

Meeting Date: 12/17/2013

Report Type: Consent

Report ID: 2013-00915

Title: Contract: Purchase of License Plate Recognition Systems (Two-Thirds Vote Required)

Location: Citywide

Issue: The City's existing license plate recognition technology is becoming obsolete and the manufacturer has extended an offer to the City to upgrade the system to the latest technology.

Recommendation: Pass a Resolution 1) determining it is in the best interest of the City to suspend competitive bidding; 2) suspending competitive bidding; 3) authorizing the City Manager or his designee to execute a contract with Sentry Control Systems for the purchase of 11 AutoVu license plate recognition systems for parking enforcement for an amount not-to-exceed \$416,330; 4) Establishing capital improvement project (CIP) Revenue Control System (V15610000); and 5) establishing revenue and expenditure budgets in the amount \$5,998,359.00 in the Revenue Control System CIP (V15610000).

Contact: Mike King, Program Specialist (916) 808-1172; Matt Eierman, Parking Services Manager (916) 808-5849, Department of Public Works

Presenter: None

Department: Public Works Department

Division: On-Street Parking Admin

Dept ID: 15001511

Attachments:

1-Description/Analysis

2-Background

3-Resolution

4-Contract

City Attorney Review

Approved as to Form

Gerald Hicks

12/6/2013 8:54:44 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt

Russell Fehr

12/2/2013 10:18:49 AM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 12/5/2013 4:52:25 PM

Description/Analysis

Issue Detail: In 2004 and 2006, City Council approved the purchase of 11 AutoVu Technologies License Plate Recognition (LPR) systems. Due to their age and normal wear and tear, these units are out of service much of the time. Combined with advancements in technology, these systems have reached the end of their useful lifecycle. Sentry Control Systems (Sentry), the exclusive distributor for Genetec, the manufacturer, has extended an offer to the City to provide a substantial trade-in credit for the old units in exchange for the purchase of 11 new LPR systems.

Policy Considerations: This recommended action is consistent with:

1. The Central City Parking Master Plan Goal No. 3 to: Leverage technology to use time limits, rates and enforcement to manage parking supply more efficiently.
2. The City of Sacramento 2030 General Plan's policy, M 6.1.5, to implement parking management tools (including emerging technology) that maximize on-street parking turnover, where appropriate.
3. City Council's direction to staff to pursue parking modernization through technology/rate enhancements.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns ongoing administrative or maintenance activities which are not for purposes of a Department of Public Works construction project and do not constitute a "project" as defined by CEQA Guidelines Section 15378(a). These activities are, therefore not subject to the requirements of CEQA (CEQA guidelines 15060(c)).

Sustainability Considerations: This action supports the City of Sacramento's sustainability goals to improve and optimize the transportation infrastructure.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation:

Use of a mobile LPR solution is a significant component of a program to improve efficiency in parking enforcement. It provides the following advantages:

1. Reduction of manual chalking and visual inspection of tires to determine if a vehicle has overstayed time limits. Not only does this allow more vehicles to be assessed in a larger area by one PEO, but it also reduces the potential for repetitive motion injury, by not requiring continual use of a chalk stick to mark vehicle tires to determine if the vehicle has overstayed the time limit. It also

contributes to driving safety, as a PEO will not need to look at vehicle tires while driving; the officer can keep his/her eyes on the road and the system will alert the PEO when a vehicle has exceeded the posted time limit.

2. Validation of vehicles parked in a residential parking permit (RPP) area. If the system determines it is in an RPP area, it can verify that the license plate number is associated with a valid RPP on file. If so, the system will not flag that vehicle for enforcement action.
3. Notification of vehicles on hot lists. The system will notify the PEO when it detects a vehicle on a hot list, so the PEO can take appropriate action (e.g., reporting a vehicle with more than five unpaid citations to the boot team, or reporting a stolen vehicle to the Police Department). This means the PEO does not need to compare vehicle license numbers to paper lists, allowing him/her to be more efficient while remaining focused on driving.

There are currently two manufacturers of mobile LPR systems for parking enforcement: Genetec (subsequent to the City's purchases, AutoVu Technologies renamed itself Genetec, using "AutoVu" as the name of the LPR product) and Tannery Creek. Suspending competitive bidding and purchasing Genetec's AutoVu LPR systems from Sentry Control Systems is in the best interest of the City for the following reasons:

1. Sentry will provide a trade-in allowance and additional discount totaling \$170,495.
2. AutoVu offers several features critical to Parking Services' functions that are not available from the competition: automatic updates to data for validation of vehicles in RPP neighborhoods, integration with the City's parking citation system, and future integration with off-street payment systems.
3. AutoVu can use real-time mobile wireless connectivity to remain updated throughout the day with respect to parking permits and hot lists for repeat offenders and stolen vehicles.
4. With mobile connectivity, AutoVu can bring efficiency to enforcement of off-street parking lots. For monthly permits, the City will not need to mail hangtags monthly; instead, the permits will be validated through the associated license plate numbers. Transient parkers can provide a license plate number when paying. The system will make verification more efficient by informing the PEO which vehicles are not paid, rather than requiring an officer to inspect every vehicle to find a hangtag or payment receipt.
5. An upgraded AutoVu LPR also will provide critical data for parking modernization through an Occupancy Module that will analyze the data collected by the LPR system and produce reports regarding the occupancy and length of stay of each selected block face, for selected time frames. This is not available through the competition.
6. The City's PEOs already are trained to operate the AutoVu system. The upgraded system will operate similarly to the new system. City Information 3 of 51

Technology and City Fleet departments are also familiar with the current system.

Financial Considerations: Each LPR unit costs \$37,231, including tax. In addition, software licenses are needed for a cost of \$3,836. Staff also recommends purchasing the extended "return and repair" warranty, which includes software upgrades and continued support for the Occupancy Module for years two, three, and four of service, at a cost of \$3,900 per unit. Four years' maintenance for the software costs \$1,200. Installation, configuration, and freight costs are \$43,547.

Sentry will provide a trade-in allowance and additional discount totaling \$170,495. This yields a total, not-to-exceed cost of \$416,330 for 11 LPR units with four years of warranty support and maintenance. Each additional year of warranty support and maintenance will not exceed \$44,100.

Item	Per Unit or 1 yr.	11 units, all years
LPR	\$ 37,231	\$ 409,542
Initial Software licenses		\$ 3,836
Support/warranty, years 2-4	\$ 3,900	\$ 128,700
Installation/Config./Freight	\$ 43,547	\$ 43,547
Software Maintenance, 4 years		\$ 1,200
Subtotal		\$ 586,825
Trade-in allowance + discounts		\$ (170,495)
Total not-to-exceed amount		\$ 416,330

In order to track the purchases it is recommended that capital improvement project (CIP) Revenue Control Systems (V15610000) be established. Financing for this project includes funding for the following:

Parking Meters	5,574,029
AutoVu	416,330
Tax Certificate	8,000
Total	5,998,359

The report approved on November 12, 2013 approved the amendment of the budget for this project and for the financing. The debt service payment for this project will be \$621,152 in FY14, and the debt service for FY15 will be \$1,242,304.

Should the City terminate the contract without cause before materials are delivered, the City may be liable for restocking fees charged by the manufacturer for the items in transit, or the cost of the products if the manufacturer will not allow a return.

Local Business Enterprise Program (LBE): Not applicable.

Background

An LPR system consists of cameras in a parking enforcement vehicle that constantly scans parked vehicles and records the date, time, GPS location, and license plate numbers. That information can be compared to information collected during previous passes along the same route to detect vehicles overstaying the posted time limits, or it can be compared to other information on file, such as license numbers with parking permits or “hot lists” (vehicles with five or more unpaid citations or stolen vehicles).

When the LPR system detects that a vehicle has been parked longer than the time limit for the location, it alerts the Parking Enforcement Officer (PEO), who can take appropriate enforcement action. The before and after photos are saved for future use; this includes pictures of the background and wheels to show that the vehicle was not moved within that time limit. Similarly, if the system finds a match with the hot list, the PEO will be notified and will follow defined protocol.

Through FY2012/13, with the use of the current AutoVu system, 6,189 vehicles with five or more citations were booted. Those vehicles accounted for 50,209 citations (an average of eight citations per vehicle), with a revenue value of \$4,152,628. During that same period, the AutoVu system discovered 287 stolen vehicles (an average of 32 per year). In FY2003/04, before implementation of the AutoVu system, 227 vehicles were booted for a value of \$205,488 in citations, and six stolen vehicles were located.

The current mobile LPR systems used by the Parking Services Division are more than seven years old. Due to age and normal wear and tear, they are becoming increasingly difficult to maintain, and most are completely out of service at any given time. Even though the systems were “state of the art” in 2006, technology has advanced and they are obsolete. Some of the capabilities available today had not been developed in 2006, yet they are essential for continuing to increase efficiency in management of the City’s parking supply. Due to the downtime, the City has experienced a decline in the number of hot listed vehicles that have been detected, and PEOs are reverting to inefficient manual chalking methods to find vehicles parked longer than the posted time limits.

RESOLUTION NO.

Adopted by the Sacramento City Council

PURCHASE OF LICENSE PLATE RECOGNITION SYSTEMS (TWO-THIRDS VOTE REQUIRED)

BACKGROUND

- A. In 2004 and 2006, City Council approved the purchase of 11 AutoVu Technologies License Plate Recognition (LPR) systems. Due to their age and normal wear and tear, these units are out of service much of the time. Combined with advancements in technology, these systems have reached the end of their useful lifecycle. Sentry Control Systems (Sentry), the exclusive distributor for Genetec, the manufacturer, has extended an offer to the City to provide a substantial trade-in credit for the old units in exchange for the purchase of 11 new LPR systems.
- B. Suspending competitive bidding and purchasing Genetec's AutoVu LPR systems from Sentry Control Systems is in the best interest of the City because of the substantial trade-in allowance offered by Sentry plus the cost savings and technology advantages not available from the other vendor.
- C. The financing for Parking Meters and AutoVu technology was approved on November 12, 2013. In order to track the purchases it is recommended that capital improvement project (CIP) Revenue Control System (V15610000) be established. The financing for this project includes the funding for the following:

1. Parking Meters	\$5,574,029
2. LPR	\$416,330
3. Tax Certificate	\$8,000
4. Total	\$5,998,359

- D. The report approved on November 12, 2013 approved the amendment of the budget for this project and for the financing. The debt service payment for this project will be \$621,152 (Due on 6/5/2014). And the debt service for the following year will be \$1,242,304.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. It is in the best interest of the City to suspend competitive bidding.
- Section 2. To suspend competitive bidding.
- Section 3. To authorize the City Manager or his designee to execute a contract with Sentry Control Systems for the purchase of 11 AutoVu license plate recognition systems for parking enforcement for an amount not-to-exceed \$416,330.
- Section 4. To Establish capital improvement project (CIP) Revenue Control System (V15610000).
- Section 5. Revenue and expenditure budgets in the amount of \$5,998,359 in the Revenue Control System System CIP (V15610000) are hereby established.

PROJECT #: 15001531
PROJECT NAME: AutoVu License Plate Recognition Procurement
DEPARTMENT: Public Works
DIVISION: Parking Services

CITY OF SACRAMENTO

COMMODITIES AGREEMENT

THIS AGREEMENT is made at Sacramento, California, as of December 17, 2013, by and between the **CITY OF SACRAMENTO**, a municipal corporation ("CITY"), and

*Sentry Control Systems
6611 Odessa Ave
Van Nuys, CA 91406
Phone: (800) 246-6662
Fax: (818) 786-2910*

("CONTRACTOR"), who agree as follows:

1. **Contract.** The Contract shall consist of this Agreement and each of the following documents (if applicable), which are incorporated herein by reference:

Sentry Quotation/Proposal #029206
Manufacturer's Brochures
Manufacturer's Warranty
Certificate(s) of Insurance
Declaration of Compliance (Equal Benefits Ordinance)

2. **Equipment.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the equipment described in Exhibit A. CONTRACTOR shall provide said equipment at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for equipment outside the scope of Exhibit A unless prior to the shipping of such equipment: (a) CONTRACTOR notifies CITY and CITY agrees that such equipment are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional equipment; and (c) CITY, after notice, approves in writing a Contract Supplement specifying the additional equipment and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Contract Supplement, unless and until this Agreement or any Contract Supplement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.
3. **Payment.** CITY shall pay CONTRACTOR for equipment furnished pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the equipment furnished pursuant to this Agreement unless pursuant to Section 2, above, CITY approves additional compensation for additional equipment. CONTRACTOR shall submit all billings for said equipment to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.

4. **Facilities and Equipment.** CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing equipment pursuant to this Agreement.
5. **Special and General Provisions.** The Special Provisions and General Provisions set forth in Exhibit C and Exhibit D, respectively, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of this Agreement, including without limitation any document relating to the furnishing of equipment or payment therefor, the General Provisions shall control over said terms or conditions.
6. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit E. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
7. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
8. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

CITY OF SACRAMENTO
A Municipal Corporation

ATTEST:

By: _____

City Clerk

Print name: _____

Title: _____

For: John F. Shirey, City Manager

APPROVED TO AS FORM:

City Attorney

Attachments

- Exhibit A - Equipment to be furnished
- Exhibit B - Fee Schedule/Manner of Payment
- Exhibit C - Special Provisions
- Exhibit D - General Provisions
- Exhibit E - Non-Discrimination in Employee Benefits

CONTRACTOR:

Sentry Control Systems, Inc.
NAME OF FIRM

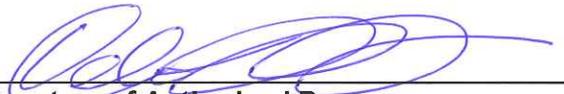
33-0311403
Federal I.D. No.

C1444587
State I.D. No.

1011222
City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (check one):

- Individual/Sole Proprietor
- Partnership
- Corporation (may require 2 signatures)
- Limited Liability Company
- Other (please specify: _____)



Signature of Authorized Person

Celia Fanning, VP of Finance/
Print Name and Title Controller

Additional Signature (if required)

Print Name and Title

**DECLARATION OF COMPLIANCE
Equal Benefits Ordinance**

Name of Contractor: Sentry Control Systems

Address: 6611 Odessa Ave, Van Nuys, CA 91406

The above-named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit F.
2. As a condition of receiving this Contract, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
 - a. Bereavement Leave
 - b. Disability, life, and other types of insurance
 - c. Family medical leave
 - d. Health benefits
 - e. Membership or membership discounts
 - f. Moving expenses
 - g. Pension and retirement benefits
 - h. Vacation
 - i. Travel benefits
 - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
 - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
 - b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.

- c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
 - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
 - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Contract is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Contract is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.
 - f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Contract is executed by the City.
 - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
 - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
 - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits, are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Contract is executed by the City.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Contract for cause; repayment of any or all of the Contract amount disbursed by the City; debarment for future contracts until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.

7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Contract award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.
8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.



Signature of Authorized Representative

Date: 12/6/13

Print name: Celia Fanning

Title: VP of Finance / Controller

EXHIBIT A
COMMODITIES AGREEMENT
EQUIPMENT TO BE FURNISHED

1. Representatives.

The CITY Representative for this Agreement is:

*Mike King, Parking Technology & Infrastructure Manager
City of Sacramento
300 Richards Blvd, Parking Services, Second Floor
Sacramento, CA 95811
Phone: 916-808-1172
Fax: 916-808-5115
mking@cityofsacramento.org*

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

*Andrew LaMothe, Account Manager
Sentry Control Systems
6611 Odessa Ave
Van Nuys CA, 91406
Phone: (818) 455-5492
Fax: (818) 786-2910
alamothe@sentrycontrol.com*

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

2. Equipment to be Purchased.

- a. 11 AutoVu SharpX overtime dual base kit, including main processing unit , hard mount brackets , wiring, navigator kit with GPS, tire cameras ,high resolution LPR units, and in-vehicle license.
- b. 11 Panasonic CF19 Dual-Mode Touchscreen Toughbook notebook computers
- c. 1 mapping license, including data for North America
- d. 1 Genetec Security Center (GSC) base package - Version 5.2, with license for five users
- e. 1 GSC AutoVu parking base package
- f. 1 AutoVu permit zone configuration services for mobile city (max 60 zones)
- g. 1 Software Maintenance Agreement, base package - 4 years
- h. Three years @ 11 units "AU-K-OXX-EWRR-1Y w/ Occupancy Count Software" – Additional three years' extended return and repair warranty for AU-K-OXX kit and

occupancy count software for 2 years after year 2 (providing an effective warranty period of four years, with options to extend for up to two additional years)

CONTRACTOR shall:

- Deliver materials and software to support 11 AutoVu SharpX License Plate Recognition (LPR) systems, as defined in CONTRACTOR's quotation, on a schedule mutually agreed between CONTRACTOR and CITY
- Assemble and perform field testing on the LPR systems, on a schedule to be negotiated between CONTRACTOR and CITY
- Install and test the server-based software on a server provided and maintained by CITY
- Confirm two-way communications between the LPR systems and the server software
- Maintain all required certifications and compliance throughout the term of the agreement
- Provide sufficient on-site "train the trainer" training for CITY employees and contractors who use, install, maintain, and support the LPR systems and the server software
- Provide customer support as required by CITY personnel
- Provide warranty service for system, for coverage to commence upon acceptance of the complete system, for a term negotiated between CONTRACTOR and CITY

Equipment and software shall perform as documented in:

- Genetec's *AutoVu Handbook 5.2 SR3*, last updated July 2, 2013
- Genetec's *AutoVu Patroller City Parking Enforcement User Guide 5.2*, last updated March 13, 2013
- Genetec's *Security Desk User Guide 5.2*, last updated March 25, 2013

3. Time of Performance.

CONTRACTOR shall deliver fully assembled and tested Genetec hardware and software no later than 14 weeks after Notice To Proceed (NTP) or receipt of purchase order, whichever occurs first.

EXHIBIT B

COMMODITIES AGREEMENT

FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the furnishing of all equipment set forth in Exhibit A shall not exceed the total sum of \$416,330. Attachment 1 to Exhibit B details the cost of each component.
2. **Payments to CONTRACTOR.**
 - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made for the furnishing of equipment or as otherwise specified in Exhibit A.
 - B. All invoices submitted by CONTRACTOR shall contain the following information:
 - (1) Job Name
 - (2) Description of equipment billed under this invoice
 - (3) Date of Invoice Issuance
 - (4) CITY's Purchase Order Number
 - (5) Total Contract Amount
 - (6) Total Billed to Date
 - (7) Total Remaining on Contract
 - (8) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.
 - C. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.
 - D. Requests for payment shall be sent to:

*City of Sacramento
Parking Services Division, Second Floor
300 Richards Blvd
Sacramento, CA 95811
Phone: 916-808-1172
Fax: 916-808-5115
Attn: Mike King*
3. **Additional Equipment.** Additional equipment are those equipment or supplies related to the equipment of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Equipment shall be provided only when a Contract Supplement

authorizing such Additional Equipment is approved by CITY in accordance with CITY's Contract Supplement procedures.

4. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after furnishing of all equipment and Additional Equipment hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all equipment and Additional Equipment furnished under this Agreement in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.
5. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 5.



Pursuing Perfect Access on Every Level

Investment Summary December 2, 2013 Quote Valid for 30 Days

PROJECT INFORMATION	
Project Name: CITY OF SACRAMENTO - AUTOVu (11 UNITS)	Asset Operator:
Account Name: CITY OF SACRAMENTO	Asset Manager:
Proposal #: 029206	Asset Owner:

BILLING INFORMATION	SHIPPING INFORMATION
City of Sacramento 300 Richards Blvd Parking Services, Second Floor Sacramento, CA 95811	City of Sacramento 300 Richards Blvd Parking Services, Second Floor Sacramento, CA 95811

WARRANTY	
Warranty on Labor (Months):	48
Warranty on Parts (Months):	48
SERVICE & MAINTENANCE OPTIONS (MONTHLY)	
HTTP://WWW.SENTRYCONTROL.COM/MAINTENANCE.PHP	
ASSURE 1 DEFAULT	FREE

INVESTMENT SUMMARY	
Total System Investment:	\$416,330
Deposit Amount:	\$208,170
Equipment:	\$510,849
Sales Tax:	\$32,429
Labor:	\$35,546
Freight:	\$8,001
Trade in Discount:	-\$165,000
Additional Sentry discount:	-\$5,495

Purchasing Agreement with Terms & Conditions:

- Installation includes mounting equipment listed on the attached equipment list. Sentry will assemble and test the system and will verify that it operates properly.
- Document Table "SENTRY CONTROL SYSTEMS' SCOPE OF WORK & RESPONSIBILITIES" defines Sentry's responsibilities
- Sentry will provide training as well as commissioning services up to the hours stated above. Additional training can be scheduled and will be provided at the rate of \$950.00 per day. Initial Here: _____
- The cost of required permits is not included in this proposal. Initial Here: _____
- Payment Terms: The deposit stated above is due upon acceptance of this proposal. You will be billed Net 30 as equipment is delivered to Sentry, with the balance due upon completion. A cancellation or restocking charge of 40% may be assessed on cancelled orders. Special order items may carry up to 100% cancellation/restocking fee based on factory return policies.
- This proposal is covered under the Mechanics Lien Laws.
- Warranty commences on the date Sentry receives materials from the parts supplier. Initial Here: _____
- A performance bond is Not Required.
- Pricing Does Not include PLA—Union Labor Rates. Pricing Does Not include Prevailing Wage Labor Rates. Initial Here: _____
- Invoices not paid within the terms of this proposal are subject to Service Charges at the rate of 2.0% per month. In the event outside mediation is necessary for the collection of an unpaid invoice, the customer is responsible for collection costs and reasonable attorney's fees.

SENTRY CONTACT	CITY OF SACRAMENTO	
Andrew LaMothe alamothe@sentrycontrol.com	Accepted By:	Date:
	Print Name:	Sentry Approved By:

Corporate HQ:
6611 Odessa Ave
Van Nuys CA, 91406
Phone: (800) 246-6662
Fax: (818) 786-2910

Mid-Atlantic Office:
4106 Harvard Place, Unit 3
Frederick MD, 21703
Phone: (202) 448-8954

LPR/LPI			
PRODUCT NAME	UNIT PRICE	QUANTITY	EXTENDED TOTAL PRICE
AUTOVU SHARP X OVERTIME DUAL BASE KIT-INCLUDES MAIN PROCESSING UNIT, HARD MOUNT BRACKETS, WIRING, NAVIGATOR KIT W/GPS, TIRE CAMERAS, HIGH RESOLUTION LPR UNITS AND IN-VEHICLE LICENSE.	\$30,230	11	\$332,530
TOUGHBOOK, PANASONIC, TOUCHSCREEN - CF19 DUAL MODE NOTEBOOK	\$4,053	11	\$44,583

SOFTWARE & WARRANTY			
PRODUCT NAME	UNIT PRICE	QUANTITY	EXTENDED TOTAL PRICE
MAPPING LICENSE - INCLUDING DATA FOR NORTH AMERICA	\$489	1	\$489
GSC AUTOVU PARKING BASE PACKAGE	\$1,241	1	\$1,241
AUTOVU - PERMIT ZONE CONFIGURATION SERVICES FOR MOBILE CITY (MAX 60 ZONES)	\$1,128	1	\$1,128
GENETEC SECURITY CENTER (GSC) BASE PACKAGE - VERSION 5.2	\$978	1	\$978
AU-K-OXX-EWRR-4Y w/ Occupancy Count Software: Prepaid 3 Years (Total of 4 Year Warranty with the 1 year included at purchase) Return and Repair. Can only be purchased with new hardware. Total warranty on system may not exceed 5 years. Includes coverage of Autovu vehicle hardware, Patroller Software upgrades, and Bing license renewal.	\$3,900	33 (11 units x 3 years)	\$128,700
SOFTWARE MAINTANCE AGREEMENT - BASE PACKAGE - 4 YEARS	\$1,200	1	\$1,200

OPTIONAL ITEMS: ACCESSORIES / OTHER			
PRICING IS LUMP SUM & INCLUDES APPLICABLE TAXES, LABOR, & FREIGHT			
PRODUCT NAME	UNIT PRICE	QUANTITY	TOTAL PRICE
Prepaid Extended Repair and Return. Must be purchased at time of purchase.	\$4,802	11	\$52,822
OPTION A AU-K-OXX-EWRR-1Y+: Additional one (1) year extended return and repair warranty for AU-K-OXX kit after year 2. Can be purchased for a maximum of four (4) additional years of warranty. Includes coverage of AutoVu vehicle hardware, Patroller software upgrades, and Bing license renewal. Coverage must be continuous from date of sale. Does not cover in-vehicle PC. Does not include Occupany Count software.	\$5,300	11	\$58,300
OPTION B Occupancy Count Software per year after year 2	\$5,000	1	5,000

Corporate HQ:
 6611 Odessa Ave
 Van Nuys CA, 91406
 Phone: (800) 246-6662
 Fax: (818) 786-2910

Mid-Atlantic Office:
 4106 Harvard Place, Unit 3
 Frederick MD, 21703
 Phone: (202) 448-8954

SENTRY CONTROL SYSTEMS' SCOPE OF WORK & RESPONSIBILITIES	
SCOPE DESCRIPTION	SCOPE RESPONSIBILITY
1. IN-VEHICLE PC IS REQUIRED TO RUN PATROLLER SOFTWARE AND HAS BEEN INCLUDED IN QUOTATION.	SENTRY
2. RATE INCLUDES ALL INCLUSIVE TRAVEL EXPENSES FOR SENTRY INSTALL TEAM.	SENTRY
3. ON-SITE TRAINING OF THE OWNER OR OWNER'S REPRESENTATIVE TO PROPERLY OPERATE THE INSTALLED SYSTEM. SENTRY WILL TRAIN THE TRAINER. IT WILL BE THE TRAINERS RESPONSIBILITY TO TRAIN STAFF.	SENTRY
4. FOR SHARP X MOBILE: 1-1 YEAR RETURN & REPAIR HARDWARE WARRANTY FOR CAMERAS IS INCLUDED IN PURCHASE PRICE.	SENTRY
5. OCCUPANY COUNT SOFTWARE IS INCLUDED IN COST FOR (2) YEARS AT NO COST. AFTER YEAR YEAR (2) THE CITY WILL SUBSCRIBE DIRECTLY WITH GENETEC.	SENTRY
6. SECURITY CENTER LICENSE INCLUDES 5 USERS. SENTRY AGREES TO PASS FORWARD A DISCOUNT OF \$165,000 (\$15,000 PER UNIT) TO THE CITY OF SACRAMENTO FOR TRADE-IN (AND RETURN TO GENETEC) OF THE ELEVEN EXISTING ICU UNITS. SACRAMENTO RESPONSIBLE FOR SHIPPING COSTS OF EXISTING ICU UNITS TO GENETEC.	SENTRY

EXCLUSIONS FROM PROJECT SCOPE OF WORK & RESPONSIBILITIES	
SCOPE DESCRIPTION	SCOPE RESPONSIBILITY
1. SERVER IS NOT INCLUDED IN QUOTE.	EXCLUSIONS
2. PLEASE NOTE THAT EXISTING ICU UNITS THAT ARE NOT TRADED IN WILL NOT BE COMPATIBLE WITH THE SECURITY CENTER BACK OFFICE THAT WILL SUPPORT THE NEW LPR UNITS.	EXCLUSIONS
3. MS SQL SVR 2008 IS NOT INCLUDED BUT IS REQUIRED.	EXCLUSIONS
4. ALLOW 6-12 WEEKS DELIVERY FOR CAMERAS AFTER DEPOSIT IS RECIVED BY SENTRY.	EXCLUSIONS
5. SERVER IS REQUIRED TO OPERATE SECURITY CENTER.	EXCLUSIONS
6. CUSTOMER RESPONSIBLE FOR CONNECTION BETWEEN ENFORCEMENT VEHICLE AND SERVER INCLUDING DATA PLAN HAD HARDWARE	CUSTOMER
7. CUSTOMER RESPONSIBLE FOR COMPLETING GENETEC QUESTIONAIRE PRIOR TO INSTALL	CUSTOMER

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**EXHIBIT C
COMMODITIES AGREEMENT
SPECIAL PROVISIONS**

1. Guarantee

- a. The manufacturer and/or dealer delivering the equipment against these specifications shall guarantee that they meet the minimum requirements set forth herein. If it is found that the equipment delivered does not meet the minimum requirements of this specification, the manufacturer and/or dealer will be required to correct the same at its expense. Failure of the manufacturer and/or dealer to bring the equipment into full compliance with all the requirements set forth in this specification within their 30 days of delivery shall constitute cause for rejection of the equipment. In case the equipment is rejected, it shall be removed promptly from the CITY 's premises at the manufacturer's and/or dealer's expense. The manufacturer and/or dealer delivering the equipment will use only the manufacturer and the brand/models specified.
- b. In case of default by supplier, the CITY reserves the right to procure the articles or services from other sources and to hold the supplier responsible for any excess costs occasioned to the CITY thereby.

2. F.O.B.

All items are to be supplied F.O.B., City of Sacramento, California, full freight prepaid and allowed. Contractor will bear and pay freight charges at time of shipment and hold title to goods up until they are received by the CITY at the shipping destination. Contractor will be responsible for filing all claims for damaged or lost goods.

3. Payment Terms

Payment terms are net 30 days unless Contractor offers a prompt payment discount. All prompt payment discounts if taken shall be computed from the date of delivery or completion and acceptance of material, or from date of receipt of invoice, whichever is latest. Invoices must be submitted as specified at the time of shipping authorization. Partial payments may be made by the City on delivery and acceptance of goods and on receipt of Contractor's invoice.

4. Most Favored Customer Pricing

CONTRACTOR represents and warrants to the CITY that the equipment offered to CITY under this Agreement is no less favorable than the equipment offered to any other party purchasing similar quantities. In the event CONTRACTOR offers more favorable equipment, parts and software to any other party, CONTRACTOR will promptly notify the CITY of such event and offer such more favorable equipment to CITY commencing upon the date such more favorable equipment were offered to the other party. CITY reserves the right to terminate the contract without further obligation by either party in the event price increases are not acceptable. In the event of a price decline, the benefit of such lower prices shall be immediately extended to the CITY.

**EXHIBIT D
COMMODITIES AGREEMENT**

GENERAL PROVISIONS

1. Independent Contractor.

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its furnishing of equipment hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or furnishing of equipment under this Agreement. (As used in this Exhibit D, the term "equipment" shall include both equipment and Additional Equipment as such terms is defined elsewhere in this Agreement.)

- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.

- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.

- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.
2. **Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession, provide any services, or furnish any equipment under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession, provide an services,, or furnish any equipment. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.
 3. **Time.** CONTRACTOR shall devote such time and effort to the performance pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
 4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
 5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
 6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. A violation by

CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

7. CONTRACTOR Information.

- A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.
- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR's proposal to CITY or in connection with any performance by CONTRACTOR under this Agreement, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's reasonable attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions of subsection C, above, shall constitute a waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.

- 8. Standard of Performance.** CONTRACTOR shall perform pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that

CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform pursuant to this Agreement, because CITY determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.

9. Term; Suspension; Termination.

- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
- B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.
- C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease performing pursuant to this Agreement. If CITY terminates this Agreement:
 - (1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement.
 - (2) CITY shall pay CONTRACTOR the reasonable value of equipment furnished by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed furnishing of all equipment required by this Agreement. If CITY terminates the contract without cause, CITY shall reimburse CONTRACTOR for equipment ordered but not yet delivered, for restocking fees as documented by the manufacturer; if the equipment cannot be returned, CITY agrees to take title and pay the reasonable value of equipment. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the equipped furnished by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

10. Indemnity.

- A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, reasonable

costs and expenses of every type and description, including, but not limited to, any reasonable fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any reasonable fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by CONTRACTOR, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the negligence or misconduct of CITY, its agents, servants, or independent contractors who are directly responsible to CITY, except when such agents, servants, or independent contractors are under the direct supervision and control of CONTRACTOR.

- B. Insurance Policies: Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

11. **Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the furnishing of equipment by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide

coverage for owned, non-owned and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." _____ (CONTRACTOR initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the City is required for all work performed by the CONTRACTOR.

No Workers' Compensation insurance shall be required if CONTRACTOR completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." _____ (CONTRACTOR initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR, and premises owned, leased or used by CONTRACTOR. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR and/or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

12. Equal Employment Opportunity. During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".

- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:
- (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;
 - (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.
- F. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.

13. Entire Agreement. This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.

14. Severability. If any portion of this Agreement or the application thereof to any person or

circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. **Waiver.** Neither CITY acceptance of, or payment for, any equipment or Additional Equipment delivered by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.
16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.
18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.
19. **Compliance with Laws.** CONTRACTOR shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished pursuant to the Contract, including without limitation the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.
20. **Inspection.** Merchandise will be inspected before acceptance by an authorized representative of the CITY for workmanship, appearance, proper functioning of all equipment and systems and conformance to all other requirements of the Contract. If deficiencies are found, it shall be the responsibility of the CONTRACTOR to pick up the merchandise, make necessary correction and redeliver the merchandise for re-inspection and acceptance. Payment and/or commencement of discount period (if applicable) will not be made until corrective action has been made.
21. **Inspection of Facilities.** If requested by the CITY, CONTRACTOR shall provide CITY with an inspection tour of CONTRACTOR's facilities at the location where the work under this Agreement will be accomplished.
22. **Material Safety Data Sheets (MSDS).** It is mandatory for a manufacturer, CONTRACTOR or distributor to supply a MSDS with the first shipment of any hazardous material. Also at any time the content of an MSDS is revised, the CONTRACTOR shall provide new information relevant to the specific material.
23. **Notification of Material Changes in Business.** CONTRACTOR agrees that if it experiences

any material changes in its business including, without limitation, a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, loss of key personnel, etc., it will immediately notify the CITY of the changes. CONTRACTOR also agrees to immediately notify CITY of any condition which may jeopardize the scheduled delivery or fulfillment of CONTRACTOR's contractual obligations to the CITY. Upon filing for any bankruptcy or insolvency proceeding by or against CONTRACTOR, whether voluntary or involuntary, or upon the appointment of a receiver, trustee, or assignee for the benefit of creditors, the Procurement Services Division reserves the right at its sole discretion to terminate this Agreement either for cause or for convenience as provided in Section 9 of these General Conditions.

24. **Payment and Invoicing.** Unless otherwise specified in the Contract Documents, payment for services rendered, equipment furnished, or materials provided and accepted by CITY will be made monthly, in arrears, after receipt of a proper invoice.
25. **Protection of Existing Facilities.** CONTRACTOR shall take every precaution to protect all public and private property during the performance of this Agreement. Any damages caused by CONTRACTOR's personnel or equipment will be promptly repaired to the condition existing before the damage or be replaced. All such costs for such repairs or replacement shall be the sole responsibility of CONTRACTOR.
26. **Guarantee.** CONTRACTOR guarantees that all merchandise delivered and/or work or services performed under this Agreement shall meet the minimum requirements set forth herein. If it is determined by the CITY that the merchandise delivered or work or services performed do not meet the minimum requirements of this Agreement, CONTRACTOR shall be required to correct the same at CONTRACTOR's sole expense.
27. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:
 - A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform this Agreement and shipped from outside California, CONTRACTOR and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
 - B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, CONTRACTOR and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to CITY. CONTRACTOR and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the CITY.
 - C. The above provisions shall apply in all instances unless prohibited by the funding source for this Agreement.

EXHIBIT E

REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

INTRODUCTION

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

APPLICATION

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

DEFINITIONS

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

“Contractor” means any person or persons, firm, partnership, corporation, company, or combination thereof, that enters into a Contract with the City. “Contractor” does not include a public entity.

“Domestic Partner” means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

“Employee Benefits” means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. “Employee benefits” shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

CONTRACTOR’S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee’s name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS

(a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.

(b) The Contractor shall give each existing employee working directing on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment “A.”

(c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment “B.”

Attachment A



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

On December 17, 2013, your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for AutoVu systems, and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division

5730 24th Street, Bldg. 1
Sacramento, CA 95822

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
 - Reinstatement, injunctive relief, compensatory damages and punitive damages
 - Reasonable attorney's fees and costs

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above SENTRY CONTROL SYSTEMS, INC.	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____
	Address (number, street, and apt. or suite no.) 6611 ODESSA AVENUE City, state, and ZIP code VAN NUYS, CA 91406	Requester's name and address (optional) City of Sacramento
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number									
Employer identification number									
3	3	-	0	3	1	1	4	0	3

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below), and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶ <u>12-04-2013</u>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on www.irs.gov/w9 for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

Withholding Exemption Certificate

2012

(This form can only be used to certify exemption from nonresident withholding under California Revenue and Taxation Code (R&TC) Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name

Celia Fanning

Payee's name

Sentry Control Systems, Inc.

Payee's	<input checked="" type="checkbox"/> SSN or ITIN
<input type="checkbox"/> SOS file no.	<input type="checkbox"/> CA corp. no. <input type="checkbox"/> FEIN
3 3 - 0 3 1 1 4 0 3	

Address (number and street, PO Box, or PMB no.)

6611 Odessa A venue

Apt. no./ Ste. no.

City

Van Nuys

State
CA

ZIP Code

9 1 4 0 6

Read the following carefully and check the box that applies to the payee.

I certify that for the reasons checked below, the payee named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

Individuals — Certification of Residency:

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

Corporations:

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

Partnerships or limited liability companies (LLC):

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

Tax-Exempt Entities:

The above-named entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

California Trusts:

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

Estates — Certification of Residency of Deceased Person:

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

Nonmilitary Spouse of a Military Servicemember:

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) Celia Fanning Controller/VP Daytime telephone no. 818-252-5700

Payee's signature  Date 12/4/13

DRUG-FREE WORKPLACE POLICY AND AFFIDAVIT

**BID PROPOSAL MAY BE DECLARED NONRESPONSIVE IF THIS FORM (COMPLETED) IS NOT ATTACHED.
Pursuant to City Council Resolution CC90-498 dated 6/26/90 the following is required.**

The undersigned contractor certifies that it and all subcontractors performing under this Agreement will provide a drug-free workplace by:

1. Publishing a "Drug-Free Workplace" statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Establishing a Drug-Free Awareness Program to inform employees about:
 - a. The dangers of drug abuse in the workplace.
 - b. The contractor's policy of maintaining a drug-free workplace.
 - c. Any available drug counseling, rehabilitation, and employee assistance program.
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Notify employees that as a condition of employment under this Agreement, employees will be expected to:
 - a. Abide by the terms of the statement.
 - b. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace.
4. Making it a requirement that each employee to be engaged in the performance of the Agreement be given a copy on the "Drug-Free Workplace" statement.
5. Taking one of the following appropriate actions, within thirty (30) days of receiving notice from an employee or otherwise receiving such notice, that said employee has received a drug conviction for a violation occurring in the workplace:
 - a. Taking appropriate disciplinary action against such an employee, up to and including termination; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement or other appropriate agency.

* I certify that no person employed by this company, corporation, or business has been convicted of any criminal drug statute violation on any job site or project where this company, corporation or business was performing was within three years of the date of my signature below.

EXCEPTION:

Date	Violation Type	Place of Occurrence
------	----------------	---------------------

If additional space is required use back of this form.

* The above statement will also be incorporated as a part of each subcontract agreement for any and all subcontractors selected for performance on this project.

IN THE EVENT THIS COMPANY, CORPORATION, OR BUSINESS IS AWARDED THIS CONSTRUCTION AGREEMENT, AS A RESULT OF THIS BID; THE CONTRACTOR WITH HIS/HER SIGNATURE REPRESENTS TO THE CITY THAT THE INFORMATION DISCLOSED IN THIS DOCUMENT IS COMPLETE AND ACCURATE. IT IS UNDERSTOOD AND AGREED THAT FALSE CERTIFICATION IS SUBJECT TO IMMEDIATE TERMINATION BY THE CITY.

The Representations Made Herein On This Document Are Made Under Penalty Of Perjury.

CONTRACTOR'S NAME: Sentry Control Systems, Inc.
BY: [Signature] V. P. of Finance/Controller **Title** **Date:** 12/6/13
 Signature Title

Effects of violations: a. Suspension of payments under the Agreement. b. Suspension or termination of the Agreement. c. Suspension or debarment of the contractor from receiving any Agreement from the City of Sacramento for a period not to exceed five years.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/4/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER BARNEY & BARNEY, LLC CA License: 0C03950 1999 Harrison Suite 1230 Oakland CA 94612	CONTACT NAME: Felicia McArroy PHONE (A/C No. Ext): (510) 273-8888 FAX (A/C No): (510) 273-8867 E-MAIL ADDRESS: Felicia.McArroy@barneyandbarney.com																				
	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Travelers Prop Cas Co America</td> <td></td> <td>25674</td> </tr> <tr> <td>INSURER B:</td> <td></td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A: Travelers Prop Cas Co America		25674	INSURER B:			INSURER C:			INSURER D:			INSURER E:			INSURER F:	
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INSURER D:																					
INSURER E:																					
INSURER F:																					
INSURED Sentry Control Systems, Inc. 6611 Odessa Avenue Van Nuys CA 91406																					

COVERAGES CERTIFICATE NUMBER: 2013-14 GL/AL/EL/Umb REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

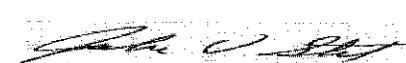
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Deductible - \$0 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC			6308463L374	10/1/2013	10/1/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> Deductible - \$0 <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			810463L386	10/1/2013	10/1/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$ 5,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB OCCUR CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			CUP8463L398	10/1/2013	10/1/2014	EACH OCCURRENCE \$ 6,000,000 AGGREGATE \$ 6,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N N/A			PJUB3C59447713	10/1/2013	10/1/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: Project #15001531, AutoVu License Plate Recognition Procurement.

City of Sacramento, The City, its officials, employees and volunteers are included as Additional Insured (Gen. and Auto Liab.), per the attached. Insurance is primary and non-contributory. Workers Compensation Waiver of Subrogation applies per the attached.

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento Parking Services Division, Second Floor Attn: Mike King 300 Richards Blvd. Sacramento, CA 95811	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE John V. Stock/MT 
--	---

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED (CONTRACTORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
 - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
- i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.
- The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. – DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS XTEND ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – Provisions A.-H. and J.-N. of this endorsement broaden coverage, and provision I. of this endorsement may limit coverage. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the **PROVISIONS** of this endorsement carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|--|
| <p>A. Broadened Named Insured</p> <p>B. Extension of Coverage – Damage To Premises Rented To You</p> <ul style="list-style-type: none">• Perils of fire, explosion, lightning, smoke, water• Limit increased to \$300,000 <p>C. Blanket Waiver of Subrogation</p> <p>D. Blanket Additional Insured – Managers or Lessors of Premises</p> <p>E. Incidental Medical Malpractice</p> <p>F. Extension of Coverage – Bodily Injury</p> <p>G. Contractual Liability – Railroads</p> | <p>H. Additional Insured – State or Political Subdivisions</p> <p>I. Other Insurance Condition</p> <p>J. Increased Supplementary Payments</p> <ul style="list-style-type: none">• Cost of bail bonds increased to \$2,500• Loss of earnings increased to \$500 per day <p>K. Knowledge and Notice of Occurrence or Offense</p> <p>L. Unintentional Omission</p> <p>M. Personal Injury – Assumed by Contract</p> <p>N. Blanket Additional Insured –Lessor of Leased Equipment</p> |
|---|--|

PROVISIONS

A. BROADENED NAMED INSURED

1. The Named Insured in Item 1. of the Declarations is as follows:

The person or organization named in Item 1. of the Declarations and any organization, other than a partnership, joint venture or limited liability company, of which you maintain ownership or in which you maintain the majority interest on the effective date of the policy. However, coverage for any such additional organization will cease as of the date, if any, during the policy period, that you no longer maintain ownership of, or the majority interest in, such organization.

2. WHO IS AN INSURED (Section II) Item 4.a. is deleted and replaced by the following:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

3. This Provision A. does not apply to any person or organization for which coverage is excluded by endorsement.

B. EXTENSION OF COVERAGE – DAMAGE TO PREMISES RENTED TO YOU

1. The last paragraph of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water.

A separate limit of insurance applies to this coverage as described in Section III Limits Of Insurance.

COMMERCIAL GENERAL LIABILITY

2. This insurance does not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:
 - a. Rupture, bursting, or operation of pressure relief devices;
 - b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water;
 - c. Explosion of steam boilers, steam pipes, steam engines, or steam turbines.

3. Paragraph 6. of LIMITS OF INSURANCE (Section III) is deleted and replaced by the following:

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under COVERAGE A. for the sum of all damages because of "property damage" to any one premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water. The Damage To Premises Rented To You Limit will apply to all "property damage" proximately caused by the same "occurrence", whether such damage results from: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes.

The Damage To Premises Rented To You Limit will be the higher of:

- a. \$300,000; or
 - b. The amount shown on the Declarations for Damage To Premises Rented To You Limit.
4. Paragraph a. of the definition of "insured contract" (DEFINITIONS – Section V) is deleted and replaced by the following:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water, is not an "insured contract";

5. This Provision B. does not apply if coverage for Damage To Premises Rented To You of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is excluded by endorsement.

C. BLANKET WAIVER OF SUBROGATION

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of: premises owned or occupied by or rented or loaned to you; ongoing operations performed by you or on your behalf, done under a contract with that person or organization; "your work"; or "your products". We waive this right where you have agreed to do so as part of a written contract, executed by you before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed.

D. BLANKET ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as "additional insured") with whom you have agreed in a written contract, executed before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed, to name as an additional insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of any premises leased to you, subject to the following provisions:

1. Limits of Insurance. The limits of insurance afforded to the additional insured shall be the limits which you agreed to provide in the written contract, or the limits shown on the Declarations, whichever are less.
2. The insurance afforded to the additional insured does not apply to:
 - a. Any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense which is committed, after you cease to be a tenant in that premises;
 - b. Any premises for which coverage is excluded by endorsement; or
 - c. Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.
3. The insurance afforded to the additional insured is excess over any valid and collectible

"other insurance" available to such additional insured, unless you have agreed in the written contract that this insurance must be primary to, or non-contributory with, such "other insurance".

E. INCIDENTAL MEDICAL MALPRACTICE

1. The following is added to paragraph 1. Insuring Agreement of COVERAGE A. – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

"Bodily injury" arising out of the rendering of, or failure to render, the following will be deemed to be caused by an "occurrence":

- a. Medical, surgical, dental, laboratory, x-ray or nursing service, advice or instruction, or the related furnishing of food or beverages;
 - b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances;
 - c. First aid; or
 - d. "Good Samaritan services." As used in this Provision E., "Good Samaritan services" are those medical services rendered or provided in an emergency and for which no remuneration is demanded or received.
2. Paragraph 2.a.(1)(d) of WHO IS AN INSURED (Section II) does not apply to any registered nurse, licensed practical nurse, emergency medical technician or paramedic employed by you, but only while performing the services described in paragraph 1. above and while acting within the scope of their employment by you. Any "employees" rendering "Good Samaritan services" will be deemed to be acting within the scope of their employment by you.
 3. The following exclusion is added to paragraph 2. Exclusions of COVERAGE A. – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

(This insurance does not apply to:) "Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by or with the knowledge or consent of the insured.
 4. For the purposes of determining the applicable limits of insurance, any act or omission

together with all related acts or omissions in the furnishing of the services described in paragraph 1. above to any one person will be deemed one "occurrence".

5. This Provision E. does not apply if you are in the business or occupation of providing any of the services described in paragraph 1. above.
6. The insurance provided by this Provision E. shall be excess over any valid and collectible "other insurance" available to the insured, whether primary, excess, contingent or on any other basis, except for insurance that you bought specifically to apply in excess of the Limits of Insurance shown on the Declarations of this Coverage Part.

F. EXTENSION OF COVERAGE – BODILY INJURY

The definition of "bodily injury" (DEFINITIONS – Section V) is deleted and replaced by the following:

"Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

G. CONTRACTUAL LIABILITY – RAILROADS

1. Paragraph c. of the definition of "insured contract" (DEFINITIONS – Section V) is deleted and replaced by the following:
 - c. Any easement or license agreement;
2. Paragraph f.(1) of the definition of "insured contract" (DEFINITIONS – Section V) is deleted.

H. ADDITIONAL INSURED – STATE OR POLITICAL SUBDIVISIONS – PERMITS

WHO IS AN INSURED (Section II) is amended to include as an insured any state or political subdivision, subject to the following provisions:

1. This insurance applies only when required to be provided by you by an ordinance, law or building code and only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
2. This insurance does not apply to:
 - a. "Bodily injury," "property damage," "personal injury" or "advertising injury" arising out of operations performed for the state or political subdivision; or

COMMERCIAL GENERAL LIABILITY

- b. "Bodily injury" or "property damage" included in the "products-completed operations hazard".

I. OTHER INSURANCE CONDITION

- A. COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), paragraph 4. (Other Insurance) is deleted and replaced by the following:

4. Other Insurance

If valid and collectible "other insurance" is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the "other insurance" is also primary. Then, we will share with all that "other insurance" by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the "other insurance", whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk, or similar coverage for "your work";
- (2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (3) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
- (4) If the loss arises out of the maintenance or use of aircraft, "autos", or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability; or
- (5) That is available to the insured when the insured is an additional

insured under any other policy, including any umbrella or excess policy.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any provider of "other insurance" has a duty to defend the insured against that "suit". If no provider of "other insurance" defends, we will undertake to do so, but we will be entitled to the insured's rights against all those providers of "other insurance".

When this insurance is excess over "other insurance", we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such "other insurance" would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under that "other insurance".

We will share the remaining loss, if any, with any "other insurance" that is not described in this Excess Insurance provision.

c. Method Of Sharing

If all of the "other insurance" permits contribution by equal shares, we will follow this method also. Under this approach each provider of insurance contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the "other insurance" does not permit contribution by equal shares, we will contribute by limits. Under this method, the share of each provider of insurance is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all providers of insurance.

- B. The following definition is added to DEFINITIONS (Section V):

"Other insurance":

- a. Means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (1) Another insurance company;
 - (2) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit section of Paragraph 5 of LIMITS OF INSURANCE (Section III) or the Non cumulation of Personal and Advertising Injury limit sections of Paragraph 4 of LIMITS OF INSURANCE (Section III) applies;
 - (3) Any risk retention group;
 - (4) Any self-insurance method or program, other than any funded by you and over which this Coverage Part applies; or
 - (5) Any similar risk transfer or risk management method.
- b. Does not include umbrella insurance, or excess insurance, that you bought specifically to apply in excess of the Limits of Insurance shown on the Declarations of this Coverage Part.

J. INCREASED SUPPLEMENTARY PAYMENTS

Paragraphs 1.b. and 1.d. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B (Section I – Coverages) are amended as follows:

- 1. In paragraph 1.b., the amount we will pay for the cost of bail bonds is increased to \$2500.
- 2. In paragraph 1.d., the amount we will pay for loss of earnings is increased to \$500 a day.

K. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

- 1. The following is added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), paragraph 2. (Duties In The Event of Occurrence, Offense, Claim or Suit):

Notice of an "occurrence" or of an offense which may result in a claim must be given as soon as practicable after knowledge of the "occurrence" or offense has been reported to you, one of your "executive officers" (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), or an "employee" (such as an insurance, loss control or risk manager or administrator) designated by you to give such notice.

Knowledge by any other "employee" of an "occurrence" or offense does not imply that you also have such knowledge.

- 2. Notice of an "occurrence" or of an offense which may result in a claim will be deemed to be given as soon as practicable to us if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice of the "occurrence" or offense to us as soon as practicable after you, one of your "executive officers" (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), or an "employee" (such as an insurance, loss control or risk manager or administrator) designated by you to give such notice discovers that the "occurrence" or offense may involve this policy.
- 3. This Provision K. does not apply as respects the specific number of days within which you are required to notify us in writing of the abrupt commencement of a discharge, release or escape of "pollutants" that causes "bodily injury" or "property damage" which may otherwise be covered under this policy.

L. UNINTENTIONAL OMISSION

The following is added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), paragraph 6. (Representations):

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy shall not prejudice your rights under this insurance. However, this Provision L. does not affect our right to collect additional premium or to exercise our right of cancellation or nonrenewal in accordance with applicable state insurance laws, codes or regulations.

M. PERSONAL INJURY – ASSUMED BY CONTRACT

- 1. The following is added to Exclusion e. (1) Paragraph 2., Exclusions of Coverage B. Personal Injury, Advertising Injury, and Web Site Injury Liability of the Web XTEND Liability endorsement:

Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal injury" provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been as-

sumed in the same "insured contract"; and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.
- 2. Paragraph 2.d. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B (Section I – Coverages) is deleted and replaced by the following:
 - d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- 3. The third sentence of Paragraph 2 of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B (Section I – Coverages) is deleted and replaced by the following:

Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, or the provisions of Paragraph 2.e.(1) of Section I – Coverage B – Personal Injury, Advertising Injury And Web Site Injury Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage", or damages for "personal injury", and will not reduce the limits of insurance.
- 4. This provision M. does not apply if coverage for "personal injury" liability is excluded by endorsement.

N. BLANKET ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as "additional insured") with whom you have agreed in a written contract, executed before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed, to name as an additional insured, but only with respect to their liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such additional insured, subject to the following provisions:

- 1. Limits of Insurance. The limits of insurance afforded to the additional insured shall be the limits which you agreed to provide in the written contract, or the limits shown on the Declarations, whichever are less.
- 2. The insurance afforded to the additional insured does not apply to any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense which is committed, after the equipment lease expires.
- 3. The insurance afforded to the additional insured is excess over any valid and collectible "other insurance" available to such additional insured, unless you have agreed in the written contract that this insurance must be primary to, or non-contributory with, such "other insurance".

POLICY NUMBER: 8108463L386
NAMED INSURED: SENTRY CONTROL SYSTEMS

COMMERCIAL AUTO CA
20 48 02 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

SCHEDULE

Name of Person(s) or Organization(s):

As required by Written Contract

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.



Sentry Control Systems, Inc.

WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 99 03 76 (A) -

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS
ENDORSEMENT - CALIFORNIA
(BLANKET WAIVER)**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

The additional premium for this endorsement shall be 1 % of the California workers' compensation premium.

Schedule

Person or Organization

Job Description

Any Person of Organization for whom the Named Insured has agreed by written contract to furnish this waiver

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 10/1/2013
Insured

Policy No. PJUB3C59447713

Endorsement No.
Premium