

6-07-1999 10:27AM

FROM DSI RF SYSTEMS. INC. 732 563 1818

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RF Systems, Inc.

March 8, 1999

John Hughes
Project Manager
City of New York- OEM
7 World Trade Center
23rd floor
New York, NY

Re: Microwave interconnect with Metro Networks
Revision: 1.2

By: FAX 1 (212) 442-8885

Dear John,

Based on our meeting of March 5th, I am pleased to submit for your approval, the revised proposal in the amount of \$26,825.00, for the interconnect with the Metro Networks cameras that terminate at the Empire State Building.

As discussed, we will connect with the Metro Networks system using a single microwave path, which will allow you the ability to switch between the various camera signals available at the Empire State Building from four (4) locations at OEM. As discussed, the RCP's will be located in the following areas: Conference room, Podium, Police Department desk, and Watch Command. These will be connected with control cables that will be run from the LAN room through each area. I have included the cost of completing this work. I have included the additional cable at no cost to OEM. As a reminder, these panels have no defeat switch, which means any one can control the cameras without blocking out the other control positions.

We spoke to Danny Toy from Metro Networks, who gave us approval to use a port from his switcher and allow us to proceed with this project.

We will continue discussions with the Management from the Empire State Building regarding compensation for your installation. I would suggest that you place a call to them and discuss the specifics directly.
The contact is: Alex Smirnoff (212) 736-3100.

Based on our last meeting, we will install the receive antenna in your alley way behind the hurricane wall on the North side of the building. Based on the restrictions of the access panels, we will install a 17" antenna in the alley way.

I will need to receive the site coordinates from you, as soon as possible, in order to begin the frequency coordination.

We will need to move quickly on this project to have you connected by March 29th. We are working on a way to provide a temporary link, in case we don't have the permanent equipment in house by this deadline. We will likely have just one control panel on line by March 29th. The rest will be installed and connected soon after.

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As discussed in our recent meeting, we will warranty our work and the equipment for a one year period. We can discuss and maintenance/service agreement for after the first year, at a later date.

There is a mandatory frequency coordination that needs to be completed for the microwave. Assuming a frequency clears, delivery on this system is being quoted at sixty (60) to ninety (90) days from approval.

One point I would like to bring up is the scarcity of 23 GHz frequencies into and out of Empire. Metro and other users are utilizing almost every available allocation. It would be prudent for you to at least file the license paperwork for this job as soon as possible.

As a reminder, OEM will need to order either a phone line or data circuit between your LAN room and the 87th floor of the Empire State Building. It is suggested that a data circuit be ordered to provide continuous access to the cameras.

If I can be of any further assistance, please don't hesitate to call.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Tim Carroll", is written over a horizontal line.

Tim Carroll
Vice President, Sales and Marketing

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FROM DSI RF SYSTEMS, INC. 732 563 1818

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Equipment & Labor:

Quantity	Description	Part Number	List Price
4	Leitch 16x1 Control Panel	RCP16x1	\$1,980.00
2	Leitch serial data	SPT-1000	\$1,190.00
2	Black Box modems	V.3229	\$1,590.00
1	Racon Micropass 23 GHz system with: 27" high performance antennas RS-250B video performance	5000E	\$8,660.00
2 Lots	Video and power cables for microwave	plenum rated	\$1,990.00
1 Lot	Control cable for the control panels (\$215.00)	8281	N/C
1	Microwave path analysis and license approval preparation		\$1,750.00
1	Antenna mount: (Empire State Building)	MWM-500	\$654.00
1	Antenna mount (7 World Trade)	Special	\$937.00
2 Lots	Installation materials	-	\$819.00
-	Labor: (to include) • Mount installation • Pulling cables to antenna • Pulling cable and connecting four control panels • Alignment	DSI	\$7,650.00
1	Control Panel Box for conference room		TBD
-	Misc. expenses	-	<u>\$238.00</u>
		Sub-total:	\$27,458.00



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Price Summary:**List Prices:**

Equipment	\$19,570.00
Labor	\$7,650.00
Expenses	<u>\$238.00</u>
Sub-total:	\$27,458.00

Discounts:

Equipment (7%)	(\$1,369.00)
Labor (10%)	<u>(\$765.00)</u>
Sub-total:	(\$2,134.00)

Shipping & Taxes (Paid by DSI):	<u>\$1,501.00</u>
Total:	<u>\$26,825.00</u>

Conditions & Exclusions:

The price is based upon the following conditions and exclusions:

- 1) All work will be performed by non-union DSI personnel. The requirement to use union personnel will result in increased labor costs for this project.
- 2) OEM will exert its best efforts to ensure that DSI has ready access to the shaftways for installing the required video, telephone and power cables.
- 3) DSI does not guarantee the availability of microwave frequencies. Every effort will be made to obtain frequencies where required.
- 4) This proposal is based upon the assumption that the specified work areas are free of asbestos contamination. The costs associated with asbestos testing or decontamination will be invoiced as a separate item.
- 5) If required, OEM is responsible for all costs associated with obtaining any NYC and/or ESB building permits. This price does not include any drawings for such permits and/or approvals.
- 6) Based on microwave being transmitted and received through windows at either site. If receive site antenna has to be placed on rooftop, the price will increase accordingly. Based on information provided by OEM, the windows are free of metallic film.



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Additional Provisions:

1. This quote is based on the above described installation. Any material changes will nullify this quotation. DSI warrants only that it's microwave installation work (the WORK) will be done in a neat, efficient, proper and workmanlike manner and in accordance with all applicable building codes and other applicable laws, rules and ordinances. DSI will not be responsible for the performance of any of the equipment provided by OEM. In the event that service is required, and it is determined that the problem does not lie in the work performed by DSI, all time incurred to correct the problem will be billed at standard DSI rates of \$85.00 per hour for Senior engineering and \$75.00 per hour for Staff engineering plus expenses. If, during the performance of the WORK, DSI foresees that any additional expenses in excess of the quoted price will be incurred in order to perform the WORK, DSI shall notify OEM. DSI shall not incur any such additional expenses without prior notice to OEM and proper authorization from OEM to continue the WORK.

2. The work will be performed in accordance with standard industry practices prevalent for microwave installations.

This warranty is given in lieu of any implied warranty including any warranty of fitness for purpose or merchantability, and in lieu of any other express warranty.

3. DSI shall begin the WORK within 30 days after notice from OEM to commence the WORK.

4. DSI agrees to accomplish the WORK described herein as soon as possible after receiving the microwave equipment and will exercise it's best efforts to complete the Microwave Installation within 30 working days weather permitting.

5. DSI agrees that the price specified herein includes all labor, including all overtime, if any, and all other cost and expenses necessary to complete the WORK according to specifications. However, in the event that DSI should have its personnel or contractors on the site for the purpose of performing this contract and weather conditions prohibit said personnel or contractors from performing their work, and DSI nevertheless is required to pay said personnel or contractors for unused time attributable to weather conditions, then in such an event, OEM shall reimburse DSI for this additional cost within fifteen (15) days after DSI submits an invoice for same to OEM. DSI will notify OEM immediately by telephone of delays caused by inclement weather.

6. It shall be the obligation of OEM to apply for and obtain at it's expense any and all necessary or appropriate governmental licenses or approvals in order to comply with all applicable governmental laws, regulations or ordinances, however it shall be DSI's responsibility to provide timely notice to OEM of the need for such licenses or approvals. DSI shall cooperate with OEM, if requested, in this process. However, any revisions to the system caused by conditions attached to said governmental licenses or approvals shall be the responsibility of OEM and it shall be responsible for the payment of any costs for labor or materials incident to such governmental compliance.

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3-17-1999 2:46PM

FROM DSI RF SYSTEMS, INC. 732 563 1818

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7. DSI agrees to purchase and maintain and to pay the premiums for public liability insurance insuring itself and OEM against claims for damages because of or resulting from any injury to property, person, or loss of life arising out of DSI performance of the WORK, with limits of at least One Hundred Thousand Dollars (\$100,000.00) for property damage to OEM or third parties, Five Hundred Thousand Dollars (\$500,000.00) for injury or death of one person and One Million Dollars (\$1,000,000.00) for all injuries or deaths arising out of or resulting from any one accident. DSI shall furnish to OEM, as OEM may request from time to time, memoranda or certificates showing such insurance as the issuing company may provide. DSI shall not cause such insurance coverage to be terminated without ten (10) days prior written notice to OEM.

8. DSI agrees to indemnify and save OEM harmless against and from any and all claims, damages, cost and expenses, including reasonable attorney's fees, arising from the conduct, management or performance of the WORK, or from any act or negligence of DSI, its agents, contractors, servants or employees during the performance of the WORK.

9. In the event that either party should default in performing any of the obligations imposed upon it by any portion of this agreement, including, without limitation the failure to pay DSI any monies as herein specified and the failure by DSI to perform any of its obligations hereunder, then and in said event, the defaulting party agrees to pay to the other its reasonable attorney's fees and costs incurred by it in enforcing its rights hereunder.

Payment Terms:

40% Down payment with the order.

60% Within 30 days of the completion of the work

This quote will be valid until April 4, 1999.

ACCEPTED:

OEM

BY:

NAME:

TITLE:

James J. Atkinson
James J. Atkinson
 DEPUTY DIRECTOR FOR
 ADMINISTRATION

DSI RF Systems, Inc.

BY: _____

Joseph J. Giardina

President