SANTA FE SOLID WASTE MANAGEMENT AGENCY

BID SUBMITTAL FORM

ITB No. ‘20/23/B

EXCEPTIONS TO SPECIFICATIONS

Bidder must check one of the following:

a. (_____) All specifications, terms and conditions are met.
b. (X) Exceptions have been taken and noted on attached sheet(s).

All variations and/or exceptions to the specifications must be documented, referencing applicable paragraph(s) and explained in detail. Attach as many pages as necessary. If no exceptions are taken, it will be assumed that the bid meets all specifications, terms and conditions as stated in this complete bid package. Failure to list exceptions may disqualify bid. Delivery of non-conforming goods or services is at the expense of the Bidder and/or other penalties.

All other specifications not detailed herein shall be as listed in the Offeror’s printed literature for the current standard model. Offeror’s printed literature and specifications sheets shall be submitted with the bid.

Exceptions will not necessarily eliminate the bid. Agency staff shall determine acceptance or non-acceptance of exceptions. Unless otherwise noted and approved, it is assumed that delivery of the goods or services shall be as stated.

Signed submission of this bid represents that the Bidder has accepted all specifications, terms and conditions of the bid unless a written exception is made and, if awarded, the bid will represent the agreement between the parties. Additionally, by signing this bid, the Bidder warrants that there was no collusion of any kind in submission of this bid.

Securitas Security Services USA, Inc.
10065 East Harvard Avenue, Suite 250
Mailing Address
Denver, CO 80231
City, State & Zip Code

Authorized Signature

Austin Crain
Printed Name

austin.crain@securitasinc.com
Email Address

10065 East Harvard Avenue, Suite 250
Mailing Address
Denver, CO 80231
City, State & Zip Code

Business Development Manager
Title

303-591-2333
Telephone Number / Fax Number
EXCEPTIONS

We appreciate the generally fair and common sense approach in the Invitation to Bid (No. '20/23/B), but we do have a few concerns, especially with the allocation of risk. Accordingly, we would like to clarify the following items in connection with our bid. Our bid is submitted with the understanding that these items will be incorporated into any agreement (the "Agreement") between Santa Fe Solid Waste Management Agency ("Agency") and Securitas Security Services USA, Inc. ("Contractor") and be controlling. Please note these items are important but negotiable.

Thank you. We look forward to working with you towards a mutually-acceptable contract.

1. Exception to Section 3 of Appendix A (Sample Services Agreement) in the ITB: Contractor may raise its rates on 30 days' written notice to account for any increases in (a) health care, benefit, or insurance costs, (b) labor or fuel costs, (c) costs arising from changes to laws, regulations, or insurance premiums, (d) SUI or similar taxes, or (e) any other taxes, fees, costs or charges related to Contractor's services.
   Rationale: We may need to increase rates due to increases in future costs (e.g., SUI costs, costs related to changes in healthcare laws, etc.), but we will always notify Agency 30 days in advance if our rates increase.

2. Exception to Section 6 of Appendix A (Sample Services Agreement) in the ITB: Contractor may terminate the Agreement without cause or penalty upon thirty days' written notice.
   Rationale: We believe it is important and fair for both parties to have a right to terminate for convenience, and it is typical for us to have such a right in our client contracts. That being said, we understand Agency may be concerned with its ability to secure another provider if Contractor terminates the contract for convenience. To alleviate this concern, we can discuss increasing the notice period if Agency likes.

3. Exception to Section 9 of Appendix A (Sample Services Agreement) in the ITB: Contractor only agrees to assign to Agency intellectual property rights to items generated or developed specifically and exclusively for Agency under the Agreement. All other intellectual property related to Contractor's performance under the Agreement will remain the exclusive property of Contractor.
   Rationale: Because we have invested significant resources into our intellectual property, we just need to clarify that we will only transfer intellectual property rights to items created specifically and exclusively for Agency.

4. Exception to Section 13 of Appendix A (Sample Services Agreement) in the ITB: Additional insureds will only be covered by Contractor's insurance for liability assumed by Contractor in these Exceptions, subject to the terms of Contractor’s insurance.
   Rationale: We have no problem adding Agency as additional insureds to our liability insurance. However, case law suggests that if we add additional insureds without clarifying what this coverage entails, we may be covering additional insureds under our insurance policies for claims caused by additional insureds, possibly even claims caused 100% by additional insureds, regardless of what the indemnity obligations state. We do not believe a fair-minded client like Agency would expect such a result, and this additional insured qualification simply clarifies that additional insureds will only be covered by our insurance for liability assumed by us in the agreement.

5. Exception to Section 14 of Appendix A (Sample Services Agreement) in the ITB: Contractor will defend, controlling such defense, and indemnify Agency, and others to be defended or indemnified under the Agreement, against any claim or loss only to the extent the claim or loss is caused by the negligence, willful misconduct, or recklessness of Contractor while acting within the scope of its specified duties.
   Rationale: Security providers should always strive to provide excellent security services to all their clients, but even the best security services cannot prevent all claims and losses from occurring. We believe it is fair for security providers to be responsible for claims and losses related to their security services to the extent the claims and losses result from their faulty conduct (e.g., negligence). However, if a security provider performs its duties diligently and without fault, we do not believe it is generally fair for the security provider to be responsible for claims and losses that still happen to occur. Agency’s contractual defense/indemnity language is a little broader than the desired, proportional, fault-based defense/indemnity standard.

6. Exception to Section 14 of Appendix A (Sample Services Agreement) in the ITB: Contractor’s liability will in no event exceed $2 million. Further, Contractor will not be liable for any (a) punitive or consequential damages, (b) damages arising from events beyond Contractor’s reasonable control, or (c) injuries or deaths arising from any conditions of Contractor’s premises.
   Rationale: Security providers are not insurers, and for catastrophic losses, it makes more economic sense for clients to turn to their own insurers at some point (no one knows the likelihood of catastrophic damages and
the amounts of such damages better than the client, and therefore, no one is better suited to insure against such damages than the client). Accordingly, we believe it is generally fair for contracts to contain reasonable monetary liability caps (e.g., $2M) and limitations on liability for certain, special types of damages (e.g., consequential damages, damages arising from force majeure events, premises liability, etc.). Such limitations of liability can be made mutual to protect Agency as well.

7. **Addition to Appendix A (Sample Services Agreement) in the ITB:** Notwithstanding anything to the contrary, in connection with the US Safety Act, each party waives all claims against the other for damages arising from or related to an act of terrorism, and the parties intend for this waiver to flow down to their respective contractors and subcontractors.
   
   **Rationale:** We generally request a mutual waiver of claims for damages arising from acts of terrorism, which increases the chances that our SAFETY Act liability protection will apply in our favor and Agency’s. Accordingly, such a waiver is in the interest of both parties.

8. **Addition to Appendix A (Sample Services Agreement) in the ITB:** Any equipment/software provided by Contractor, and information gathered therewith, in connection with Contractor’s services is for Contractor’s use and will always be Contractor property. Contractor is not selling or leasing any of the equipment/software to Agency, and Contractor will remove its equipment/software upon termination of the Agreement.
   
   **Rationale:** For the avoidance of doubt, and for licensing purposes, we try to clarify that the equipment we are providing belongs to us. We have experienced some clients who mistakenly think they get to keep the equipment when the services are terminated.
BID FORM
ITB No. ‘20/23/B
SECURITY SERVICES
FOR THE
SANTA FE SOLID WASTE MANAGEMENT AGENCY

All Offerors MUST use the format provided

The Bid Form shall include all services described in the Specifications of this ITB.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Weekly Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Personnel Labor</td>
<td>80 Hours per Week; Inclusive of ALL Employees Assigned and Administration</td>
<td>$ 2,081.60</td>
</tr>
<tr>
<td>Vehicle Usage Fee</td>
<td>4-WD Vehicle for Patrolling Required</td>
<td>$ 391.93</td>
</tr>
<tr>
<td>GPS Tracking and Reporting Fee</td>
<td>GPS Tracking and Reporting System with Geofencing</td>
<td>$ 33.60</td>
</tr>
<tr>
<td>New Mexico Gross Receipts Tax (NMGRT)</td>
<td>Labor Only</td>
<td>$ 175.64</td>
</tr>
</tbody>
</table>

**Total Weekly Cost** $ 2,682.77

**X 52 Weeks/Year**

**Total Annual Cost** $ 139,504.04

The Santa Fe Solid Waste Management Agency reserves the right to alter quantities based on availability of budget and needs of the Agency. If this will alter the bid amount, the Bidder must note the percent increase for lesser quantities.

BIDDER’S INFORMATION

Securitas Security Services USA, Inc.
Firm/Company Name

10065 East Harvard Avenue, Suite 250 | Denver, CO 80231
Address, City, State, Zip Code

Authorized Signature

Austin Crain
Printed Name

austin.crain@securitasinc.com
E-Mail Address

Business Development Manager
Title

303-591-2333
Telephone Number

7/15/2020
Date

303-309-1011
Fax Number
<table>
<thead>
<tr>
<th>Data Business Started in NM</th>
<th>Date ID Number Issued</th>
<th>IDENTIFICATION NUMBER</th>
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<tr>
<td>07/01/2003</td>
<td>02-949989-00-5</td>
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<table>
<thead>
<tr>
<th>Business Location</th>
<th>FILING STATUS</th>
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<tbody>
<tr>
<td>4330 PARK VIEW TERRACE DRIVE</td>
<td>Monthly</td>
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<tr>
<td></td>
<td>□ Quarterly</td>
</tr>
<tr>
<td></td>
<td>□ Semiannual</td>
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<table>
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<th>City and State</th>
<th>Zip Code</th>
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<tbody>
<tr>
<td>WESTLAKE VILLAGE</td>
<td>91361</td>
</tr>
</tbody>
</table>

This Registration Certificate is issued pursuant to Section 7-1-12 NMRA 1978 for Gross Receipts, County Gross Receipts, Municipal Gross Receipts, Compensating and Withholding Taxes. This copy must be displayed prominently in the place of business. Any purchaser of the registrant's business is subject to certain Requirements under section 7-1-61 NMRA 1978.

Audit and Compliance Division, Director

Any inquiries concerning your Identification Number should be addressed to the Audit & Compliance Division, P.O. Box 620, Santa Fe, New Mexico 87504-0620

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This certificate is not transferable.