

PO # 4500640623

**BETWEEN THE DEPARTMENT AND CONTRACTOR**

**CONTRACT NO. D.G.S. 1574-9.4, PHASE 1**

**COLLECTIVE NO.: CN00034464**

This CONTRACT, executed this 31st day of October 2011, by and between the Department of General Services, created by Act No. 45 of July 22, 1975, hereinafter called "DEPARTMENT" and PINNACLE INTEGRATED SYSTEMS, INC. D/B/A P2 ABC CONTROLS at this address: 308 NATIONAL ROAD, EXTON, PA 19341 a corporation incorporated under the Laws of the State of Pennsylvania its successors and assigns, hereinafter called "CONTRACTOR".

**ARTICLE 1 – THE CONTRACT DOCUMENTS**

The Contract Documents consist of the Standard Form of Contract, the Notice to Bidders (if procured through competitive sealed bids), the Instructions to Bidders (if procured through competitive sealed bids), the Bid Proposal (if procured through competitive sealed bids), the Notice to Proposers (if procured through competitive sealed proposals), the Request for Proposals (if procured through competitive sealed proposals), the Contractor's entire proposal (if procured through competitive sealed proposals), the Contract Bonds, the Conditions of the Contract (General, Special, Supplementary, and other Conditions), the drawings of all Prime Contracts, the specifications of all Prime Contracts, all bulletins and addenda issued prior to execution of the Standard Form of Contract, all change orders, all schedules, and the Administrative Procedures of the Bureau of Construction. These form the Contract and are incorporated by reference as if fully set forth herein. To the extent that any of these documents are amended by statute, the statutory language will control.

**ORIGINAL COPY**

## **ARTICLE 2 – THE WORK**

The Contractor shall perform all the Work required by the Contract Documents for the construction of Contract No. D.G.S. 1574-9.4, Phase 1, Replace Del Norte Perimeter Intrusion System, State Correctional Institution, Cresson, Cambria County, Pennsylvania

## **ARTICLE 3 – PROFESSIONAL**

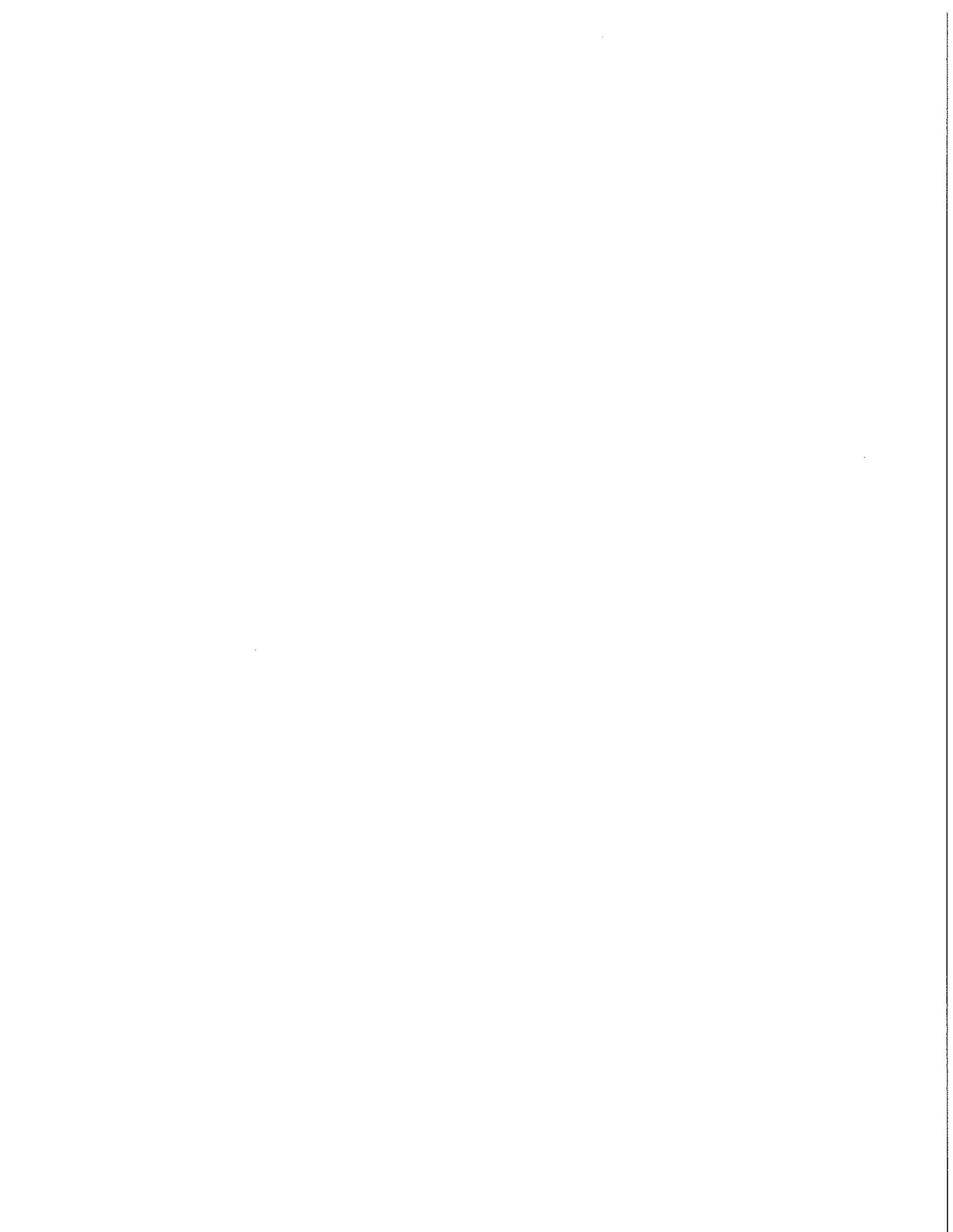
The Professional for this Project is Ram-Tech Engineers, Inc., 2 International Plaza, Suite 243, Philadelphia, PA 19113

## **ARTICLE 4 – TIME OF COMMENCEMENT AND COMPLETION**

The Work to be performed under this Contract shall be commenced upon the effective date of the Contract. The Contractor shall commence operations on site on site no later than ten (10) days after the Initial Job Conference or by the date established by the Letter of Intent (if issued) and shall complete all Contract Work to the satisfaction and approval of the Department, on or before the milestones established in the Master Project Schedule. Contractor further agrees that time is of the essence of this Contract, and that, if the Contractor fails to complete the Work within the time specified above, the Contractor will pay the Department, as Liquidated Damages, and not as a penalty for such failure, the sum of One Hundred Sixty and -----00/100 Dollars (\$160.00) per day for each and every calendar day after the selected interim milestone dates and the contract completion date until the Work is completed and accepted. The Department may extend the completion date of the Contract for causes set forth in the General Conditions of the Contract and, which, in fact, delay the completion of said Work. In such case, Contractor is liable for said Liquidated Damages only after the expiration of the extended period.

## **ARTICLE 5 – CONTRACT SUM**

The Department will pay the Contractor for the performance of the Work, subject to additions and deductions by change order, as provided in the General Conditions of the Contract, the contract sum of Three Hundred Ninety-Eight Thousand and -----00/100 Dollars (\$398,000.00) Base Bid No. 3. Payment will be made as set forth in the General Conditions of the Contract. Deductions from or additions to this sum will be made as set forth in the General Conditions of the Contract.



## **ARTICLE 6 – PROGRESS PAYMENTS**

Based upon applications for payment submitted to the Department by the Contractor, the Department will make progress payments on account of the Contract Sum to the Contractor, in accordance with the provisions of the Prompt Payment Act, 62 Pa. C.S. §3931 *et seq.*, as amended, which Act is incorporated herein by reference and made a part hereof as if those provisions were fully and at length herein recited, except that, where said Act refers to the Commonwealth of Pennsylvania or a Department thereof, it is deemed to refer to the Department of General Services.

## **ARTICLE 7 – FINAL PAYMENT**

Final payment, constituting the entire unpaid balance of the Contract Sum, will be paid by the Department to the Contractor in accordance with the provisions of the Prompt Payment Act, 62 Pa. C.S. § 3941 *et seq.*, as amended, which Act is incorporated herein by reference and made a part hereof as if those provisions were fully and at length herein recited, except that, where said Act refers to the Commonwealth of Pennsylvania or a Department thereof, it is deemed to refer to the Department of General Services.

## **ARTICLE 8 – UNIT PRICES**

Unit Prices contained in the bid for additions to or deductions from estimated quantities and or price are:

- Acceptable and are, therefore, incorporated into the Contract
- Are not acceptable and are not incorporated as part of the Contract
- Not applicable to this Contract

## **ARTICLE 9 – MISCELLANEOUS PROVISIONS**

- 9.1 Terms used in the Contract that are defined in the General Conditions of the Contract have the meanings designated in those General Conditions.
- 9.2 In addition to any other guarantees or warranties, the Contractor covenants and agrees, after acceptance of the Work performed under this Contract, to remedy without cost to the Department, any such defect, provided said defects in the judgment of the Department, or

its successors having jurisdiction in the premises, are caused by defective or inferior materials, equipment or workmanship. If the corrective Work is not completed within thirty (30) days after notification by the Department to the Contractor, the Department may do the Work and submit those costs to the Surety Company for reimbursement.

- 9.3 The Contract Bonds given by the Contractor conditioned upon the faithful performance of the Contract and for the payment of labor, material, equipment rental and public utility service claims are attached to this contract and are made a part of it.
- 9.4 No third party acquires any rights against the Department under this Contract.
- 9.5 The Contractor agrees to abide by and be bound by the Laws of Pennsylvania relating to and regulating the hours and conditions of employment.
- 9.6 Any claimant who has performed labor or furnished material in the prosecution of the Work has a right of action to recover the cost thereof from the Contractor and/or the surety on the Bond given to secure the payment as set forth in 62 Pa. C. S. §903(d), also known as the Commonwealth Procurement Code. For those who do not have a contract directly with the Contractor, this right of action may not be exercised unless the Contractor receives written notification of the claim within ninety (90) days after the day on which the claimant performed the last of the labor or furnished the last of the materials for which it claims payment. The Contractor shall include in all of its subcontracts or supply contracts a provision requiring that its subcontractors and suppliers notify, in writing, their subcontractors and suppliers of this requirement. It is hereby agreed that no third party rights arise against the Department for any reason under this Section, and Contractor hereby agrees to so inform all subcontractors in writing.

**ARTICLE 10 – CONTRACT COMPLIANCE REGULATIONS**

Refer to the appropriate paragraph of the 2010 General Conditions of Contract (which are made a part of this Contract by incorporation by reference as if fully set forth herein), which prohibits discrimination in hiring or employment opportunities. Also made a part of this Contract by incorporation by reference are all State and Federal Laws prohibiting discrimination in hiring or employment opportunities. The contract documents also list applicable statutory provisions which are incorporated by reference into this contract as if set forth fully herein.

IN WITNESS WHEREOF, the Department of General Services and the Contractor have caused this contract to be executed the day and year above written.

*Feng Brown*  
Secretary or Treasurer  
Feng Brown  
(Corporate Seal)

PINNACLE INTEGRATED SYSTEMS, INC.  
D/B/A P2 ABC CONTROLS  
Contractor – Corporation

By: *Robert Betty* 10-14-11  
President Date

COMMONWEALTH OF PENNSYLVANIA  
ACTING THROUGH THE DEPARTMENT  
OF GENERAL SERVICES

*Kelly Eitner*  
Witness Kelly Eitner

APPROVED ELECTRONICALLY  
Secretary of General Services

APPROVED AS TO LEGALITY AND FORM:

APPROVED ELECTRONICALLY  
Office of General Counsel

APPROVED ELECTRONICALLY  
Office of Attorney General

I hereby certify that funds in the amount of \$ 398,000.00  
are available under Appropriation Symbol \_\_\_\_\_

APPROVED ELECTRONICALLY  
Comptroller Date

**APPROVED ELECTRONICALLY  
VIA SAP**



**WHEREAS**, the above Principal has entered into a Contract with the Department of General Services dated the 31st day of October, 2011 for Contract No. D.G.S. 1574-9.4, Phase 1, for the Electrical Construction, Replace Del Norte Perimeter Intrusion System, State Correctional Institution, Cresson, Cambria County, Pennsylvania

upon certain terms and conditions in said Contract more particularly mentioned; and

**WHEREAS**, it is one of the Conditions of the Award of the Department of General Services pursuant to which said Contract is about to be entered into, that these presents be executed;

**NOW, THEREFORE**, the joint and several conditions of this obligation are such:

A. That, if the above Principal as Contractor shall well and faithfully do and perform the things agreed by it to be done and performed according to the terms of said Contract and General Conditions, including the plans and specifications therein referred to and made part thereof, and such alterations as may be made in said plans and specifications as therein provided and which are hereby made part of this Bond the same as though they were fully set forth herein, and shall indemnify and save harmless the Department of General Services and all of its officers, agents and employees from any expense incurred through the failure of said Contractor to complete the Work as specified and for any damages growing out of the manner of performance of said Contract by said Contractor or its Subcontractors, or its or their agents or servants, including, but not limited to, patent trademark and copyright infringements, then this part of this obligation shall be void; otherwise, it shall be and remain in full force and effect.

B. That, if the above Principal shall and will promptly pay or cause to be paid all sums of money which may be due by the Principal or any of its Subcontractors to any person, co-partnership, association or corporation for all material furnished and labor supplied or performed in the prosecution of the Work, whether or not the said material or labor entered into and become component parts of the Work or improvements contemplated, and for rental of equipment used, and services rendered by public utilities in, or in connection with, the prosecution of such Work, then this part of this obligation shall be void; otherwise, it shall be and remain in full force and effect.

C. It is further agreed that any alterations which may be made in the terms of the Contract or in the Work to be done or materials to be furnished or labor to be supplied or performed, or equipment to be rented, or public utility services to be rendered, or the giving by the Department of General Services of any Extension of Time for the performance of the Contract, or

the reduction of the retained percentage as permitted by the Contract, or any other forbearance on the part of either the Department of General Services or the Principal to the other, shall not in any way release the Principal and the surety or sureties or either or any of them, their heirs, executors, administrators, successors or assigns, from their liability hereunder; notice to the surety or sureties of any such alterations, extension or forbearance being hereby waived.

D. The Principal and Surety hereby jointly and severally agree with the Obligee herein that every person, co-partnership, association or corporation which, whether as subcontractor or as a person otherwise entitled to the benefits of this Bond, has furnished material or supplied or performed labor or rented equipment used in the prosecution of the Work as above provided and any public utility, which has rendered services, in, or in connection with, the prosecution of such Work, and, which has not been paid in full therefore, may sue in assumpsit on this Bond in his, their, or its name and prosecute the same to final judgment for such sum or sums as may be justly due him, them, or its, and have execution thereon; provided, however, that the Department of General Services shall not be liable for the payment of any costs or expenses of such suit to a third party under any theory of law or equity.

E. Recovery by any persons, co-partnership, association or corporation hereunder is subject to the provisions of the Act of May 15, 1998, P.L. 358, No. 57, 62 Pa.C.S §§101-4509, as amended, which Act is incorporated herein and made a part hereof, as fully and completely as though its provisions were fully and at length herein recited, except that, where said Act refers to the Commonwealth of Pennsylvania or a Department thereof, it is deemed to refer to the Department of General Services.

[Signature Page Immediately Follows]

IN WITNESS WHEREOF, the said Principal and Surety have duly executed this Bond under seal the day and year above written.

Feng Brown 10/26/11  
Secretary or Treasurer Date  
Feng Brown

(Corporate Seal)

PINNACEL INTEGRATED SYSTEMS, INC.  
D/B/A P2 ABC CONTROLS  
Corporation

By: [Signature] 10-26-11  
President Date  
ROBERT BETTY.

Jeanne McKean 10/25/11  
PA Resident Agent Date  
Jeanne McKean

Upper Hudson National Insurance Company  
Surety Date  
[Signature] 10/25/11  
Attorney-in-Fact Date  
Donald Appel

APPROVED AS TO LEGALITY AND FORM:

APPROVED ELECTRONICALLY  
Office of Chief Counsel

APPROVED ELECTRONICALLY  
Office of Attorney General

**APPROVED ELECTRONICALLY  
VIA SAP**

UPPER HUDSON NATIONAL INSURANCE COMPANY

Power of Attorney

Know All Men by These Presents:

That Upper Hudson National Insurance Company, a New York Domiciled Insurance Company, having its home office located in the City of Monticello, State of New York, does make, constitute, and appoint:

AUTHORIZED INDIVIDUALS:

Donald Appel
Attorney-in-Fact

In the City of Monticello, State of New York, with limited authority, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred, to sign, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, both admitted and non-admitted, letters of credit, undertakings, and contents of suretyship; provided that no bond or contract of suretyship executed under this authority shall exceed in penalty the amount the sum of:

-----ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED \$500,000-----
FIVE HUNDRED THOUSAND DOLLARS

The acknowledgement and execution of such bond by the said Attorney-in-Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company

All authority hereby conferred shall expire and terminate, without notice, unless used before midnight of December 31, 2011, but until such time shall be irrevocable and in full force and effect.

Upper Hudson National Insurance Company further certifies that the following is a true and accurate copy of the Section in the Corporate By-Laws that pertain to bond undertakings:

Article IX-Policies and Underwriting Undertakings:

All policies and underwriting undertakings shall be valid when signed by the President, a Vice President, an Attorney-in-Fact or any other authorized official or agent of the Company, and where required by law, such policies and undertakings may be attested and sealed with a seal of the company.

The President or Vice President or any person designated by either of them may appoint and authorize Attorneys-in-Fact, officials and agents of the Company to accomplish the purposes set forth in this Article.

IN WITNESS WHEREOF, we have caused these presents to be executed by its President, Robert Wong, this 25th day of October, 2011.



UPPER HUDSON NATIONAL INSURANCE COMPANY

Handwritten signature of Robert Wong
President
Robert Wong

NOTICE: the background shading of this document is BLUE, if it is not, this is not a Certified Copy-Call 1-845-791-6700

Please Direct All Correspondence To:

Upper Hudson National Insurance Company
4446 State Route 42, Suite B
Monticello, New York 12701
Tel: 845-791-6700

01741
Bond #: 101918-00
Department of General Services (Harrisburg, PA)

WARNING: THE RED "PROTECTED" LOGO BELOW CONTAINS HEAT SENSITIVE SECURITY INK WHICH SHOULD TEMPORARILY DISAPPEAR WHEN RUBBED.



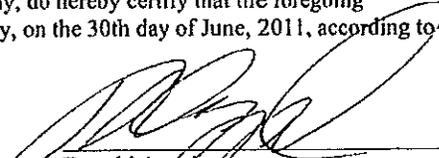
UPPER HUDSON NATIONAL INSURANCE COMPANY

4446 Route 42, Suite B  
 Monticello, NY 12701

STATEMENT OF FINANCIAL CONDITION AS OF JUNE 30, 2011

<b>Assets:</b>	
Cash and Short-Term Investments	\$ 5,620,453
Common Stocks	548,462
Properties Held for Sale	1,031,595
Investment Income Due and Accrued	161
Uncollected Premiums and Agents' Balances in the Course of Collection	39,372
Funds Held by or deposited under reinsurance contracts	249,403
Receivables from Parent, Subsidiaries and Affiliates	<u>44,957</u>
<b>Total Admitted Assets</b>	<u>\$ 7,534,403</u>
<b>Liabilities and Surplus:</b>	
Reserve for Loss and Loss Adjustment Expenses	\$ 54,502
Other Expenses	17,352
Taxes, Licenses and Fees	10,381
Unearned Premiums	482,130
Amounts Withheld or Retained by Company for Account of Others	959,561
Provision for Reinsurance	<u>4,949</u>
<b>Total Liabilities</b>	<u>1,528,875</u>
<b>Capital &amp; Surplus:</b>	
Common Stock, Paid up	3,290,000
Paid in and Contributed Surplus	5,940,560
Unassigned Surplus	<u>(3,225,032)</u>
<b>Surplus as Regards to Policyholders</b>	<u>6,005,528</u>
<b>Total Liabilities and Surplus</b>	<u>\$ 7,534,403</u>

I, Donald Appel, Treasurer of Upper Hudson National Insurance Company, do hereby certify that the foregoing statement is a correct exhibit of the assets and surplus of the said company, on the 30th day of June, 2011, according to the best information, knowledge, and belief.

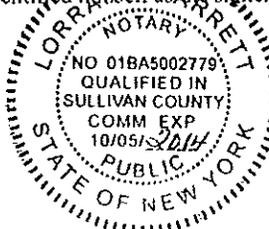
  
 Donald Appel  
 Treasurer

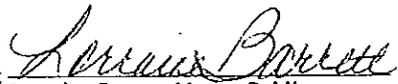
State of New York)

ss:

County of Sullivan)

On August 15, 2011 before me, Lorraine Barrett, Notary Public and for said county, personally appeared Donald Appel, who has satisfactorily identified himself as the signer to the above-referenced document.



  
 Lorraine Barrett, Notary Public  
 My Commission Expires October 5, 2014