

FOURTH AMENDATORY AGREEMENT

THIS FOURTH AMENDATORY AGREEMENT is made between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the “City”), and **SIERRA DETENTION SYSTEMS INC.**, a Colorado corporation, whose mailing address is Post Office Box 630512, Highlands Ranch, CO 80163 (the “Contractor”), individually a “Party” and collectively the “Parties.”

WHEREAS, the Parties entered into an Agreement dated July 31, 2012, an Amendatory Agreement dated October 27, 2014, a Revival and Second Amendatory Agreement dated February 15, 2018, and a Third Amendatory Agreement dated August 18, 2022, to provide maintenance services on the detention and access electronics equipment installed in certain City facilities (the “Agreement”); and

WHEREAS, the Agreement expired by its terms on December 31, 2024, and rather than enter into a new agreement, the Parties wish to revive and reinstate all terms and conditions of the Agreement as they existed prior to the expiration of the term and to amend the Agreement as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties incorporate the recitals set forth above and amend the Agreement as follows:

1. Effective January 1, 2025, all references to Exhibits A, A-1, and A-2 in the existing Agreement shall be amended to read Exhibits A, A-1, A-2, and A-3, as applicable. Exhibit A-3 is attached and will control from January 1, 2025.

2. Section 3 of the Agreement, titled “**TERM**,” is amended to read as follows:

“3. **TERM**: The Agreement will commence on January 1, 2012, and will expire on December 31, 2026. Subject to the Director’s prior written authorization, the Contractor shall complete any work in progress as of the then current expiration date and the Term will extend until the work is completed or earlier terminated.”

3. Subsection 4(d)(1) of the Agreement, titled “**Maximum Contract Amount**,” is amended to read as follows:

“(1) Notwithstanding any other provision of the Agreement, the City’s maximum payment obligation will not exceed Thirteen Million Forty Thousand Nine Hundred Two Dollars and Eighty Cents (\$13,040,902.80) (the “Maximum Contract Amount”). The City is not obligated to execute an agreement or any amendments for any further services, including any services performed by the Contractor beyond that specifically described in **Exhibits A, A-1, A-2, and A-3**. Any services performed beyond those in **Exhibits A, A-1, A-2, and A-3** or performed outside the Term are performed at the Contractor’s risk and without authorization under the Agreement.”

4. Section 7 of the Agreement, titled “**EXAMINATION OF RECORDS**,” is amended to read as follows:

“7. **EXAMINATION OF RECORDS AND AUDITS**: Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access, and the right to examine, copy and retain copies, at City’s election in paper or electronic form, any pertinent books, documents, papers and records related to the Contractor’s performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement.

The Contractor shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under this Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audits pursuant to this paragraph shall require the Contractor to make disclosures in violation of state or federal privacy laws. The Contractor shall at all times comply with D.R.M.C. § 20-276.”

5. Section 19 of the Agreement, titled “**NO EMPLOYMENT OF A WORKER WITHOUT AUTHORIZATION TO PERFORM WORK UNDER THIS AGREEMENT**,” is amended to read as follows:

“19. **COMPLIANCE WITH DENVER WAGE LAWS**: To the extent applicable to the Contractor’s provision of Services hereunder, the Contractor shall comply with, and agrees to be bound by, all rules, regulations, requirements, conditions, and City determinations regarding the City’s Minimum Wage and Civil Wage Theft Ordinances, Sections 58-1 through 58-26 D.R.M.C., including, but not limited to, the requirement that every covered worker shall be paid all earned wages under applicable state, federal, and city law in accordance with the foregoing D.R.M.C. Sections. By executing this Agreement, the Contractor expressly acknowledges that the Contractor is aware of the requirements of the City’s Minimum Wage and Civil Wage Theft Ordinances and that any failure by the Contractor, or any other individual or entity acting subject to this Agreement, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.”

6. Effective January 1, 2025, a new Section 37, titled “**ACCESSIBILITY AND ADA WEBSITE COMPLIANCE**,” is hereby added to the Agreement and shall read as follows:

“37. **ACCESSIBILITY AND ADA WEBSITE COMPLIANCE**: The Contractor shall comply with, and the Work provided under this Agreement shall be in compliance with, all applicable provisions of §§ 24-85-101, *et seq.*, C.R.S., and the *Accessibility Standards for Individuals with a Disability*, as established pursuant to Section § 24-85-103 (2.5), C.R.S. (collectively, the “Guidelines”), to the extent required by law. The Contractor shall also comply with Level AA of the most current version of the Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards.”

“Except as amended here, the Agreement is affirmed and ratified in each and every particular.

7. This Fourth Amendatory Agreement is not effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

8. The following attached exhibits are hereby incorporated into and made a material part of this Agreement: **Exhibit A-3, Pricing.**

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Contract Control Number: SHERF-202477356-04 / SHERF-201103350-04
Contractor Name: SIERRA DETENTION SYSTEMS INC.

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

SEAL

CITY AND COUNTY OF DENVER:

ATTEST:

By:

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Attorney for the City and County of Denver

By:

By:

By:

Contract Control Number:
Contractor Name:

SHERF-202477356-04 / SHERF-201103350-04
SIERRA DETENTION SYSTEMS INC.

By: DocuSigned by:
W. Russell Pilcher
92D3E065CFD544F...

Name: W. Russell Pilcher
(please print)

Title: CEO
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

13-Sep-24

EXHIBIT A-3
PRICING

Bill Cycle (Month)	Billing Month	Payment (Monthly)
1	Jan-25	\$ 103,494.45
2	Feb-25	\$ 103,494.45
3	Mar-25	\$ 103,494.45
4	Apr-25	\$ 103,494.45
5	May-25	\$ 103,494.45
6	Jun-25	\$ 103,494.45
7	Jul-25	\$ 103,494.45
8	Aug-25	\$ 103,494.45
9	Sep-25	\$ 103,494.45
10	Oct-25	\$ 103,494.45
11	Nov-25	\$ 103,494.45
12	Dec-25	\$ 103,494.45
13	Jan-26	\$ 106,599.28
14	Feb-26	\$ 106,599.28
15	Mar-26	\$ 106,599.28
16	Apr-26	\$ 106,599.28
17	May-26	\$ 106,599.28
18	Jun-26	\$ 106,599.28
19	Jul-26	\$ 106,599.28
20	Aug-26	\$ 106,599.28
21	Sep-26	\$ 106,599.28
22	Oct-26	\$ 106,599.28
23	Nov-26	\$ 106,599.28
24	Dec-26	\$ 106,599.28

Total: \$2,521,124.76

Uptime Guarantee.

For all calendar days, SIERRA DETENTION SYSTEMS guarantees that the core infrastructure will maintain a level of uptime equal to or better than 99% based on the two 9"s standard. This is equal to having no more than 7h 18m 17.5s of downtime per month in any given quarter.

Core systems are identified as systems that support and provide the ability to manage, record and retain video, and manage access control. (PLC"s, Servers, Switches and associated software).

Uptime does not roll over (for example, from month to month, or quarter to quarter) in order to build a „bank" of uptime to levy against any unforeseen future events.

Exclusions:

- 1) Any planned downtime of which SIERRA DETENTION SYSTEMS gives 24 or more hours" notice in accordance with the Agreement.
- 2) Any unavailability caused by circumstances beyond SIERRA DETENTION SYSTEMS"s reasonable control, including, without limitation, acts of God, flood, fire, earthquakes, civil unrest, acts of terror, strikes, or other labor problems (other than those involving SIERRA DETENTION SYSTEMS employees), or third-party Internet service or third-party solution provider failures or delays.

- 3) Malfunction of any component that is reported by Sierra in the Annual FMA report and where Sierra has not been authorized to proceed with upgrade of the equipment that is:
- At end of life
 - Beyond end of life
 - Obsoleted by the respective equipment manufacturer
- 4) In instances where such equipment malfunctions prior to replacement authorizations, Sierra will proceed on a best efforts basis to maintain operation.

Either of the exclusions listed above will not be included in the downtime calculation (shall be considered uptime). SIERRA DETENTION SYSTEMS will calculate uptime after each calendar quarter, indicating weekly how much uptime occurred. SIERRA DETENTION SYSTEMS will communicate their calculation to the DSD TMU Manager for validation.

The City is entitled to credits against the next quarter's billing period, for not performing at the 99% uptime standard. The credit shall be spread out equally over the following quarter.

*Cost includes 3% inflation per year