

MONTANA STATE PRISON TELEVISION PROGRAMMING SERVICES COR-IFB2016-0002

THIS CONTRACT is entered into by and between the Montana Department of Corrections, Montana State Prison (State), whose address and phone number are 400 Conley Lake Road, Deer Lodge, MT 59722, (406) 846-1320 ext. 2281 and Friendship Cable of Texas, Inc., (Contractor), whose address and phone number are 311 NNW Loop 323, Tyler, TX 75702 and 903-939-7225.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The contract's initial term is approximately five (5) years, from contract execution through June 30, 2020, unless terminated earlier as provided in this contract. In no event is this contract binding on the State unless the State's authorized representative has signed it. The legal counsel signature approving legal content of the contract and the procurement officer signature approving the form of the contract do not constitute an authorized signature.

1.2 Contract Renewal. The State may renew this contract under its then-existing terms and conditions (subject to potential cost adjustments described below in section 2) in one-year intervals, or any interval that is advantageous to the State. This contract, including any renewals, may not exceed a total of seven years.

2. COST ADJUSTMENTS

Cost Increase by Fixed Amount. After the contract's initial term and if the State agrees to a renewal, the parties may agree upon a cost increase not to exceed five percent (5%). Contractor shall request the increase and shall provide justification for the increase. The State is not obligated to agree upon a renewal or a cost increase.

3. SERVICES AND/OR SUPPLIES

Contractor shall provide the Montana State Prison the following Television Programming Services per IFB COR-IFB2016-0002 and Contractor's response to COR-IFB2016-0002:

3.1 Definitions

MSP	Montana State Prison
Point of Transmission	Physical area located at MSP where the equipment will be housed to provide the programming service to inmate housing unit drops.
Drop	One drop is considered a TV programming hook-up site - installed by MSP staff. Some inmate cells are considered one drop, although two (2) or more individual TVs may be hooked to the one drop.
Public Drop	These sites have the potential for more than one individual to view at a time.
KMSP	MSP's internal TV channels, interfaced with the contractor's service, to upload MSP information and broadcast multi-media capabilities to the inmate population at MSP.
Multi-Media	DVD, Blu-ray, USB, and MP3

3.2 Current MSP Drop Locations

MSP currently has a total of 883 drops that are capable of providing TV programming service. Following, is the drop location breakdown and type of use (i.e. drop is used for public or individual showings):

Miscellaneous Drops – Total 17 drops

1	High Side Visiting (Public)
1	Low Side Visiting (Public)
7	Infirmery (3 Individual & 4 Public)
1	Warden's Conference Room (Public)
1	High Side Food Service (Individual)
6	Education Drops (Public)

Work Dorm Drops – Total 79 drops

78	Cells (Individual)
1	Dayroom (Public)

A Unit Drops – Total 120 drops

108	Cells (Individual)
12	Block Dayrooms (Public)

B Unit Drops – Total 121 drops

108	Cells (Individual)
13	Block Dayrooms (Public)

C Unit Drops – Total 121 drops

108	Cells (Individual)
13	Block Dayrooms (Public)

D Unit Drops – Total 99 drops

98	Cells (Individual)
1	Dayroom (Public)

High Side Unit 1 (HSU-1) Drops – Total 96 drops

96	Cells (Individual)
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High Side Unit 2 (HSU-2) Drops – Total 96 drops

96	Cells (Individual)
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Locked Housing Unit 2 (LHU-2) Drops – Total 70 drops

70	Cells (Individual)
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Locked Housing Unit (LHU-1) Drops – Total 64 drops

64	Cells (Individual)
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**** The State reserves the right to opt out of the above listed public drops depending on the cost.**

3.2.1 Adding/Deleting Drops. MSP reserves the right to add or delete drops based upon current or future needs and/or growth of the institution. The relative costs for such changes will be reflected in the monthly invoice in accordance with the pricing schedule established in response to this solicitation.

3.3 Programming

Contractor shall provide the television programming identified in sections 3.3.1, 3.3.2, 3.3.3, and 3.3.4. These stations and programming services will be considered the "Basic Package".

3.3.1 Local Channels. Contractor shall provide the following local channels: ABC; CBS; FOX; NBC; and PBS. These local channels (including the CW channel) shall be duplicated and broadcast utilizing off air signals from the existing antenna at MSP. In addition, as local broadcast stations are a requirement of the

contract, these stations must provide Emergency Alert Systems (EAS) notices. It is the Contractor's responsibility to ensure that all applicable FCC requirements are met at all times.

3.3.2 Channels. The State desires the following thirty (30) channels. MSP has final approval of all channel substitutions per section 3.3.5.

A & E - Arts & Entertainment
ABC *
AMC – American Movie Classics
Animal Planet
CBS*
CBS Sports
CNN – Cable News Network
CW Network *
Discovery
ESPN
ESPN2
FOX *
Fox News
Fox Sports 1
FX
FX Movies
HGTV
Lifetime
National Geographic
NBC*
NBC Sports
Outdoor Channel
PBS *
The History Channel
TLC - The Learning Channel
Sci-Fi Channel
TCM – Turner Classic Movies
TBS – Turner Broadcasting System
TNT – Turner Network Television
USA

(*duplicated and broadcast utilizing off air signals from the existing antenna at MSP)

3.3.3 KMSP Channels. The Contractor shall integrate a minimum of three (3) KMSP channels into the "Basic Package" and must have the ability to expand, upon request, within their programming package. These KMSP channels must have the ability to upload MSP information, play local radio stations, and broadcast multi-media. All equipment necessary to operate these channels (including radio modulator(s)) must be provided by the Contractor.

3.3.4 Religious Channels. MSP currently receives three (3) religious channels provided by *Trinity Broadcast Service at no cost to the State*. The Contractor shall integrate these three (3) channels into the Basic Package.

3.3.5 Programming Changes. MSP may choose to add, change, delete, or replace channels during the course of the contract. **ALL** programming changes (i.e., drops, channels, content, blocks, etc.) will be requested [in writing] by the MSP contract liaison and the cost of said changes will be discussed/negotiated between MSP and Contractor. **Contractor shall NOT make any programming changes without receipt of said written notice.** *Channels replaced due to network changes will be done at no cost to the state.*

The State chooses to add the following channels to the line-up. The costs for these additional channels are reflected in section 5.1:

ABC Family
Food Network
Travel
JUICE

3.3.6 Programming Guide. The Contractor shall provide MSP an electronic program guide. The electronic program guide would allow MSP staff to monitor the programs being aired and to put parental controls in place, as necessary. Any programming guide not being broadcast must be supplied to MSP by hard-copy programming a minimum of one (1) week prior to the programming dates to allow MSP staff the necessary time to monitor and block inappropriate programming.

3.3.7 Technology Upgrades. As technology changes and/or improves during the contract term, MSP reserves the right to discuss/negotiate any potential upgrade options.

3.4 Special Requirements

3.4.1 Programming Content Controls. The television programming system must allow MSP staff to electronically block specific programming on selected channels but, not completely remove the channels. The State shall utilize the Monroe Electronic Program Timer, Model R149, along with the Open Drain Switch Module, Model 619 and a Relay Panel, Model R165. These three units work together and will allow a MSP staff member to store up to 999 events of program timing information 364 days in advance.

3.4.2 WIFI and Network Access. MSP does not have any WIFI or networking capabilities. All software/hardware/equipment required to provide these capabilities must be provided by the Contractor and would remain the responsibility of the contractor. There will be no internet access provided by MSP.

3.5 Equipment

3.5.1 Basic Equipment Requirements. The Contractor shall provide and maintain all equipment, hardware and software (including updates), receivers, modulators, etc. necessary to transfer broadcast information from the point of transmission to the individual TV's. Throughout the contract term, all upgrades of Contractor provided equipment necessary to deliver the television programming services described herein, will be the Contractor's responsibility - at no cost to the State.

3.5.2 Inmate Televisions. MSP inmates are only allowed to own a 7" or 13" digital TV and these TVs are **NOT high definition**. Therefore, the Contractor shall provide standard definition analog modulators in order for the signal to work within the institution and on the inmate televisions.

3.5.3 Back-up Power Supply. The Contractor shall be responsible for providing spike/surge protection for all equipment, as appropriate, and shall install Uninterruptible Power Supply (UPS) protection of not less than 30 minutes.

3.5.4 Special Equipment Requirements. All antennas must have clear view of the Southwest to receive signal and we recommend that the Headend stay at 68-70 degrees.

3.5.5 Equipment Housing. MSP will provide the Contractor with an enclosed space (11' 6"w x 11' 9"L x 6' 9"H) to house the "contractor provided" equipment – including climate control and electricity; one phone connection; the [existing] cement pads and antenna; power; and, all cabling to the drops from the point of transmission in order to facilitate transmission of the television programming signal.

3.5.6 Contractor's Equipment Submission. The Headend will require two 20 amp circuits. Contractor currently does not utilize any energy savings plans or devices and estimates the electrical usage at 1,550 kwh per month. Based on the current channel lineup very little additional equipment will be needed. An additional satellite antenna will be required to receive the Outdoor Channel-- 3.7m C-Band antenna will be installed in the existing Dish Farm along with the required receiver and modulator.

3.6 Installation

Upon award Contractor shall order the additional satellite antenna that is required plus the additional receiver. Delivery would be approx. 2-3 weeks and on-site installation would require approximately 1 week allowing time for cement to set before setting antenna on pole. Total estimate time after award would be 30 days. With the very little difference in the lineups there will be no service interruption.

3.7 Repair

The Contractor shall have service personnel on-site to troubleshoot/repair a service-related issue within four (4) hours of receipt of a service call from the MSP Contract Liaison. The Contractor shall accept service calls 24 hours a day, seven days a week, and be readily accessible to respond to emergency situations. MSP requires an action plan be implemented [by Contractor] within 48-hours of notification of a service issue, detailing required repairs, expected system down-time, etc.

Customer Service Line 800-477-5219 – or- MSP may email to the following distribution list:
Dianne.Huffstickler@suddenlink.com; Genlle.Roselli@suddenlink.com

Dianne Huffstickler Cell: 903-780-2492

All messages left on the 800 number are immediately sent to Dianne's phone mail which is accessible to her via iPhone at all times.

In most cases, a problem within the Headend can be resolved over the phone by sending an authorization to the Unit or shipping a replacement receiver or modulator. This equipment is plug-and-play and should be able to be switched out by a MSP staff member. Estimated phone troubleshooting time with MSP Staff to be less than 45 minutes per issue.

If an issue cannot be resolved thru this method then Contractor shall dispatch a Service Technician to site within 48 hours of notification. If Contractor is unable to resolve issue within 48 hours for any reason, a detailed plan of action including time-frame will be provided via email to the proper MSP staff.

Contractor utilizes subcontractors to install and service facilities across the United States; however, Contractor remains the sole contact and responsible party for the contract. Contractor has made arrangements with Eagle Satellite in Butte, MT to install and provide on-going service.

If a channel is out for more than 72 hours, MSP may request a pro-rated credit on the billing cycle for the affected channel(s).

3.8 Training

The Contractor shall provide MSP staff with specific training and support to address system requirements and system navigation/controls/functions. Training shall also address emergency and after hour response and initial troubleshooting of the television programming system.

3.9 Equipment Removal

Upon completion of the contract term (if not renewed), Contractor will offer an opportunity of the New Provider or MSP to purchase all equipment. If this is not accepted by either, Contractor will return to site within 45 days to remove the antenna and all electronic equipment within the Headend including the Electronic Guide. Estimated time on site is 1 day.

4. WARRANTIES

4.1 Warranty of Products. Contractor warrants that the products supplied conform to the specifications requested, are fit and sufficient for the purpose manufactured, are of good material and workmanship, and are free from defect for a period of 60 days from the date of shipment. The length of warranty may vary by product. Contractor further warrants that the products are new and unused and of the latest model or manufacture, unless the State specifies otherwise. Contractor acknowledges that exceptions will be rejected.

4.2 Warranty of Services. Contractor warrants that the services provided conform to the contract requirements, including all descriptions, specifications and attachments made a part of this contract. The State's acceptance of services provided by Contractor shall not relieve Contractor from its obligations under this warranty. In addition to its other remedies under this contract, at law, or in equity, the State may, at Contractor's expense, require prompt correction of any services failing to meet Contractor's warranty herein. Services corrected by Contractor shall be subject to all the provisions of this contract in the manner and to the same extent as services originally furnished.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of the MSP TV Programming Services to be provided, the State shall pay Contractor \$2.10 per drop, per month.

Additional channels detailed in section 3.3.5:

ABC Family - \$225.00 per month

Food Network - \$225.00 per month

Travel - \$195.00 per month

JUCE – Free

5.2 Withholding of Payment. In addition to its other remedies under this contract, at law, or in equity, the State may withhold payments to Contractor if Contractor has breached this contract. Such withholding may not be greater than, in the aggregate, 5% of the total value of the subject statement of work or applicable contract.

5.3 Payment Terms. Unless otherwise noted in the solicitation document, the State has thirty (30) days to pay invoices, as allowed by 17-8-242, MCA. Contractor shall provide banking information at the time of contract execution in order to facilitate the State's electronic funds transfer payments.

5.4 Reference to Contract. The contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the contract. If the number is not provided, the State is not obligated to pay the invoice.

6. PREVAILING WAGE REQUIREMENTS

6.1 Montana Resident Preference. The nature of the work performed, or services provided, under this contract meets the statutory definition of a "public works contract" in 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or nonconstruction

services. Contractor shall abide by the requirements set out in 18-2-401 through 18-2-432, MCA, and all administrative rules adopted under these statutes.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

6.2 Standard Prevailing Rate of Wages. In addition, unless superseded by federal law, all employees working on a public works contract must be paid prevailing wage rates in accordance with 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in 18-2-401, MCA, in which the total cost of the contract is greater than \$25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract. Because this contract has an initial term of 12 months with optional renewals, this contract is subject to the 3% adjustment when the contract length becomes more than 30 months. The 3% rate increase becomes effective upon the second renewal, and the 3% is paid starting in the third year of the contract beginning with the 25th month. The adjustment must be made and applied every 12 months for the term of the contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in this contract will be allowed to fulfill this requirement.

6.3 Notice of Wages and Benefits. Furthermore, 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with 18-2-423, MCA.

6.4 Wage Rates, Pay Schedule, and Records. 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer shall maintain payroll records in a manner readily capable of being certified for submission under 18-2-423, MCA, for not less than three years after the contractor's, subcontractor's, or employer's completion of work on the public works contract.

All contractors and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification, or type of employee established by the Commissioner of the Montana Department of Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates for Building Construction Services 2015.

7. ACCESS AND RETENTION OF RECORDS

7.1 Access to Records. Contractor shall provide the State, Legislative Auditor, or their authorized agents access to any records necessary to determine contract compliance. The State may terminate this contract under section 15, without incurring liability, for the Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

7.2 Retention Period. Contractor shall create and retain all records supporting the Television Programming Services for a period of eight years after either the completion date of this contract or termination of the contract.

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this contract without the State's prior written consent. (18-4-141, MCA.) Contractor is responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the

acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and the State under this contract.

9. HOLD HARMLESS/INDEMNIFICATION

Contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this contract.

10. REQUIRED INSURANCE

10.1 General Requirements. Contractor shall maintain for the duration of this contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

10.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

10.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of 1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

10.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, owned, or borrowed by Contractor.

10.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the State. At the request of the State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

10.6 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages, has been received by the State

Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. Contractor must notify the State immediately of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. The State reserves the right to require complete copies of insurance policies at all times.

11. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire contract term and any renewal. Upon expiration, a renewal document must be sent to the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135.

12. COMPLIANCE WITH LAWS

Contractor shall, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations, including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. The Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Contractor subjects subcontractors to the same provisions. In accordance with 49-3-207, MCA, Contractor agrees that the hiring of persons to perform this contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing this contract.

13. DISABILITY ACCOMMODATIONS

The State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

14. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

15. CONTRACT TERMINATION

15.1 Termination for Cause with Notice to Cure Requirement. The State may terminate this contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than fifteen (15) days. If

the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

15.2 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this contract for the State's failure to perform any of its duties under this contract after giving the State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than fifteen (15) days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

15.3 Reduction of Funding. The State must by law terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance of this contract in a subsequent fiscal period. (18-4-313(4), MCA.) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, the State shall terminate this contract as required by law. The State shall provide Contractor the date the State's termination shall take effect. The State shall not be liable to Contractor for any payment that would have been payable had the contract not been terminated under this provision. As stated above, the State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date the State's termination takes effect. This is Contractor's sole remedy. The State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

16. EVENT OF BREACH – REMEDIES

16.1 Event of Breach by Contractor. Any one or more of the following Contractor acts or omissions constitute an event of material breach under this contract:

- products or services furnished fail to conform to any requirement;
- failure to submit any report required by this contract;
- failure to perform any of the other terms and conditions of this contract, including but not limited to beginning work under this contract without prior State approval or breaching section 21.1 obligations; or
- voluntary or involuntary bankruptcy or receivership.

16.2 Event of Breach by State. The State's failure to perform any material terms or conditions of this contract constitutes an event of breach.

16.3 Actions in Event of Breach. Upon Contractor's material breach, the State may:

- terminate this contract under Section 15.1 and pursue any of its remedies under this contract, at law, or in equity; or
- treat this contract as materially breached and pursue any of its remedies under this contract, at law, or in equity.

Upon the State's material breach, Contractor may:

- terminate this contract under section 15.2 and pursue any of its remedies under this contract, at law, or in equity; or
- treat this contract as materially breached and, except as the remedy is limited in this contract, pursue any of its remedies under this contract, at law, or in equity.

17. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials

shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five working days after the onset. If the notice is not provided within the five-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this contract, unless the parties mutually agree that the obligation is excused because of the condition.

18. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

19. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without the State Procurement Bureau's prior written consent. Product or services provided that do not conform to the contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

20. LIAISONS AND SERVICE OF NOTICES

20.1 Contract Liaisons. All project management and coordination on the State's behalf must be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this contract must be coordinated between the State's liaison and Contractor's liaison.

Tammy Stidham is the State's liaison.
400 Conley Lake Road
Deer Lodge, MT 59722
Telephone: (406)846-1320 Ext 2281
Fax: (406)846-2959
E-mail: tstidham@mt.gov

Dianne Huffstickler is Contractor's liaison.
311 NNW Loop 323
Tyler, TX 75702
903-780-2492
Dianne.Huffstickler@suddenlink.com

20.2 Notifications. The State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or facsimile. If notice is provided by personal service or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three business days of mailing. A signed and dated acknowledgement of the notice is required of both parties.

21. MEETINGS

21.1 Technical or Contractual Problems. Contractor shall meet with the State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the contract term or to discuss the progress made by Contractor and the State in the performance of their respective obligations, at no additional cost to the State. The State may request the meetings as problems arise and will be coordinated

by the State. The State shall provide Contractor a minimum of three full working days notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Contractor's consistent failure to participate in problem resolution meetings, Contractor missing or rescheduling two consecutive meetings, or Contractor's failure to make a good faith effort to resolve problems may result in termination of the contract.

21.2 Failure to Notify. If Contractor fails to specify in writing any problem or circumstance that materially affects the costs of its delivery of services or products, including a material breach by the State, about which Contractor knew or reasonably should have known with respect to the period during the term covered by Contractor's status report, Contractor shall not be entitled to rely upon such problem or circumstance as a purported justification for an increase in the price for the agreed upon scope.

21.3 State's Failure or Delay. For a problem or circumstance identified in Contractor's status report in which Contractor claims was the result of the State's failure or delay in discharging any State obligation, the State shall review same and determine if such problem or circumstance was in fact the result of such failure or delay. If the State agrees as to the cause of such problem or circumstance, then the parties shall extend any deadlines or due dates affected thereby, and provide for any additional charges by Contractor. This is Contractor's sole remedy. If the State does not agree as to the cause of such problem or circumstance, the parties shall each attempt to resolve the problem or circumstance in a manner satisfactory to both parties.

22. TRANSITION ASSISTANCE

If this contract is not renewed at the end of this term, if the contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this contract or particular work under this contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay Contractor for any resources utilized in performing such transition assistance at the most current contract rates. If the State terminates a project or this contract for cause, then the State may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages the State may have sustained as a result of Contractor's breach.

23. CONTRACTOR WITHHOLDING

Section 15-50-206, MCA, requires the state agency or department for whom a public works construction contract over \$5,000 is being performed, to withhold 1% of all payments and to transmit such monies to the Department of Revenue.

24. CONTRACTOR REGISTRATION

The Contractor will be registered with the Department of Labor and Industry under sections 39-9-201 and 39-9-204, MCA, *prior* to contract execution. The State cannot execute a contract for construction to a Contractor who is not registered (39-9-401, MCA).

25. CHOICE OF LAW AND VENUE

Montana law governs this contract. The parties agree that any litigation concerning this bid, proposal, or this contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees.

26. TAX EXEMPTION

The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

27. AUTHORITY

This contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

28. SEVERABILITY CLAUSE

A declaration by any court or any other binding legal source that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually and materially dependent.

29. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

29.1 Contract. This contract consists of fourteen numbered pages, any Attachments as required, Invitation for Bid COR-IFB2016-0002, as amended, and Contractor's response, as amended. In the case of dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

29.2 Entire Agreement. These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by the parties.

30. WAIVER

The State's waiver of any Contractor obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Contractor obligation or responsibility.

31. EXECUTION

The parties through their authorized agents have executed this contract on the dates set out below.

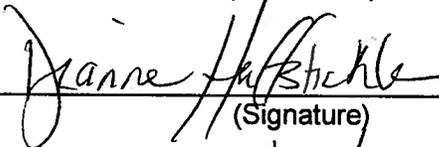
**STATE OF MONTANA
Department of Corrections
PO Box 201301
Helena, MT 59620-1301**

**Friendship Cable of Texas
311 NNW Loop 323
Tyler, TX 75702
FEDERAL ID # 75-2237583**

BY: Leroy Kirkegard, Warden
(Name/Title)

BY: Dianne Huffstickler General Mgr
(Name/Title)


(Signature)


(Signature)

DATE: 11/02/15

DATE: 11/24/15

Approved as to Legal Content:

 10-20-15
Legal Counsel (Date)

Approved as to Form:

 September 22, 2015
Procurement Officer (Date)
State Procurement Bureau