



SERVICE AGREEMENT

Date: 09/11/2025

State Systems, Inc. (SSI)
1861 Vanderhorn Dr
Memphis, TN 38134

City of Madison
228 Mose Chapel Rd
Madison, AL 35758

SERVICES to be PROVIDED:	Price
☒ Fire Station 1 (Fire Alarm, Monitoring, Sprinkler, Semi-annual Kitchen Hood)	\$ 528/Quarter
☒ Fire Station 2 (Fire Alarm, Monitoring, Sprinkler, Semi-annual Kitchen Hood)	\$ 528/Quarter
☒ Fire Station 3 (Sprinkler, Semi-Annual Kitchen Hood)	\$ 210/Quarter
☒ Wellness Center (Fire Alarm, Monitoring, Sprinkler)	\$ 476/Quarter
☒ City Hall (Fire Alarm, Monitoring)	\$ 502/Quarter
☒ Senior Center (Fire Alarm, Emergency Lights, Monitoring – No Cellular Dialer needed)	\$ 399/Quarter
☒ Community Center (Fire Alarm, Monitoring, Sprinkler)	\$ 607/Quarter
☒ Public Works (Fire Alarm, Monitoring, Sprinkler)	\$ 607/Quarter
☒ Dublin Park (Fire Alarm, fire alarm monitoring, Sprinkler)	\$ 440/Quarter
☒ Madison Public Library (Fire Alarm Monitoring)	\$ 174/Quarter
☒ Madison Public Safety Annex (Fire Alarm, Monitoring, Clean Agent)	\$ 1290/Quarter
☒ Fire Extinguishers (All buildings – the current counts for each of the existing buildings)	\$ 237/Quarter
☒ Fire Extinguishers (50 Additional Extinguishers to be inspected – no service included)	\$ 66/Quarter

. Total annual investment for all services listed above for the first year - \$ 6064 Quarterly*

Plus, applicable taxes.

- *Period of Agreement shall begin 10/01/2025 and shall continue for (1) year from that date.*
- This proposal shall remain valid for a period of ninety (90) days from the above referenced proposal date.
- This proposal is for **inspections only** and any deficiency or service work that is required as a result of these inspections will be priced accordingly.
- ***This proposal is for quarterly pricing at \$6064/quarter, for an annual sum of \$24,256. If any of the properties listed above are removed from the contract for any reason during the annual agreement, the remaining balance owed will be paid in full prior to termination of that property from the agreement.**
- This proposal and the pages attached shall become an Agreement only upon signature below by SSI and CUSTOMER. No waiver or modification of any terms or conditions of this Agreement shall be binding on SSI unless made in writing and signed by an authorized representative of SSI.

State Systems, Inc.

Signature: _____
(Type or Print Name) _____
Title: _____
Date: _____

CUSTOMER Acceptance:

Signature: _____
Print Name _____
Date: _____
Email: _____

Terms and Conditions

DEFINITIONS

1. “Equipment” means the equipment covered by the Services to be performed under this Agreement, and is identified in the respective work scope attachments under the “Equipment List”.
2. “Services” means those services and obligations to be undertaken by SSI in support of CUSTOMER pursuant to this Agreement, as more fully detailed in the attached work scope document(s), which are incorporated herein.

COVERAGE

1. CUSTOMER agrees to provide access to all Equipment covered by this Agreement. SSI will be free to start and stop all primary equipment incidental to the operation of the mechanical, and life safety system(s) as arranged with CUSTOMER’s representative.
2. It is understood that the repair, replacement, and emergency service provisions apply only to the Equipment included in the attached Equipment List. Repair or replacement of non-maintainable parts of the system such as, but not limited to, piping, unit cabinets, insulating material, electrical wiring, hydronic and pneumatic piping, structural supports and other non-moving parts, is not included under this Agreement. Costs to repair or replace such non-maintainable parts will be the sole responsibility of CUSTOMER.
3. SSI will not reload software, nor make repairs or replacements necessitated by reason of negligence, vandalism or misuse of the Equipment by persons other than SSI or its employees, or caused by lightning, flood or water damage from any source, electrical storm, or other violent weather or by any other cause beyond SSI control. This clause shall supersede and take precedent over any Emergency Service clause or provision contained elsewhere in this Agreement.
4. This Agreement assumes that the systems and/or Equipment included in the attached Equipment List are in maintainable condition. If repairs are necessary upon initial inspection, repair charges will be submitted for approval. Should these charges be declined, those non-maintainable items will be eliminated from coverage under this Agreement and the price adjusted accordingly. System equipment deemed to be no longer economically maintainable (obsolete) by SSI will be identified throughout the term of this agreement and brought to the CUSTOMER’s attention and may be removed from this specific Agreement or coverage type on the equipment identified may be reduced.
5. Maintenance, repairs, and replacement of Equipment parts and components are limited to restoring to proper working condition. SSI shall not be obligated to provide replacement software, equipment, components and/or parts that represent a significant betterment or capital improvement to CUSTOMER’S system(s) hereunder.
6. All non-emergency services under this Agreement will be performed between the hours of 8:00 a.m. - 4:30 p.m. local time Monday through Friday, excluding federal holidays and normal SSI observed Holidays. If for any reason CUSTOMER requests SSI to furnish any labor or services outside of the above stated hours, any overtime or other additional expense occasioned thereby, shall be billed to and paid by CUSTOMER except as may be provided under the Emergency Service section or Special Provisions of this Agreement.
7. CUSTOMER will promptly notify SSI of any malfunction in the system(s) or Equipment covered under this Agreement that comes to CUSTOMER’s attention.

PRICE, BILLING, AND TERM

1. CUSTOMER shall pay or cause to be paid to SSI the full price for the Services as specified on the first page of this Agreement. SSI shall submit annual invoices unless otherwise specified to CUSTOMER in advance for Services to be performed during the subsequent billing period, and payment shall be due within fifteen (15) days of the Invoice Date. Payments for Services past due more than ten (10) days shall accrue interest from the due date to the date of payment at the rate of one and one-half percent (1.5%) per month, compounded monthly, or the highest legal rate then allowed. CUSTOMER shall pay all attorney and/or collection fees incurred by SSI in collecting any past due amounts.
2. SSI may adjust the annual price of this Agreement periodically during the term of this Agreement (either up or down), and CUSTOMER agrees to pay for this negotiated increase or decrease in scope of services to the main Agreement between the CUSTOMER and SSI, if additional systems and equipment are added or deleted to the scope of this Agreement.
3. Following the initial term of this Agreement as noted on Page 1 of this Agreement and titled, “Period of Agreement”, this Agreement will automatically renew for successive one (1) year periods unless canceled prior to the anniversary date with at least a thirty (30) day written notice issued by the CUSTOMER. Agreements that are automatically renewed beyond the initial term may be subject to a minimum price increase based on the published U.S. Department of Labor, Consumer Price Index (CPI) at the time of renewal.
4. CUSTOMER agrees to pay any sales, excise, use or other taxes, now or hereafter levied, which SSI may be required to pay or collect in connection with this Agreement.

TERMINATION

1. CUSTOMER may terminate this Agreement for cause after giving SSI thirty (30) days advance written notice. CUSTOMER is responsible for payment of services provided up to cancellation date.
2. SSI may terminate this Agreement for cause (including, but not limited to, CUSTOMER’S failure to make payments as agreed herein) after giving CUSTOMER thirty (30) days advance written notice.

GENERAL TERMS AND CONDITIONS

1. **Assignment and Delegation:** CUSTOMER may not assign its rights or delegate its obligations under this Agreement, in whole or in part, without the prior written consent of SSI. SSI may assign its right to receive payment to a third party.
2. CUSTOMER shall be responsible for maintaining all liability and property insurance. No insurer or other third party will have any subrogation rights against SSI.
3. **Hazardous Materials:** CUSTOMER represents and warrants that, except as otherwise disclosed in this in the areas where SSI will undertake work or provide Services, there are no: (a) materials or substances classified as toxic or hazardous either (i) on or within the walls, floors, ceilings or other structural components or (ii) otherwise located in the work area, including asbestos or presumed asbestos-containing materials, formaldehyde, containers or pipelines containing petroleum products or hazardous substances, etc.; (b) situations subject to special precautions or equipment required by federal, state or local health or safety regulations; or (c) unsafe working conditions.

4. CUSTOMER SHALL INDEMNIFY AND HOLD SSI HARMLESS FROM AND

AGAINST ANY AND ALL CLAIMS AND COSTS OF WHATEVER NATURE, INCLUDING BUT NOT LIMITED TO, CONSULTANTS’ AND ATTORNEYS’ FEES, DAMAGES FOR BODILY INJURY AND PROPERTY DAMAGE, FINES, PENALTIES, CLEANUP COSTS AND COSTS ASSOCIATED WITH DELAY OR WORK STOPPAGE, THAT IN ANY WAY RESULTS FROM OR ARISES UNDER SUCH MATERIALS, SITUATIONS OR CONDITIONS, REGARDLESS OF WHETHER CUSTOMER HAS PRE-NOTIFIED SSI. THIS INDEMNIFICATION SHALL SURVIVE TERMINATION OF THIS AGREEMENT FOR WHATEVER REASON.

5. **Warranties and Limitation of Liability:** SSI will replace or repair any product SSI provides or CUSTOMER procures under this Agreement that fails within the warranty period (Typically one-year) due to defective workmanship or materials. The failure must not result from CUSTOMER’s negligence; or from fire, lightning, water damage, or any other cause beyond SSI control. This warranty applies to SSI fabricated and outside-purchased products. The warranty effective date is the date of CUSTOMER acceptance of the product or the date CUSTOMER begins to receive beneficial use of the product, whichever comes first.
6. **THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE, AND SSI EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES, EQUIPMENT, AND MATERIALS PROVIDED HEREUNDER. SSI SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING FROM, OR RELATING TO, THIS LIMITED WARRANTY OR ITS BREACH.**
7. SSI shall not be liable for damages caused by delay or interruption in Services due to fire or flood; corrosive substances in the air or water supply that may enter or otherwise affect sprinkler piping and sprinkler systems including but not limited to biological growth, Calcium Carbonate Deposits and microbiologically influenced corrosion (MIC); strike, lockout, dispute with workmen, inability to obtain material or services, war, acts of God or any other cause beyond SSI reasonable control. Should any part of the system or any Equipment be damaged by fire, water, water leakage, freezing pipes, lightning, acts of God, third parties or any other cause beyond the control of SSI, any repairs or replacement shall be paid for by CUSTOMER.
8. **Indemnity and Limitation of Liability:** SSI agrees to indemnify and hold CUSTOMER and its agents and employees harmless from all claims for bodily injury and property damages to the extent such claims result from or arise under SSI negligent actions or willful misconduct in its performance of the Services. **PROVIDED, THAT NOTHING IN THIS ARTICLE SHALL BE CONSTRUED OR UNDERSTOOD TO ALTER THE LIMITATIONS OF LIABILITY CONTAINED IN THIS ARTICLE OR THE INDEMNIFICATION CONTAINED IN SECTION 4. IN NO EVENT SHALL SSI BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, SPECULATIVE, REMOTE, OR CONSEQUENTIAL DAMAGES ARISING FROM, RELATING TO, OR CONNECTED WITH THE SERVICES, EQUIPMENT, MATERIALS, OR ANY GOODS PROVIDED HEREUNDER. SUCH INDEMNITY OBLIGATION IS VALID ONLY TO THE EXTENT CUSTOMER GIVES SSI REASONABLY PROMPT NOTICE IN WRITING OF ANY SUCH CLAIMS AND PERMITS SSI, THROUGH COUNSEL OF ITS CHOICE, TO ANSWER THE CLAIMS AND DEFEND ANY RELATED SUIT.**
9. The parties further agree that SSI is not an insurer; that the Services purchased herein is designed only to reduce the risk of loss; that CUSTOMER chose the level and scope of services being provided by SSI from a variety of service options; that SSI will not be held liable for any loss, in tort or otherwise, which may arise from the failure of the system(s) and/or service(s) or any errors and omissions in the above referenced specifications. The parties further agree that this Agreement shall not confer any rights on the part of any person or entity not a party hereto, whether as a third-party beneficiary or otherwise.
10. **BECAUSE IT IS IMPOSSIBLE TO ASSESS ACTUAL DAMAGES ARISING FROM THE FAILURE OF A SYSTEM AND/OR SERVICE PROVIDED UNDER THIS AGREEMENT, THE PARTIES AGREE THAT IF ANY LIABILITY IS IMPOSED ON SSI FOR DAMAGES OR PERSONAL INJURY TO EITHER CUSTOMER OR ANY THIRD PARTY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT NOT TO EXCEED THE AMOUNT OF THE ANNUAL SERVICE CHARGE OF THIS AGREEMENT.**

MISCELLANEOUS

1. **Extent of Agreement:** Except as and to the extent provided in the Contract, this Agreement represents the entire Agreement between CUSTOMER and SSI for the Services described herein and supersedes all prior negotiations, representations or Agreements between the Parties related to the Services described herein.
2. None of the provisions of this Agreement shall be modified, altered, changed or voided by any subsequent document unilaterally issued by CUSTOMER that relates to the subject matter of this Agreement. This Agreement may be amended only by written instrument signed by both Parties.
3. SSI shall not be liable for any delay in producing, delivering, installing, or giving advice and technical assistance for any of the equipment or software covered hereunder if such delay shall be due to one or more of the following causes: fire, strike, lockout, dispute with workmen, flood, lightning, accident, delay in transportation, shortage of fuel, inability to obtain material, war, embargo, demand or requirement of the United States or any governmental or war activity, or any other cause whatsoever beyond the reasonable control of SSI. In addition, SSI shall not be liable for any delays caused by failure of CUSTOMER, or its agent, or any person or entity not a party hereto, to perform any of its obligations in a timely manner.

DISPUTE RESOLUTION

1. This Agreement shall be deemed to be made in Shelby County, Tennessee, regardless of the location of any office or representative of CUSTOMER, or the location of the equipment, or the place of signing by any party. This Agreement will be governed by Tennessee law. The venue for any claim arising under this Agreement shall be in Shelby County, Tennessee.
2. In the event of a dispute regarding the interpretation or enforcement of this Agreement which results in litigation, the prevailing party shall have its attorney’s fees and costs paid by the losing party.



Special Provisions

These Special Provisions are incorporated by reference into and made a part of this Agreement.

1. **After Hours Testing:** Testing of alarm notification appliances and auxiliary functions such as elevator recall and air handler shutdown will be performed after **5:30 PM** Weekdays or on Weekends and will be coordinated with the Building Engineer.
2. **Labor Discount:** As part of this Agreement, CUSTOMER will receive a preferred CUSTOMER labor rate for all repairs and/or emergency service performed while this Agreement is in effect. The preferred CUSTOMER labor rate will be **10%** less than the published hourly rates.
3. **Parts Discount:** As part of this Agreement, CUSTOMER will receive a preferred CUSTOMER discount on all materials purchased on behalf of the CUSTOMER for repairs to systems covered under this Agreement. The preferred CUSTOMER discount will remain in effect while this Agreement is in effect. The preferred CUSTOMER discount will be **20%** less than the List Price.
4. **Access:** The CUSTOMER shall provide all necessary equipment beyond a 12' Ladder to allow SSI personnel to reach inaccessible equipment and peripheral devices. – **OR** – SSI shall provide all lifts, including lift rentals as may be needed to access equipment being tested or maintained under this Agreement. The CUSTOMER agrees to pay for the additional costs associated with the rental of the equipment
6. **Secured Areas** – CUSTOMER agrees to provide free access to secure areas as may be necessary for SSI to perform the required inspections without delay upon arrival at the CUSTOMER's premises. CUSTOMER agrees to provide all necessary security credentials for SSI Personnel and SSI agrees to abide by all CUSTOMER security procedures and policies or CUSTOMER may elect to provide a Security Escort for all SSI personnel as may be required and for the duration of the scheduled inspections.