

AGREEMENT TO PROVIDE CONTRACT ACCESS CONTROL AND ALARM SYSTEM MONITORING AND MAINTENANCE

FOR THE CITY OF CARSON, CALIFORNIA

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into this 23rd day of December, 2013, by and between the CITY OF CARSON, a general law city and municipal corporation, ("City") and STANLEY CONVERGENT SECURITY SOLUTIONS, INC., an Illinois corporation ("Monitoring and Maintenance Provider"). The term Monitoring and Maintenance Provider includes personnel performing acting to render monitoring, maintaining and installation of alarms systems of any kind. The parties hereto agree as follows:

1.0 SERVICES OF MONITORING AND MAINTENENCE PROVIDER

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, the Monitoring and Maintenance Provider shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Monitoring and Maintenance Provider represents and warrants that Monitoring and Maintenance Provider is a provider of first class work and services and Monitoring and Maintenance Provider is experienced in performing the work and services contemplated herein and, in light of such status and experience, Monitoring and Maintenance Provider covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Monitoring and Maintenance Provider's Proposal. The Scope of Services shall include the Monitoring and Maintenance Provider's proposal or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law. All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees, Inspections and Assessments. Monitoring and Maintenance Provider shall obtain at its sole cost and expense such licenses, permits, inspections (including local Fire Department) and approvals as may be required by law for the performance of the services required by this Agreement. Monitoring and Maintenance Provider shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Monitoring and

Maintenance Provider's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work. By executing this Contract, Monitoring and Maintenance Provider warrants that Monitoring and Maintenance Provider (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

The Monitoring and Maintenance Provider shall verify all measurements on the site prior to beginning any portion of the work. The Monitoring and Maintenance Provider shall be responsible for verifying the location of, and protection of all existing underground utilities. Damages resulting during work by the Monitoring and Maintenance Provider or any and all subcontractors shall be restored to original conditions at the expense of the Monitoring and Maintenance Provider. Should errors, discrepancies or any latent or unknown conditions which will materially affect the performance of the service hereunder, be discovered at any time during the work, the Monitoring and Maintenance Provider shall notify the City's Contract Officer immediately. The Monitoring and Maintenance Provider shall not proceed except at Monitoring and Maintenance Provider's risk until written instructions are received from the Contract Officer. The Monitoring and Maintenance Provider shall be held liable for any damages due to his failure to follow these instructions.

1.6 Care of Work. The Monitoring and Maintenance Provider shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, tools, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Monitoring and Maintenance Provider, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Monitoring and Maintenance Provider. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$24,999.99, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Monitoring and Maintenance

Provider that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Monitoring and Maintenance Provider hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Monitoring and Maintenance Provider anticipates and that Monitoring and Maintenance Provider shall not be entitled to additional compensation therefor.

1.9 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, the Monitoring and Maintenance Provider shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference ("Contract Sum"), except as provided in Section 1.8. The method of compensation may include: (i) payment for time and materials based upon the Monitoring and Maintenance Provider's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (ii) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expense, transportation expense approved by the Contract Officer in advance, and no other expenses and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Monitoring and Maintenance Provider at all project meetings reasonably deemed necessary by the City; Monitoring and Maintenance Provider shall not be entitled to any additional compensation for attending said meetings.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Monitoring and Maintenance Provider wishes to receive payment, no later than the first (1st) working day of such month, Monitoring and Maintenance Provider shall submit to the City in the form approved by the City's Administrative Services General Manager, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.3, City shall pay Monitoring and Maintenance Provider for all expenses stated thereon which are approved by City pursuant to this Agreement no later than the last working day of the month.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement to reflect unanticipated reduction in funding, for any reason.

3.0 PERFORMANCE SCHEDULE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. Monitoring and Maintenance Provider shall commence the services pursuant to this Agreement on or about October 1, 2013, and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D", if any, and incorporated herein by this reference.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Monitoring and Maintenance Provider, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Monitoring and Maintenance Provider shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Monitoring and Maintenance Provider be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Monitoring and Maintenance Provider's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term & Extended Term(s). This Agreement shall continue in full force and effect from and after October 1, 2013 and for three (3) consecutive calendar years thereafter, until September 30, 2016. City reserves the right, in its sole and unfettered discretion, to extend the Term of this Agreement for up to a maximum of two (2) one-years extended terms (an "Extended Term"). City shall exercise its right to extend the Term of the Agreement by providing Monitoring and Maintenance Provider with written notice of its intent to extend the Term or any Extended Term of this Agreement not less than thirty (30) calendar days prior to the expiration of the Term or any Extended Term of this Agreement.

4.0 COORDINATION OF WORK

4.1 Representative of Monitoring and Maintenance Provider. The following principals of Monitoring and Maintenance Provider are hereby designated as being the principals and representatives of Monitoring and Maintenance Provider authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Josh Clyne – Executive Security Consultant
Lenetta Harmon – Executive Security Consultant
Stanley Convergent Security Solutions, Inc.
514 South Lyon Street
Santa Ana, CA 92701
(714) 796-7500 Office



It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Monitoring and Maintenance Provider and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by Monitoring and Maintenance Provider without the express written approval of City.

4.2 Contract Officer. The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Monitoring and Maintenance Provider's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Monitoring and Maintenance Provider shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Monitoring and Maintenance Provider, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Monitoring and Maintenance Provider shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City Manager. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Monitoring and Maintenance Provider, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Monitoring and Maintenance Provider or any surety of Monitoring and Maintenance Provider of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Monitoring and Maintenance Provider, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Monitoring and Maintenance Provider's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Monitoring and Maintenance Provider shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Monitoring and Maintenance Provider shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Monitoring and Maintenance Provider in its



business or otherwise or a joint venturer or a member of any joint enterprise with Monitoring and Maintenance Provider.

5.0 INSURANCE, PERFORMANCE BOND AND INDEMNIFICATION

5.1 Insurance. Monitoring and Maintenance Provider shall procure and maintain, at its sole cost and expense, with an insurance company admitted to do business in California and approved by the Contract Officer, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of broad-form comprehensive commercial general liability insurance with minimum limits of \$1,000,000 combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts by Monitoring and Maintenance Provider, its officers, employees, agents, and independent contractors in performance of services under this Agreement.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000 per accident, combined single limit. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Property Damage Insurance. A policy of property damage insurance with minimum limits of \$1,000,000.

(e) Additional Insurance. Policies of such other insurance, including professional liability insurance, as may be required in the Special Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its officers, employees and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Monitoring and Maintenance Provider shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Monitoring and Maintenance Provider has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Monitoring and Maintenance Provider agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Monitoring and Maintenance Provider may be held responsible for the payment of damages to any persons or property



resulting from Monitoring and Maintenance Provider's activities or the activities of any person or persons for which Monitoring and Maintenance Provider is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

Monitoring and Maintenance Provider agrees that if it does not keep the aforesaid insurance in full force and effect, and such insurance is available at a reasonable cost, City may take out the necessary insurance and pay the premium thereon, and the repayment thereof shall be deemed an obligation of Monitoring and Maintenance Provider and the cost of such insurance may be deducted, at the option of City, from payments due Monitoring and Maintenance Provider.

In the event the Monitoring and Maintenance Provider subcontracts any portion of the work in compliance with Section 3.3 of this Agreement, the contract between the Monitoring and Maintenance Provider and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Monitoring and Maintenance Provider is required to maintain pursuant to this Section 5.1.

At all times during the term of this Agreement, Monitoring and Maintenance Provider shall maintain on file with the City Clerk endorsements of the insurance carrier or carriers on City's standard endorsement forms showing that the aforesaid policies are in effect as provided above. Monitoring and Maintenance Provider shall file such endorsements with the Risk Manager prior to execution of this Agreement.

5.2 Performance Bond: The Monitoring and Maintenance Provider shall maintain a satisfactory performance bond. The bond shall be executed by a responsible corporate surety company, authorized to issue such bonds in the State of California and shall be secured through an authorized agent with an office in California. The bond shall be in an amount of not less than 100 percent of the contract amount and shall be accompanied by a current copy of the surety company's license issued by the Department of Insurance of the State of California.

The performance bond shall guarantee faithful performance of the contract in a manner satisfactory to the City, and that materials furnished and quality of work shall be free from defects. The bond shall extend to work performed pursuant to Change Orders and to Extensions of Time, although such changes or extensions are ordered without notice to the surety.

5.3 Indemnification. Monitoring and Maintenance Provider agrees to indemnify the City, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities of Monitoring and Maintenance Provider, its agents, employees, subcontractors, or invitees, provided for herein, or arising from



the negligent acts or omissions of Monitoring and Maintenance Provider hereunder, or arising from Monitoring and Maintenance Provider's negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the City, its officers, agents or employees but excluding such claims or liabilities arising from the sole negligence or willful misconduct of the City, its officers, agents or employees, who are directly responsible to the City, and in connection therewith:

(a) Monitoring and Maintenance Provider will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Monitoring and Maintenance Provider will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Monitoring and Maintenance Provider hereunder; and Monitoring and Maintenance Provider agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Monitoring and Maintenance Provider for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Monitoring and Maintenance Provider hereunder, Monitoring and Maintenance Provider agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

6.0 RECORDS AND REPORTS

6.1 Reports. Monitoring and Maintenance Provider shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Monitoring and Maintenance Provider hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Monitoring and Maintenance Provider agrees that if Monitoring and Maintenance Provider becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Monitoring and Maintenance Provider is providing design services, the cost of the project being designed, Monitoring and Maintenance Provider shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Monitoring and Maintenance Provider is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.2 Records. Monitoring and Maintenance Provider shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City,



including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All reports, records, documents and other materials prepared by Monitoring and Maintenance Provider, its employees, subcontractors and/or agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Monitoring and Maintenance Provider shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Monitoring and Maintenance Provider will be at the City's sole risk and without liability to Monitoring and Maintenance Provider, and the City shall indemnify the Monitoring and Maintenance Provider for all damages resulting therefrom. Monitoring and Maintenance Provider may retain copies of such documents for its own use. Monitoring and Maintenance Provider shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Monitoring and Maintenance Provider fails to secure such assignment, Monitoring and Maintenance Provider shall indemnify City for all damages resulting therefrom.

6.4 Release of Documents. The reports, records, documents and other materials prepared by Monitoring and Maintenance Provider in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Monitoring and Maintenance Provider covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.



7.3 Retention of Funds. Monitoring and Maintenance Provider hereby authorizes City to deduct from any amount payable to Monitoring and Maintenance Provider (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Monitoring and Maintenance Provider's acts or omissions in performing or failing to perform Monitoring and Maintenance Provider's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Monitoring and Maintenance Provider, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Monitoring and Maintenance Provider to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Liquidated Damages. The Monitoring and Maintenance Provider and its sureties shall be liable for and shall pay to the City the sum of five hundred dollars (\$500.00) as liquidated damages for each day or portion of a day that the completion of the project goes beyond ten (10) consecutive calendar days after the date stipulated for its delivery. The said sum of \$500.000 per day in view of the difficulty of estimating such damage is hereby agreed upon, fixed and determined by the parties hereto as the liquidated damages that the City will suffer by reason of such default and not by way of penalty. The City may withhold from any monies payable on account of services performed by the Monitoring and Maintenance Provider any accrued liquidated damages.

7.8 Termination for Default of Monitoring and Maintenance Provider. If termination is due to the failure of the Monitoring and Maintenance Provider to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Monitoring and

Maintenance Provider shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Monitoring and Maintenance Provider for the purpose of set-off or partial payment of the amounts owed the City as previously stated. Monitoring and Maintenance Provider will be paid the reasonable value of all services rendered up to the date of termination.

The performance bond and the money payable thereon shall be forfeited and remain the property of the City. The Monitoring and Maintenance Provider and his surety will be credited with the amount of money so retained toward any amount by which the cost of completion of the contract exceeds the original contract price.

7.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

7.10 Date of Completion. The completion of the project shall not exceed ten (10) consecutive calendar days from the date specified for delivery by the contract. If Monitoring and Maintenance Provider fails to make delivery as specified, he shall be in default and will be subject to the conditions outlined under section 7.8. He shall not be entitled to the extensions of time to cure the defect specified in section 7.2. No extensions shall be granted unless the failure or delay in fulfillment is due to or prevented by acts indicated in section 3.3. Should the Monitoring and Maintenance Provider fail to complete the project by the date specified by the contract, the City will deduct and retain out of the monies which may be due the Monitoring and Maintenance Provider as liquidated damages, as specified in section 7.7.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Monitoring and Maintenance Provider, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Monitoring and Maintenance or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Monitoring and Maintenance Provider warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. When requested by the Contract Officer, prior to the

City's execution of this Agreement, Monitoring and Maintenance Provider shall provide the City with an executed statement of economic interest.

8.3 Covenant Against Discrimination. Monitoring and Maintenance Provider covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Monitoring and Maintenance Provider shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, CITY OF CARSON, 701 East, Carson Street, CARSON, California 90745, and in the case of the Monitoring and Maintenance Provider, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

9.4 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.5 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing

this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

9.6 Warranty & Representation of Non-Collusion. No official, officer, or employee of the Authority has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the Authority participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code §§ 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Authority official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Authority official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Monitoring and Maintenance Provider's Authorized Initials DM

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement to be effective 28, DECEMBER, 2013.

CITY:


CITY OF CARSON,
a municipal corporation

Lin D. Sear
Mayor


ATTEST:

Ones Baise
City Clerk

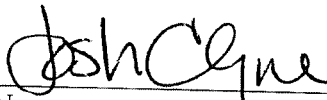
APPROVED AS TO FORM:


City Attorney

MONITORING & MAINTENANCE PROVIDER:
Stanley CSS, Inc.,
an Illinois Corporation

By: 
Name: Dan Hammer
Title: DSM

Address: Stanley CSS, Inc.
55 Shuman Boulevard
Suite 900
Naperville, IL 60563

By: 
Name:
Title:

Address: Stanley CSS, Inc.
55 Shuman Boulevard
Suite 900
Naperville, IL 60563

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

Scope of services shall be as described in the City of Carson Request for Proposal No. P13-07:

Maintain and Monitor the following equipment:

1. Keyed and keyless access/entry
2. Keypads and card readers
3. Card keys
4. Access Control Panels and Alarm System Panels
5. Motion Sensors
6. Door Sensors
7. Audio Devices
8. Glass Breaks
9. Computer equipment hardware (printers, modems and fax equipment and any required accessories)
10. Computer equipment software (PC and/or Web based, preferably web-based interactive software)
11. Emergency response time of no more than 40 minutes in the event of an emergency
12. Alarm System/Access Control power supplies
13. Smoke detectors and any related fire system devices that are being monitored by the existing alarm system
14. Provide upon request open/close reports, alarm reports and alarm verification reports based upon specific date ranges (hourly, weekly, monthly or by specific dates)
15. Provide reports based upon power loss
16. Maintain the ability to retrieve reports for a period of at least six months
17. The ability to archive all data for a period equal to the term of the contract

Monitoring

The City of Carson is seeking services from a capable alarm company that will remotely monitor all of the alarm systems 24-hours a day. The alarm company shall provide a quarterly system test of all devices and provide said report to the Public Safety Services Manager. The alarm service company shall also provide service on the day requested, if a problem occurs and dispatch emergency services such as fire, police and City of Carson, Public Safety staff, 24-hours per day.

SYSTEM OVERVIEW

- A. PC and/or Web based: The appropriate system should be a Building/Facility Management and Monitoring System used to control and monitor personnel and alarm activity. The system should be capable of managing different controllers that offer various configurations of card reader inputs, relay outputs and alarm

inputs. These controllers can be combined to provide the exact number of inputs and outputs required for each application. The system controllers use fully distributed database architecture with real-time processing performed at each controller.

- B. **Distributed Processing:** This fully distributed processing provides that all information (time, date, valid codes, access levels, etc) is downloaded to the controllers so that each controller makes its own access control decisions. There are no hierarchical or intermediate processors to make decisions for the controllers. Also the PC is not required to make any decisions for the controllers including any global functions. This provides instant response to card reads regardless of system size. This also provides for no degradation of system performance in the event of communication loss to the host (or actual loss of host). All time zones, access levels, linking events, holiday schedules, and global functions remain operational. Upon communication loss to the host all controllers shall automatically buffer event transactions until the host communications is restored, at which time the buffered events will be automatically uploaded to the host. The system maintains full feature capability regardless of the style of the communications from the PC. This means that the system can utilize all standard features like elevator control and linking between controllers without the PC needing to be online.
- C. **System Size:** The system is designed to support up to 32,000 separate Locations using a single PC or with combinations of direct connect or TCP/IP LAN connections to each location. The system defines a loop of up to 64 controllers as one Location. Each Location has its own database and history at the host PC. Locations may be combined to share a common database and create a very large network of controllers. Each Location can have up to 128 devices.
- D. **Intelligent Controllers:** Each controller is an Intelligent Control Unit. The first controller of every Location is designated as the "Main System". All subsequent controllers at the same Location are designated as "subsystems". Any system controller may be selected by dipswitch settings to work as the Main System controller. The Main System controller performs all the same functions as a Subsystem controller, but it is also responsible for polling all subsystem controllers and communicating with the host. The Main System controller does not make any access decisions for the Subsystem controllers. It is simply the messenger for information from the controllers to the PC and for information from the PC to the controllers.
- E. **Controller operating system** resides in Flash ROM on each controller. It is upgradeable thru a download from the Host PC to each of the controllers in the system. Upgrades in controller operating system shall NOT require PROM changes.

- F. Processing Power: Each intelligent controller uses an Intel microprocessor (same as a PC) as its engine. In a large system, the total processing may approach, or even exceed that of a Mini Computer. Instead of all the processing power being centralized in one "Mini" it is distributed throughout the system.

SYSTEM CAPABILITIES

A. Software:

1. A 32-bit Windows application, and is compatible with Windows 2000/XP Professional, Windows 2000/2003 Server utilizing Active Directory, and Windows Vista Business Edition.
2. Program utilizes Microsoft SQL Server 2000/2005 for database deployment and management.
3. Multi-user and multi-tasking capability allowing for independent activities and monitoring to occur simultaneously at different Workstation PCs.
4. Utilize graphical user interface with simple pull-down menus and a menu tree format that conform to interface guidelines defined by Microsoft Corporation.
5. Allow for language localization.
6. Allow LAN/WAN network applications, using TCP/IP protocol, with up to 1000 Workstation PCs.
7. System shall be site licensed, not seat licensed.
8. System shall have open architecture that allows importing and exporting of data and ability to interface with other systems.
9. Operator Identification logon password protected.

B. Hardware:

1. Comm Server PC: Windows 2000/XP Professional/Vista Business capable PC with a 1 GHz Pentium processor / 256MB RAM (minimum) or greater depending on system parameters.
2. Workstation PC: Windows 2000/XP Professional, MS Office to include Excel, Windows Vista Business Edition capable PC with an 800 MHz Pentium processor / 128MB RAM (minimum) or greater depending on system parameters.
3. 2nd Back-up Workstation PC to be used as a back-up computer in case of breakdown of the primary computer.
4. Portable laptop computer to be used with all necessary software installed, that will allow for remote access and viewing of the entire system if remote viewing is necessary.
5. Provide 1000 keycards and/or access cards for use with the access system.
6. HID Proximity card reader or equivalent. A minimum of 26 bit proximity encryption is requested, higher encryption (36 bit) is preferred
7. Provide Battery backup power for all system as necessary.

- C. City Hall will have the main access workstation for all connected facilities. The workstation at City Hall will have the ability to completely manipulate and

control all aspects of access control not only at City Hall, but at all connected workstations and facilities such as the Corporate Yard, the Corporate Yard Maintenance Area, Veterans Park and the Community Center.

- D. The workstation at the Corporate Yard will only control all aspects of access control at that specific facility, but will be connected to the main access workstation at City Hall.
- E. The workstation at the Corporate Yard Maintenance Area will only control all aspects of access control at that specific facility, but will be connected to the main access workstation at City Hall.
- F. The workstation at the Community Center will only control all aspects of access control at that specific facility, but will be connected to the main access workstation at City Hall.
- G. The workstation at Veterans Park will only control all aspects of control at that specific facility, but will be connected to the main access workstation at City Hall.

EXHIBIT "B"

SPECIAL REQUIREMENTS

Monitoring and Maintenance Provider's Use of Site

- A. The City of Carson intends to occupy and use the facilities during construction.
- B. Monitoring and Maintenance Provider must cooperate with the City to minimize conflict, and to facilitate the City's operations.
- C. Monitoring and Maintenance Provider must schedule the work to accommodate the City's occupancy.
- D. Monitoring and Maintenance Provider must coordinate power outage and site preparation with the City.
- E. The City will provide oversight of the project and assistance to the Monitoring and Maintenance Provider in coordinating with all aspects of work activities to minimize interference with the daily operations of the facility.
- F. The sites of work are existing City facilities that must remain in operation during the execution of this project. Monitoring and Maintenance Provider shall develop a work schedule including Phasing Plan and submit to the City for review and approval prior to gaining access to each site for construction.
- G. Coordinate use of each premise under the direction of the City's designated point of contact at each site.
- G. Monitoring and Maintenance Provider shall assume full responsibility for the protection and safekeeping of products and materials under this Agreement, stored on site. Monitoring and Maintenance Provider will not store materials where it would interfere with the City's personnel access or normal activities at each facility.
- E. Monitoring and Maintenance Provider shall use a designated space for storage and staging.
- F. Identify, protect and restore existing utilities encountered during the execution of this Agreement.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

	Total Amount	Monthly Payment
Year 1	\$35,640.00	\$2,970.00
Year 2	\$35,640.00	\$2,970.00
Year 3	\$35,640.00	\$2,970.00
Year 4 (optional)	\$35,640.00	\$2,970.00
Year 5 (optional)	\$35,640.00	\$2,970.00

Billing will occur after the performance of services.

ADDENDUM #1
Monitoring Services
Between
City of Carson ("Customer")
and Stanley Convergent Security Solutions, Inc. ("SCSS")

Customer and SCSS hereby amend, as specified below, the Agreement to Provide Contract Access Control and Alarm System Monitoring and Maintenance for the City of Carson, California / Contract Services Agreement (hereinafter "Agreement"), as of this 23rd day December, 2013. This Addendum amends the Agreement and any exhibits or attachments thereto by deleting, modifying or adding the terms identified below, which shall supersede the language of the Agreement. The parties agree this Addendum is executed simultaneously with the execution of the Agreement and is incorporated into the Agreement by this reference. This Addendum shall prevail over any conflicting or inconsistent terms and conditions contained in the Agreement and any exhibits or attachments thereto.

SCSS is in the business of installing electronic security systems and providing services that are intended to avert or detect burglary, theft or fire events. SCSS does not and cannot control the situations or events that give rise to the occurrences or the consequences therefrom (i.e., the burglaries, fires, etc.) that the systems or services are intended to avert or detect. Many of the services and systems that SCSS provides are related to life safety and thus, are inherently associated with high risk and high liability. The risk of loss, and the potential liability for such losses, exist before, and independent of, the installation or service of the security equipment at the Customer's premises. The security systems do not create, nor increase, the risk of such losses nor the potential liability for such losses. While the security systems attempt to reduce the risk of loss, they cannot, and do not, eliminate this risk. Therefore, while SCSS understands the need for it to be treated similarly to other Contractors when SCSS is on site performing work, the parties recognize that, because of the unique nature of the equipment installed, SCSS's obligations must have reasonable limitations once the installation or service has been substantially completed. Accordingly, notwithstanding anything to the contrary contained in the Agreement, it is hereby agreed between SCSS and Customer as follows:

1. Applicability.

This Addendum is intended to modify and/or clarify the Agreement as it pertains to the Work on the above Project. If a conflict or inconsistency exists between the Agreement and this Addendum, then this Addendum shall prevail. Customer expressly agrees and understands that under no circumstances shall the Agreement or any attachments or modifications hereto bind SCSS to the terms and conditions of any agreement between Customer and any other party that are in any way contrary to this Addendum or which expand SCSS's liability beyond that expressly stated in the Agreement and this Addendum.

2. Term, Renewal, and Expiration.

If Customer has existing locations currently using SCSS systems and/or services, the terms and conditions of this Agreement shall cancel and supersede existing agreements at those locations. After the Initial Term expires, this Agreement will automatically be renewed as consecutive terms of one year, except where prohibited by applicable law in which case the Agreement will renew from month to month, unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the anniversary date of the Initial Term.

3. Payment.

A. Customer agrees to pay SCSS for the monitoring, and/or service of the system(s) as provided in the Schedule, commencing from the date of installation completion, which shall be the day said item of equipment is installed at Customer's location and/or is communicating with SCSS's monitoring facility (the "Center") as determined by SCSS ("Installation Date.") Customer also agrees to pay interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the system becomes operative until the first (1st) of the following month. Payments for services are due monthly, in advance, commencing from the first day of the month following the date the system becomes operative.

- B. Customer agrees that at any time following expiration of the first twelve (12) months of this Agreement, or the date a new location system became operational, SCSS may increase the basic monthly charges set forth in the attached schedule, once a year, for the balance of the term and any renewal thereof. Customer agrees to pay the full amount of such increase, which increase shall not exceed nine (9) percent over the previous twelve (12) months' basic ongoing charges.

4. Liquidated Damages and SCSS's Limits of Liability.

- A. The parties agree that SCSS is providing a system and/or service designed to reduce the risk of loss only; that the payments provided for herein are based solely on the value of the system and/or services as described herein and are unrelated to the value of any property located on Customer's premises; that SCSS is not liable for losses which may occur in cases of malfunction or nonfunction of any system provided by SCSS or that SCSS is not liable for losses which may occur in the monitoring, repairing, signal handling or dispatching aspects of the service, even if due to SCSS's negligence or failure of performance; that SCSS is not liable for losses resulting from failure to warn or inadequate training; that SCSS is not an insurer; and that insurance covering personal injury, property loss, and damage to and on Customer's premises must be obtained and/or maintained by Customer. Customer understands that it is Customer's duty to purchase such insurance; that SCSS offers several levels of protection and services and that the system and/or service described in the Schedule has been chosen by Customer after considering and balancing the levels of protection afforded by various systems and the related costs. The Agreement shall confer no rights on the part of any person or entity that is not a party hereto, whether as a third-party beneficiary or otherwise.
- B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CUSTOMER'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CUSTOMER DATA, INABILITY OF SCSS TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CUSTOMER'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE, IF LIABILITY IS IMPOSED ON SCSS, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED OR \$10,000 WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED, SCSS's LIABILITY SHALL BE LIMITED TO \$500.00). THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE SCSS's SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS CONTRACT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF SCSS, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. IF CUSTOMER WISHES SCSS TO INCREASE THE AMOUNT OF THE LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY AS PROVIDED ABOVE, CUSTOMER MAY OBTAIN FROM SCSS AN ADDITIONAL AMOUNT OF LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO SCSS, SUBJECT TO WRITTEN APPROVAL BY AN AUTHORIZED SCSS REPRESENTATIVE SETTING FORTH SAID TERMS. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH SCSS AS AN INSURER.

NO SUIT OR ACTION SHALL BE BROUGHT AGAINST SCSS MORE THAN ONE (1) YEAR AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

- C. Since the parties agree that Customer retains the sole responsibility for the life and safety of all persons in its premises, and for protecting against losses to his/her own property or the property of others in its premises, CUSTOMER AGREES TO INDEMNIFY AND SAVE HARMLESS SCSS, ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY SCSS FOR ANY SERVICE PROVIDED BY SCSS, INCLUDING BUT NOT LIMITED TO, THE INSTALLATION, REPAIR, MONITORING, SIGNAL HANDLING, OR DISPATCHING ASPECTS OF THE SERVICE.

- D. With respect to SCSS owned systems, CUSTOMER EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CUSTOMER UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CUSTOMER BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY SCSS'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.
- E. Paragraphs A through D of this Article 4 shall apply to any other company or entity which, in addition to SCSS, furnishes, as a subcontractor, or otherwise, any installation, monitoring or other services provided hereunder.

5. Miscellaneous Charges and Increase in Charges.

- A. Customer shall pay any City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increase in charges to SCSS for facilities required for transmission of signals under this Agreement.
- B. At SCSS's option, a fee may be charged for any unnecessary service run or false alarm. If Customer or SCSS is assessed any fine or penalty by any municipality, fire, or police department as a result of any false alarm, Customer shall pay the full amount of such fine or penalty. If, following an investigation at Customer's request, it is mutually agreed that a false alarm was caused by SCSS, the amount of the fine or penalty paid by Customer shall be credited to Customer's account.
- C. The payments set forth in the Schedule include telephone company line charges if required. SCSS may immediately increase its monthly charges to reflect such increased line charges for the Customer facility covered by this Agreement. Customer shall also pay any telephone company toll line charges incurred by the operation of the system.
- D. If any Governmental agency requires any changes in the system originally installed, Customer agrees to pay for such changes. It is Customer's responsibility to obtain alarm use permits, required by the local jurisdiction.
- E. The prices quoted for the alarm system are based upon the number of components, type of security and service specified in the Schedule. Should Customer request or require additional protection, security devices or services, this may affect the final contract price.

6. Further Obligations of Customer.

- A. Customer shall not tamper with, alter, adjust, add to, disturb, injure, move, remove or otherwise interfere with equipment installed by SCSS, nor shall Customer permit the same to be done by others. It is further agreed that if any work is required to be performed by SCSS due to Customer's breach of the foregoing obligations, Customer will pay SCSS for such work in accordance with SCSS's then current prevailing charges. CUSTOMER SHALL INDEMNIFY AND HOLD SCSS HARMLESS FROM AND AGAINST ANY CLAIM ARISING OUT OF SUCH TAMPERING, ALTERATION, ADJUSTMENT, ADDITION TO, DISTURBANCE, INJURY, MOVEMENT, REMOVAL OR INTERFERENCE WITH SUCH EQUIPMENT AND FOR THE INTERCONNECTION BY ANYONE OTHER THAN SCSS OF ANY EQUIPMENT OR DEVICE TO ANY SCSS EQUIPMENT.
- B. For those premises where SCSS is to provide monitoring, Customer shall furnish SCSS a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Customer during scheduled closed periods and shall be responsible for updating such lists. In cases of supervised service, Customer shall also furnish SCSS with an authorized daily and holiday opening and closing schedule.
- C. Customer shall set the alarm system at such times as Customer shall close its premises. Customer shall test the alarm system prior to each closed period and shall immediately report to SCSS any claimed inadequacy in, or failure of, the system. Customer shall perform a periodic walk test of any motion detection equipment used on the premises.
- D. Customer shall permit SCSS access to the premises for any reason arising out of, or in connection with, SCSS's rights or obligations under this Agreement.

- E. Should any part of the system be damaged by fire, water, lightning, acts of God, third-parties or any cause beyond the control of SCSS, any repairs or replacement shall be paid for by Customer (ordinary wear and tear excepted in the case of an SCSS owned system).
- F. For those premises where SCSS is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Customer warrants and agrees that all alarm valves, gate valves, tanks, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Customer's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with SCSS's signaling devices. Customer further agrees to furnish any necessary water through Customer's meter and at Customer's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.
- G. It is mutually agreed that the Customer assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Customer's premises.
- H. Customer represents that, except to the extent it has given SCSS written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulation, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Customer) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond SCSS's reasonable control and SCSS shall not start, or continue, to perform its work under the Agreement until Customer has remedied the unsafe or unlawful condition at Customer's sole expense. CUSTOMER SHALL INDEMNIFY AND HOLD SCSS HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS AND EXPENSES OF ANY KIND (INCLUDING ATTORNEYS' FEES) FOR FINES, PENALTIES, BACK WAGES, BODILY INJURY, PROPERTY DAMAGE, DELAY OR WORK STOPPAGE THAT ARISES UNDER OR RESULTS FROM A BREACH OF THE FOREGOING REPRESENTATIONS (REGARDLESS OF WHETHER OR NOT CUSTOMER DISCLOSED SUCH MATERIALS TO SCSS).

7. Further Obligations of SCSS; Limitations.

- A. Neither party shall be held responsible or liable for delay in installation of the system or interruption of service, due to strikes, lockouts, riots, floods, fires, lightning, acts of God, or any cause beyond the control of such party, including interruptions in telephone service. SCSS will not be required to perform installation or supply service to Customer while any such cause shall continue.
- B. If Customer has subscribed to monitoring service, the system will be connected to SCSS's Center. Unless specifically requested otherwise by the Customer and approved by SCSS's Center, when a burglar alarm signal from the alarm system is received, the Center will first try to telephone Customer's premises, and if there is no answer then will try to telephone the first available person on Customer's emergency call list, to verify whether or not an emergency condition requiring police response exists. If there is no answer to both of these calls or the person contacted indicates that an emergency exists, the Center will attempt to notify the police department. The Center will also attempt to contact someone on the emergency call list to advise them that the police have been notified. When a fire alarm, hold-up alarm or duress alarm signal is received, the Center will attempt to notify the police or fire department or other emergency personnel and the first available person on the emergency call list. When a non-emergency signal is received, the Center will attempt to contact the premises or the first available person on the emergency call list but will not notify emergency authorities. The Center reserves the right to use automated notification procedures in lieu of phone call notifications for non-emergency signals unless expressly prohibited by local authorities. If Customer requires phone notification for non-emergency signals, Customer agrees to subscribe to such service and an additional fee may apply. Phone notification for non-emergency signals will be made during normal day-time hours unless expressly requested otherwise by Customer.

The Center may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. SCSS and Customer are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the system. SCSS reserves the right to discontinue or change any particular response service due to such governmental or insurance requirements without notice. Customer consents to the tape and video recording of telephonic and video communications between Customer's premises and SCSS, and will inform its employees and third parties that such recordings are authorized. If Customer's police or fire

department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Customer agrees to subscribe to such service if provided by SCSS, or otherwise comply with such requirements, and an additional fee may apply for such services.

- C. If video equipment is installed, it will be integrated into the system. When the video equipment is activated, it will send a video transmission to the Center. The Center will first attempt to verify the nature of the emergency by viewing the video. If the Center determines that an emergency condition exists, it will try to first telephone the premises, if available, and report the emergency condition. If there is no answer or the person answering confirms the emergency condition, then, based upon the nature of the emergency condition, the Center will notify the proper police or fire department or other emergency personnel, and the next available person on the emergency call list. If the Center determines that an emergency condition does not exist or the video is inconclusive, the Center will use the notification procedures set forth in paragraph 7B above.
- D. Customer understands that, if the system installed is monitored, due to the nature of the method used for communicating alarm signals to the SCSS's monitoring center, there may be times when that communication method is not able to transmit signals and SCSS will not receive alarm signals. Digital communicators use standard telephone lines and SCSS does not receive signals when the telephone system becomes non-operational or the telephone line is placed on vacation status, cut, interfered with or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems or Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communications channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Customer understands that SCSS offers several levels of communication methods of alarm signals to the monitoring center and that the Services described on the Schedule have been chosen by Customer after considering and balancing the levels of protection afforded by various communication methods and the related costs. Customer acknowledges and agrees that Customer is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond SCSS's control and are maintained and serviced, solely by the applicable carrier or provider. Customer agrees to reimburse SCSS for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the system from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the system. Such services should be installed on a telephone number that is not used for alarm signal transmission. Customer agrees to notify SCSS if Customer has installed or intends to install DSL or other broadband service. IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.
- E. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not SCSS's agents, nor does SCSS assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

8. Proprietary Protection.

- A. If a service plan or software support option is selected by Customer, SCSS will provide and install software upgrades as they become commercially available, during SCSS's normal working hours. Software upgrades that do not affect the Customer's current operations, as solely determined by SCSS and the OEM will not be installed by SCSS. In the event the Customer elects to have someone other than SCSS install the software upgrade, the Customer shall assume any and all liability for any damage caused pursuant to the installation. Service and upgrades for third party software not supplied by SCSS are excluded from this Agreement.
- B. Any computer application program and/or documentation, collectively referred to as "Software", that is provided by SCSS under this agreement, is owned by SCSS, its affiliates or one of its OEM's and is protected by United States and international copyright laws and international treaty provisions. Any breach of this agreement will automatically terminate the Customer's right to use this Software, and the Customer is obligated to immediately return such Software to SCSS. Customer may not copy the Software for any reason other than per the dictates of any end user software license agreement. Customer may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any Software. Customer acknowledges that any breach of this section shall result in irreparable injury

to SCSS for which the amount of damages would be unascertainable. Therefore, SCSS may, in addition to pursuing any and all remedies provided by law, obtain an injunction against Customer from any court having jurisdiction, restraining any violation of this section.

9. Termination.

A. SCSS may terminate this Agreement as follows:

- i) In the event Customer defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, Customer shall have thirty (30) calendar days from receipt date of written confirmation by SCSS of such default to cure or remedy the default. Notification by facsimile, U.S. mail or by courier shall be acceptable. If, after the thirty (30) calendar day period, Customer does not remedy or cure such default, SCSS may terminate the agreement immediately and the balance of all moneys due and for the unexpired term of this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate; or
- ii) Immediately, in the event SCSS's monitoring center, the telephone lines, wires, or SCSS's equipment within Customer premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Customer's premises; or
- iii) As provided in Article 2 relating to expiration.

B. Customer may terminate this Agreement:

- i) Immediately, upon written notice for any individual location in the event any Customer location is, by any cause beyond the control of Customer, destroyed or so substantially damaged that it is commercially impractical for Customer to continue any operations at such location; or
- ii) As provided in Article 2 relating to expiration.

C. Upon termination of this Agreement, Customer shall permit SCSS access to Customer's premises in order to deactivate the telephone line signaling device.

10. Insurance and Waiver of Subrogation.

Customer shall obtain, and maintain, insurance coverage to cover all losses, damage, or injury, related to or sustained by Customer in connection with the services provided by SCSS. For all losses, damage or injury above the limits set forth in Paragraph 3B, Customer shall look solely to its insurer for recovery of its loss and hereby waives any and all claims for such loss against SCSS. Customer agrees to obtain insurance permitting said waiver without invalidating coverage. Both parties do hereby for themselves and for other parties claiming under them, release and discharge each other from and against all claims arising from hazards covered by insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against either party.

Stanley Convergent Security Solutions, Inc.

Written By: DSM Clyre

Title: Security consultant

Approved and Accepted By:

By: DSM

Title: DSM

Date: 12/19/13

Customer

Approved By: Jim Dear

Title: MAYOR

Date: JANUARY 7, 2014

NOT BINDING ON EITHER PARTY WITHOUT PROPER APPROVAL SIGNATURES.