



Washington State  
**DEPARTMENT OF  
ENTERPRISE SERVICES**

**CONTRACT**

No.

*FOR*

**FACILITIES RISK MANAGEMENT**

By and Between

**STATE OF WASHINGTON  
DEPARTMENT OF ENTERPRISE SERVICES**

and

**SETRACON INCORPORATED**

Dated April 30, 2025

**CONTRACT**

No. K [REDACTED]

FOR

**FACILITIES RISK MANAGEMENT & ASSESSMENT**

This Contract (“Contract”) is made and entered into by and between the Washington Department of Enterprise Services, a Washington State governmental agency (“Enterprise Services”) and Setracon Incorporated, a Washington Corporation (“Contractor”) and is dated and effective as of April 30, 2025.

**RECITALS**

- A. Pursuant to Legislative direction codified in RCW 39.26, Enterprise Services is authorized to award contracts on a sole source basis to obtain goods and/or services for use by Enterprise Services, including Enterprise Security Risk Management Consulting Services and Facility Risk Assessments (Goods and/or Services”).
- B. The provisions of Chapter 39.26.140 RCW require the agency to file this sole source contract with the Department of Enterprise Services (DES) for approval. The effective date of this contract is upon DES approval of the contract, fifteen working days after it is filed with DES, or as agreed between the parties, whichever is later.
- C. The purpose of this Contract is to enable Enterprise Services to purchase the Goods and/or Services as set forth herein.

**AGREEMENT**

**NOW THEREFORE**, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto hereby agree as follows:

- 1. TERM.** The term of this Contract is twenty-four (24) months, commencing April 30, 2025, and ending April 30, 2027; *Provided*, however, that if Contractor is not in default and if, by February 1, 2027, in Enterprise Services’ reasonable judgment, Enterprise Services shall extend the term of this Contract, by written amendment, for up to two (2) times in one (1) year increments. Provided that any such modification to the term will be effective only upon approval through the sole source amendment process. Such extension amendment shall be on the same terms and conditions as set forth in this Contract.
- 2. SCOPE: INCLUDED GOODS AND/OR SERVICES & PRICES.**
  - 2.1. **CONTRACT SCOPE.** Pursuant to this Contract, Contractor is authorized to sell and provide only those Goods and/or Services set forth in *Exhibit A – Included Goods/Services* for the prices set forth in *Exhibit B – Prices for Goods/Services*.
    - (a) **Goods.** For purposes of this Contract, “Goods” means all equipment, materials, supplies, ancillary parts, accessories, components and other items purchased by Enterprise Services pursuant to this Contract and, as applicable, as identified in a Purchase Order.

- (b) Services. For purposes of this Contract, “Services” means all services of any nature ordered by Enterprise Services pursuant to this Contract and, as applicable, as identified in a Purchase Order.
  - (c) Specifications. Where applicable, specifications for Goods and/or Services are detailed in this Contract and, as applicable, a Purchase Order. Unless otherwise specified in a Purchase Order, all Goods and/or Services provided shall be new and unused of the latest model or design.
- 2.2. ENTERPRISE SERVICES’ ABILITY TO MODIFY SCOPE OF CONTRACT. Subject to mutual agreement between the parties, Enterprise Services reserves the right to modify the Goods and/or Services included in this Contract; *Provided*, however, that any such modification shall be effective only upon ten (10) days advance written notice; and *Provided further*, that any such modification must be within the scope of this Contract and will be effective upon approval through the sole source amendment process.
- 2.3. ECONOMIC ADJUSTMENT. Contractor may request price adjustments to the prices set forth in *Exhibit B – Prices for Goods/Services* between January 1<sup>st</sup> through February 28<sup>th</sup>, annually. Contracts that do not request an adjustment during this time waive their price adjustment for that contract year, future adjustments will not include adjustment for the non-requested year. The prices shall be adjusted as set forth below, based upon the percent changes (whether up or down) in the United States Department of Labor, Bureau of Labor and Statistics (BLS) indices described below, for the most recent year. All calculations for the index shall be based upon the latest version of data published as of December 1<sup>st</sup> of each year. If an index is recoded (i.e., the recoded index is a direct substitute for the prior index according to the BLS), this Contract will use the recoded index, as applicable. If an index becomes unavailable, Enterprise Services shall substitute a proxy index. If there is not a direct substitute, the next higher aggregate index available shall be used. Prices will be adjusted on March 1<sup>st</sup> of each year through Enterprise Services updating *Exhibit B – Prices for Goods/Services* through this process without a contract amendment and posting the new prices on the public facing webpage. The economic adjustment shall be calculated as follows:
  - BLS Index: PCU5416—5416, Management and technical consulting services, not seasonally adjusted
  - $$\text{New Price} = \text{Old Price} \times (\text{Current Period Index} / \text{Base Period Index})$$
- 2.4. PRICE CEILING. Although Contractor may offer lower prices to Enterprise Services, during the term of this Contract, Contractor guarantees to provide the Goods and/or Services at no greater than the prices set forth in *Exhibit B – Prices for Goods/Services* (subject to economic or other adjustment as set forth herein).
- 3. **CONTRACTOR REPRESENTATIONS AND WARRANTIES.** Contractor makes each of the following representations and warranties as of the effective date of this Contract and at the time of performance pursuant to this Contract. If, at the time of performance, Contractor cannot make such representations and warranties, Contractor shall not perform and shall, within three (3) business days notify Enterprise Services, in writing, of such breach.
  - 3.1. QUALIFIED TO DO BUSINESS. Contractor represents and warrants that Contractor is (a) in good standing; (b) qualified to do business in the State of Washington; and (c) registered with the Washington State Department of Revenue and the Washington Secretary of State.

- 3.2. TAXES. Contractor represents and warrants that Contractor is current, in full compliance, and has paid all applicable taxes owed to the State of Washington.
- 3.3. LICENSES; CERTIFICATIONS; AUTHORIZATIONS; & APPROVALS. Contractor represents and warrants that Contractor possesses and shall keep current during the term of this Contract all required licenses, certifications, permits, authorizations, and approvals necessary for Contractor's proper performance of this Contract.
- 3.4. SUSPENSION & DEBARMENT. Contractor represents and warrants that neither Contractor nor its principals or affiliates presently are nor have ever been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any governmental contract by any governmental department or agency within the United States.
- 3.5. CIVIL RIGHTS. Contractor represents and warrants that Contractor complies with all applicable requirements regarding civil rights. Such requirements prohibit discrimination against individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.
- 3.6. WASHINGTON STATE WAGE THEFT PREVENTION. Contractor represents and warrants that during the term of this Contract and the three (3) year period immediately preceding the award of the Contract, Contractor has not been determined, by a final and binding citation and notice of assessment issued by the Washington Department of Labor and Industries or through a civil judgement entered by a court of limited or general jurisdiction, to be in willful violation of any provision of Washington state wage laws set forth in RCW 49.46, 49.48, or 49.52.
- 3.7. WASHINGTON STATE WORKERS' RIGHTS (EXECUTIVE ORDER 18-03). Contractor represents and warrants, that Contractor does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers. Contractor further represents and warrants that, during the term of this Contract, Contractor shall not, as a condition of employment, require its employees to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.
- 3.8. WASHINGTON SMALL BUSINESS. Contractor represents and warrants that Contractor qualifies as a Washington Small Business as defined and set forth in Contractor's Bidder's Certification.
- 3.9. PUBLIC CONTRACTS AND PROCUREMENT FRAUD. Contractor represents and warrants that, within the three (3) year period prior to this Contract, neither Contractor nor its principals or affiliates: (a) have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or Purchase Order under a public contract; (b) have been in violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; (c) are presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offense enumerated in subsection (b) of this provision; or (d) had one or more public contracts (federal, state or local) terminated for cause or default.
- 3.10. PROCUREMENT ETHICS & PROHIBITION ON GIFTS. Contractor represents and warrants that Contractor complies fully with all applicable procurement ethics restrictions including, but not limited to, restrictions against Contractor providing gifts or anything of economic value, directly or indirectly, to Enterprise Services' employees.

- 3.11. WASHINGTON'S ELECTRONIC BUSINESS SOLUTION (WEBS). Contractor represents and warrants that Contractor is registered in Washington's Electronic Business Solution (WEBS), Washington's contract registration system and that, all of Contractor's information therein is current and accurate and that throughout the term of this Contract, Contractor shall maintain an accurate profile in WEBS.
  - 3.12. WASHINGTON'S STATEWIDE PAYEE DESK. Contractor represents and warrants that Contractor is registered with Washington's Statewide Payee Desk, which registration is a condition to payment.
  - 3.13. CONTRACT PROMOTION; ADVERTISING AND ENDORSEMENT. Contractor represents and warrants that Contractor shall use commercially reasonable efforts both to promote and market the use of this Contract with eligible Purchasers and to ensure that those entities that utilize this Contract are eligible Purchasers; provided, however, that Contractor may rely on the representations of any Purchaser and Enterprise Services regarding such eligibility. Contractor understands and acknowledges that neither Enterprise Services nor the State of Washington are endorsing Contractor's Goods and/or Services or suggesting that such Goods and/or Services are the best or only solution to their needs. Accordingly, Contractor further represents and warrants that Contractor shall make no reference to Enterprise Services or the State of Washington in any promotional material without the prior written consent of Enterprise Services.
  - 3.14. CONTINGENT FEES. Contractor represents and warrants that no person or selling agent has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established agents as defined in the Federal Acquisition Regulations.
  - 3.15. FINANCIALLY SOLVENT. Contractor represents and warrants that Contractor has not commenced bankruptcy proceedings and that there are no judgment, liens, or encumbrances of any kind affecting title to any Goods and/or Services that are the subject of this Contract.
  - 3.16. OPERATIONAL CAPABILITY. Contractor represents and warrants that Contractor has the operational and financial capability to perform the Contract.
  - 3.17. ACCESS EQUITY – CONTRACT REPORTING (if utilizing subcontractors). Contractor represents and warrants that Contractor, if utilizing subcontractors to perform this Contract, shall register and report monthly, as Contractor, through *Access Equity*, Washington's secure online business diversity vendor management system (B2Gnow), which is managed by Washington's Office of Minority and Women's Business Enterprises (OMWBE), any payments to subcontractors pertaining to the Contract. Contractor further represents and warrants, as previously certified in Contractor's Bidder's Certification, that Contractor shall use commercially reasonable efforts to ensure that such subcontractors also utilize *Access Equity* to verify such payment information as reported by Contractor.
- 4. SAFETY; SECURITY; CONTRACTOR REQUIREMENTS WHILE ON PREMISES.** Contractor's failure to comply with any of the requirements in this Section shall be cause for termination.
- 4.1. REGULATORY REQUIREMENTS/SAFETY. Goods and/or Services supplied by Contractor shall meet all applicable health, safety, and other federal, state, and/or local regulatory agency requirements applicable to the Goods and/or Services.

- 4.2. MATERIAL SAFETY DATA SHEETS. As applicable, Contractor shall provide Enterprise Services with all appropriate current Safety Data Sheets (“MSDS”) at the time of delivery of each shipment of Goods which requires such compliance and/or and for materials used by Contractor while performing Services pursuant to this Contract.
- 4.3. CLEAN-UP. If Contractor, its agents, employees, or subcontractors perform onsite Services, Contractor, at its cost, shall remove all excess materials, equipment, packaging, and garbage within the scope of its performance of Services and leave that portion of the premises in which the work was performed in a clean condition. Should Contractor fail to clean up a site after completion of work, Enterprise Services shall have the right to remove the materials and set off the cost of clean up against amounts owed to Contractor.
- 4.4. ACCIDENT AND INJURY REPORTING. If Contractor, its agents, employees, or subcontractors are present at Enterprise Services’ premises, Contractor promptly shall report in writing all injuries, accidents, property damage, near-miss incidents, or any claims regarding damages or injury involving Contractor, its agents, employees, or subcontractors occurring at such premises. Contractor agrees to cooperate and assist Enterprise Services in any investigation of incidents.
- 4.5. ON SITE REQUIREMENTS. As applicable, while on Enterprise Services’ premises or while interacting with Enterprise Services’ personnel, Contractor, its agents, employees, or subcontractors shall comply, in all respects, with Enterprise Services’ physical, fire, access, safety, health, and security requirements and not interfere with Enterprise Services’ operations. Contractor represents and warrants that Contractor, its agents, employees, or subcontractors who access Enterprise Services’ premises shall be adequately trained and at all times comply with Enterprise Services’ requirements.
- 4.6. IT SECURITY POLICIES. Contractor, its agents, employees, or subcontractors shall comply with all Washington State IT security policies and standards which shall be made available to Contractor upon request.

## 5. SUBCONTRACTORS.

- 5.1. CONTRACTOR RESPONSIBILITY. Notwithstanding any provision to the contrary, in the event Contractor elects to utilize subcontractors to perform this Contract, Contractor shall:
  - (a) Incorporate Contractor’s responsibilities under this Contract into its subcontracts;
  - (b) Be fully responsible for the performance of any such subcontractors (regardless of tier) and ensure that subcontractors comply with each and every Contractor obligation set forth in this Contract;
  - (c) Be the sole point of contact for Enterprise Services regarding all contractual matters;
  - (d) Ensure that such subcontractors are registered in WEBS;
  - (e) Ensure that such subcontractors comply with the *Access Equity* requirements applicable to subcontractors as set forth in this Contract; and
  - (f) Defend, indemnify, and hold Enterprise Services harmless in case of negligence, other tortious fault, or intentional misconduct by any such subcontractors (regardless of tier).

Prior to utilizing any subcontractor to perform this Contract, Contractor shall provide written notice to Enterprise Services' contract administrator. For each such subcontractor, such notice shall confirm that such subcontractor is:

- Registered in WEBS; and
- Identified by Contractor in *Access Equity*.

5.2. ACCESS EQUITY. If Contractor utilizes subcontractors to perform this Contract, this section applies. In such circumstances, this Contract is subject to compliance tracking using *Access Equity*, Washington's online business diversity vendor management system (B2Gnow), which is managed by Washington's Office of Minority and Women's Business Enterprises (OMWBE). *Access Equity* is web-based and can be accessed at <https://omwbe.diversitycompliance.com/>. User guides and documentation related to Contractor and subcontractor access to and use of *Access Equity* are available online at <https://omwbe.wa.gov/access-equity-help-center>. Contractor may contact the Contract Administrator for technical assistance in using the *Access Equity* system.

(a) Contract Payment Reporting & Verification. Contractor and any subcontractors utilized by Contractor to perform this Contract shall utilize *Access Equity* to report and confirm receipt of payments made to Contractor by Enterprise Services and to each subcontractor.

(b) Contractor Requirements.

1. Registration. Contractor, within fifteen (15) calendar days of the effective date of this Contract, shall register in *Access Equity* and enter all required subcontractor information. In the event Contractor subcontracts to perform this Contract after the effective date of this Contract, Contractor shall update *Access Equity* within fifteen (15) calendar days of such subcontract.
2. Training. Contractor, within twenty (20) calendar days of the effective date of this Contract (or later engagement of a subcontractor), shall complete the required *Access Equity* user training (two (2) one-hour online sessions).
3. Subcontractors. Contractor shall require any subcontractor(s) utilized by Contractor to perform this Contract to:
  - Register in *Access Equity*;
  - Complete the required *Access Equity* user training;
  - Use *Access Equity* to verify the amount and date of receipt of each payment from Contractor or, if applicable, a higher tier subcontractor;
  - Use *Access Equity* to report payments made by subcontractor to any lower tier subcontractor(s), if any, in the same manner as specified herein;
  - Promptly respond to any requests or instructions from Contractor or system-

generated messages to check or provide information in *Access Equity*; and

- When necessary, promptly coordinate with Contractor and/or Enterprise Services to resolve any discrepancies between reported and received payments.
4. Reporting. Contractor, quarterly shall report the amount and date of:
- All payments received from Enterprise Services; and
  - All payments paid to subcontractor(s);
- Provided*, however, that Contractor shall mark as “final” and report final subcontractor payments no later than thirty (30) calendar days after final payment is due to subcontractor(s).
5. Monitor & Respond. Contractor shall monitor contract payments and respond promptly to any requests or instructions from Enterprise Services or system-generated messages to check or provide information in *Access Equity*.
6. Resolve Discrepancies. When necessary, promptly coordinate with subcontractor(s) and/or Enterprise Services to resolve any discrepancies between reported and received payments.

(c) Right to withhold Payment for Noncompliance. In the event Contractor or subcontractors, if any, fails to comply with this section, Enterprise Services may, in addition to any other lawful remedy, upon written notice of such noncompliance, withhold payment to Contractor until such time as such noncompliance is cured.

- 5.3. REPORTING. If Contractor is required to report to Enterprise Services, such report(s) shall include subcontractor data, by subcontractor, for any data that Contractor is required to report as well as a consolidated ‘rollup’ report combining Contractor and subcontractor data.
- 5.4. SUBCONTRACTOR REPRESENTATIONS AND CERTIFICATIONS. Any Contractor representations or certifications set forth in this Contract shall apply to subcontractors (at any tier) and Contractor shall not utilize any subcontractors (at any tier) who cannot provide such representations or certifications, excepting the certification to be registered with Washington’s Statewide Payee Desk, unless Enterprise Services shall pay such subcontractor directly.

## 6. INVOICING & PAYMENT.

- 6.1. CONTRACTOR INVOICE. Contractor shall submit properly itemized invoices to Enterprise Services’ designated invoicing contact for Goods and/or Services delivered under this Contract. Such invoices shall itemize the following:
- (a) Contract No. K [REDACTED];
  - (b) Contractor name, address, telephone number, and email address for billing issues (i.e., Contractor Customer Service Representative);
  - (c) Contractor’s Federal Tax Identification Number;



- (d) Date(s) of delivery;
- (e) Applicable Goods and/or Services;
- (f) Invoice amount; and
- (g) Payment terms, including any available prompt payment discounts.

Contractor's invoices for payment shall reflect accurate Contract prices. Invoices shall not be processed for payment until receipt of a complete invoice as specified herein.

- 6.2. **PAYMENT.** Enterprise Services' obligation to pay invoices is subject to receipt of a timely and accurate invoice and conforming Goods and/or Services. Unless Contractor has provided a prompt payment discount set forth in *Exhibit B – Prices for Goods/Services*, Enterprise Services' payment is due within thirty (30) days of invoice. Enterprise Services retains the right of setoff for any amount due or owing to Enterprise Services. Enterprise Services may make payments electronically (e.g., ACH payments). Contractor shall provide information necessary to facilitate electronic payments. If Enterprise Services fails to make timely payment(s), Contractor may invoice Enterprise Services in the amount of one percent (1%) per month on the amount overdue or a minimum of \$1. Payment shall not be considered late if a check or warrant is mailed within the time specified.
- 6.3. **OVERPAYMENTS.** Contractor promptly shall refund to Enterprise Services the full amount of any erroneous payment or overpayment. Such refunds shall occur within thirty (30) calendar days of written notice to Contractor; *Provided*, however, that Enterprise Services shall have the right to elect to have either direct payments or written credit memos issued. If Contractor fails to make timely refunds of overpayment(s) (either directly or by credit memo), Contractor shall pay Enterprise Services interest at the rate of one percent (1%) per month on the amount overdue thirty (30) calendar days after notice to Contractor.
- 6.4. **ADVANCE PAYMENT PROHIBITED.** Except as authorized by law, Contractor shall not request or receive advance payment for any Goods and/or Services furnished by Contractor pursuant to this Contract.
- 6.5. **NO ADDITIONAL CHARGES.** Unless otherwise specified herein, Contractor shall not include or impose any additional charges including, but not limited to, charges for shipping, handling, insurance, or payment processing.
- 6.6. **TAXES/FEES.** Contractor promptly shall pay all applicable taxes on its operations and activities pertaining to this Contract. Failure to do so shall constitute breach of this Contract. Unless otherwise agreed, Enterprise Services shall pay applicable sales tax imposed by the State of Washington on purchased Goods and/or Services. Contractor's invoices shall separately state (a) taxable and non-taxable charges and (b) sales/use tax due by jurisdiction. In regard to federal excise taxes, Contractor shall include federal excise taxes only if, after thirty (30) calendar days written notice to Enterprise Services, Enterprise Services has not provided Contractor with a valid exemption certificate from such federal excise taxes.

## **7. CONTRACT MANAGEMENT.**

- 7.1. **CONTRACT ADMINISTRATION & NOTICES.** Except for legal notices, the parties hereby designate the following contract administrators as the respective single points of contact for purposes of this Contract. Enterprise Services' contract administrator shall provide Contract oversight. Contractor's contract administrator shall be Contractor's principal contact for business

activities under this Contract. The parties may change contract administrators by written notice as set forth below.

Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

**Enterprise Services**

Attn: Jo Aiken  
Washington Dept. of Enterprise Services  
PO Box 41411  
Olympia, WA 98504-1411  
Tel: (360) 902.3576  
Email: jo.aiken@des.wa.gov

**Setracon**

Attn: Jeffrey Slotnick  
9101 24<sup>th</sup> Ave East  
Tacoma, WA 98445  
Tel: (253) 255-1260  
Email: jeff.slotnick@setracon.com

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

- 7.2. CONTRACTOR CUSTOMER SERVICE REPRESENTATIVE. Contractor shall designate a customer service representative (and inform Enterprise Services of the same) who shall be responsible for addressing Enterprise Services' issues pertaining to this Contract.
- 7.3. LEGAL NOTICES. Any legal notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

**Enterprise Services**

Attn: Legal Services Manager  
Washington Dept. of Enterprise Services  
PO Box 41411  
Olympia, WA 98504-1411  
Email: greg.tolbert@des.wa.gov

**Setracon Incorporated**

Attn: Jeffrey Slotnick  
9101 24<sup>th</sup> Ave East  
Tacoma, WA 98445  
Tel: (253) 255-1260  
Email: [jeff.slotnick@setracon.com](mailto:jeff.slotnick@setracon.com)

Notices shall be deemed effective upon the earlier of receipt if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

**8. RECORDS RETENTION & AUDITS.**

- 8.1. RECORDS RETENTION. Contractor shall maintain books, records, documents, and other evidence pertaining to this Contract to the extent and in such detail as shall adequately reflect contract performance and administration of invoices, payments, taxes, and fees. Contractor shall retain such records for a period of six (6) years following expiration or termination of this Contract or final payment, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.
- 8.2. AUDIT. Enterprise Services reserves the right to audit, or have a designated third-party audit, applicable records to ensure that Contractor properly has invoiced Enterprise Services. Accordingly, Contractor shall permit Enterprise Services and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's

books, documents, papers, and records directly pertinent to this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of six (6) years following expiration or termination of this Contract or final payment, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.

## 9. INSURANCE.

- 9.1. **REQUIRED INSURANCE.** Contractor, at its expense, shall maintain in full force and effect the insurance coverages set forth in *Exhibit C – Insurance Requirements*. All costs for insurance, including any payments of deductible amounts, shall be considered incidental to and included in the prices for Goods and/or Services and no additional payment shall be made to Contractor.
- 9.2. **WORKERS COMPENSATION.** Contractor shall comply with applicable workers compensation statutes and regulations (e.g., RCW Title 51, Industrial Insurance). If Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, Enterprise Services may terminate this Contract. This provision does not waive any of the Washington State Department of Labor and Industries (L&I) rights to collect from Contractor. If Contractor performs Services on Enterprise Services' behalf in the State of Washington, and only to the extent of claims against Contractor by Enterprise Services under the Indemnity obligations in this Contract, Contractor expressly waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Contractor's indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The parties expressly acknowledge and certify that the waiver of immunity under Title 51 RCW was mutually negotiated and agreed upon.

## 10. CLAIMS.

- 10.1. **ASSUMPTION OF RISKS; CLAIMS BETWEEN THE PARTIES.** Contractor assumes sole responsibility and all risks of personal injury or property damage to itself and its employees and agents in connection with Contractor's operations under this Contract. Enterprise Services has made no representations regarding any factor affecting Contractor's risks. Contractor shall pay for all damage to any Enterprise Services' property resulting directly or indirectly from Contractor's negligent acts or omissions under this Contract.
- 10.2. **THIRD-PARTY CLAIMS; GENERAL INDEMNITY.** To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold Enterprise Services and its employees and agents harmless from and against all claims, demands, judgments, assessments, damages, penalties, fines, costs, liabilities, or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees (collectively "Claims") to the extent arising out of Contractor's or its successors', agents', and subcontractors' negligence, other tortious fault, or intentional misconduct under this Contract. The parties agree that if there are any limitations of Contractor's liability, including a limitation of liability clause for anyone for whom the Contractor is responsible, such limitations of liability shall not apply to injuries to persons, (including death), damages to property, data breach, and/or intellectual property infringement. Contractor shall take all steps needed to keep Enterprise Services' property

free of liens arising from Contractor's activities, and promptly obtain or bond the release of any such liens that may be filed.

10.3. **INTELLECTUAL PROPERTY INDEMNITY.** To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold Enterprise Services and its employees and agents harmless from and against any and all Claims resulting from allegations of infringement of any patents, copyrights, trade secret, or similar intellectual property rights covering the Goods and/or Services provided, or the use of the Goods and/or Services under this Contract. If Enterprise Services' use of the Goods and/or Services provided by Contractor is enjoined based on an intellectual property infringement Claim, Contractor shall, at its own expense, either procure for Enterprise Services the right to continue using the Goods and/or Services or, after consulting with Enterprise Services and obtaining Enterprise Services' consent, replace or modify the Goods and/or Services with substantially similar and functionally equivalent non-infringing Goods and/or Services.

**11. DISPUTE RESOLUTION.** The parties shall cooperate to resolve any dispute pertaining to this Contract efficiently, as timely as practicable, and at the lowest possible level with authority to resolve such dispute. If, however, a dispute persists and cannot be resolved, it may be escalated within each organization. In such situation, upon notice by either party, each party, within five (5) business days shall reduce its description of the dispute to writing and deliver it to the other party. The receiving party then shall have three (3) business days to review and respond in writing. In the event that the parties cannot then agree on a resolution of the dispute, the parties shall schedule a conference between the respective senior managers of each organization to attempt to resolve the dispute. In the event the parties cannot agree, either party may resort to court to resolve the dispute.

**12. TERMINATION; EXPIRATION; SUSPENSION: & REMEDIES.**

12.1. **TERMINATION.** This Contract may be terminated: (a) upon the mutual written agreement of the parties; (b) by the non-breaching party where the breach is not cured within thirty (30) calendar days after written notice of breach is delivered to the breaching party, unless a different time for cure is otherwise stated in this Contract; and (c) as otherwise expressly provided for in this Contract. This Contract shall terminate automatically and without further action if a party becomes insolvent or is placed in receivership, reorganization, liquidation, or bankruptcy. In addition to any other available remedies, the non-breaching party may terminate this Contract as provided in subsection (b) above without further liability by written notice to the breaching party. A termination for breach shall not affect rights or obligations accrued or owed before the effective date of the termination notice.

12.2. **TERMINATION FOR NONAPPROPRIATION OR REDUCTION OF FUNDS OR CHANGES IN LAW.** Enterprise Services may suspend or terminate this Contract, at the sole discretion of Enterprise Services or, as applicable, if Enterprise Services reasonably determines that: (a) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Contract; or (b) that a change in available funds affects Enterprise Services' ability to pay Contractor. A change of available funds as used in this section includes, but is not limited to, a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor. If a written notice is delivered under this provision, Enterprise Services shall reimburse Contractor for Goods properly ordered and/or Services properly performed until the effective date of said notice. Except as stated in this provision, in the event of termination for nonappropriation or reduction of funds or changes in law, Enterprise Services shall have no obligation or liability to Contractor.

- 12.3. TERMINATION FOR PUBLIC CONVENIENCE. Enterprise Services, for public convenience, may terminate this Contract; *Provided*, however, that such termination for public convenience must, in Enterprise Services' judgment, be in the best interest of the State of Washington; and *Provided further*, that such termination for public convenience shall only be effective upon sixty (60) days prior written notice; and *Provided further*, that such termination for public convenience shall not relieve Enterprise Services from payment for Goods and/or Services already ordered as of the effective date of such notice. Except as stated in this provision, in the event of such termination for public convenience, Enterprise Services shall not have any obligation or liability to Contractor.
- 12.4. EXPIRATION – ENTERPRISE SERVICES' OBLIGATIONS. Upon expiration of this Contract, Enterprise Services shall accept and take delivery of all outstanding and not yet fulfilled orders and pay Contractor the price as set out in the Contract.
- 12.5. EXPIRATION OR TERMINATION – CONTRACTOR'S OBLIGATIONS. Upon expiration or termination of this Contract, Contractor shall: (a) continue to fulfill its warranty obligations with respect to any Goods and/or Services sold hereunder and all provisions of the Contract that, by their nature, would continue beyond the expiration, termination, or cancellation of the Contract shall so continue and survive; and (b) promptly return to Enterprise Services all keys, badges, and other materials supplied by Enterprise Services pursuant to this Contract.
- 12.6. DEFAULT. Any of the following events shall constitute cause for Enterprise Services to declare Contractor in default of this Contract:
- (a) Contractor fails to perform or comply with any of the terms or conditions of this Contract;
  - (b) Contractor fails to maintain the insurance coverages specified herein or timely provide to Enterprise Services the Certificate of Insurance and updates thereto specified herein;
  - (c) Contractor breaches any representation or warranty provided herein; or
  - (d) Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary.
- 12.7. SUSPENSION & TERMINATION FOR DEFAULT. Enterprise Services may suspend Contractor's operations under this Contract immediately by written cure notice of any default. Suspension shall continue until the default is remedied to Enterprise Services' reasonable satisfaction; *Provided*, however, that, if after twenty (20) days from such a suspension notice, Contractor remains in default, Enterprise Services may terminate Contractor's rights under this Contract. All of Contractor's obligations to Enterprise Services survive termination of Contractor's rights under this Contract, until such obligations have been fulfilled.
- 12.8. REMEDIES FOR DEFAULT.
- (a) Enterprise Services' rights to suspend and terminate Contractor's rights under this Contract are in addition to all other available remedies.
  - (b) In the event of termination for default, Enterprise Services may exercise any remedy provided by law including, without limitation, the right to procure replacement Goods and/or Services. In such event, Contractor shall be liable to Enterprise Services for damages as authorized by law including, but not limited to, any price difference between the Contract price and the replacement or cover price as well as any administrative and/or transaction

costs directly related to such replacement procurement – e.g., the cost of the competitive procurement.

- 12.9. **LIMITATION ON DAMAGES.** Notwithstanding any provision to the contrary, the parties agree that in no event shall any party be liable to the other for exemplary or punitive damages; *Provided*, however, that nothing contained in this Section will in any way exclude or limit: (a) a party's liability for all damages arising out of that party's intentional acts or omissions; (b) the operation of any Goods and/or Services warranty provided in this Contract; or (c) damages subject to the Intellectual Property Indemnity section of this Contract. Any limitation of either party's obligations under this Contract, by delivery slips or other documentation is void.
- 12.10. **SUSPENSION/TERMINATION PROCEDURE.** Regardless of basis, in the event of suspension or termination (in full or in part), the parties shall cooperate to ensure an orderly and efficient suspension or termination. Accordingly, Contractor shall deliver to Enterprise Services all Goods and/or Services that are complete (or with approval from Enterprise Services, substantially complete) and Enterprise Services shall inspect, accept, and pay for the same in accordance with this Contract. Unless directed by Enterprise Services to the contrary, Contractor shall not process any orders after notice of suspension or termination inconsistent therewith.

### **13. PUBLIC INFORMATION & PUBLIC RECORDS DISCLOSURE REQUESTS.**

- 13.1. **WASHINGTON'S PUBLIC RECORDS ACT.** Unless statutorily exempt from public disclosure, this Contract and all related records are subject to public disclosure as required by Washington's Public Records Act, RCW 42.56.
- 13.2. **CONTRACTOR'S OBLIGATION.** Contractor shall identify and mark the precise portion(s) of the relevant page(s) of any records provided to Enterprise Services that Contractor believes are statutorily exempt from disclosure and identify the precise statutory basis for exemption from disclosure. In addition, if, in Contractor's judgment, certain portions of such records are not statutorily exempt from disclosure but are sensitive because particular portions of Contractor's records (NOT including pricing) include highly confidential, proprietary, or trade secret information (or the equivalent) that Contractor protects through the regular use of confidentiality or similar agreements and routine enforcements through court enforcement actions, Contractor shall identify and mark the precise portion(s) of the relevant page(s) of any records that include such sensitive information.
- 13.3. **ENTERPRISE SERVICES' OBLIGATION.** In the event that Enterprise Services receives a public records disclosure request pertaining to records that Contractor has submitted and marked either as (a) statutorily exempt from disclosure; or (b) sensitive, Enterprise Services, prior to disclosure, shall do the following: Enterprise Services' Public Records Officer shall review any records marked by Contractor as statutorily exempt from disclosure. In those situations, where the designation comports with the stated statutory exemption from disclosure, Enterprise Services shall redact or withhold the record(s) as appropriate. For records marked 'sensitive' or for records where Enterprise Services determines that no statutory exemption to disclosure applies or is unable to determine whether the stated statutory exemption to disclosure properly applies, Enterprise Services shall notify Contractor, at the address provided in the Contract, of the public records disclosure request and identify the date that Enterprise Services intends to release the record(s) (including records marked 'sensitive' or exempt from disclosure) to the requester unless Contractor, at Contractor's sole expense, timely obtains a court order enjoining Enterprise Services from such disclosure. In the event

Contractor fails to timely file a motion for a court order enjoining such disclosure, Enterprise Services shall release the requested record(s) on the date specified. Contractor's failure properly to identify exempted or sensitive information or timely respond after notice of request for public disclosure has been given shall be deemed a waiver by Contractor of any claim that such records are exempt or protected from public disclosure.

#### **14. GENERAL PROVISIONS.**

- 14.1. TIME IS OF THE ESSENCE. Time is of the essence for each and every provision of this Contract.
- 14.2. COMPLIANCE WITH LAW. Contractor shall comply with all applicable law. Contractor shall obtain all necessary permits and approvals and give all stipulations, certifications, and representations that may be required for it to perform this Contract.
- 14.3. NONDISCRIMINATION.
- (a) Nondiscrimination Requirement. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.
  - (b) Obligation to Cooperate. Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).
  - (c) Default. Notwithstanding any provision to the contrary, Enterprise Services may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Enterprise Services receives notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), Enterprise Services may terminate this Contract in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.
  - (d) Remedies for Breach. Notwithstanding any provision to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between this Contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Enterprise Services shall have the right to deduct from any monies due to Contractor or

subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe Enterprise Services for default under this provision.

- 14.4. ENTIRE AGREEMENT. This Contract constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.
- 14.5. AMENDMENT OR MODIFICATION. Except as set forth herein, this Contract may not be amended or modified except in writing and signed by a duly authorized representative of each party hereto.
- 14.6. AUTHORITY. Each party to this Contract, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Contract and that its execution, delivery, and performance of this Contract has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- 14.7. NO AGENCY. The parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this Contract. Neither party is an agent of the other party nor authorized to obligate it.
- 14.8. INDEPENDENT CONTRACTOR. The parties intend that an independent contractor relationship is created by this Contract. Contractor and its employees or agents performing under this Contract are not employees or agents of Enterprise Services. Contractor shall not have authorization, express or implied, to bind Enterprise Services to any agreement, liability, or understanding, except as expressly set forth herein. Contractor and its employees and agents are not entitled to unemployment insurance or worker's compensation benefits through Enterprise Services or the State of Washington and Enterprise Services and the State of Washington shall not pay for or otherwise provide such coverage for Contractor and its employees and agents.
- 14.9. ASSIGNMENTS. Contractor may not assign its rights under this Contract without Enterprise Services' prior written consent and Enterprise Services may consider any attempted assignment without such consent to be void; *Provided*, however, that, if Contractor (a) provides written notice to Enterprise Services within thirty (30) days of such event and (b) timely executes Enterprise Services' Assignment, Assumption, and Consent Agreement, Contractor may assign its rights under this Contract in full to any parent, subsidiary, or affiliate of Contractor that controls or is controlled by or under common control with Contractor, is merged or consolidated with Contractor, or purchases a majority or controlling interest in the ownership or assets of Contractor. Unless otherwise agreed, Contractor guarantees prompt performance of all obligations under this Contract notwithstanding any prior assignment of its rights.
- 14.10. BINDING EFFECT; SUCCESSORS & ASSIGNS. This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
- 14.11. ASSIGNMENT OF ANTITRUST RIGHTS REGARDING PURCHASED GOODS AND/OR SERVICES. Contractor irrevocably assigns to Enterprise Services, on behalf of the State of Washington, any claim for relief or cause of action which Contractor now has or which may accrue to Contractor in the future by reason of any violation of state or federal antitrust laws in connection with any



Goods and/or Services provided in Washington for the purpose of carrying out Contractor's obligations under this Contract, including, at Enterprise Services' option, the right to control any such litigation on such claim for relief or cause of action.

- 14.12. **FORCE MAJEURE.** Except for payment of sums due, neither party shall be liable to the other or deemed in breach under this Contract if, and to the extent that, such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that causes a delay that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall likewise be provided. So far as consistent with the rights reserved below, the time of completion shall be extended by Contract amendment for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Contract. Notwithstanding any provision to the contrary, in the event that a Contractor-declared force majeure event lasts for more than thirty (30) days, Enterprise Services shall have the right to terminate the Contract and/or purchase the Goods and/or Services set forth in this Contract; *Provided*, however, that in such event, Contractor shall not be liable to Enterprise Services for any price difference for such Goods and/or Services.
- 14.13. **FEDERAL FUNDS.** To the extent that Enterprise Services uses federal funds to purchase Goods and/or Services pursuant to this Contract, Enterprise Services shall specify any applicable requirement or certification that must be satisfied by Contractor as a condition of payment.
- 14.14. **SEVERABILITY.** If any provision of this Contract is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Contract, and to this end the provisions of this Contract are declared to be severable. If such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Contract.
- 14.15. **WAIVER.** Failure of either party to insist upon the strict performance of any of the terms and conditions hereof, or failure to exercise any rights or remedies provided herein or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Contract, nor shall any purported oral modification or rescission of this Contract by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, contract, covenant, right, condition, or provision hereof shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, contract, covenant, right, condition, or provision.
- 14.16. **SURVIVAL.** All representations, warranties, covenants, agreements, and indemnities set forth in or otherwise made pursuant to this Contract shall survive and remain in effect following the expiration or termination of this Contract, *Provided*, however, that nothing herein is intended to extend the survival beyond any applicable statute of limitations periods.
- 14.17. **GOVERNING LAW.** The validity, construction, performance, and enforcement of this Contract shall be governed by and construed in accordance with the laws of the State of Washington, without regard to any choice of law principles that would provide for the application of the laws of another jurisdiction.

- 14.18. JURISDICTION & VENUE. In the event that any action is brought to enforce any provision of this Contract, the parties agree to submit to exclusive jurisdiction in Thurston County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.
- 14.19. ATTORNEYS' FEES. In the event of litigation or other action brought to enforce this Contract, each party shall bear its own attorneys' fees and costs.
- 14.20. FAIR CONSTRUCTION & INTERPRETATION. The provisions of this Contract shall be construed as a whole according to their common meaning and not strictly for or against any party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Contract. Each party hereto and its counsel has reviewed and revised this Contract and agrees that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be construed in the interpretation of this Contract. Each term and provision of this Contract to be performed by either party shall be construed to be both a covenant and a condition.
- 14.21. FURTHER ASSURANCES. In addition to the actions specifically mentioned in this Contract, the parties shall each do whatever may reasonably be necessary to accomplish the transactions contemplated in this Contract including, without limitation, executing any additional documents reasonably necessary to effectuate the provisions and purposes of this Contract.
- 14.22. EXHIBITS. All exhibits referred to herein are deemed to be incorporated in this Contract in their entirety.
- 14.23. CAPTIONS & HEADINGS. The captions and headings in this Contract are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Contract nor the meaning of any provisions hereof.
- 14.24. ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Contract or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract or such other ancillary agreement for all purposes.
- 14.25. COUNTERPARTS. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Contract at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Contract.

EXECUTED as of the date and year first above written.

**STATE OF WASHINGTON**  
**Department of Enterprise Services**

**SETRACON INCORPORATED,**  
**a Washington Corporation**

By: \_\_\_\_\_  
 Jo Aiken  
 Its: Assistant Director

By: \_\_\_\_\_  
 Jeffrey Slotnik  
 Its: President

**INCLUDED GOODS/SERVICES**

1. Security Risk Assessment and Analysis
  - 1.1. Conduct thorough risk assessments of all designated state buildings, properties, and sites.
  - 1.2. Identify potential security vulnerabilities, threats, and risks specific to each location.
  - 1.3. Analyze current security measures, policies, and procedures in place.
  - 1.4. Evaluate the effectiveness of existing security systems, including access control, surveillance, and alarm systems.
  - 1.5. Assess compliance with relevant state and federal security regulations and standards.
  - 1.6. Provide a detailed report of findings, including prioritized recommendations for improvements.
2. Security Master Planning
  - 2.1. Develop a comprehensive Security Master Plan for state facilities.
  - 2.2. Create site-specific security plans for high-priority locations.
  - 2.3. Establish short-term and long-term security goals and objectives.
  - 2.4. Propose strategies to mitigate identified risks and vulnerabilities.
  - 2.5. Recommend appropriate security technologies and solutions.
  - 2.6. Develop a phased implementation approach with associated timelines and budgets.
3. Security System Design and Specification
  - 3.1. Design integrated security systems for new and existing state facilities.
  - 3.2. Provide detailed specifications for security equipment and technologies.
  - 3.3. Develop technical requirements for access control, video surveillance, intrusion detection, and other relevant systems.
  - 3.4. Ensure interoperability and scalability of proposed security solutions.
  - 3.5. Create bid-ready documentation for security system procurement.
4. Policy and Procedure Development
  - 4.1. Review and update existing security policies and procedures.
  - 4.2. Develop new policies and procedures to address identified gaps.
  - 4.3. Ensure alignment with industry best practices and regulatory requirements.
  - 4.4. Create standard operating procedures (SOPs) for security personnel.
  - 4.5. Develop emergency response and crisis management plans.
5. Training and Exercise Program Development
  - 5.1. Design comprehensive security awareness training programs for state employees.
  - 5.2. Develop role-specific training modules for security personnel.
  - 5.3. Create tabletop and live exercise scenarios to test emergency response plans.
  - 5.4. Conduct train-the-trainer sessions for ongoing program sustainability.
  - 5.5. Provide recommendations for continuous improvement of training programs.
6. Security Operations Center (SOC) Consulting
  - 6.1. Assess the need and feasibility of establishing a centralized SOC.
  - 6.2. Provide recommendations for SOC design, staffing, and technology requirements.
  - 6.3. Develop SOC policies, procedures, and operational guidelines.

6.4. Assist in the selection and implementation of security information and event management (SIEM) systems.

6.5. Provide guidance on integrating various security systems into the SOC environment.

#### 7. Threat Intelligence and Monitoring

7.1. Establish processes for ongoing threat intelligence gathering and analysis.

7.2. Develop protocols for monitoring and responding to security incidents.

7.3. Create a framework for threat assessment and risk prioritization.

7.4. Recommend tools and resources for effective threat monitoring.

7.5. Provide guidance on information sharing with relevant stakeholders and law enforcement agencies.

#### 8. Physical Security Enhancement Recommendations

8.1. Assess and recommend improvements to perimeter security measures.

8.2. Evaluate and propose enhancements to building access control systems.

8.3. Provide recommendations for security lighting and landscaping.

8.4. Suggest improvements to mail and package screening procedures.

8.5. Recommend measures to protect critical infrastructure and sensitive areas within facilities.

#### 9. Cybersecurity Integration

9.1. Assess the integration of physical and cybersecurity measures.

9.2. Provide recommendations for securing networked security systems.

9.3. Develop strategies to protect against cyber threats to physical security systems.

9.4. Ensure compliance with relevant cybersecurity standards and regulations.

9.5. Propose solutions for secure remote access and monitoring of security systems.

#### 10. Ongoing Consultation and Support

10.1. Provide ad-hoc security consulting services as needed.

10.2. Offer guidance on emerging security trends and technologies.

10.3. Assist in the evaluation of security-related incidents and provide after-action reviews.

10.4. Support Enterprise Services CSVS division in security-related decision-making processes.

10.5. Provide quarterly reports on the state of security across facilities and recommend continuous improvements.

Enterprise Services requires Facility Risk Assessments and Enterprise Security Risk Management consulting services. The Governor's Office has requested visibility of assessments be shared by Enterprise Services Capitol Security and Visitor Services (CSVS) division for consistency. Historically, other state agencies have partnered with CSVS for report outs across the enterprise.

## PRICES FOR GOODS/SERVICES



*A Disabled Veteran-owned Company*

Jeffrey A. Slotnick, CPP, PSP  
President, Setracon Inc.  
Jeff.Slotnick@setracon.com

February 19, 2025

Many of our consulting services are hour for hour. These services, including executive consulting, mentoring, program evaluation, and Enterprise Security Risk Management implementations, and are invoiced at \$195.00 per hour.

Security program evaluations, risk, threat, and vulnerability assessments are a little more challenging for setting a firm price. Many variables impact establishing a firm fixed price without knowing the details of each facility we assess.

Some of the variables we consider are;

1. Size of the building
2. Building function is important because a warehouse takes less time than a judicial facility or municipal building.
3. Who works in the building? Do senior executives and dignitaries work there?
4. Does the building contain sensitive items such as computers, servers, firearms, cash, or medicine?
5. Where is the building located? Is it a high-crime area or rural?
6. Are buildings co-located, or are they geographically diverse? Geographically diverse buildings incur additional costs for travel and lodging expenses.

**INSURANCE REQUIREMENTS**

1. **INSURANCE OBLIGATION.** During the Term of this Contract, Contractor obtain and maintain in full force and effect, at Contractor's sole expense, the following insurance coverages:
  - a. **COMMERCIAL GENERAL LIABILITY INSURANCE.** Commercial General Liability Insurance covering Bodily Injury and Property Damage on an 'occurrence form' in the amount of not less than \$1,000,000 per occurrence and \$3,000,000 general aggregate. This coverage shall include Contractual Liability insurance for the indemnity provided under this Contract.
  - b. **WORKERS' COMPENSATION INSURANCE.** Contractor shall comply with applicable Workers' Compensation or Industrial Accident insurance providing benefits as required by law.
  - c. **EMPLOYERS' LIABILITY (STOP GAP) INSURANCE.** Employers' liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident, \$1,000,000 each employee for bodily injury by disease, and \$1,000,000 bodily injury by disease policy limit.
  - d. **COMMERCIAL AUTOMOBILE LIABILITY INSURANCE.** 'Symbol 1' Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000.

The insurance coverage limits set forth above may be satisfied by any combination of primary, umbrella, or excess policy. The insurance coverage limits set forth herein are the minimum. Contractor's insurance coverage shall be no less than the minimum amounts specified. Coverage in the amounts of these minimum limits, however, shall not be construed to relieve Contractor from liability in excess of such limits. Contractor waives all rights against the State of Washington for the recovery of damages to the extent such damages are covered by any insurance required herein.

2. **INSURANCE CARRIER RATING.** Coverages provided by Contractor must be underwritten by an insurance company deemed acceptable to the State of Washington's Office of Risk Management. Insurance coverage shall be provided by companies authorized to do business within the State of Washington and rated A- Class VII or better in the most recently published edition of Best's Insurance Rating. Enterprise Services reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.
3. **ADDITIONAL INSURED.** When specified as a required insurance coverage (see § 1 – Insurance Obligation, above), Commercial General Liability, Commercial Automobile Liability, and Pollution Liability Insurance shall include the State of Washington (and its agents, officers, and employees) as Additional Insureds evidenced by copy of the Additional Insured Endorsement attached to the Certificate of Insurance on such insurance policies.
4. **CERTIFICATE OF INSURANCE.** Prior to execution of the Contract, Contractor shall furnish to Enterprise Services, as evidence of the insurance coverage required by this Contract, a certificate of insurance satisfactory to Enterprise Services that insurance, in the above-stated kinds and

minimum amounts, has been secured. In addition, no less than ten (10) calendar days prior to coverage expiration, Contractor shall furnish to Enterprise Services an updated or renewed certificate of insurance, satisfactory to Enterprise Services, that insurance, in the above-stated kinds and minimum amounts, has been secured. Failure to maintain or provide proof of insurance, as required, shall result in Contractor suspension and/or contract termination. **All policies and certificates of insurance shall include the Agency Contract number stated on the cover of this Agency Contract.** All certificates of Insurance and any related insurance documents shall be sent via email to Enterprise Services at the email address set forth below:

Email: **DESCPRMInternal@des.wa.gov**

Note: The Email Subject line must state:

**Contract Insurance Certificate – Contract No. [REDACTED] – [REDACTED]**

5. **PRIMARY COVERAGE.** Contractor's insurance shall apply as primary and shall not seek contribution from any insurance or self-insurance maintained by, or provided to, the additional insureds listed above including, at a minimum, the State of Washington and/or Enterprise Services. All insurance or self-insurance of the State of Washington and/or Enterprise Services shall be excess of any insurance provided by Contractor or subcontractors.
6. **SUBCONTRACTORS.** Contractor shall include all subcontractors as insureds under all required insurance policies. Alternatively, prior to utilizing any subcontractor, Contractor shall cause any such subcontractor to provide insurance that complies with all applicable requirements of the insurance set forth herein and shall furnish separate Certificates of Insurance and endorsements for each subcontractor to Enterprise Services. Each subcontractor must comply fully with all insurance requirements stated herein. Failure of any subcontractor to comply with insurance requirements does not limit Contractor's liability or responsibility.
7. **WAIVER OF SUBROGATION.** Contractor waives all rights of subrogation against the State of Washington and Enterprise Services for the recovery of damages to the extent such damages are or would be covered by the insurance specified herein.
8. **NOTICE OF CHANGE OR CANCELLATION.** There shall be no cancellation, material change, exhaustion of aggregate limits, or intent not to renew insurance coverage, either in whole or in part, without at least sixty (60) days prior written Legal Notice by Contractor to Enterprise Services. Failure to provide such notice, as required, shall constitute default by Contractor. Any such written notice shall include the Contract number stated on the cover of this Contract.
9. **EXTENDED REPORTING PERIOD.** If any required insurance coverage is on a claims-made basis (rather than occurrence), Contractor shall maintain such coverage for a period of no less than three (3) years following expiration or termination of the Contract.

\* \* \* END OF INSURANCE REQUIREMENTS \* \* \*