

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF SAN BERNARDINO
AND
ALARM PROGRAM SYSTEMS**

This professional services agreement ("Agreement") is made and entered into as of June 4, 2025, by and between the City of San Bernardino (a charter city and municipal corporation organized and operating under the laws of the State of California with its principal place of business at Vanir Tower, 290 North D Street, San Bernardino, California 92401) ("City") and Alarm Program Systems (a limited liability corporation with its principal place of business at 360 Civic Drive, Suite C, Pleasant Hill, California 94523) ("Consultant"). City and Consultant are hereinafter sometimes referred to individually as "Party" and collectively as the "Parties".

RECITALS

A. City is a public agency of the State of California and is in need of Consultant's alarm registration and false alarm management services ("Services"); and

B. Consultant is duly licensed, and the City has determined Consultant is qualified by experience and ability to render the desired Services; and

C. City entered an agreement with the Phoenix Group Information System ("Phoenix Group") on July 1, 2019, for the provision of Services ("Phoenix Group Agreement"); and

D. City and Phoenix Group amended the Phoenix Group Agreement on December 4, 2024, to extend the performance of Services until June 30, 2025; and

E. Request for Proposals F-24-1027 with an expiration date of February 27, 2025 ("RFP"), issued by the City solicited proposals for the Services; and

F. Consultant submitted a proposal on February 27, 2025, in response to the RFP ("Proposal"); and

G. City selected Consultant to provide the Services on March 25, 2025; and

H. The Parties desire by this Agreement to establish the terms for the City to retain Consultant to provide the Services described herein.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

AGREEMENT

1. Incorporation of Recitals. The recitals above are true and correct, and are hereby incorporated herein by this reference.

2. Services. Consultant shall provide the City with the Services described in the Scope of Services as set forth in Exhibit A (attached hereto and incorporated herein

by reference) and the RFP. The RFP and Proposal, including any amendments or modifications thereto, are hereby incorporated into and made a part of this Agreement by reference. The terms and conditions of the RFP and Proposal, including any exhibits or attachments, shall govern the performance of work and the obligations of the Parties under the Agreement to the extent they do not conflict with the terms of this Agreement. In the event of any conflict between the terms of this Agreement and the RFP and Proposal, the terms of this Agreement shall prevail.

3. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel identified in their proposal. Consultant warrants that Consultant is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement. Consultant further represents that no City employee will provide any services under this Agreement.

4. Compensation

a. Consultant shall retain no more than eighteen percent (18%) of the total revenue collected from alarm permit fees and false alarm fines as compensation for Services rendered as set forth in Exhibit B (attached hereto and incorporated herein by reference). The remaining eighty-two percent (82%) shall be remitted to the City on a monthly basis.

b. In no event shall the total amount paid for Services rendered by Consultant under this Agreement exceed eighteen percent (18%) of total fees collected. This amount retained is to cover all related costs, and the City will not pay any additional fees for printing expenses.

c. Consultant shall provide the City with a detailed monthly statement outlining all alarm permit fees and false alarm fines collected during the reporting period. Each statement shall accompany the monthly revenue payment to the City, and shall include sufficient detail to allow the City to verify amounts collected and the corresponding revenue share. All payments shall be submitted no later than the fifteenth (15th) day of the following month, unless otherwise agreed upon in writing by both Parties.

5. Additional Services. If changes in the Services seem merited by the Parties and informal consultations with the other party indicate that a change is warranted, it shall be processed by the Consultant forwarding a letter to the City outlining the changes with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the City and executed by both Parties before performance of such Services, or the City will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

6. Term

a. Effective Date. This Agreement shall commence on July 1, 2025 ("Effective Date"), and continue through June 30, 2028; with the option to extend for two (2) additional years, unless the Agreement is previously terminated ("Term").

b. Information Sharing. Consultant has requested that City share certain residential and billing information prior to the Agreement's Effective Date to ensure a smooth transition from the Phoenix Group to Consultant. Consultant's request includes permit, billing, false alarm, emergency contact, and outstanding billing payment information as set forth in Consultant's spreadsheet at Exhibit C (attached hereto and incorporated herein by reference). The Parties shall execute the Non-Disclosure Agreement as set forth in Exhibit D (attached hereto and incorporated herein by reference) prior to City providing Consultant with the requested information.

7. Maintenance of Records; Audits

a. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City for inspection and/or audit at mutually convenient times for a period of four (4) years from the Effective Date.

b. Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by the City.

8. Time of Performance. Consultant shall perform its services in a prompt and timely manner and shall commence performance upon receipt of written notice from the City to proceed. Consultant shall complete the services required hereunder within Term.

9. Delays in Performance

a. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects the Consultant's performance and is one or more of the following: (1) Acts of God or other natural disasters occurring at the project site; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); and (4) pandemics, epidemics, or quarantine restrictions. "Orders of governmental authorities" includes ordinances; emergency proclamations and orders; and rules to protect the public health, welfare, and safety.

b. Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Delays shall not entitle Consultant to any additional compensation regardless of the Party responsible for delay.

c. Notwithstanding the foregoing, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

10. Compliance with Law

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the Federal, state, and local government (including California Division of Occupational Safety and Health Administration requirements).

b. If required, Consultant shall assist the City as requested in obtaining and maintaining all permits required of Consultant by Federal, state, and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and / or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

11. Standard of Care. Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. Consultant's performance shall conform in all material respects to the requirements of the Scope of Services.

12. Conflicts of Interest. During the term of this Agreement, Consultant shall at all times maintain a duty of loyalty and a fiduciary duty to the City and shall not accept payment from or employment with any person or entity which will constitute a conflict of interest with the City.

13. City Business Certificate. Consultant shall, prior to execution of this Agreement, obtain and maintain during the term of this Agreement a valid business registration certificate from the City pursuant to Title 5 of the City's Municipal Code and any and all other licenses, permits, qualifications, insurance, and approvals of whatever nature that are legally required of Consultant to practice his/her profession, skill, or business.

14. Assignment and Subconsultant. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

15. Independent Consultant. Consultant is retained as an independent contractor and is not an employee of City. No employee or agent of Consultant shall become an employee of City. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from City as herein provided. Any personnel performing the work governed by this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel

in connection with their performance under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such personnel including but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

16. Insurance. Consultant shall not commence work for the City until it has provided evidence satisfactory to the City it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

a. Additional Insured. The City (its officials, officers, employees, agents, and volunteers) shall be named as additional insureds on Consultant's and its subconsultants' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

b. Commercial General Liability

(i) The Consultant shall take out and maintain (during the performance of all work under this Agreement in amounts not less than specified herein) Commercial General Liability Insurance in a form and with insurance companies acceptable to the City.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as Insurance Services Office ("ISO") Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse, and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Contract
- (8) Broad Form Property Damage
- (9) Independent Consultants Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give City (its elected and appointed officials, officers, employees, agents, and City-designated volunteers) additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and provided that such deductibles shall not apply to the City as an additional insured.

c. Automobile Liability

(i) Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned, and hired vehicles in a form and with insurance companies acceptable to the City at all times during the performance of the work under this Agreement.

(ii) Coverage for automobile liability insurance shall be at least as broad as ISO Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give City (its elected and appointed officials, officers, employees, agents, and City) designated volunteers additional insured status.

(iv) Subject to written approval by the City, the automobile liability program may utilize deductibles; provided that such deductibles shall not apply to the City as an additional insured, but not a self-insured retention.

d. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement (all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein). Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

e. Professional Liability (Errors and Omissions). Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession (in a form and with insurance companies acceptable to the City and in an amount indicated herein) at all times during the performance of the work under this Agreement. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors, or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this

Agreement. The policy must “pay on behalf of” the insured and must include a provision establishing the insurer's duty to defend.

f. Privacy/Network Security (Cyber). At all times during the performance of the work under this Agreement, the Consultant shall maintain privacy/network security insurance for: (1) privacy breaches; (2) system breaches; (3) denial or loss of service; and (4) the introduction, implantation, or spread of malicious software code.

g. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

	<u>Combined Single Limit</u>
Commercial General Liability	\$2,000,000 per occurrence/\$4,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability	\$1,000,000 per claim and aggregate (errors and omissions)
Cyber Liability	\$1,000,000 per occurrence and aggregate

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the Parties required to be named as Additional Insured pursuant to this Agreement.

h. Evidence Required. Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer; and shall certify the names of the insured, any additional insureds (where appropriate), the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

i. Policy Provisions Required

(i) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of the premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance, or other coverage maintained by the City or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period (a) if the retroactive date is advanced past the effective date of this Agreement; (b) if the policy is cancelled or not renewed; or (c) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to provide waiver of subrogation in favor of the City (its officials, officers, employees, agents, and volunteers) or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

j. Qualifying Insurers. All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements: Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any Federal law.

k. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement (including, but not limited to, the provisions concerning indemnification).

(ii) If at any time during the life of the Agreement any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant; or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(iii) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the City (nor the City Council; any member of the City Council; or any of the officials, officers, employees, agents, or volunteers) shall be personally responsible for any liability arising under or by virtue of this Agreement.

l. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

17. Indemnification

a. Consultant shall defend to the fullest extent permitted by law (with counsel reasonably approved by the City), indemnify, and hold the City (its elected and appointed officials, officers, employees, agents, and authorized volunteers) free and harmless from any and all claims (demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind in law or equity to property or persons including wrongful death ("Claims")) in any manner arising out of, pertaining to, or incident to any alleged acts (errors, omissions, or willful misconduct) of Consultant (its officials, officers, employees, subcontractors, consultants, or agents) in connection with the performance of the Consultant's services, the Project, or this Agreement (including without limitation the payment of all damages, expert witness fees, attorneys' fees, and other related costs and expenses). This indemnification clause excludes Claims arising from the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City (the City Council, members of the City Council, its employees, or authorized volunteers). Consultant's indemnification obligation shall survive the expiration or earlier termination of this Agreement.

b. If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then and only to the extent required by Civil Code section 2782.8 which is fully incorporated herein, Consultant's indemnification obligation shall be limited to the extent which the Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant in the performance of the services or this Agreement; and upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim (including the cost to defend) shall not exceed the Consultant's proportionate percentage of fault.

18. California Labor Code Requirements. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project as defined by the Prevailing Wage Laws, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify, and hold the City (its elected officials, officers, employees, and agents) free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subcontractors to comply with all California Labor Code provisions which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815), and debarment of contractors and subcontractors (Labor Code Section 1777.1).

a. If the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

19. Verification of Employment Eligibility. By executing this Agreement, Consultant verifies it fully complies with all requirements and restrictions of state and Federal law respecting the employment of undocumented aliens (including but not limited to the Immigration Reform and Control Act of 1986, as may be amended from time to time); and shall require subconsultants and sub-subconsultants to comply with the same.

20. Laws and Venue. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or Federal court situated in the County of San Bernardino, State of California.

21. Termination or Abandonment

a. City has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days' written notice to Consultant. In such event, City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. City shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by City and Consultant of the portion of such task completed but not paid prior to said termination. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to City only in the event of substantial failure by City to perform in accordance with the terms of this Agreement through no fault of Consultant.

22. Attorneys' Fees. In the event that litigation is brought by any Party in connection with this Agreement, the prevailing Party shall be entitled to recover from the opposing Party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing Party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof. The costs, salary, and expenses of the City Attorney's Office in enforcing this Agreement on behalf of the City shall be considered as "attorneys' fees" for the purposes of this Agreement.

23. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant's professional services occurs, Consultant shall (at no cost to City) provide all other services necessary to rectify and correct the matter to the sole satisfaction of the City; and to participate in any meeting required with regard to the correction.

24. Prohibited Employment. Consultant shall not employ any current employee of City to perform the work under this Agreement while this Agreement is in effect.

25. Costs. Each Party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

26. Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon

payment in full for the services described in this Agreement, be furnished to and become the property of the City.

27. Organization. Consultant shall assign Jim Huchingson as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City.

28. Limitation of Agreement. This Agreement is limited to and includes only the work included in the Project described above.

29. Notice. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the following addresses and shall be effective upon receipt thereof:

CITY:

City of San Bernardino
Vanir Tower, 290 North D Street
San Bernardino, CA 92401
Attn: Darren Goodman
Chief of Police

CONSULTANT:

Alarm Program Systems
360 Civic Drive, Suite C
Pleasant Hill, CA 94523
Attn: Jim Huchingson
Chief Executive Officer

With Copy To:

City of San Bernardino
Vanir Tower, 290 North D Street
San Bernardino, CA 92401
Attn: City Attorney

30. Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Parties.

31. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include but not be limited to all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

32. Entire Agreement. This Agreement, including the Exhibits, represents the entire understanding of the Parties as to those matters contained herein; and supersedes and cancels any prior or contemporaneous oral or written understanding, promises, or representations with respect to those matters covered hereunder. Each Party acknowledges that no representations, inducements, promises, or agreements have been made by any person which are not incorporated herein; and that any other agreements shall be void. This is an integrated Agreement.

33. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable for any reason, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance; and the remaining provisions of this Agreement shall remain in full force and effect.

34. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators, and assigns of each Party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties, or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

35. Non-Waiver. The delay or failure of either Party at any time to require performance or compliance by the other Party of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. The waiver of any right or remedy with respect to any occurrence or event shall not be deemed a waiver of any right or remedy with respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

36. Time of Essence. Time is of the essence for each and every provision of this Agreement.

37. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain, or to be a full or accurate description of the content thereof; and shall not in any way affect the meaning or interpretation of this Agreement.

38. Amendments. Only a writing executed by all of the Parties hereto or their respective successors and assigns may amend this Agreement.

39. City's Right to Employ Other Consultants. City reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

40. Prohibited Interests. Consultant maintains and warrants that it has neither employed nor retained any company or person (other than a bona fide employee working solely for Consultant) to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person (other than a bona fide employee working solely for Consultant) any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. No official, officer, or employee of City (during the term of his or her service with City) shall have any direct interest in this Agreement for the term of this Agreement; or obtain any present or anticipated material benefit arising therefrom.

41. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one single Agreement.

42. Authority. The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said Parties and that by doing so, the Parties hereto are formally bound to the provisions of this Agreement.

43. Electronic Signature. Each Party acknowledges and agrees that this Agreement may be executed by electronic or digital signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF SAN BERNARDINO
AND
ALARM PROGRAM SYSTEMS**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OF SAN BERNARDINO

ALARM PROGRAM SYSTEMS

APPROVED BY:

Bill Gallardo
Interim City Manager

Signature

ATTESTED BY:

Name

Telicia Lopez
Acting City Clerk

Title

APPROVED AS TO FORM:

Best Best & Krieger LLP
City Attorney

EXHIBIT A

SCOPE OF SERVICES

1. Introduction

The scope of services outlines the responsibilities and tasks required to administer alarm permitting and false alarm management for the City of San Bernardino (“City”). The primary goals are to streamline the alarm permitting process, reduce false alarms, and enforce compliance with the City's alarm systems ordinance.

2. Compliance with City Ordinance

Services must ensure full compliance with Chapter 8.81 of the City’s Municipal Code titled Security Alarm Systems focusing on:

- **Permit Application and Renewal:** Streamline the application and renewal process for alarm system permits, making it accessible and efficient for all users.
- **False Alarm Reduction:** Implement strategies to minimize false alarms, including public education and monitoring of alarm performance.
- **Enforcement of Regulations:** Enforce the City’s alarm ordinance through the imposition of fines, penalties, no response orders, and permit revocations for non-compliance.

3. Scope of Services

The vendor will provide the following services:

a. Permitting Process Improvement

- Provide a secure web-based portal for alarm permit applications and renewals, payments, and appeals ensuring ease of use for residents and businesses. The webpage will resemble that of the City’s.
- Provide customer support services to assist users with the permitting process.
 - Customer service hours of operation shall be available Monday through Friday from 8:00 a.m. to 5:00 p.m. PST (at a minimum), and shall be offered in English and Spanish.
- Provide the ability for users to file appeals over fees, penalties, no-response orders, and permit revocations online.

b. False Alarm Management

- Implement a tracking system to monitor false alarms and identify repeat offenders, the purpose of which is to determine if the City’s no response policy will be applied.

- Integrate with the City's dispatch system to import alarm incident data daily or as soon as available.
- Implement a false alarm reduction program that includes public education campaigns, access to resource information, system maintenance reminders, and user training.
- Provide reports and analytics to the City on false alarm trends and program effectiveness.

c. Enforcement and Compliance

- Establish a process for issuing notifications, fines, and penalties for non-compliance and false alarms.
- Develop a system for tracking violations and determining when permit revocation is warranted. The City will make the final determination with regards to permit revocation based on data provided by the vendor.
- Ensure timely notification to alarm system users regarding fines, penalties, and potential permit revocation in alignment with the City's Municipal Code and/or established policies.

d. Alarm Companies

- Develop a system to register alarm companies that provide services in the City as defined in the City's Municipal Code.
- Obtain lists of alarm users from companies monthly to ensure compliance with the permit requirement. Vendor shall send invoices and permit applications to locations discovered to be unpermitted.
- Enlist the assistance of alarm companies to distribute information on the City's permit requirements.

e. Reporting and Documentation

- Provide monthly reports to the City on program performance, including metrics on permit applications, false alarms, fines issued, and permits statuses (i.e., active, suspended, or revoked).
 - The vendor shall coordinate with the City to establish an interface with the Police Department's system to automate daily, weekly, and/or monthly reports.
- Maintain accurate records of all activities related to the permitting process, false alarm management, and ordinance enforcement.
- Provide any additional requested information, records, and reports related to the administration of the program within forty-eight (48) hours of the request.

f. Fee Collections

- Accept payments by check, credit card, debit card, and other secure and appropriate methods.
- Provide a system that includes proven financial management tools to collect fees and produce reports including accounts receivable and aging, which shall be made available to the City monthly.
- Make reasonable attempts to collect delinquent accounts and report on steps taken to collect.

5. Deliverables

- An operational online portal for alarm permit applications and renewals.
- A comprehensive false alarm reduction program, including educational materials and user training sessions.
- A system for issuing, tracking, and collecting fines and penalties for ordinance violations and for monitoring false alarms and identifying repeat offenders.
- Monthly performance reports detailing program metrics and compliance rates.

9. Additional Requirements

- The vendor shall meet at least quarterly with City staff to discuss the general status of the program.

Exhibit B

VENDOR QUOTE

VENDOR NAME: Alarm Progeram Sytstems LLC
ADDRESS: 367 Civic Drive, Suite 10, Pleasant Hill CA 94523
PHONE: 510-267-0414

The undersigned, hereby declare that they have carefully examined the location of the proposed work, familiarized themselves with the local conditions affecting the cost of the work, and have read and examined the terms and conditions for the following Project:

ALARM PERMITTING AND FALSE ALARM MANAGEMENT

The undersigned, hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project in strict accordance with the Vendor Price Quote for the ELECTRONICALLY SUBMITTED TOTAL VENDOR QUOTE PRICE

NO.	DESCRIPTION	FEE (%)
1	Vendor's compensation will be set at a fixed percentage of permit payments, false alarm fees, and any other fees associated with this project.	18%

Are there any other additional or incidental costs that will be required by your firm in order to meet the technical requirements? ☐ Yes ☒ No

If yes, please provide the cost and details:

If there are any technical elements that cannot be met by your firm, please indicate or enter N/A:

Submitted By: jh **Title:** President
(Authorized Representative Signature)

Print Name: Jim Huchingson

[illegible]

[illegible]

[illegible]

[illegible]

EXHIBIT D

NON-DISCLOSURE AGREEMENT

This non-disclosure agreement ("NDA") is made and entered into as of June 4, 2025 ("Effective Date"), by and between the City of San Bernardino (a charter city and municipal corporation organized and operating under the laws of the State of California with its principal place of business at Vanir Tower, 290 North D Street, San Bernardino, California 92401) ("City") and Alarm Program Systems (a limited liability corporation with its principal place of business at 360 Civic Drive, Suite C, Pleasant Hill, California 94523) ("Consultant"). City and Consultant are hereinafter sometimes referred to individually as "Party" and collectively as the "Parties".

1. Consultant Access to Information. In connection with professional services agreement between the Parties dated June 4, 2025 ("PSA"), City may disclose to Consultant (or Consultant may otherwise receive access to) Confidential Information (as defined below).

2. Confidential Information. "Confidential Information" means all non-public, proprietary, or confidential information (of or provided by City) in oral, visual, written, electronic, or other tangible or intangible form (whether or not marked or designated as "confidential"); and all notes, analyses, summaries, and other materials prepared by Consultant or any of its affiliates (and its or their employees, officers, directors, attorneys, accountants and financial advisors (collectively, "Representatives")) that contain (are based on or otherwise reflect, to any degree) any of the foregoing ("Notes"); provided however that Confidential Information does not include any information that: (a) is or becomes generally available to the public other than as a result of Consultant's or any of its Representatives' acts or omissions; (b) is obtained by Consultant or any of its Representatives on a non-confidential basis from a third party that was not legally or contractually restricted from disclosing such information; (c) was in Consultant's or any of its Representatives' possession as established by documentary evidence before City's disclosure hereunder; or (d) was or is independently developed by Consultant or its Representatives as established by documentary evidence without using any Confidential Information. Confidential Information also includes: (a) the facts that the Parties are in discussions regarding the PSA and that Confidential Information has been disclosed; and (b) any terms, conditions, or arrangements discussed.

3. Use of Confidential Information. Consultant shall use the Confidential Information (which Consultant acknowledges is provided without any representation or warranty) solely for the purpose of ensuring a smooth transition from the Phoenix Group to the Consultant as contemplated under the PSA; and shall not disclose or permit access to Confidential Information other than to its Representatives. Consultant shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information; and no less than a reasonable degree of care. Consultant shall promptly notify City of any unauthorized use or disclosure

of Confidential Information, and use its best efforts to prevent further use or disclosure. Consultant will be responsible for any breach of this NDA caused by its Representatives.

4. Disclosure Required by Law. If Consultant or any of its Representatives is required by law to disclose any Confidential Information, Consultant shall (before such disclosure) notify City of such requirements; and shall only disclose that portion of the Confidential Information that Consultant is required to disclose under applicable law. At City's request, Consultant shall promptly either return to City or destroy all Confidential Information in its and its Representatives' possession. City retains its entire right, title, and interest in (and to all of) the Confidential Information; and is entitled to equitable relief as a remedy for any breach under this NDA.

5. Expiration. The rights and obligations of the Parties under this NDA expire immediately after the PSA's Effective Date.

6. Governing Law. This NDA (and all matters relating hereto) are governed by and construed in accordance with the laws of the State of California, without regard to the conflict of law provisions of such State.

7. Notice. All notices must be in writing and addressed to the relevant Party at its address provided in the PSA; and personally delivered or sent prepaid by nationally recognized courier or certified or registered mail, return receipt requested, and are effective on actual receipt.

8. Entire Agreement. This NDA is the entire agreement of the Parties regarding its subject matter and may only be amended, modified, waived, or supplemented by an agreement in writing signed by both Parties.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR NON-DISCLOSURE AGREEMENT
BETWEEN
THE CITY OF SAN BERNARDINO
AND
ALARM PROGRAM SYSTEMS**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OF SAN BERNARDINO

ALARM PROGRAM SYSTEMS

APPROVED BY:

Bill Gallardo
Interim City Manager

Signature

ATTESTED BY:

Name

Telicia Lopez
Acting City Clerk

Title

APPROVED AS TO FORM:

Best Best & Krieger LLP
City Attorney