

**CONTRACT FOR ALARM PROGRAM ADMINISTRATION  
AND COLLECTION SERVICES**

This Contract for Alarm Program Administration and Collection Services (the "**Agreement**") is made and entered into in Dallas County, Texas by and between PMAM Corporation, a Texas Corporation whose address is 5430 LBJ Freeway, Suite 370 Dallas, TX 75240, (the "**Contractor**") and the City of Harrisonburg, State of Virginia (the "**City**") whose address is 345 South Main Street, Harrisonburg, VA 22801 to be effective upon the date of execution of this Agreement by the City Manager or the City's authorized designee as set forth on the Signature Page hereto (the "**Effective Date**").

**Recitals**

WHEREAS, the City desires to engage the services of Contractor to provide certain installation, conversion, operation and service of a False Alarm Management Program including the collection services in accordance with the City's alarm ordinances in accordance with the terms of this Agreement and the Agreement Documents (as hereinafter defined) (collectively, the "**Services**"); and

NOW THEREFORE, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

**Article 1  
Scope of Services**

1.1 The parties agree that Contractor shall perform the Services in accordance with the terms and conditions of the City's alarm ordinance and this Agreement. The parties' agreement consists of this Agreement and the following Exhibits, "which are incorporated herein and made a part hereof by this reference thereto:

Scope of Work and Contract Requirements – Exhibit A  
Pricing and Receipt of Collections - Exhibit B

In the event of a conflict in interpretation, the documents shall control in the following order: (ii) the Agreement, (ii) Exhibit A, and (iii) Exhibit B, as further modified by the written agreement by the parties as a result of software implemented and deployed by the parties.

**Article 2  
Terms of Agreement**

2.1 The initial term of this Agreement shall be for a period of three (3) years commencing on the Contract Implementation Date (as hereinafter defined) and ending on the day immediately preceding the third anniversary of the Contract Implementation Date (the "**Initial Term**"), subject to earlier termination as set forth in Article 6 hereof. Upon the expiration of the Initial Term, this Agreement shall be subject to automatic extension from year to year thereafter (each an "**Extended Term**") on the same terms and conditions as set forth herein, unless either party notifies the other in writing at least sixty (60) days prior to the expiration of the Initial Term or the Extended Term, as applicable, that such party will not further extend the term of this

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Agreement. As used herein, the term “**Contract Implementation Date**” shall mean the first day of the calendar month for which Contractor commences billing for its Services to the City hereunder following the installation of the False Alarm Management Program.

**2.2.1** Contractor shall receive compensation, including authorized reimbursements including reimbursement for any City fees paid by Contractor to the City to permit Contractor to provide the Services or Special Services hereunder, for all Services rendered under this Agreement at the rates set forth in pricing included in this Agreement as Exhibit “B”. The compensation is based on a revenue sharing model.

**2.3** At any time during the term of this Agreement, the City may request that Contractor perform Special Services for additional compensation to be agreed upon by the City and Contractor prior to the performance of any Special Services by Contractor. As used herein, Special Services means any work which is determined by the City to be necessary for this Agreement, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement and which Contractor agrees to perform. If the City and Contractor reach an agreement on the performance of Special Services, Contractor shall undertake such Special Services after receiving the authorization from the City.

**Article 3**  
**Contractor Responsibilities**

**3.1** Subject to the limitations hereinafter set forth, Contractor agrees to and shall defend, indemnify and hold harmless the City, its officers, and management employees from and against all claims, damages, losses and expenses, including reasonable attorney's fees, litigation costs and expenses, arising out of the performance of the Services or Special Services, caused solely by any grossly negligent act or omission of Contractor, or any subcontractor of Contractor. Lack of insurance coverage does not negate Contractor's obligation under this paragraph of this Agreement.

**3.2** At all times during the term of this Agreement, Contractor shall be an independent contractor and shall not be an employee of the City. The City shall have the right to control Contractor only insofar as the results of Contractor's services rendered pursuant to this Agreement. The City shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement.

**3.3** Notwithstanding any other provision of this Agreement to the contrary, in no event whatsoever shall Contractor be liable for damages attributable to its actions or inactions, or its subcontractor's actions or inactions, with respect to the Services or Special Services provided hereunder, whether for indemnification or otherwise, in excess of the amount of fees received by Contractor under this Agreement during the twelve (12) months immediately preceding the act or omission that generated Contractor's indemnification obligation hereunder.

**3.4** Notwithstanding any other obligation of Contractor hereunder, in no event shall Contractor be liable for any indirect, incidental, special, consequential or punitive damages, including loss of fees, profits or income, arising directly or indirectly out of the provision or non-provision of Services or Special Services hereunder, whether or not contractor had any knowledge that such damages might be incurred.

**Article 4**  
**The City's Responsibility**

- 4.1** The City shall cooperate with and assist Contractor by, among other things, making available, as reasonably requested by Contractor, management decisions, personnel, information, approvals, IT assistance and acceptance that are needed by the Contractor to carry out its obligation under this agreement.

**Article 5**  
**Insurance Requirements**

- 5.1** Contractor shall, at its own expense, purchase, maintain and keep in force during the term of this Agreement such insurance as set forth below. Contractor shall not commence work under this Agreement until it has obtained all the insurance required under this Agreement and such insurance has been approved by the City, nor shall Contractor allow any subcontractor to commence work on its subcontract until all similar insurance of the subcontractor has been obtained and approved. The insurance requirements shall remain in effect throughout the term of this Agreement. Contractor, at Contractor's sole cost, shall purchase and maintain, during the term of this Agreement, insurance coverage providing not less than the following:
- 5.1.1** Comprehensive or Commercial General Liability: \$500,000 combined single limit per occurrence for bodily injury, personal injury or death and property damage. The coverage's under this policy shall include those found in the Comprehensive General Liability Broad Form endorsement. This policy shall have no standard coverage removed by exclusions, unless approved by the City.
- 5.1.2** Automobile Liability: \$500,000 combined single limit per accident for bodily injury and property damage. Coverage should be provided as a "Code 1," any auto.
- 5.1.3** Workers' Compensation and Employers' Liability: Statutory. Employers Liability policy limits of \$100,000 for each accident, \$500,000 policy limit- Disease. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees and volunteers for losses arising from the activities under this Agreement.
- 5.2** All insurance policies, other than Professional Liability, provided under this Agreement shall be written on claims made basis.
- 5.3** The City shall be named as additional insured on the General Liability and Automobile Liability insurance policies. These insurance policies shall contain the appropriate additional insured endorsement signed by a person authorized by that insurer to bind coverage on its behalf. If Contractor, for any reason, fails to maintain insurance coverage which is required under this agreement, the failure shall be deemed a material breach of contract. The City, at its sole option, may terminate this Agreement.
- 5.4** Each insurance policy shall be endorsed to state that coverage shall not be canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City, or in the event of cancellation because of nonpayment of premium, that the insurer shall give written notice to the City not later than ten (10) days following cancellation.

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- 5.5** Insurance is to be placed with insurers with a Best rating of no less than A:VII. Insurers must be duly authorized to transact business in the State of Texas.
- 5.6** Certificates of Insurance if requested shall be submitted on the Accord form only. Certificates and endorsements effecting coverage required by this clause shall be forwarded to: Purchasing Department.

**Article 6**  
**Termination of Agreement**

**6.1** Grounds for Termination

- 6.1.1** The City shall inform in writing to Contractor, if Contractor fails to perform its duties under this Agreement with a ninety (90) days window to correct the problem. Contractor shall remedy the problem within ninety (90) days from the receipt of such notices. Should Contractor fail to remedy the problem within ninety (90) days, the City may terminate this Agreement.
- 6.1.2** Contractor's Fee Schedule and pricing for any and all Services to be provided by Contractor to the City under this Agreement have been set, established and agreed to be based upon the current provisions of applicable City ordinances relating to alarms. Should said ordinances change at any time during the term of this Agreement to reduce the applicable fee, fines and charges, then the Contractor reserves the express right to enter into good faith negotiations with the City to modify the Fee Schedule and pricing accordingly. If, within thirty (30) days of notice from Contractor to the City of its desire to so renegotiate, the parties are unable to reach an agreement mutually acceptable to both parties, then Contractor reserves the right to terminate this Agreement. Said termination shall not be deemed to be a default by Contractor under this Agreement, Contractor shall be paid all fees and costs due and owing Contractor as of the date of said termination.
- 6.1.3** Contractor may terminate this Agreement upon written notice to the City if the City misuses or attempts to appropriate the proprietary software of Contractor.

**6.2** Effect of Termination

- 6.2.1** If this Agreement is terminated as provided herein, the City may require Contractor to provide all finished and/or unfinished data and other information of any kind possessed by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such information within a reasonable period of time of receipt of the request not to exceed thirty (30) days. Specifically, in the event the City shall terminate this Agreement:
- 6.2.1a** All data relating to alarm permits shall be owned by the City. Upon termination of this Agreement, Contractor shall promptly deliver to the City all data in MS-SQL format.
- 6.2.1b.** Contractor retains all right and title to the Application software, including but not limited to, all publication rights, all development rights, all reproductions rights, and all rights that may follow from the commercial development of the software. The City does not acquire any ownership rights to the

Application software. The Software is protected in favor of PMAM, as well as any future registered trademarks, are trademarks of PMAM.

- 6.2.1c.** The proprietary software is considered loaned to the City during the duration of this Agreement as laid out in this Agreement and the City will not have any access to PMAM's proprietary software after the conclusion of the Agreement.
- 6.2.1d.** The City shall pay Contractor all fees and costs due and owing Contractor as of the date of said termination.

### **Article 7 Confidentiality of Information**

- 7.1** At all times, the Contractor shall recognize the City's sole and exclusive ownership of all documents and information provided by the City or generated by Contractor, based on information provided by the City relating to the basic and special services, and the sole and exclusive right and jurisdiction of the City to control the use of this information. Similarly, the City recognizes that the proprietary software described in Section 6.2.1c. above is owned by Contractor and the City has no rights or claim thereto.
- 7.2** Each party agrees that neither it, nor its employees, subsidiaries, subcontractors, or agents shall disclose confidential information of the other party, to any person or to anyone except as necessary to perform its obligations under this Agreement, without the expressed written permission of the other party or unless required to do so by law.
- 7.3** Each party further agrees that in the event that any documents containing confidential information of the other party should be improperly used or removed in any way from the possession or control of the other party by a party, the breaching party shall immediately notify the other party orally and in writing, and shall join with the other party at their request in taking such reasonable steps as the owner of the confidential information may deem advisable to enjoin the misuse and regain possession of such confidential information, or steps otherwise necessary for the protection of the owner's rights and the confidentiality of the information.
- 7.4** The Contractor agrees to return any and all data furnished and information derived hereunder promptly upon a request by the City and its authorized designee.

### **Article 8 General Provisions**

- 8.1** This Agreement and its attachments constitute the sole and only agreement between the parties and supersede any prior understandings written or oral agreements between the parties with respect to this subject matter.
- 8.2** Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

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- 8.3** This Agreement shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be in Dallas County, Texas.
- 8.4** This Agreement may be amended by the mutual written agreement of the parties.
- 8.5** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not effect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.
- 8.6** Any notice required or permitted to be delivered hereunder may be sent by first class mail or overnight courier to the address specified below, or to such other party or address as either party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

City of Harrisonburg:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contractor: PMAM Corporation  
5430 LBJ Freeway, Suite 370  
Dallas, TX 75240

- 8.7** This Agreement may be signed in counterparts, each of which shall constitute an original.

**(Signature Page Follows on Next Page)**

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_.

City of Harrisonburg

PMAM Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_,  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
PANKAJ, KUMAR,  
Chief Executive Officer

Attest:

Attest:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## Exhibit A

### Scope of Work and Requirements

#### Scope of Work:

It will be the Contractor's responsibility to provide, install, and operate the Professional Services Alarm Management Services Program based on a "False Alarm Management Solution" system hereafter referred to as a FAMS system and all other necessary equipment and services on a "software as a service" basis.. The Contractor shall accurately convert all pertinent data downloaded from the City's current primary alarm and accounts/receivable databases to populate the FAMS system. Effective interfaces shall ensure that all parties share and benefit from the most current and accurate information.

Contractor shall provide appropriate supplies and services including but not limited to;

1. Single point of contact and daily resident assistance
2. Maintenance of databases:
  - a. Alarm permits
  - b. Permit Holders
  - c. Permit Holders with outstanding charges
  - d. Non-permitted locations with outstanding charges
  - e. Address verification database
3. Collection of payments in accordance with the rates established by the alarm ordinance, and any implementing resolutions or orders, as may be amended from time to time by the City
4. Performance of all the billing in accordance with the City's alarm ordinance, as may be amended from time to time by the City
5. Generation of the following reports including but not limited to:
  - a. New alarm permits issued and fees collected
  - b. Annual permit renewals billed and fees collected
  - c. Permits inactivated or revoked and reason for inactivation or revocation
  - d. Permits reinstated and reason for reinstatement
  - e. Number of false burglar alarms
  - f. Number of false burglar alarms billed and fees collected
  - g. Number of false robbery alarms
  - h. Number of false robbery alarms billed and fees collected
  - i. Number of reinstatement fees billed and fees collected
  - j. False burglary and/or robbery alarms for permit owners
  - k. False burglary and/or robbery alarms for non-permitted owners
  - l. Suspension or revocation Report for permit holders as per ordinance, if applicable



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6. System functionality to capture the following information:
  - a. Permit number
  - b. Permit issue date
  - c. Permit expiration date
  - d. Permit type (residential / commercial)
  - e. Name of business or residential permit holder
  - f. Site
    - 1) Street address and zip code of property
    - 2) Type of property (residential / commercial)
    - 3) Telephone numbers
    - 4) Contact persons (minimum of 2) and phone number(s)
    - 5) Type of alarm system installed (burglary, panic, robbery)
  - g. Billing
    - 1) Name
    - 2) Full mailing address (includes zip code)
    - 3) Contact person and phone number(s)
  - h. Permit Holder Responsible for Alarm
    - 1) Name
    - 2) Complete mailing address
    - 3) Phone numbers
  - i. Name and telephone number of alarm monitoring company
  - j. Name and telephone number of company that installed the alarm system
  - k. Special Medical Concerns
  - l. Pet Information
7. System functionality to generate notices to alarm users without permits
8. Transfer on line and/or via magnetic media a skeleton version of entire registration database from FAMS system to RMS including the following:
  - 1) Permit number (or non-permitted identifier)
  - 2) Name of permit holder
  - 3) Location of permit holder
  - 4) Permit status
  - 5) Expiration date
  - 6) Last false alarm incident date and time
  - 7) Alarm type (i.e., burglar, panic, etc.)
  - 8) False alarm incident count
9. Transfer on line and/or via magnetic media incident records from RMS to FAMS including:
  - 1) Incident number
  - 2) Priority
  - 3) Call code
  - 4) Disposition
  - 5) Date

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- 6) Time:
  - (a) Received
  - (b) Dispatched
  - (c) Arrived
  - (d) Cleared
- 7) Remarks
- 8) Site name and address
- 9) Reportee name, address, phone number
- 10) Dispatcher- employee number and terminal
- 11) Phone clerk - employee number and terminal
- 12) Cleared code and disposition (true/false)
- 13) Officer number
- 14) Unit(s) assigned

**Collection requirements and provisions:**

PMAM will design, implement and maintain a system to serve as the billing and collections agent and accounts receivable (A/R) manager for the City Alarm Program Administration and Collection Service. The Contractor will provide all hardware, software, materials, supplies, space, and staff resources as required. The system will meet the following collection specifications:

1. Bill format will provide stub or appropriate remittance form to accompany payment
2. Bill format, permit forms, envelopes and related correspondence will identify the location of a Contractor staffed and maintained office so the customer may have the ability to obtain direct answers to questions about their bills and related false alarm system information
3. All bills, correspondence and related matters will be approved by the City
4. Bills will be due in time lines specified in the ordinance and or rules and regulations as appropriate
5. Records of bills will be retained by Contractor to apply to Account Receivable system (A/R) to be maintained by Contractor
6. Contractor will develop an A/R file, which the City will have access to review at any time
7. System functionality for the City to print a bill for customers wishing to make payments at the walk in cashier location(s) of the City and to provide on-line information to the Contractor regarding such payments so that Contractor can maintain A/R file
8. Contractor will provide the ability for customer to pay on-line, by mail and via walk-in cashier
9. Payments made by mail will be directed to a P.O. Box address in Texas maintained and managed by the Contractor
10. Contractor system will track NSF or insufficient fund check occurrences and occurrences where customer stop payments have been ordered.
11. Contractor will provide system for billing the customer for the appropriate NSF or insufficient fund check fee charges and charges for stop payment situations

**Processing:**

The Contractor shall provide the services covered under this Agreement and Scope from its offices in Texas and make available hardware and software and services necessary to establish and provide the Alarm

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Program Administration and Collection Service.

### **Contractor's Obligation:**

In addition to the above, the Contractor shall:

1. Maintain the proposed equipment, hardware, and software, documentation, and support services for the equipment installed, including the timely incorporation of all engineering changes
2. Supply the City with an interface document describing the type, size, location, and medium of transfer from the City RMS
3. Defer to the City regarding the waiver of any false alarm fee incurred where there is question about the validity of any response or action taken by an employee(s) of the City regarding a specified alarm call
4. When possible, reports shall be produced based on the entry of variable parameters. Threshold fields shall allow a specific date range or other criteria. When possible, all report searches, shall allow for multiple parameters

### **Training**

1. The Contractor shall provide training for the City, Fire, and Police employees. Training shall be conducted in several sessions on an as needed basis

### **System Coordination**

1. The Contractor shall coordinate with the City's Finance Department, Information Services, the City Fire Department and the City Police Department to develop a system that will allow walk-in payments under the Agreement
2. The Contractor shall provide during the life of the Agreement on-going computer hardware, software support and maintenance to ensure uninterrupted operation. In the unlikely event of interruption, Contractor will make best efforts to restore service within seventy-two (72) hours.
3. The Contractor under this Agreement shall establish and provide public education, awareness and information regarding the City's Alarm Management Program.

### **City Licensing Fees**

1. The City acknowledges and agrees that Contractor shall be exempt from any applicable City license fees in performing its services hereunder.

**Exhibit “B”**  
**Pricing and Receipt of Collections**

This is a revenue sharing contract. The Contractor shall retain the percentages and amounts listed in the table below of all collections and remit the percentage balance and amounts listed in the table below to the City for the total of the actual revenues generated and collected for the City during the life of this Agreement including all adjustments for:

- a. Alarm permit and renewal fees;
- b. False alarms violation fee above a mandated limit;
- c. Reinstatement fees;
- d. Late fee for false alarms, permit fees and renewal fees
- e. Other charges imposed by the City in relation to the City’s Alarm Program Management and Collection Services (except for criminal penalties).

<b>City of Harrisonburg</b>	<b>PMAM Corporation</b>
<b>81%</b>	<b>19%</b>

The City of Harrisonburg and Contractor shall share the revenue generated from fees, fines, and penalties as described above; provided that all bank charges incurred in connection with the Services rendered under this Agreement by Contractor shall be paid by the program before the foregoing split of fees.

In addition, the City shall reimburse Contractor for its out-of-pocket postage expenses incurred by Contractor in performing its services to the City hereunder promptly upon receipt of an invoice from Contractor for such postage expense. At the election of Contractor, Contractor may submit an invoice to the City for such postage expense and deduct and offset such amount from the percentage amount to the City hereunder.

Contractor reserves the right to renegotiate this pricing should the City change the fee schedule for the false alarm ordinance.