and negotiated by the Contracting agency.

EQUIPMENT WARRANTIES: The Contractor covenants and agrees that all equipment installed as part of this Agreement is new, in good and proper working condition and protected by appropriate written warranties covering all parts and equipment performance. The Contractor further agrees to deliver to the Agency for inspection and approval, all such written warranties, to pursue rights and remedies against manufacturer of the equipment under the warranties in the event of equipment malfunction or improper or defective function, and defects in parts, workmanship and performance, to notify the Agency whenever defects in equipment parts or performance occur which give rise to such rights and remedies and those rights and remedies are exercised by the Contractor. The cost of any risk of damage or damage to the equipment and its performance, including damage to property and equipment of the Agency or the Premises, due to the Contractor's failure to exercise its warranty rights shall be borne solely by the Contractor.

All warranties shall be transferable and extend to the Agency. The warranties shall specify that only new, and not reconditioned parts, may be used and installed when repair is necessitated by malfunction.

All warranties required hereunder shall be in force for a minimum of one year from the date of acceptance of the Security System by the Agency.

Notwithstanding the above, nothing in this Section shall be construed to alleviate/relieve the Contractor from complying with its obligations to perform under all terms and conditions of this Contract.

REPLACEMENT PARTS: Contractors must provide commercial/industrial grade replacement parts, (either an exact duplicate or a newer version of the same part which performs the same function and is replaceable with the part being replaced) to the Commonwealth and /or the Commonwealth's designated maintenance service provider. Replacement parts must be made available for at least two (2) years after the warranty expiration.

SURVEILLANCE & SECURITY PRODUCTS: This contract is limited to professional/industrial and commercial grade categories of Surveillance and Security products as specified herein. Products shall have appropriate Government/Regulatory Agency Approval (UL – Underwriters Laboratories, Inc. tested/certified and approved, FCC – Federal Communications Commission approved or an equivalent). **See Attachment A – Categories and Definitions for Goods and Services).**

INSURANCE SECTION: Contractors are required to have in place during the term of the Contract and any renewals or extensions thereof, the following types of insurance, issued by companies acceptable to the Department of General Services and authorized to conduct such business under the laws of the Commonwealth of Pennsylvania:

A. Worker's Compensation Insurance for all of the Contractor's employees

and those of any subcontractor, engaged in work at the site of the project as required by law.

- B. Public Liability and Property Damage Insurance** to protect the Commonwealth, the Contractor, and any and all subcontractors from claims for damages to property including the loss of use resulting from any property damage, which may arise from the activities performed under the Contract or the failure to perform under the Contract, whether such performance or non-performance be by the Contractor, by any subcontractor, or by anyone directly or indirectly employed by either. The minimum amounts of coverage shall be \$250,000 per person and \$1,000,000 per occurrence for bodily injury, including death, and \$250,000 per person and \$1,000,000 per occurrence for property damage. Such policies shall be occurrence rather than claims-made policies and shall not contain any endorsements or any other form designated to limit and restrict any action by the Commonwealth, as an additional insured, against the insurance coverage in regard to work performed for the Commonwealth.

Prior to commencement of the work under the Contract and at each insurance renewal date during the term of the Contract, the Contractor shall provide the Department of General Services with current certificates of insurance. These certificates or policies shall name the Commonwealth as an additional insured and shall contain a provision that the coverage's afforded under the policies will not be cancelled or changed until at least thirty (30) days written notice has been given to the Department of General Services.

The Department of General Services shall be under no obligation to obtain such certificates from the Contractor(s). Department of General Services' failure to obtain same shall not be deemed a waiver of Contractor's obligation to obtain and furnish certificates. Department of General Services, or its designates, shall have the right to inspect the original insurance policies.

FALSE ALARMS: The Contractor shall not be responsible for any false alarm assessment unless specifically caused by the Contractor's non-performance of services under this contract.

LIQUIDATED DAMAGES:

a. If the contractor does not meet the emergency response and repair time requirement within the specified time limits, the delay will interfere with the proper implementation of the Commonwealth's programs utilizing the item to the loss and damage of the Commonwealth. It would be impractical and extremely difficult to fix the actual damage sustained by reason of such action. The Commonwealth and the contractor, therefore, presume that in the event of any such delay the amount of damage, which will be sustained from a delay, will be 0.03 percent of the Purchase Order value for each hour delayed over the **Emergency Response and Repair Time** specified in the Purchase order by the Contracting Agency. The Commonwealth and the contractor agree that in the event of any such delay, the contractor shall pay such amount as liquidated damages and not as a penalty.

b. Each Purchase Order under this Contract has its own delivery requirements. By accepting the Purchase Order, the service provider agrees to the delivery requirements of that particular project. If a project schedule under an individual Purchase Order is not met, the delay will interfere with the Commonwealth's programs. In the event of such delay, the Contractor shall pay liquidated damages in the amount of 0.3 percent of the total cost of the pertinent Purchase Order for each calendar day (for a maximum of 30 days) following the scheduled completion date of the Purchase Order and until the date on which the Contractor completes all work, provides all services, and delivers all documentation required under the Purchase Order in a manner, form and content acceptable to the Contracting Agency. If at the end of the 30 day period, the Contractor has not met the schedule for completion of the Purchase Order, then the Commonwealth at no additional expense and at its option may either (1) immediately terminate the Purchase Order, and ownership of all equipment, software, documentation, reports, and materials provided for or created for the Commonwealth as a result of the Purchase Order shall be given to the Commonwealth; or (2) order the Contractor to continue with no decrease in effort until the work is completed in a manner acceptable to the Contracting Agency, or until the Commonwealth terminates the Purchase Order.

c. The Commonwealth at its option may deduct amounts due the Commonwealth as liquidated damages from any money payable to the contractor or may bill the contractor as a separate item. The Commonwealth shall notify the contractor in writing of any claims for liquidated damages pursuant to this paragraph before the date the Commonwealth deducts such sums from money payable to the contractor.

d. No liquidated damages will be applied if the delay is caused by the Commonwealth.

OTHER CONTRACTORS: The Commonwealth may undertake or award other contracts for additional or related work, and the Contractor shall fully cooperate with the other contractors and Commonwealth employees and carefully fit its work to such additional work as may be required. The Contractor shall not commit or permit any acts which will interfere with the performance of work by any other contractor or by Commonwealth employees. This paragraph shall be included in the contracts of all contractors with whom this Contractor will be required to cooperate. The Commonwealth shall equitably enforce this paragraph as to all contractors, to prevent the imposition of unreasonable burdens on any contractor.

PRIME CONTRACTOR RESPONSIBILITIES: The Contractor will be responsible for all services and equipment they provide in this Contract whether or not it provides them directly. Further, the Commonwealth considers the Prime Contractor the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the cost of this contract. The Prime Contractor may use subcontractors for services but only with the written consent of the Contracting agency requiring such services. Such written consent must be provided on the Purchase Order.

INSPECTION AND ACCEPTANCE: Unless otherwise specified in a Purchase Order, the Commonwealth will conduct a final inspection and acceptance test of all work or deliverables acquired under this Contract.

LIMITATION OF LIABILITY: The Contractor's liability to the Commonwealth under this Contract shall be limited to one million dollars (\$1,000,000). This limitation will apply, except as otherwise stated in this paragraph, regardless of the form of action, whether in contract or in tort, including negligence. This limitation does not, however, apply to damages for bodily injury or damage to real property or tangible personal property for which the Contractor is legally liable, nor will the limitation apply to the Contractor's indemnity of the Commonwealth for patent, copyright, trade secret, or trademark protection.

VIRUS, MALICIOUS, MISCHIEVOUS, OR DESTRUCTIVE PROGRAMMING: The Contractor shall be liable for any damage to software owned or licensed by the Commonwealth in the event a computer virus, malicious, mischievous or destructive programming is discovered to have originated from the Contractor, its servants, agents or employees. In the event destruction or modification of software, the Contractor shall eliminate the virus, malicious, mischievous, or destructive programming; restore the Commonwealth's software; and be liable to the Commonwealth for any resulting damages, incidental costs, or expenses, subject to the limitations set forth in the LIMITATION OF LIABILITY paragraph of this Contract.

SENSITIVE INFORMATION: The Contractor shall not publish or otherwise disclose, except to the Commonwealth and except matters of public record, any information or data obtained hereunder from private individuals, organizations, or public agencies, in a publication whereby the information or data furnished by or about any particular person or establishment can be identified, except with the consent of such person or establishment.

The parties shall not use or disclose any information about a recipient receiving services from, or otherwise enrolled in, a Commonwealth program affected by or benefiting from services under this Contract for any purpose not connected with the parties' Contract responsibilities except with the written consent of such recipient, recipient's attorney, or recipient's parent or guardian pursuant to applicable state and federal law and regulations.

OWNERSHIP RIGHTS:

- a. If, in the performance of services pursuant to this Contract, the Contractor produces copyrightable items, patentable items, patent rights, copyrights, processes, inventions, or discoveries, said items, rights, processes, inventions, or discoveries become the property of the Commonwealth.
- b. The Commonwealth shall retain all ownership rights to any software or modifications thereof and any associated documentation that is designed, developed, or installed. In addition, the Commonwealth reserves a royalty-free, non-exclusive license to reproduce, publish, or

- otherwise use and to authorize others in the public domain, to use such software, modifications, and documentation.
- c. The Commonwealth agrees that it has no ownership rights in the Contractor's proprietary material that the Contractor brings to this Contract.
 - d. All working papers, files and other documentation relating to this Contract shall vest in the Commonwealth and, upon completion or termination of this Contract for any reason, shall be immediately turned over to and become the property of the Commonwealth.

WORK LOCATION SECURITY: The Contractors shall follow all required Security procedures at each worksite for signing in and out, obtaining and displaying vendor badges or other necessary identification or other requirements as deemed necessary by the Contracting agency. Particularly sensitive areas may require Commonwealth staff to accompany vendor representatives. These procedures may vary from agency to agency or from work location to work location and must be adhered to.

FORMS: The Contractors technicians shall complete the appropriate form or forms provided at the worksite upon the completion of the work at each visit. If necessary the technicians shall provide an additional detailed report of any change in the status or recommendations for the installed system(s). These reports shall remain at the site.

EMERGENCY RESPONSE AND REPAIR TIME: In no event shall the lead technician assigned by the Contractor take longer than four (4) hours, or as specified in the Purchase Order, to arrive at the project location from the time notification is made to the Contractor of an emergency. Repair work shall be completed within the time specified in the Purchase Order by the Contracting Agency.

REMEDY DEFECTS: In addition to any other guarantees or warranties, the Contractor covenants and agrees, after acceptance of the Work performed under this Contract, to remedy without cost to the Contracting Agency, any such defect provided said defects in the judgment of the Contracting Agency, are caused by defective or inferior materials, equipment or workmanship. If the corrective work is not completed within thirty (30) days after notification by the Contracting Agency to the Contractor, the Contracting Agency may do the work and submit those costs to the Contractor for reimbursement.

CONTRACTOR NON-COMPLIANCE: Contractors found to be Non-Compliant with requirements of this Contract may be removed as a participant upon determination of non-compliance by the Department of General Services, Bureau of Procurement.

E-CATALOG: DGS may require the awarded bidder(s) to supply its price list/catalog and any updated price lists/catalogs, in reference to the commercial/industrial grade parts/components/supplies related to this contract, in electronic or other format as required by the contracting agency. **For this solicitation Price lists/catalogs must be provided in one of the following formats:**

Word document, Excel spreadsheet, PDF file on 3.5-inch diskette, CD-ROM, or an electronic portal to SAP.

EXCLUSION For AGENCIES USING FEDERAL ASSISTANCE MONIES: Federal assistance agreements require the Pennsylvania Department of Transportation ("Penn DOT") and other Pennsylvania state and local transportation entities to comply with federal Disadvantaged Business Enterprise ("DBE") participation requirements as defined in federal law and in regulations set forth in 49 C.F.R. Part 26 when federal assistance monies are used in any procurement. Therefore, unless the purchasing agency is satisfied that the Supplier(s) will meet federal DBE requirements, these entities may be prohibited from procuring under this Contract utilizing federal assistance monies. Federal DBE participation requirements are separate and distinct from any Disadvantaged Business participation provisions that have been included in the request for proposal and contract pursuant to the Commonwealth of Pennsylvania's program to increase contract participation by the Department of General Services-certified Minority Business Enterprises and Women Business Enterprises and other disadvantaged businesses. In those limited instances, when Penn DOT or another state or local transportation entity intends to use federal assistance monies for a procurement, the Supplier(s) acknowledges that these entities may enter into additional separate contracts for the procurement of goods and/or services covered under this Contract, without limitation or penalty, to the extent that such separate procurements are funded with federal assistance monies and when compliance with federal DBE participation requirements is necessary.

COSTARS PROGRAM

COSTARS Purchasers. Section 1902 of the Commonwealth Procurement Code, 62 Pa.C.S. § 1902 ("Section 1902"), authorizes local public procurement units and state-affiliated entities (together, "COSTARS Purchasers") to participate in Commonwealth procurement contracts that the Department of General Services ("DGS") may choose to make available to COSTARS Purchasers. DGS has identified this Contract as one suitable for COSTARS Purchaser participation.

- A. Only those COSTARS Purchasers registered with DGS may participate as COSTARS Purchasers in a Commonwealth contract. Several thousand COSTARS Purchasers are currently registered with DGS; therefore, the Contractor agrees to permit **only** to DGS-registered COSTARS members to make COSTARS purchases from this Contract.
1. A "local public procurement unit" is:
 - Any political subdivision;
 - Any public authority;
 - Any tax exempt, nonprofit educational or public health institution or organization;
 - Any nonprofit fire, rescue, or ambulance company;
 - and

- To the extent provided by law, any other entity, including a council of governments or an area government that expends public funds for the procurement of supplies, services, and construction.
2. A state-affiliated entity is a Commonwealth authority or other Commonwealth entity that is not a Commonwealth agency. The term includes the Pennsylvania Turnpike Commission, the Pennsylvania Housing Finance Agency, the Pennsylvania Municipal Retirement System, the Pennsylvania Infrastructure Investment Authority, the State Public School Building Authority, the Pennsylvania Higher Educational Facilities Authority and the State System of Higher Education.
- B. COSTARS Purchasers have the option to purchase from a Contract awarded under this procurement, from any DGS contract established exclusively for COSTARS Purchasers in accordance with the requirements of Section 1902, from any other cooperative procurement contracts, or from their own procurement contracts established in accordance with the applicable laws governing such procurements. The Contractor understands and acknowledges that there is no guarantee that any prospective COSTARS Purchaser will place an order under this Contract, and that it is within the sole discretion of the registered COSTARS Purchaser whether to procure from this Contract or to use another procurement vehicle.
 - C. DGS is acting as a facilitator for COSTARS Purchasers who may wish to purchase under this Contract. Registered COSTARS Purchasers who participate in this Contract and issue purchase orders ("POs") to Contractors are third party beneficiaries who have the right to sue and be sued for breach of this contract without joining the Commonwealth or DGS as a party. The Commonwealth will not intervene in any action between a Contractor and a Purchaser unless substantial interests of the Commonwealth are involved.
 - D. Registered COSTARS Purchasers electing to participate in this Contract will order items directly from the Contractor and be responsible for payment directly to the Contractor.
 - E. Contractors who agree to extend pricing to COSTARS members shall furnish an electronic Contract use report, detailing the Contract purchasing activity in accordance with paragraph "**Quarterly Sales Report**". Failure to provide the Quarterly Sales Report in the specified time may result in suspension of activities with the COSTARS Program.
 - F. Additional information regarding the COSTARS Program is available on the DGS COSTARS Website at www.dgs.state.pa.us/costars.
 1. If the Contractor is aware of any qualified entity not currently registered and wishing to participate in the

COSTARS Program, please refer the potential purchaser to the DGS COSTARS Website at www.dgs.state.pa.us/costars, where it may register by completing the online registration form and receiving DGS confirmation of its registration. To view a list of currently-registered COSTARS member entities, please visit the COSTARS website.

2. Direct all questions concerning the COSTARS Program to:

Department of General Services
COSTARS Program
555 Walnut Street, 6th Floor
Harrisburg, PA 17101

Telephone: 1-866-768-7827

E-mail GS-PACostars@state.pa.us

If your firm is awarded a Contract, does it agree to sell the awarded items/services at the same prices and/or discounts, and in accordance with the contractual terms and conditions, to registered COSTARS Purchasers who elect to participate in the contract?

Please Answer: YES _____ NO _____

ENDORSEMENTS: Contractors shall not advertise or publicize in any way a written or verbal endorsement that their equipment and/or services are being used by the Commonwealth of Pennsylvania without the written approval of the Department of General Services.

OFFICE OF ADMINISTRATION/OFFICE FOR INFORMATION TECHNOLOGY: The Furnish, Installation and Construction of any new, or the change or modification to any existing, Surveillance and Security system(s) may be subject to pre-approval by OA/OIT pursuant to the Communities of Practice process policies set forth by Executive Order 2004-8 or most current policies set forth.

NOTE: The following requirements apply to furnish, install and construction work over \$25,000:

PREVAILING MINIMUM WAGE PREDETERMINATION: The Contractor is hereby notified that this Contract is subject to the provisions, duties obligations, remedies and penalties of the Pennsylvania Prevailing Wage Act, 43 P.S. Sections 165-1 et seq., which is incorporated herein by reference as if fully set forth herein. The Contractor and its subcontractors shall be required to pay workers on the project the prevailing wage rates as specified in and attached to each Purchase Order for projects valued at \$25,000.00 and over.

If a job classification is not covered by the Prevailing Wage Predetermination, the Contractor may not pay individuals in that classification less than the lowest rate for laborers, as set out in the predetermination.

STEEL PRODUCTS PROCUREMENT ACT:

In the performance of any contract awarded pursuant to a request for quote, the Contractor, subcontractor, materialmen, or suppliers shall use only steel products, rolled, formed, shaped, drawn, extruded, forged, cast, fabricated, or otherwise similarly processed, or processed by a combination of two or more of such operations, from steel made in the United States by the open hearth, basic oxygen, electric furnace, Bessemer or other steel-making process. Steel Products include not only case iron products but also machinery and equipment listed in the United States Department of Commerce Standard Industrial Classification 25 (furniture and fixture), 35 (machinery, except electrical), and 37 (transportation equipment) and made of, fabricated from, or containing steel components. If a product contains both foreign and United States steel, such products shall be determined to be a United States Steel product only if at least 75% of the cost of the articles, materials, and supplies have been mined, produced, or manufactured, as the case may be, in the United States.

When unidentified steel products are supplied under a contract, before any payment will be made, the Contractor must provide documentation including, but not limited to, invoices, bills of lading, and mill certification that the steel was melted and manufactured in the United States. If a steel product is identifiable from its face, the contractor must submit certification which satisfies the Commonwealth that the Contractor has fully complied with these requirements. Any such payments made to any person by the Department which should not have been made as a result of these requirements shall be recoverable directly from the contractor, subcontractor, manufacturer, or supplier who did not comply.

In addition to withholding payments, any person who willfully violates any of these provisions shall be prohibited from submitting any bids to any public agency for a period of five (5) years from the date of the determination that a violation has occurred. In the event the person who violates the provisions of the Act is a subcontractor, manufacturer or supplier, such person shall be prohibited from performing any work or supplying any materials to a public agency for a period of five (5) years from the date it is determined a violation has occurred.

The Contractor shall include the provisions of this Steel Products Procurement Act clause in any subcontract and supply contract, so that the provisions of these provisions shall be binding upon each subcontractor and supplier.

PROHIBITION AGAINST THE USE OF CERTAIN STEEL AND ALUMINUM PRODUCTS:

In accordance with the Trade Practices Act of July 23, 1968 P.L. 686 (71 P.S. §773.101 et seq.), the Contractor cannot and shall not use or permit to be used in the work any aluminum or steel products made in a foreign country which is listed below as a foreign country which discriminates against aluminum or steel products manufactured in Pennsylvania. The countries of Brazil, South Korea, Spain and Argentina have been found to discriminate against certain products manufactured in Pennsylvania. Therefore, the purchase or use of those countries' products, as listed below, is not permitted.

1. BRAZIL: Welded carbon steel pipes and tubes; carbon steel wire

rods; tool steel; certain steel products, including hot-rolled stainless steel bar; stainless steel wire rod and cold-formed stainless steel bar; pre-stressed concrete steel wire strand; hot-rolled carbon steel plate in coil; hot-rolled carbon steel sheet and cold-rolled carbon steel sheet.

2. SPAIN: Certain stainless steel products, including stainless steel wire rod, hot-rolled stainless steel bars and cold-formed stainless steel bars; pre-stressed concrete steel wire strands certain steel products, including hot-rolled steel plate, cold-rolled carbon steel plate, carbon steel structural shapes, galvanized carbon steel sheet, hot-rolled carbon steel bars and cold-formed carbon steel bars.
3. SOUTH KOREA: Welded carbon steel pipes and tubes hot-rolled carbon steel plate; hot-rolled carbon steel sheet and galvanized steel sheet.
4. ARGENTINA: Carbon steel wire rod and cold-rolled carbon steel sheet.

Penalties for violations of this paragraph may be found in the Trade Practices Act, which penalties include becoming ineligible for public works contracts for a period of three years.

Note: This provision in no way relieves the Contractor of its responsibility to comply with those provisions of this Agreement that prohibit the use of foreign-made steel and cast iron products.

SEPARATION FOR PLUMBING, HEATING, VENTILATION AND ELECTRICAL WORK: The contract shall be subject to the provisions of the Act of May 1, 1913 (P.L. 155, No. 104); 71 P.S. § 1618.

PROGRESS PAYMENTS: Based upon Applications for Payment submitted to the Agency by the Contractor, the Agency will make progress payments on account of the Price to the Contractor, as provided below.

SCHEDULE OF PROGRESS PAYMENTS: Within thirty (30) days of the Effective Date of this Agreement and prior to the first Application for Payment, the Contractor shall submit to the Agency for approval, a detailed Contract Breakdown Sheet, indicating a Schedule of Progress Payments for all work, equipment, and materials required for the acquisition and installation of the Security System (the "Work"). The total amount to be paid according to the Schedule of Progress Payments must equal the Price. The progress payments on the Schedule must be divided so as to facilitate payments to subcontractors, and be prepared in such form as specified by the Agency and supported by such data required by the Agency to substantiate its correctness. Each item in the Schedule of Progress Payments shall include its proper share of any overhead and profit. When more than one building or structure is included in a project, the contractor shall submit a Contract Breakdown Sheet, indicating Unit Prices for all items of Work within the

separate buildings or structures. The Schedule of Progress Payments, when approved by the Agency, will be used as a basis for the Contractor's Application for Payments. This schedule may also be used by the Agency to determine the cost or credit to the Agency resulting from the changes in the Work.

APPLICATION FOR PROGRESS PAYMENTS: During the progress of the Work, in accordance with the Agreement, the Contractor shall prepare periodic estimates of the value of the Work performed and shall submit to the Agency itemized Applications for Payment. The applications shall be supported by data, as required by the Agency substantiating the Contractor's right to payment.

STORED MATERIALS: Upon the determination of the Agency as to reasonableness, payments may be made to the Contractor on account of materials or equipment not incorporated in the Work but delivered and suitably stored at the site, or at some other location agreed upon in writing. Contractor shall remain responsible for all losses of materials and equipment, which remain under its custody and control, regardless of the exclusions in the insurance policies.

CONTRACTOR WARRANTS THAT TITLE TO ALL WORK, EQUIPMENT AND MATERIALS ASSOCIATED WITH THE SECURITY SYSTEM PASSES FREE OF LIENS:

The Contractor warrants and guarantees that title to all Work covered by an Application for Payment, whether incorporated in the Security System or not, will pass to the Agency upon the receipt of such payment by the Contractor, free and clear of all liens, claims, security interests or encumbrances, hereinafter referred to in these Sections as "liens"; and that no work, materials or equipment covered by an Application for Payment was acquired by the Contractor, or by any other person performing the Work at the site of furnishing materials and equipment for the Security System, subject to an agreement under which an interest therein or an encumbrance thereon is retained by the seller or otherwise imposed by the Contractor or such other person.

NEITHER PAYMENT NOR OCCUPANCY ACCEPTS WORK NOT IN CONFORMANCE WITH CONTRACT DOCUMENTS:

No Application for Payment, nor any progress payment, nor any partial or entire use of occupancy of the Security System by the Agency constitutes an acceptance of any Work not in accordance with the Agreement.

PAYMENTS WITHHELD: The Agency may decline to approve an Application for Payment in whole or in part if the Work has not progressed to the point indicated, or the quality and quantity of the Work is not in accordance with the Agreement. The Agency may also decline to approve any Applications for Payment, because of subsequently discovered evidence or subsequent inspections, which may nullify the whole or any part of any Application for Payment previously issued to such extent as may be necessary in its opinion to protect the agency from loss because of:

- (1) Defective work not remedied;

- (2) Claims filed or reasonable evidence indicating probable filing of claims;
- (3) Reasonable doubt that the work can be completed for the unpaid balance of the contract sum;
- (4) Damages to another prime contractor or subcontractor;
- (5) Reasonable indication that the Work will not be completed within the contract time;
- (6) Unsatisfactory prosecution of the Work by the Contractor, or
- (7) Failure of the Contractor to pay subcontractors or suppliers. It is within the Agency's discretion to withhold payment because of the Contractor's failure to pay subcontractors or suppliers. The failure to withhold payment for this reason does not give rise to a cause of action on the part of the subcontractor or supplier.
- (8) Failure of the Contractor to maintain insurance.

The Agency will notify the Contractor of the reason for withholding payment within fifteen (15) days of its receipt of the Application for Payment.

PAYMENTS MADE WHEN GROUNDS ARE REMOVED: When the grounds set out in the preceding subsection are removed, payment shall be made for amounts withheld because of them.

MONEY WITHHELD DUE TO CLAIMS OF ONE PRIME BASED ON DELAY OF ANOTHER: In the event a dispute arises between the Agency and another contractor, which dispute is based upon increased costs claimed by the other contractor occasioned by delays or other actions of Contractor, additional retainage in the sum of one and one-half (1-1/2) times the amount of any possible liability may be withheld from the Contractor until such time as a final resolution is agreed to by all parties directly or indirectly involved, unless the Contractor furnishes a bond satisfactory to the Agency to indemnify the Agency against the claim.

FAILURE OF PAYMENT: If the Agency fails to make payment to the Contractor within sixty (60) days after receipt of the Application for Payment, the Contractor may file a claim with the Agency contracting officer. Contractor is not entitled to stop work in any event.

OCCUPANCY: The Agency may use and occupy any completed or partially completed portions of the Work, whether or not the time may have expired for completing the entire Work or said portions of Work. Such use or occupancy shall not be deemed an acceptance of the portion of the Work so taken or used. Prior to such use or occupancy, an inspection of the Work to be occupied by the Agency shall be made by the Agency to determine if it is in conformity with the Agreement. Any damage subsequent to the inspection due solely to

the use and occupancy of the completed portion is not the responsibility of the Contractor.

FINAL INSPECTION: When the Contractor submits in writing to the Agency a request for a final inspection and an application for final payment, final inspection will be made within 30 days of the receipt of the request for final inspection and application for final payment. If the Work is substantially completed, the Agency will issue a certificate of final completion and final certificate for payment and the Agency will make payment in full within forty-five (45) days except as set out in this Section, less one and one-half times the amount required to complete any then-remaining uncompleted minor items. The Agency shall list in detail each uncompleted item and a reasonable cost of completion. Final payment of any amount withheld for the completion of minor items shall be paid upon completion of the items in the list. The Contractor shall complete all items (items to be corrected and/or completed) within thirty (30) days after the date of final inspection or show just cause to the satisfaction of the Agency why they cannot be completed. If the Contractor does not complete the punch list items within thirty (30) days, or show just cause to the satisfaction of the Agency why they cannot be completed, the Agency may correct those items and deduct the cost of completion from the amount retained.

FINAL PAYMENT: Final payment, constituting the entire unpaid balance of the Contract sum, will be paid by the Agency to the Contractor within thirty (30) days after final inspection of the installed Security System, if the Contract has been fully performed, and a final application for payment has been submitted.

WHEN WORK CANNOT BE COMPLETED THROUGH NO FAULT OF CONTRACTOR: When, upon final inspection, items of Work cannot be completed because of unseasonable considerations, such as bituminous paving, etc., or, if the Agency agrees that particular items need not be completed until a subsequent date, or, if the Agency delays the final Application for Payment for any unreasonable length of time, the Agency may agree to release payment to the Contractor, less one and one-half (1-1-2) times the dollar value of uncompleted parts of items of the type described in this subsection.

FINAL PAYMENT NOT DUE UNTIL CONDITIONS MET: Neither the final payment nor the remaining retained percentage becomes due until the Contractor submits to the Agency:

- (1) An affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Agency or its property might in any way be responsible, have been paid or otherwise satisfied;
- (2) Statements of surety and the Contractor's certificate on forms satisfactory to the Agency as to Contractor's payment of all claims for labor, materials, equipment rentals and public utility services; and

- (3) If required by the Agency, other data establishing payment or satisfaction of all such obligations, such as receipts, releases and waivers of liens arising out of the Agreement, to the extent and in such form as is designated by the Agency.

If any subcontractor refuses to furnish a release or waiver, as required by the Agency, the Contractor may furnish a bond satisfactory to the Agency to indemnify the Agency against any such lien. If any such lien remains unsatisfied after all payments are made, the Contractor shall refund to the Agency all moneys that the latter may be compelled to pay in discharging such liens, including all costs and reasonable attorney's fees.

RELEASE OF FUNDS DUE TO DELAY IN FINAL INSPECTION NOT DUE TO THE FAULT OF THE CONTRACTOR: If, after final inspection of the work, final completion is materially delayed through no fault of the Contractor, the Agency shall make payment of the balance due for that portion of the Work fully completed and accepted. Such payment will not terminate the Agreement. If the remaining balance of work not fully completed or corrected is less than the retainage stipulated in Section 8.10, and, if bonds have been furnished as required, the Contractor must submit to the Agency, prior to certification of the payment, the written consent of the surety to the payment of the balance due for that portion of the work fully completed and accepted. Such payment shall be made under the terms and conditions governing final payment, except that it does not constitute a waiver of any of the Agency's claims against the Contractor.

FINAL PAYMENT AS WAIVER OF CLAIMS: The making of final payment constitutes a waiver of all claims by the Agency, except those arising from:

- (1) Unsettled claims;
- (2) Faulty or defective work or material;
- (3) Failure of the work or material to comply with the requirements of the Contract Documents; or
- (4) Terms of any special guarantees required by the Contract Documents.

ACCEPTANCE OF FINAL PAYMENT AS WAIVER OF CLAIMS: The acceptance of final payment by the Contractor constitutes a waiver of all claims by the Contractor.

SUBCONTRACTOR/SUPPLIER AGREEMENT: All Work performed for the Contractor by a subcontractor or supplier of materials shall be pursuant to an appropriate agreement between the Contractor and the subcontractor or supplier (and where appropriate between subcontractor and sub-subcontractors). The agreement must be a fully executed agreement and include the amount of subcontractor, sub-subcontractor or supplier is to be paid for the work to be performed or for the materials to be supplied.

NO CONTRACTUAL RELATIONSHIP BETWEEN AGENCY AND SUBCONTRACTOR:

Nothing contained in the Contract Documents creates any contractual relation between the Agency and any subcontractor, sub-subcontractor or supplier.

PAYMENT TO SUBCONTRACTORS: Performance by a subcontractor in accordance with the provisions of the contract entitles the Subcontractor to payment from the party with which the Subcontractor has contracted. For purposes of this section, the contract between the Contractor and Subcontractor is presumed to incorporate the terms of the contract between the Contractor and the agency.

CONTRACTOR DISCLOSURE OF DUE DATE FOR PROGRESS PAYMENTS FROM AGENCY:

The Contractor shall disclose to a subcontractor, before a subcontract is executed, the due date for receipt of progress payments from the Agency. If the Contractor fails to accurately disclose the due date to a subcontractor, the Contractor must pay the subcontractor as though the agency has paid the Contractor within forty-five (45) days of receipt of its application for payment. This section does not apply to a change in due dates because of conditions beyond the Contractor's control, including, but not limited to, design changes, change orders or delays in construction due to weather conditions.

TIME FOR SUBCONTRACTOR PAYMENT:

When a subcontractor has performed in accordance with the provisions of the contract, the Contractor shall pay to the subcontractor, the full or proportional amount received for each subcontractor's work and material, based on work completed or services provided under the contract, within fourteen (14) days of receipt of a progress payment.

INTEREST ON SUBCONTRACTOR PAYMENTS:

If any progress payment is not made to a subcontractor by the due date the Contractor shall pay to the subcontractor, in addition to the amount due, interest as computed at the rate determined by the Secretary of Revenue for interest payments on overdue taxes or the refund of taxes as provided in Sections 806 and 806.1 of the Act of April 9, 1929 (P.L. 343, No. 176), known as "The Fiscal Code," and any subsequent amendments to those sections.

DEFICIENCY ITEMS:

The Contractor may withhold payment from any subcontractor responsible for a deficiency item. The Contractor shall pay any subcontractor according to the provisions of this section for any item which appears on the application for payment and which has been satisfactorily completed.

NOTIFICATION OF DEFICIENCY ITEM:

If a Contractor withholds payment from a subcontractor for a deficiency item, it must notify the subcontractor or supplier and the contracting body of the reasons within 15 calendar days of the date after receipt of the notice of the deficiency item from the owner.

FAILURE OF AGENCY TO MAKE PROGRESS PAYMENT:

If the Agency fails to issue an approved Application for Payment for any cause which is the fault of the Contractor and not the fault of a particular subcontractor, the Contractor shall pay that subcontractor, upon demand made by the subcontractor at any time

after the approved Application for Payment should otherwise have been issued, for its work to the extent completed, less the retained percentage.

INSURANCE RECEIPTS: The Contractor shall pay each subcontractor a just share of any insurance moneys received by the Contractor, and shall require each subcontractor to make similar payments to its sub-subcontractors.

PERCENTAGE OF COMPLETION: The Agency may, on request, furnish to any subcontractor, if practicable, information regarding percentages of completion certified to the Contractor on account of work done by such subcontractor.

NO OBLIGATION ON PART OF AGENCY TO PAY SUBCONTRACTOR: The Agency shall have no obligation to pay, or to see to the payment of, any moneys to any subcontractor except as may otherwise be required by law.

SUBCONTRACTOR RESPONSIBILITY: If the Contractor enters into any agreements under this Contract with subcontractors or suppliers, which are currently suspended or debarred by the Commonwealth, or who become suspended or debarred by the Commonwealth during the term of this Contract or any extensions or renewals of it, the Agency may require the Contractor to terminate such contract.

TIME OF THE ESSENCE: All time limits stated in the Purchase Order are of the essence.

INITIAL JOB CONFERENCE: The initial job conference will be held within thirty days from the Effective Date of the Purchase Order.

CONSTRUCTION AND INSTALLATION SCHEDULE: Construction and equipment installation shall proceed in accordance with the Construction and Installation schedule approved by Agency and attached to the Purchase Order.

DELAYS AND EXTENSIONS OF TIME: If the Contractor is delayed at any time in the progress of the Work by any act or neglect of the Agency or by any Agency employee or by changes ordered in the Work, by labor disputes, fire, unavoidable casualties, or by delay due to suspension of Work, or by any cause that the Agency determines may justify the delay, then the time may be extended, by the approval of the Agency, of an extension of time for such reasonable time as the Agency may determine. The Agency will respond to the request for Extension of Time within twenty (20) days of its receipt.

REQUESTS FOR EXTENSIONS OF TIME: All requests for extensions of time shall be made to the Agency in writing. All such requests must be filed within ten days of the end of the event or issue, which caused the alleged delay.

CONSTRUCTION AND EQUIPMENT INSTALLATION:

a. The Contractor shall be responsible for the professional and technical accuracy, of all construction and services performed in the installation of the

Security System, whether by the Contractor or its subcontractors or others on its behalf, throughout the term of this Contract.

b. The Contractor shall provide overall coordination, management, and responsibility, and shall assure that all Work is completed in a good and workmanlike manner. Subject to other provisions of this Contract, the Contractor will act as a turn-key general contractor assuming total responsibility for the procurement of labor and material for installation and start-up of the Security System, including: selecting subcontractors; awarding subcontracts; receiving and evaluating submitted drawings on the equipment; progress inspections during installation; developing and presenting subcontractor punch lists after each inspection; receiving and evaluating record drawings; and operation and maintenance manuals from subcontractors; providing for training of Agency personnel on proper operation of the newly installed Security System; and final inspection and recommendation for approval to the Agency for acceptance of the Security System.

c. The Contractor shall conduct a thorough and systematic performance test of each element and total system of the installed Security System prior to acceptance of the Security System by Agency. The Contractor shall provide notice to the Agency of the scheduled test(s) and the Agency and/or its designees shall have the right to be present at any or all such tests conducted by the Contractor and/or manufacturers of the equipment. The Contractor shall be responsible for correcting and/or adjusting all deficiencies in systems and equipment operations that may be observed during performance testing.

PERMITS AND APPROVALS: The Contractor shall be responsible for obtaining all necessary permits and approvals for installation of the Security System and shall pay any and all permit fees. Agency shall use its best efforts to assist the Contractor in obtaining all necessary permits and approvals for installation of the Security System. In no event shall Agency, however, be directly responsible for payment of any permit fees. The Security System and the operation of the Security System by the Contractor shall at all times conform to all federal, state and local code requirements in effect at the time of installation. The Contractor shall furnish copies of each permit or license which is required to perform the work to the Agency before the Contractor commences the portion of the work requiring such permit or license.

COORDINATION DURING INSTALLATION: The Agency and the Contractor shall coordinate the activities of the Contractor's equipment installers with those of the Agency, its employees, and agents. The Contractor shall not commit or permit any act which will interfere with the performance of business activities conducted by the Agency or its employees without prior written approval of the Agency.

PERFORMANCE BY THE CONTRACTOR: The Contractor shall perform all tasks/phases under the Contract, including construction, and install the Security System in such a manner so as not to harm the structural integrity of the buildings or their operating systems. The Contractor shall repair and restore to its original condition any area of damage caused by the Contractor's performance under

this Contract. The Agency reserves the right to review the Work performed by the Contractor and to direct the Contractor to take certain corrective action if, in the opinion of the Agency, the structural integrity of the Premises or its operating system is or will be harmed. All costs associated with such corrective action to damage caused by the Contractor's performance of the work shall be borne by the Contractor.

The Contractor shall remain responsible for the professional and technical accuracy of all services performed, whether by the Contractor or its subcontractors or others on its behalf, throughout the term of this Contract.

The Contractor is responsible for general broom cleaning at cost. At least once a week, the Contractor shall remove from the Premises all discarded material and rubbish resulting from the work and assure the Premises are free of such materials and rubbish.

INQUIRES: Direct all questions concerning this contract to:

Jim Pearson, Commodity Specialist
Dept. of General Services, Bureau of Procurement
Services Division
Forum Place – 6th Floor
Harrisburg, PA 17101
(717) 346-3837

Contracting Agency Procedures For Purchase Orders For Services With Reference to the Surveillance and Security Systems Multi-Award ITQ Contract

| | |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pre-Solicitation | <ul style="list-style-type: none">▪ Prepare the work statement and issue the written solicitation for proposals. |
| Proposal Solicitation | <ul style="list-style-type: none">▪ Solicit in writing a minimum of 3 offers from the list of qualified contractors on the ITQ. |
| Proposal Submittal | <ul style="list-style-type: none">▪ Signed proposals and cost quotes must be received by the submission deadline. |
| Evaluation | <ul style="list-style-type: none">▪ Evaluate proposals/quotes in accordance with Best Value |
| Selection | <ul style="list-style-type: none">▪ The service provider's offer determined to be the most advantageous to the contracting agency taking into consideration Best Value will be selected to provide the services. |
| Purchase Order | <ul style="list-style-type: none">▪ Issue the Purchase Order to the selected contractor and attach the work statement/specifications, the service provider's offer, and the contract terms and conditions. |

ATTACHMENT A

CATEGORIES AND DEFINITIONS FOR GOODS AND SERVICES

PA DEPARTMENT OF GENERAL SERVICES STATEWIDE CONTRACT NO. 6350-03 (CN 00024777)

SURVEILLANCE AND SECURITY SYSTEMS

CATEGORIES

1. **Fire Detection Systems**
2. **Fire Suppression Systems**
3. **Security Detection Systems**
4. **CCTV Systems**
5. **Access Control Systems**
6. **Security Communication Systems**
 - a. With the exception of radio and telephone equipment covered under other DGS contract dedicated to the purchase of subject goods (reference current Contract #5820-02 and Contract #5820-06)
 - b. Including only that radio and telephone equipment that is ancillary to a primary security system
7. **Material/Substance Detection Systems**
8. **Mass Notification Systems**
9. **Special Surveillance Equipment/Systems**

DEFINITIONS

- 1) **Fire Detection Systems:** systems and all component parts for the detection of fire. Includes hard wired and wireless detection systems and components, alarm notification components, related equipment/hardware and software controls and accessories. This category will also include life safety equipment for building evacuation purposes only. Fire detection, notification components, and life safety equipment covered under this category must all be UL listed and ADA Compliant or the equivalent.
- 2) **Fire Suppression Systems:** systems and all component parts for the suppression of fire including standard wet and dry-pipe water systems, misting systems and gas systems, related equipment/hardware and software controls and accessories.
- 3) **Security Detection Systems:** systems and all component parts for the detection of intrusion, vandalism, occupancy or other security breach of controlled areas. Includes hard wired and wireless detection systems and components, related equipment/hardware and software controls and accessories.
- 4) **CCTV Systems:** systems and all component parts for security surveillance and recording including cameras, mounts and accessories, cabling and wiring, video recording devices and related equipment/hardware, software controls and accessories.
- 5) **Access Control Systems:** systems and all component parts for access control and door control including electronic locking mechanisms, keypad, card access systems, biometric access systems and related equipment/hardware, and software controls and accessories.
- 6) **Security Communication Systems:** systems and all component parts for security communications including secure telephone systems, radio systems, cellular systems and other signal transmission equipment, not limited to data network systems, to include related equipment/hardware, and software controls and accessories.
- 7) **Material/Substance Detection Systems:** systems and all component parts for narcotics, explosives, metal and N/B/C (Nuclear/Biological/Chemical) detection systems, to include any related equipment/hardware, and software controls and accessories.
- 8) **Mass Notification Systems:** (as defined by UFC 4-021-01) systems and all component parts necessary for the capability to provide real-time information/instructions to all building occupants or personnel in the immediate, audible vicinity of a building during an emergency situation to include any related equipment/hardware, and software controls and accessories.
- 9) **Special Surveillance Equipment/Systems:** systems and all component parts for covert security surveillance equipment and systems. Includes any related hard wired and wireless surveillance equipment/hardware and any software controls and accessories required.

Awarded Contractors - Services:

*Within each of the major categories listed, the awarded **Prime Contractors (Service Providers)** shall provide the following **services** across the geographic areas (**reference attachment P4**) of the Commonwealth of Pennsylvania (**contracting agencies may select any number or all of these services based on specific need and in accordance with the Special Contract Terms and Conditions of this Contract – no Terms And Conditions provided by Contractors shall apply**):*

Furnish and Install and related Construction: project implementation through the furnishing of all necessary equipment and components for installation and any related construction. Such construction may include additions to existing systems, renovations to existing systems, and new construction based on approved designs prepared by the contractor as a design/build project or furnished by the Commonwealth, prepared by Commonwealth employees or third party professional engineer (**Design services are acceptable to the extent that it is necessary and should be included in the intallation cost. Shop drawings are acceptable. Consulting services for agency system needs assessment may also be obtained per agency requirements.**).

Contractor is required to obtain necessary approvals, building permits and occupancy certificates from PA Department of Labor and Industry.

Acceptance Testing/ System Commissioning: includes a thorough review, inspection and testing of the performance of an entire Surveillance, Security, Fire Detection, Fire Suppression and other life protection system (new installation or major renovation of an existing system) to make sure it meets all specifications, intent of the design, operation and functional requirements, and the requirements of the end user/owner, along with any necessary, supporting documentation

Training: on-site training of Commonwealth employees or designated third party employees in the operation and/or maintenance of the renovated or newly installed and constructed system, including providing operation and maintenance manuals, formal training classes and demonstration of operation of all equipment as specified by Contracting agency

Maintenance and Repair: routine cleaning, maintenance and repair (including emergency repair services) of systems and all component parts to the level and frequency stipulated by the Contracting Agency. Contracting Agency shall stipulate maximum response time for non-emergency and emergency repair calls

Testing: routine testing of systems and all component parts to the level and frequency stipulated by the Contracting Agency. Contracting Agency shall stipulate maximum response time

Monitoring: on/off-premises central station monitoring services for system alarms, troubles or other events and calling of individuals on designated call list and dispatching fire, police or other emergency response when necessary as specified by Contracting agency

Awarded Contractors - Parts:

*Within each of the major categories listed, the awarded **Contractors** shall provide the following products (**equipment, supplies, components, parts**) across all geographic areas (**reference attachment P4**) of the Commonwealth of Pennsylvania (**contracting agencies may select products based on specific need and in accordance with the Special Contract Terms and Conditions of this Contract – no Terms And Conditions provided by Contractors shall apply**):*

Products Catalog of System Components and Parts: provide on-line catalog of commercial/industrial grade system equipment, supplies, components, and parts for direct purchase for stock, component replacement or upgrades, additions to systems and other needs as required by Contracting Agency