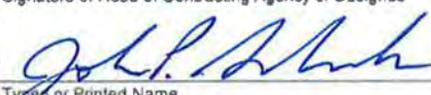


STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

The parties' contract comprises this Standard Agreement Form, as well as its referenced Articles and their associated Appendices

1. Agency Contract Number 170011964	2. DGS Solicitation Number 2016-2000-3360	3. Financial Coding Various	4. Agency Assigned Encumbrance Number GAE #170011964
5. Vendor Number BI099118	6. Project/Case Number	7. Alaska Business License Number 261189	
This contract is between the State of Alaska,			
8. Department of Corrections	Division Probation and Parole		hereafter the State, and
9. Contractor BI, Inc.			hereafter the Contractor
Mailing Address 6265 Gunbarrel Ave., Suite B	Street or P.O. Box	City Boulder	State CO ZIP+4 80301
10. ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it.			
ARTICLE 2. Performance of Service: 2.1 Appendix A (General Provisions), Articles 1 through 16, governs the performance of services under this contract. 2.2 Appendix B sets forth the liability and insurance provisions of this contract. 2.3 Appendix C sets forth the services to be performed by the contractor.			
ARTICLE 3. Period of Performance: The period of performance for this contract begins <u>December 1, 2016</u> , and ends <u>June 30, 2017 with the option to renew for (4) additional one year periods and (1) 6 month period, all options will be exercised at the sole discretion of the State.</u>			
ARTICLE 4. Considerations: 4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed <u>\$2,250,000.00</u> in accordance with the provisions of Appendix D. 4.2 When billing the State, the contractor shall refer to the Authority Number or the Agency Contract Number and send the billing to:			
11. Department of Corrections		Attention: Division of Probation and Parole	
Mailing Address 550 W 7 th Ave, Suite 1800, Anchorage, AK 99501		Attention: Sabrina McKnuckles	
12. CONTRACTOR		14. CERTIFICATION: I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.	
Name of Firm BI, Inc.			
Signature of Authorized Representative	Date <u>11/28/16</u>		
Typed or Printed Name of Authorized Representative Jock Waldo			
Title Divisional Vice President		Signature of Head of Contracting Agency or Designee  <u>11/29/16</u> Date	
13. CONTRACTING AGENCY			
Department/Division Corrections / Probation and Parole	Date <u>11/29/16</u>		
Signature of Project Director 	Typed or Printed Name John Schauwecker		
Typed or Printed Name of Project Director Sabrina McKnuckles	Title Procurement Manager		
Title Probation Officer IV			

NOTICE: This contract has no effect until signed by the head of contracting agency or designee.

APPENDIX A

GENERAL PROVISIONS

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspections and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

- 3.1 If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of contract.

Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Article 10. Ownership of Documents.

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. Nevertheless, if the contractor does mark such documents with a statement suggesting they are trademarked, copyrighted, or otherwise protected against the State's unencumbered use or distribution, the contractor agrees that this paragraph supersedes any such statement and renders it void. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

Article 11. Governing Law; Forum Selection

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract, AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

Article 15. Compliance.

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

Article 16. Force Majeure:

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

INDEMNITY AND INSURANCE

Article 1. Indemnification

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

APPENDIX C

BI Incorporated will provide all equipment and services as specified in Request for Proposals (RFP) 2016-2000-3360. All terms and conditions contained in RFP 2016-2000-3360 are considered to be a part of this contract. Costs for equipment and services provided will be charged at the rates provided in the cost proposal submitted by BI Incorporated as a part of their response to the RFP and included in Appendix D of this contract document.

Contractor's first period of performance under this contract will be from December 1, 2016 through June 30, 2017 subject to legislative funding and the needs of the State.

Contractors second period of performance: July 1, 2017 through June 30, 2018, subject to legislative funding and the needs of the State.

Contractors third period of performance: July 1, 2018 through June 30, 2019, subject to legislative funding and the needs of the State.

Contractors fourth period of performance: July 1, 2019 through June 30, 2020, subject to legislative funding and the needs of the State.

Contractors fifth period of performance: July 1, 2020 through June 30, 2021, subject to legislative funding and the needs of the State.

Contractors sixth period of performance: July 1, 2021 through December 31, 2021, subject to legislative funding and the needs of the State.

The DOC reserves the right to expand electronic monitoring services to additional or alternate target populations and/or to utilize alternate monitoring systems at any time during the term of any contract awarded as a result of this RFP. The successful offeror will be required to meet all DOC work requirements at rates established in the offeror's proposal or at the rate negotiated (in the case of full support services in work locations outside of Anchorage). Adjustments to prices as specified in the offeror's proposal will not be considered by DOC until July 1, 2018. No less than 30, but no more than 60 days prior to July 1, 2018, the contractor may submit a written price increase request to the Procurement officer. During this "window period" the department will consider requests for unit price increases, including optional items, of up to five percent (5%) for the remainder of the contract. **This will be the only time that a price increase will be allowed and, once implemented, will remain in effect through the end of the contract.**

The DOC does anticipate that the maximum number of active monitoring units required during the period of service covered by the contractual agreement will exceed the quantities depicted in the chart in Section 4.01 of this RFP. The quantities shown in Section 4.01 are estimated and may be exceeded. If the number of monitoring units required exceeds the anticipated maximum (whether within an individual work location, or in total) it will be considered an anticipated amendment as described in Section 3.15 and the DOC will require the successful offeror to meet the additional work requirements within time-lines established by the DOC. Failure to meet any expanded work requirements will be considered contract default and may be cause for termination of the contractual agreement.

The successful contractor will endeavor to provide equipment and or services that are state of the art. Technological improvements that may enhance this project must be brought to the attention of the Project Director, or designee. The DOC will have the sole option to reopen negotiations for price adjustments if the technological improvements warrant serious consideration and the increased cost can be justified by the contractor.

Unless otherwise noted in this contract, the requirements and specifications set forth in the original Request for Proposals (RFP) # 2016-2000-3360 and the requirements and responsibilities set forth in the proposal submitted by the Contractor are incorporated into Appendix C of this contract are binding upon the Contractor. Supplemental terms and conditions that conflict with those contained in the RFP or that diminish the State's rights under this contract resulting from the RFP will be considered null and void. The State is not responsible for identifying conflicting supplemental terms and conditions before issuing a contact award. After award of a contract:

- a. If conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
- b. If the State's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

APPENDIX D
Cost and Provision for Payment

1. The State, in full consideration of the Contractor's performance, will pay the Contractor for services, and functional delivery of products under this contract as specified below. Billings from the contractor will be for actual active units only, at the daily prices shown in the table. The State will not be billed for inactive units. Amendments related to quantity usage and the encumbrance on this contract will not be processed unless or until it becomes evident that the overall usage will be (or has been) exceeded in practice.
2. As a general condition for payment all invoices are subject to review and acceptance of the items and cost for which the State is being invoiced. The State Project Manager, or other designee of the Project Director, will have the authority to approve all invoices for payment. Approval will not be unreasonably withheld. The State will endeavor to pay all invoices promptly upon approval.
3. Prompt Payment For State Purchases: The state is eligible to receive a 5% discount for all invoices paid within 15 business days from the date of receipt of the commodities or services and/or a correct invoice, whichever is later. The discount shall be taken on the full invoice amount. The state shall consider payment being made as either the date a printed warrant is issued or the date an electronic funds transfer (EFT) is initiated.
4. The State reserves the right, at a reasonable time and place, to audit the books and records of the Contractor to the extent that the books and records relate to this professional services contract. A person or firm receiving a contract, change order, or contract modification for which cost or pricing data is required, will maintain books and records that relate to the cost or pricing data for three years after the date of final payment under the contract and all other pending matters are closed. Audits will be conducted by departmental personnel or contract agents of the Department of Corrections. If this project is supported with federal funds, the Grant Administrator's agency, the Federal awarding agency, the Comptroller General, or any of their representatives shall also have access to any books, documents, papers and records of the Contractor which are directly pertinent to the contract for the purpose of making audit, examination, excerpts, and transcriptions.
5. Lost, Stolen, and/or Damaged Units: The contractor will cover the cost of lost, stolen, or damaged equipment in an amount of no less than fifteen percent (15%) of the annualized daily average of offender units within a project site. To the extent possible, DOC will assist the contractor in recovering restitution from the responsible individual(s).

To receive payment under this contract, the Contractor must submit monthly billings with each finalized deliverable (completed application) through the Electronic Monitoring Project Manager, Department of Corrections, 550 W 7th Ave, Suite 1800, Anchorage, AK 99501. Payments will be made only after approval of each deliverable/application, per the terms herein. All billings must be signed by the Contractor and **must** be submitted to the Project Manager. The billing must include detailed documentation. The DOC reserves the right to request additional documentation. The contract number, **170011964**, shall be included on all invoices.

**Pricing Structure
Appendix D (continued)**

EQUIPMENT OR SERVICE	COST PER DAY
Regular Radio Frequency (RF) Unit (transmitter & receiver/monitor)	\$1.65
Radio Frequency (RF) Cellular Unit (transmitter & receiver/monitor)	\$2.95
GPS Tracking One Piece Active Unit,	\$3.30
GPS Tracking One Piece Passive Unit	\$3.30
GPS Tracking One Piece Hybrid	\$3.25
Mobile Breath Alcohol Monitoring	\$5.50
Continuous Alcohol Monitoring Device (TAD)	\$5.40
Continuous Alcohol Monitoring Device (TAD) Cellular	\$6.35
Full Service Monitoring (up to 3 calls to designated alert phone number)	\$0.59
Local Support Services for Anchorage / Matsu Area	\$0.89
Local Support Services Fairbanks Area	\$2.05
Local Support Services for Areas Outside of Anchorage	\$4.85
ALL CONSUMABLE SUPPLIES ARE INCLUDED AT NO CHARGE (ALL LOCATIONS).	

Pricing Structure Appendix D (continued)

REPLACEMENT COST FOR SPECIFIC UNITS

(Only applies in the case of offender or DOC staff/designee negligence or units needed by the department that exceed the minimums established in the RPF).
(All Unit prices are FOB Final Destination, Statewide Locations)

All Locations	GPS Tracking Unit with Beacon	\$1,200.00 Each
All Locations	GPS Tracking Unit (1 piece)	\$950.00 Each
All Locations	RF Tethering Device	\$250.00 Each
All Locations	Home Based Downloader	\$750.00 Each
All Locations	Transmitter Unit RF (Bracelet)	\$250.00 Each
All Locations	Receiver/monitor Unit	\$600.00 Each
All Locations	Receiver/monitor Unit Cellular	\$1,200.00 Each
All Locations	Mobile Breath Alcohol Monitoring Unit	\$550.00 Each
All Locations	Continuous Alcohol Monitoring Bracelet	\$950.00 Each
All Locations	Continuous Alcohol Monitoring Receiver Land Line	\$950.00 Each
All Locations	Continuous Alcohol Monitoring Cellular Receiver	\$1,250.00 Each