



**SUBMISSION OF
NON-COMPETITIVE CONTRACT
TO THE
FISCAL REVIEW COMMITTEE**

Edison Contract #: 54990
RFS #: 30716-17004

Justin P. Wilson, Comptroller

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1. 40-day Waiver request from Katherine J. Stickel, Director of Management Services



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
OFFICE OF MANAGEMENT SERVICES**

Justin P. Wilson
Comptroller

James K. Polk State Office Building
505 Deaderick Street, Suite 1400
Nashville, Tennessee 37243-1402
Phone (615) 747-5338

Kathy Stickel
Director

June 12, 2017

MEMORANDUM

TO: Chairman Yager
Vice-Chairman White
Fiscal Review Committee Members

ATTENTION: Krista Lee, Executive Director

FROM: Katherine J. Stickel, Director of Management Services *KJS 6/12/17*

SUBJECT: 40-day waiver request to proceed with execution of sole source contract with Layer 3 Communications

The Comptroller of the Treasury (COT) respectfully requests waiver, as permitted in T.C.A. 4-56-107(5)(A), of the Fiscal Review Committee's 40- business day period to comment prior to execution of this non-competitive, sole source contact to Layer 3 for [REDACTED] Firewalls and [REDACTED] Switches. This contract is needed to address our network gear needs for our move from the James K. Polk to Cordell Hull. It includes firewall hardware, network switching hardware, related licenses/support, and implementation professional services.

We have been notified that the Fiscal Review Committee will not be meeting regularly in upcoming months, due to the work being performed at the Legislative Plaza. We are asking for this waiver in hopes that we can proceed with our work without delay, particularly if there is not a planned meeting in the waiver timeframe. Due to the timeline and pace of the Cordell Hull construction, we believe it is in the best interest of the State that the Comptroller's Division of Technology Services be permitted proceed in preparation for our move. The hardware and software need to be ordered as soon as possible so the contractor has sufficient time for proper design, installation and testing so that our network can be fully operational prior to our first move date, in November.

We are prepared to present to the Fiscal Review Committee when scheduled to appear.

2. Summary letter from Comptroller Justin P. Wilson



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
OFFICE OF MANAGEMENT SERVICES

Justin P. Wilson
Comptroller

James K. Polk State Office Building
505 Deaderick Street, Suite 1400
Nashville, Tennessee 37243-1402
Phone (615) 747-5338

Tricia Kitchens
Director of
Division of Technology
Solutions

MEMORANDUM

TO: Chairman Yager
Vice-Chairman White
Fiscal Review Committee Members

ATTENTION: Krista Lee, Executive Director

FROM: Justin P. Wilson

SUBJECT: Layer 3 Communications - Sole Source Request for Network Gear for Cordell Hull Move

A handwritten signature in black ink, appearing to read "Justin P. Wilson", is written over the "ATTENTION" and "FROM" lines of the memorandum.

The Comptroller of the Treasury (COT) respectfully requests the Fiscal Review Committee's recommendation for approval of sole source contact to Layer 3 for [REDACTED] Firewalls and [REDACTED] Switches from Layer 3. This procurement is needed to address our network gear needs for our move from the James K. Polk to Cordell Hull. It includes firewall hardware, network switching hardware, related licenses/support, and implementation professional services

Layer 3 has complete knowledge and understanding of the COT network and we feel confident in their ability to deliver quality services to COT based on successful past projects. In addition, Layer 3 is the current Wireless SWC vendor and will be implementing the wireless network at Cordell Hull. The wireless network connects directly to the switches and the configurations between the two need to work well together for optimal performance and better end user experience. Due to past negative experiences with the current Juniper vendor on statewide contract (SWC), we do not recommend using them for this for this project.

[REDACTED] firewalls are not on the current Networking SWC. However, we have compared the platform to our existing [REDACTED] platform which is on SWC. [REDACTED] has increased security features including malware, virus and threat protection. [REDACTED] also has an integrated VPN solution which allows remote users to connect to our COT network securely. A separate VPN solution would cost an additional \$80,000 to \$100,000. For this reason, we believe the [REDACTED] offers a much greater overall value and fit. COT has utilized [REDACTED] switching products for seven years and they are on the current Networking SWC. We are requesting to procure [REDACTED] switches from Layer 3 as well as they have provided better pricing for both the switches and firewall equipment.

Because of their pricing and our confidence that they will have us operational in advance of our scheduled early November move, it is our belief that it is in the State's best interest to award this sole source contract to Layer 3.

We regret having to bring this request outside of the 60-day advance time frame, but due to the aggressive timeline and pace of the Cordell Hull construction, we need to get these technologies in place as soon as possible.

3. FRC Supplemental Documentation form

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Terry Mason	*Contact Phone:	615-401-7723		
*Presenter's name(s):	Jason Mumpower, Kathy Stickel and Tricia Kitchens				
Edison Contract Number: <i>(if applicable)</i>	54990	RFS Number: <i>(if applicable)</i>	30716-17004		
*Original or Proposed Contract Begin Date:	July 1, 2017	*Current or Proposed End Date:	June 30, 2020		
Current Request Amendment Number: <i>(if applicable)</i>	N/A				
Proposed Amendment Effective Date: <i>(if applicable)</i>	N/A				
*Department Submitting:	Comptroller of the Treasury				
*Division:	Division of Information Technology (DoTS)				
*Date Submitted:	6-12-17				
*Submitted Within Sixty (60) days:	No				
<i>If not, explain:</i>	Our Division of Technology Services (DoTS) was not able to get into the Cordell Hull building until recently to fully assess the technology needs. Due to the aggressive timeframe of the construction and our scheduled move in November, we need to quickly get the Cordell Hull network operational.				
*Contract Vendor Name:	Layer 3 Communications, LLC				
*Current or Proposed Maximum Liability:	\$474,528.82 for proposed base contract				
*Estimated Total Spend for Commodities:	\$428,828.82				
*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2018	FY:	FY:	FY:	FY	FY
\$ 474,528.02	\$	\$	\$	\$	\$
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)					
FY	FY:	FY:	FY:	FY	FY
\$	\$	\$	\$	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:	N/A				
IF surplus funds have been carried forward, please give the reasons	N/A				

Supplemental Documentation Required for
Fiscal Review Committee

and provide the authority for the carry forward provision:			
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:		N/A	
*Contract Funding Source/Amount:			
State:	\$474,528.82 100%	Federal:	
<i>Interdepartmental:</i>		<i>Other:</i>	
If "other" please define:			
If "interdepartmental" please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>	Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>		
N/A	N/A		
Method of Original Award: <i>(if applicable)</i>		N/A	
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		N/A; COT's Division of Technology Services (DoTS) met with Layer 3 to discuss project requirements and help determine services and hardware needed to address the switching and firewall needs for the Cordell Hull move.	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		None. Because of their complete understanding and experience with COT's network, it is in the State's best interest for Layer 3 to complete this managed service project as our network must be fully operational prior to our early November move to the Cordell Hull Building. Layer 3 has a great track record of successfully delivering network managed service design and implementation projects to COT.	

4. CPO & COT approved Special Contract Request (SCR cy17-8819 30716-17004) with STS approved endorsement.

Special Contract Request

This form should be utilized to facilitate contract and procurement requests that require the Chief Procurement Officer's prior approval and that of the Comptroller of the Treasury, as applicable.

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.

Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.

<p>APPROVED</p> <p>Michael F. Perry-CS</p> <p><small>Digitally signed by Michael F. Perry-CS DN: cn=Michael F. Perry-CS, o=CPO, ou=32101, email=Chris.Salita@tn.gov, c=US Date: 2017.05.30 11:00:15 -05'00'</small></p>	<p>APPROVED</p> <p><i>Justin D.W. [Signature]</i></p> <p><i>5/31/2017</i></p>
<p>CHIEF PROCUREMENT OFFICER DATE</p>	<p>COMPTROLLER OF THE TREASURY DATE</p>

Request Tracking #	30716-17004
1. Contracting Agency	Comptroller of the Treasury (COT)
2. Type of Contract or Procurement Method	<input type="checkbox"/> No Cost <input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Sole Source <input type="checkbox"/> Proprietary <input type="checkbox"/> Competitive Negotiation <input type="checkbox"/> Other _____
3. Requestor Contact Information	Terry Mason Terry.Mason@cot.tn.gov 615-401-7723
4. Brief Goods or Services Caption	Network Gear for Cordell Hull Move
5. Description of the Goods or Services to be Acquired	[Redacted] switches, [Redacted] firewall hardware with Virtual Private Network (VPN) solution and associated implementation services.
6. Proposed Contractor	Layer 3 Communications
7. Name & Address of the Contractor's principal owner(s) <i>- NOT required for a TN state education institution</i>	500 Wilson Pike Circle #102 Brentwood, TN 37027
8. Proposed Contract Period - <i>with ALL options to extend exercised</i> <i>The proposed contract start date shall follow the approval date of this request.</i>	36 Months

Request Tracking #	30716-17004
9. Office for Information Resources Pre-Approval Endorsement Request <i>- information technology (N/A to THDA)</i>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Attached Note: COT's Division of Technology Services (DoTS) submitted STS endorsements. 30716-17004 addressed the [REDACTED] Firewalls with VPN solution and 30716-17005 addressed the [REDACTED] Switches.
10. eHealth Pre-Approval Endorsement Request <i>- health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
11. Human Resources Pre-Approval Endorsement Request <i>- state employee training</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
12. Are these goods or services currently available on a statewide contract? If YES, please explain why the current statewide contract is not being used for this procurement.	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES Yes. The current statewide contract holder provides [REDACTED] Networking and Security but has a track record for failing to deliver acceptable services for COT. Layer 3 has quoted lower pricing for [REDACTED] switches. They have also quoted lower pricing for [REDACTED] firewall equipment and implementation services than the current statewide contract holder provided for the [REDACTED] equipment only. In addition, the [REDACTED] firewall equipment has an integrated VPN solution which the [REDACTED] does not. A separately procured VPN would cost an additional \$80,000-\$100,000.
13. Maximum Contract Cost – with ALL options to extend exercised	\$474,528.82
14. Was there an initial government estimate? If so, what amount?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES, \$
15. Cost Determination Used- How did agency arrive at the estimate of expected costs?	COT's Division of Technology Services (DoTS) met with Layer 3 to discuss project requirements and help determine services and hardware needed to address the switching and firewall needs for the Cordell Hull move.

Request Tracking #	30716-17004
16. Explanation of Fair and Reasonable Price- Explain how agency determined that price is fair and reasonable	<p>The cost compares favorably with other managed network services contracts COT has procured in the past.</p> <p>Layer 3 has quoted lower pricing for [REDACTED] switches. Bids from other vendors were obtained as well. Those were also higher than Layer 3.</p> <p>Layer 3 has also quoted lower pricing for [REDACTED] firewall equipment and implementation services than the current statewide contract holder provided for the [REDACTED] firewall equipment only.</p> <p>In addition, the [REDACTED] firewall equipment has an integrated VPN solution which the [REDACTED] does not. A separately procured VPN would cost an additional \$80,000-\$100,000.</p>
17. Documentation of Discussions with Contractor- How did agency document discussions with Contractor? Attach documentation to this request as applicable.	COT has discussed with Layer 3 via conference calls and onsite visits the requirements of the switching and firewall design and implementation project at Cordell Hull as well the features and abilities of [REDACTED] firewalls.
18. Explanation of Need for or requirement placed on the State to acquire the goods or services	Our current switches and firewalls are 7 years old and nearing the end of their useful life. It is not feasible to move these existing switches and firewalls to Cordell Hull.
19. Proposed contract impact on current State operations	The new firewall platform will also address existing security issues and increase overall security posture.

Request Tracking #	30716-17004
<p>20. Justification – Specifically explain why the goods or services should be acquired through the procurement method or contract type selected.</p>	<p>Because of their complete understanding and experience with COT's network, it is in the State's best interest for Layer 3 to complete this managed service project as our network must be fully operational prior to our early November move to the Cordell Hull Building. Layer 3 has a great track record of successfully delivering network managed service design and implementation projects to COT.</p> <p>Layer 3 has also provided better pricing for both the switches and firewall equipment than the SWC. The [REDACTED] firewall solution is widely accepted as an industry leader and contains many more features than Juniper. Also, the cost is very competitive with [REDACTED] and when factoring in the additional security features, network visibility, and integrated VPN, the [REDACTED] is a better value and fit</p> <p>In addition, Layer 3 is the current vendor on state contract for wireless and will be implementing the wireless network at Cordell Hull. The wireless network connects directly the switches and the configurations between the two need to work well together for optimal performance and better end user experience.</p>
For No Cost and Revenue Contracts Only	
<p>21. What costs will the State incur as a result of this contract? If any, please explain.</p>	
<p>22. What is the total estimated revenue that the State would receive as a result of this contract?</p>	
<p>23. Could the State also contract with other parties interested in entering substantially the same agreement? Please explain.</p>	<p><input type="checkbox"/> NO <input type="checkbox"/> YES</p>
<p>24. Summary of State responsibilities under proposed contract</p>	
For Sole Source and Proprietary Procurements Only	

Request Tracking #	30716-17004
25. Explanation of Need for or requirement placed on the State to acquire the goods or services	This purchase is needed to establish the user network for the Cordell Hull move project. It will also aid the Comptroller's office in successfully migrating to a new firewall platform. The new firewall platform will also address existing security issues and increase overall security posture.
26. Evidence of Contractor's experience & length of experience providing the goods or services to be procured.	Layer 3 has been in business for about 20 years performing these types of services. Layer 3 held the state contract for network hardware and services for several years before losing this to the current state vendor. Layer 3 has a perfect track record of successfully delivering network services projects for COT. Layer 3 completed a very successful network switching redesign project and wireless network deployment project in the Polk Building. Layer 3 also designed and built the original COT network 7 years ago.
27. Has the contracting agency procured the subject goods or services before? If yes, provide the method used to purchase the goods or services and the name and address of the contractor.	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, Method: SWC Name/Address: Layer 3
28. Contractor selection process and efforts to identify reasonable, competitive, procurement alternatives	The [REDACTED] platform is the best fit from a technology feature standpoint. Also, based on the pricing we received from state contract for [REDACTED] firewalls, we feel pricing is more than fair and reasonable for the [REDACTED] firewalls and implementation services from Layer 3. The current statewide contract holder for [REDACTED] switches quoted a higher price for the [REDACTED] switch hardware than Layer 3.
Signature Required for all Special Contract Requests	



STS Pre-Approval Endorsement Request E-Mail Transmittal

TO : STS Contracts
Department of Finance & Administration
E-mail : it.abc@tn.gov

FROM : Tricia Kitchens
E-mail : Tricia.Kitchens@cot.tn.gov

DATE : 5/3/2017

RE : Request for STS Pre-Approval Endorsement

Applicable RFS # 30716- 16044 17004
<p>State Security Confidential Information Applicability</p> <p>Under Tenn. Code Ann. §10-7-504(i) vendor identity or a description of the goods or services provided by the vendor shall be confidential.</p> <p><input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable</p>
<p>STS Endorsement Signature & Date:</p> <p>Mark F. Bengel (by WMH)</p> <p>Digitally signed by Mark F. Bengel (by WMH) DN: cn=Mark F. Bengel (by WMH), o=TN Finance & Admin, ou=Strategic Technology Solutions, email=william.hafley@tn.gov, c=US; Date: 2017.05.11 09:31:47 -05'00'</p>
<p>Chief Information Officer</p> <p><i>NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.</i></p>

Strategic Technology Solutions (STS) pre-approval endorsement is required pursuant to procurement regulations pertaining to contracts with information technology as a component of the scope of service. This request seeks to ensure that STS is aware of and has an opportunity to review the procurement detailed below and in the attached document(s). This requirement applies to any procurement method regardless of dollar amount.

Please indicate STS endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

Contracting Agency	Comptroller of the Treasury
Agency Contact (name, phone, e-mail)	Tricia Kitchens, 615.604.6037, Tricia.Kitchens@cot.tn.gov

Applicable RFS # 30716-16014

Attachments Supporting Request (mark all applicable)

Note: The complete draft procurement document and the applicable documents listed below must accompany this request when submitted to STS. Special Contract Requests and Amendment Requests without Agency Head signature are acceptable. STS is aware that these documents will not have CPO signature when submitted with this request.

- Solicitation Document
- Special Contract Request
- Amendment Request
- Proposed Contract/Grant or Amendment
- Original Contract/Grant and Previous Amendments (if any)

Information Systems Plan (ISP) Project Applicability

To avoid delay of STS pre-approval, the applicability of an ISP project to the procurement must be confirmed with agency IT staff prior to submitting this request to STS. If necessary, agency IT staff should contact STS Planning with questions concerning the need for an ISP project.

IT Director/Staff Name Confirming (required): Tricia Kitchens

- Applicable – Approved ISP Project#COTINFRA
- Not Applicable

Subject Information Technology Service Description

Provide a brief summary of the information technology services involved. Clearly identify included technologies such as system development/maintenance, security, networking, etc. As applicable, identify the contract or solicitation sections related to the IT services.

In our move to the Cordell Hull Building, we are replacing our 7-year-old Firewall and would like permission to go off the State Contract and purchase the [REDACTED] Firewall due to the following reasons:

1. **Security** - The [REDACTED] next generation firewall platform contains many features that enhance network security that the Juniper platform does not.

-Web URL Filtering – This gives us the ability to block known bad URL's. For example, email phishing attacks in many cases attempt lure users into clicking on an embedded malicious email link. With the [REDACTED] we have the ability to block known malicious URL's.

-Web Statistics Gathering – [REDACTED] gives us visibility into our user usage traffic both inside our internal network and external to the internet. This feature provides value by giving us awareness of the resources being accessed. This can also help us identify security risks based on user traffic patterns.

-Malware/Virus Prevention – [REDACTED] has the native ability to identify and

Applicable RFS # 30716-16014

mitigate malware and viruses as they attempt to enter the network.

-VPN – [REDACTED] contains an embedded user VPN solution. DoTS has tested this solution and results have been positive. This solution provides native single sign with [REDACTED] meaning remote systems can seamlessly connect with COT [REDACTED] and obtain [REDACTED] updates. This solves a problem we have had for many years with remote LGA and SA laptops and will significantly improve our security posture.

2. **Management Simplification** - [REDACTED] closely ties to [REDACTED] to define user access to network resources. With the current [REDACTED] platform, changes need to be made on the firewall at a lower level and also in [REDACTED] to fulfill day to day system resource access requests. With [REDACTED], system access ties solely to [REDACTED] reducing the amount of work and resources required to perform day to day system admin job functions.
3. **Cost** - The [REDACTED] compares favorably with [REDACTED] across models with similar hardware specifications. The cost for our Cordell Hull user site firewall hardware with the [REDACTED] platform with one year of software and support is \$153,163. The [REDACTED] cost is \$134,840. Implementation services are not included in either of these quotes.



STS Pre-Approval Endorsement Request E-Mail Transmittal

TO : STS Contracts
Department of Finance & Administration
E-mail : it.abc@tn.gov

FROM : Tricia Kitchens
E-mail : Tricia.Kitchens@cot.tn.gov

DATE : 5/3/2017

RE : Request for STS Pre-Approval Endorsement

Applicable RFS # 30716- 16044 17005
<p>State Security Confidential Information Applicability</p> <p>Under Tenn. Code Ann. §10-7-504(i) vendor identity or a description of the goods or services provided by the vendor shall be confidential.</p> <p><input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable</p>
<p>STS Endorsement Signature & Date:</p> <p>Mark F. Bengel (by WMH)</p> <p>Digitally signed by Mark F. Bengel (by WMH) DN: cn=Mark F. Bengel (by WMH), o=TN Finance & AdmIn, ou=Strategic Technology Solutions, email=william.hafley@tn.gov, c=US Date: 2017.05.10 16:55:25 -05'00'</p>
<p>Chief Information Officer</p> <p><i>NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.</i></p>

Strategic Technology Solutions (STS) pre-approval endorsement is required pursuant to procurement regulations pertaining to contracts with information technology as a component of the scope of service. This request seeks to ensure that STS is aware of and has an opportunity to review the procurement detailed below and in the attached document(s). This requirement applies to any procurement method regardless of dollar amount.

Please indicate STS endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

Contracting Agency	Comptroller of the Treasury
Agency Contact (name, phone, e-mail)	Tricia Kitchens, 615.604.6037, Tricia.Kitchens@cot.tn.gov

Applicable RFS # 30716-16014

Attachments Supporting Request (mark all applicable)

Note: The complete draft procurement document and the applicable documents listed below must accompany this request when submitted to STS. Special Contract Requests and Amendment Requests without Agency Head signature are acceptable. STS is aware that these documents will not have CPO signature when submitted with this request.

- Solicitation Document
- Special Contract Request
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- Original Contract/Grant and Previous Amendments (if any)

Information Systems Plan (ISP) Project Applicability

To avoid delay of STS pre-approval, the applicability of an ISP project to the procurement must be confirmed with agency IT staff prior to submitting this request to STS. If necessary, agency IT staff should contact STS Planning with questions concerning the need for an ISP project.

IT Director/Staff Name Confirming (required): Tricia Kitchens

- Applicable – Approved ISP Project#COTINFRA
- Not Applicable

Subject Information Technology Service Description

Provide a brief summary of the information technology services involved. Clearly identify included technologies such as system development/maintenance, security, networking, etc. As applicable, identify the contract or solicitation sections related to the IT services.

In our move to the Cordell Hull Building, we are replacing our 7-year-old [REDACTED] switches. [REDACTED]s on the State Contract with Copper River but we are requesting permission to purchase these switches from Layer 3 who is our preferred vendor. The reason we are requesting this change is as follows:

1. Layer 3 has designed and implemented the Comptroller network and has full knowledge of the layout and configuration that is needed for the network gear. Due to our short timeframe on the move to Cordell Hull, we trust they will be able to meet our schedule and implement the gear in a quality fashion.
2. Quotes from Layer 3 and Cooper River indicate that the cost for the switches is less than the contract price through Cooper River.
3. Layer 3 is on contract for Wi-Fi and will be installing that component of the infrastructure in Cordell Hull for COT.

TO: Chris Salita, Director of Sourcing

FROM: Tamara Byrd, Sourcing Analyst
**Tamara Byrd,
Sourcing Analyst**

DATE: May 22, 2017

SUBJECT: Special Contract Request REVISED cy17 - 8819
30716-17004 – Network Gear for Cordell Hull Move

Digitally signed by Tamara Byrd, Sourcing Analyst
DN: cn=Tamara Byrd, Sourcing Analyst, o=Central
Procurement Office, ou=State of Tennessee,
email=tamara.byrd@tn.gov, c=US
Date: 2017.05.22 15:05:18 -05'00'

The Comptroller of the Treasury (COT) is seeking a sole source procurement contract for with Layer 3 Communications.

Special Contract Request 30716-17004 is to procure a sole source contract for Network Gear for Cordell Hull move.

COT is a legislative branch of the State and has the authority to not utilize state wide contracts (SWC's) established by the Central Procurement Office (CPO). COT has acknowledged that the goods are on SWC however they've had concerns when working with the SWC vendor in the past and the cost for these services are cheaper than what is on SWC.

Sourcing Analyst recommends approval of a sole source contract for thirty-six (36) months with Layer 3 Communications for a maximum contract cost of \$474,528.82.

Chris Salita

Digitally signed by Chris Salita
DN: cn=Chris Salita, o=CPO,
ou=32101,
email=Chris.Salita@tn.gov, c=US
Date: 2017.05.30 11:00:05 -05'00'

Chris Salita, Director of Sourcing

Toni L. Stuart

CPO Attorney

Date

Digitally signed by Toni L. Stuart
DN: cn=Toni L. Stuart, o=Central Procurement Office, ou=Dept.
of General Services, email=toni.stuart@tn.gov, c=US
Date: 2017.05.24 09:33:20 -05'00'

Date

5. Proposed Base Contract



CONTRACT

(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)

Begin Date 7-1-2017	End Date 6-30-2020	Agency Tracking # 30716-17004	Edison Record ID 54990
Contractor Legal Entity Name Layer 3 Communications, LLC			Edison Vendor ID 150333

Goods or Services Caption (one line only)
Network Gear (Firewall with VPN and switching) for Cordell Hull Move

Contractor <input checked="" type="checkbox"/> Contractor	CFDA #
---	---------------

Funding --					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2018	474,528.82				474,528.82
TOTAL:	474,528.82				474,528.82

Contractor Ownership Characteristics:

Minority Business Enterprise (MBE): African American, Asian American, Hispanic American, Native American

Woman Business Enterprise (WBE)

Tennessee Service Disabled Veteran Enterprise (SDVBE)

Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees.

Other:

Selection Method & Process Summary (mark the correct response to confirm the associated summary)

Competitive Selection

Other
Sole Source – Special Contract Request cy178819 - Approved by CPO 5/30/17 and COT 5/31/17

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.



Speed Chart (optional)	Account Code (optional)
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**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
COMPTROLLER OF THE TREASURY
AND
LAYER 3 COMMUNICATIONS, LLC**

This Contract, by and between the State of Tennessee, Comptroller of the Treasury ("State") and Layer 3 Communications, LLC ("Contractor"), is for the provision of [REDACTED] Firewalls with VPN – Data Center, as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is a Limited Liability Company.
Contractor Place of Incorporation or Organization: Georgia
Contractor Edison Registration ID # 0000150333

A. SCOPE:

- A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.
- A.2. The Contractor will perform all goods and services as detailed in Attachment B, Scope of Work, Cordell Hull Building - Wired, Wireless, and Security Network Infrastructure.
- A.3. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty general offered by Contractor, its suppliers, or manufacturers to States of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

- A.4. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.

B. TERM OF CONTRACT:

This Contract shall be effective on July 1, 2017 (“Effective Date”) and extend for a period of thirty (36) months after the Effective Date (“Term”). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Four-Hundred seventy-four thousand six-hundred and eight dollars and 82 cents (\$474,528.82) (“Maximum Liability”). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.2. Compensation Firm. The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

a. The Contractor’s compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.

b. The Contractor shall be compensated based upon the following payment methodology:

LINE	TYPE	GOODS OR SERVICES DESCRIPTION	QTY	AMOUNT PER UNIT	EXTENDED COST
		Switching-IDF Switching			
Line 1	Hardware	[REDACTED] W	24	\$4,126.82	\$99,043.68
Line 2	Hardware	[REDACTED]	19	\$79.40	\$1,508.60
Line 3	Hardware	[REDACTED]	1	\$158.80	\$158.80
Line 4	Hardware	[REDACTED]	4	\$119.10	\$476.40
Line 5	Software	[REDACTED]	24	\$553.82	\$13,291.68
Line 6	Hardware	[REDACTED]	10	\$792.02	\$7,920.20
Line 7	Hardware	[REDACTED]	24	\$593.52	\$14,244.48
Line 8	Hardware	[REDACTED]	24	\$35.73	\$857.52
Line 9	Hardware	[REDACTED]	28	\$595.50	\$16,674.00

C.3. Payment Methodology. – continued

LINE	TYPE	GOODS OR SERVICES DESCRIPTION	QTY	AMOUNT PER UNIT	EXTENDED COST
		Switching-MDF Switching			
Line 10	Hardware	[REDACTED]	2	\$11,910.00	\$23,820.00
Line 11	Hardware	[REDACTED]	2	\$3,491.62	\$6,983.24
Line 12	Software	[REDACTED]	2	\$553.82	\$1,107.64
Line 13	Hardware	[REDACTED]	2	\$196.52	\$393.04
Line 14	Hardware	Power Cable, US	2	\$19.85	\$39.70
Line 15	Hardware	[REDACTED]	2	\$792.02	\$1,584.04
Line 16	Hardware	[REDACTED]	4	\$79.40	\$317.60
Line 17	Hardware	[REDACTED]	8	\$595.50	\$4,764.00
		Switching-Support			
Line 18	Support	[REDACTED]	24	\$294.70	\$7,072.80
Line 19	Support	[REDACTED]	2	\$887.60	\$1,775.20
Line 20	Support	[REDACTED]	2	\$254.10	\$508.20
		Switching Services			
Line 21	Professional Services	[REDACTED]	1	\$24,900.00	\$24,900.00
		Firewalls			
Line 22	Hardware	[REDACTED]	2	\$38,500.00	\$77,000.00
Line 23	Software	[REDACTED]	2	\$14,245.00	\$28,490.00
Line 24	Software	[REDACTED]	2	\$14,245.00	\$28,490.00
Line 25	Software	[REDACTED]	2	\$14,245.00	\$28,490.00
Line 26	Software	[REDACTED]	2	\$14,245.00	\$28,490.00
Line 27	Support	[REDACTED]	2	\$17,664.00	\$35,328.00
Line 28	Professional Services	[REDACTED]	1	\$20,800.00	\$20,800.00

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have been provided to the following address:

Andrew Hawkins
Office of Management Services
State of Tennessee, Office of the Comptroller of the Treasury
505 Deaderick Street, Suite 1400
Nashville, TN 37243
Andrew.Hawkins@cot.tn.gov
(615) 401-7743 (Office)
(615) 532-5130 (Fax)

a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):

- (1) Invoice number (assigned by the Contractor);
- (2) Invoice date;
- (3) Contract number (assigned by the State);
- (4) State account name: Comptroller of the Treasury;
- (5) State account number (assigned by the Contractor to the above-referenced State);
- (6) Contractor name;
- (7) Contractor Tennessee Edison registration ID number;
- (8) Contractor contact for invoice questions (name, phone, or email);
- (9) Contractor remittance address;
- (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
- (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
- (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
- (13) Amount due for each compensable unit of good or service; and
- (14) Total amount due for the invoice period.

b. Contractor's invoices shall:

- (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
- (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
- (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
- (4) Include shipping or delivery charges only as authorized in this Contract.

c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.

C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of

Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.

- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and
 - c. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.
- C.10. Credit Requests. Contractor will offer credits outlined above should guarantees set forth in A.5. not be met, subject to verification by Contractor. Requests for credits must be in writing and received by Contractor no later than seven days from the disruption in service as outlined in the guarantees above. States requesting credits must have opened a trouble ticket with the Contractor Network Management Center (NMC) at the time of the incident. Please allow one week for credit requests to be adequately researched by Contractor prior to posting to a States' account. Total credits under these Terms and Conditions are limited to the monthly service charge for the month in which the service does not meet the commitment. Concurrent events will not provide consecutive credits. Requests for credits will be automatically applied to State's invoice within 90 days of SOA violation.

D. MANDATORY TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Contractor and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

For questions related to the services specified under this contract please contact:

Tricia Kitchens, Director
Division of Technology Solutions
Office of the Comptroller of the Treasury
505 Deaderick Street, Suite 1400
Nashville, TN 37243
Tricia.Kitchens@cot.tn.gov
(615) 747-5338 (Office)

For questions related to this contract please contact:

Terry Mason, Sourcing Manager
Office of Management Services
Office of the Comptroller of the Treasury
505 Deaderick Street, Suite 1400

Nashville, TN 37243
Terry.Mason@cot.tn.gov
(615) 401-7723 (Office)

The Contractor:

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if

the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor,

through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
- b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

D.21. Insurance. Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified below. The COI shall be provided ten (10) business days prior to the Effective Date and again upon renewal or replacement of coverages required by this Contract. If insurance expires during the Term, the State must receive a new COI at least thirty (30) calendar days prior to the insurance's expiration date. If the Contractor loses insurance coverage, does not renew coverage, or for any reason becomes uninsured during the Term, the Contractor shall notify the State immediately.

The COI shall be on a form approved by the Tennessee Department of Commerce and Insurance ("TDCI") and signed by an authorized representative of the insurer. The COI shall list each insurer's national association of insurance commissioners (also known as NAIC) number or federal employer identification number and list the State of Tennessee, Risk Manager, 312 Rosa L. Parks Ave., 3rd floor Central Procurement Office, Nashville, TN 37243 in the certificate holder section. At any time, the State may require the Contractor to provide a valid COI detailing coverage description; insurance company; policy number; exceptions; exclusions; policy effective date; policy expiration date; limits of liability; and the name and address of insured. The Contractor's failure to maintain or submit evidence of insurance coverage is considered a material breach of this Contract.

If the Contractor desires to self-insure, then a COI will not be required to prove coverage. In place of the COI, the Contractor must provide a certificate of self-insurance or a letter on the Contractor's letterhead detailing its coverage, liability policy amounts, and proof of funds to reasonably cover such expenses. Compliance with Tenn. Code Ann. § 50-6-405 and the rules of the TDCI is required for the Contractor to self-insure workers' compensation.

All insurance companies must be: (a) acceptable to the State; (b) authorized by the TDCI to transact business in the State of Tennessee; and (c) rated A- VII or better by A. M. Best. The Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that the subcontractors are included under the Contractor's policy.

The Contractor agrees to name the State as an additional insured on any insurance policies with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) ("Professional Liability") insurance. Also, all policies shall contain an endorsement for a waiver of subrogation in favor of the State.

The deductible and any premiums are the Contractor's sole responsibility. Any deductible over fifty thousand dollars (\$50,000) must be approved by the State. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements. The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

All coverage required shall be on a primary basis and noncontributory with any other insurance coverage or self-insurance carried by the State. The State reserves the right to amend or require additional endorsements, types of coverage, and higher or lower limits of coverage depending on the nature of the work. Purchases or contracts involving any hazardous activity or equipment, tenant, concessionaire and lease agreements, alcohol sales, cyber-liability risks, environmental risks, special motorized equipment, or property may require customized insurance requirements (e.g. umbrella liability insurance) in addition to the general requirements listed below.

The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability Insurance

- 1) The Contractor shall maintain commercial general liability insurance, which shall be written on an Insurance Services Office, Inc. (also known as ISO) occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises/operations, independent contractors, contractual liability, completed operations/products, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
- 2) The Contractor shall maintain bodily injury/property damage with a combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for bodily injury and property damage, including products and completed operations coverage with an aggregate limit of at least two million dollars (\$2,000,000).

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
 - i. Workers' compensation and employer liability insurance in the amounts required by appropriate state statutes; or
 - ii. In an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.

- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
 - i. The Contractor employees fewer than five (5) employees;
 - ii. The Contractor is a sole proprietor;
 - iii. The Contractor is in the construction business or trades with no employees;
 - iv. The Contractor is in the coal mining industry with no employees;
 - v. The Contractor is a state or local government; or
 - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

D.22. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

D.23. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.

D.24. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; 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 not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.25. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, States or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.26. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract.
- D.27. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.
- D.28. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.29. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.30. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

D.31. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:

- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
- b. this Contract with Attachments A-C.

D.32. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et.seq., addressing contracting with persons with investment activities in Iran, shall be a material provision of this Contract. The Contractor agrees, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.

E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

E.4. Survival. The terms, provisions, representations, and warranties contained in Sections A, D, and E of this Contract shall survive the completion of performance, termination or expiration of this Contract.

IN WITNESS WHEREOF,

LAYER 3 COMMUNICATIONS, LLC: Contractor:

Contractor SIGNATURE

DATE

PRINTED NAME AND TITLE OF Contractor SIGNATORY (above)

COMPROLLER OF THE TREASURY:

JUSTIN P. WILSON, COMPTROLLER

DATE

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
Contractor LEGAL ENTITY NAME:	
EDISON VENDOR IDENTIFICATION NUMBER:	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

Contractor SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

Scope of Work
Cordell Hull Building
Wired, Wireless, and Security
Network Infrastructure



**Scope of Work Proposal
Cordell Hull Building
Wired, Wireless, and Security Network Infrastructure**

Presented To:



Attention:

Curtis Langford, Assistant Director of Technology Solutions

curtis.langford@cot.tn.gov

(615) 747-5237

James K. Polk Building, Ste 1400

505 Deaderick Street

Nashville, TN 37243

Submitted By:

Andrew Kozlowitz

akozlowitz@layer3com.com

(731) 234-1195

Layer 3 Communications

500 Wilson Pike Circle, Suite 100

Brentwood, TN 37027

May 16, 2017

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1. Executive Summary

Layer 3 Communications is a network design and consulting firm specializing in local and wide area networking. Our areas of expertise include network design, infrastructure upgrades, relocation services, and large project implementation. The Tennessee Comptroller of the Treasury (COT) has requested Layer 3 Communications provide a proposal to perform design and implementation of their networking systems at a new location, Cordell Hull. Cordell Hull is primarily utilized for COT employees as an user site. While this is a greenfield wired, wireless, and security deployment, Layer 3 Communications will engineer the spaces with the same standards set forth at other COT locations.

Briefly, the services the Comptroller of the Treasury requests fall into the following categories:

- Planning and Design
- Staging and Configuration
- Pre-implementation
- Integration
- Testing and Verification
- Post-Install Support

A detailed explanation of these services is included in the “scope of work” section within this proposal. We are prepared to begin immediately upon written authorization to proceed.

Thank you for your continued interest in Layer 3 Communications and the products and services that we provide. We are pleased to have the opportunity to present this proposal for your review.

2. Scope of Work

The Comptroller of the Treasury (COT) has asked Layer 3 Communications to provide a proposal for network planning and design, staging, installation, configuration, integration of said equipment, and network support.

This proposal contains Layer 3 Communications proprietary and confidential information. It is not to be released or disclosed, in whole or in part, other than to those individuals who are directly involved in evaluating this proposal, without the prior express written consent of Layer 3 Communications.

1. Design and Planning

Layer 3 Communications will meet and work with Comptroller of the Treasury to determine the best network design and approach to meet their goals for the new wired and wireless systems. The new design will accomplish the following:

- Efficient use of IP space within the LAN/WLAN
- Enhanced VLAN design
- Resiliency and security of the wired/wireless network equipment
- Security across all departments and floors as required (using VLANs, VRs, policies, routing, etc.)
- Maximized bandwidth of the wired/wireless infrastructure

Cordell Hull consists of three floors. The COT has already determined these factors:

- All spaces occupied by the COT should support 802.11ac wireless coverage, supporting voice.
- In each floor, there is one IDF. Each IDF has eight user-facing switches that should appear as one logical switch.
- In the MDF, each IDF logical unit will link back at dual 10-gigabit interconnects
- Routing is necessary at the edge IDF for enhanced security controls
- Firewalls and all switches will support VRs as needed
- Firewalls will support 3Gbps of WAN bandwidth
- Firewalls should have options for Threat Protection (AV/IDS/IPS), URL filtering, and zero-day malware sandboxing (as requested)
- There will be two switches in the MDF for connecting non-user devices such as appliances, servers, etc.
- The MDF switch will support 1/10/40Gb connectivity

Please see Appendix A for the predictive RF design and AP placement.

Deliverables:

- *Detailed network diagram showing new wired, wireless, and security network design and components*

2. Network Staging and Configuration

Layer 3 Communications will stage all equipment in our lab in the Nashville office. We will properly and efficiently pre-configure the electronics contained within this proposal.

We will:

- Physically configure equipment, add rack mount ears and interface modules
- Stage and configure the hardware in designated rack space at our staging facility
- Burn-in the controllers, switches, and firewalls for a minimum of 48 hours
- Label the devices
- Test the selected network equipment to ensure it meets the design requirements.
- Manage the return process (RMA) for any product that is faulty or “dead on arrival (DOA)”
- Upgrade the code on the data electronics
- Validate and install software licensing where necessary
- Perform all configurations based on the design criteria in working with COT
- Migrate any firewall rules from the existing COT user firewall at the JKP office. Layer 3 Communications will not migrate firewall rules to different policy structure (i.e. convert from layer 4 port-based to layer 7 application-based.)
- Configure Threat Protection – AV, Malware, Threat, etc. to deny any medium and higher classified threat
- Configure URL Protection – Configure any URL category to be denied that is deemed inappropriate by COT (Gaming, etc.)
- Configure ██████████ Protection – Configure all zero-day malware protection and reporting functions.

Deliverables:

- *Physically configured equipment*
- *Labeled equipment*
- *Upgraded code on the electronics*
- *Registered serial numbers*
- *Validation of software licensing*
- *Pre-configured electronics based on the design*

3. *Pre-Implementation*

Prior to the installation, Layer 3 Communications will work with the Comptroller of the Treasury IT team to:

- Develop an implementation plan outlining the necessary steps for the implementation of the new wired equipment.
- Develop a test plan that Layer 3 Communications and the Comptroller of the Treasury staff will conduct once the installation is completed to validate the state of the network and applications

Deliverables:

- *Cutover Plan derived by both Layer 3 Communications and COT*

4. *Integration and Installation*

During installation, we will:

- Install the new wired equipment in rack space allocated by COT (switches, routers, firewalls)
- Integrate the new wireless equipment (Access Points, controllers) into the facility per the network design, including patching fiber and configuring on-site network switches to connect to the new equipment.
- Install/integrate firewalls for perimeter and intra-office security
- Install/mount access points according to the engineered location

Deliverable:

- *Turnkey network equipment at the facility per the network design.*

COT/Customer Responsibilities:

- *COT will provide all patch cabling to Layer 3 Communications as requested.*
- *COT will physically install and connect all COT servers, appliances, etc. These devices are outside of this Scope's Bill of Materials.*

5. *Testing and Verification*

Upon completion of the Integration and Installation phase we will:

- Test the newly implemented network equipment to ensure it meets the design requirements based on our test plan.
- Test security boundaries intra/inter-office
- Test application access to DC

Deliverables:

- *Report of findings*
- *As built design documentation including complete configurations for the newly installed equipment*

6. Post Implementation Support

Upon successful implementation of the proposed network solution we will provide on-site engineering support to assist Comptroller of the Treasury for one day following the installation.

After this, the COT will migrate to their support contract with their respective manufacturers or partners.

3. Assumptions

- Work will be performed remotely when possible
- All onsite work outside the scope of work will be done by COT staff
- All activities will be done as mutually agreed and as scheduled
- COT to provide change authorization to required devices in a timely fashion in order to facilitate the migration timeline as agreed upon
- COT will initiate a change freeze on any existing equipment where the configurations are to be migrated.
- Comptroller of the Treasury will provide all fiber and copper patch cords for the installation.

4. Customer Responsibilities

Prior to and during the installation, the Customer responsibilities are:

1. Provide detailed information regarding network design, contact flows, and data sheet information about the entities of the solution to be deployed.
2. Site readiness as per the Site Readiness Checklist with signature required.
3. Verify operation of the installed equipment per the Test Plan as developed during the Planning and Staging phase. Provide signature on the Test Plan when verification is complete.
4. Identify the Customer's Project team members that shall be available during Normal Business Days and play the following roles:

- a. § **Business Executive** who will be signing off on various approvals like Requirements, Call Flows, Testing and Completion sign off.
 - b. § **Project Manager** to whom all Layer 3 Communications future communications may be addressed and who has authority to act on all aspects of the project. This person will serve as a primary contact between the Customer and Layer 3 Communications, will provide a liaison to manage Customer's participation in the installation and will be available to support the planning and the installation process. Such a primary contact shall be available during normal business hours. Excessive delay caused by the unavailability of the liaison may result in additional costs to Customer.
 - c. § **Operations Management** for participating in operational Requirements development and reporting needs.
 - d. § **Network and System Administrators** on an as needed basis for solution integration and knowledge transfer purposes.
5. For each Site to be deployed, provide a contact name, telephone number, address and email for both a primary and backup Local Site contact for above roles.
 6. Provide web access or other outside access to the Layer 3 Communications servers for remote system installation, configuration, diagnosis and support.
 7. Provide equipment to Layer 3 Communications for installation as per Implementation Guide and Site Readiness Checklist.
 8. Ensure that products will be installed in a secure location with adequate floor/rack space, power, ventilation, and voice and data network connectivity.
 9. Provide all required IP addresses.
 10. Perform all site preparation activities including, but not limited to, power, core drilling, ventilation, proper environmental conditions per the equipment manufacturer's specifications.
 11. Provide all required infrastructure to ensure a successful implementation.
 12. "If required" ensure that all required WAN/ trunk lines (carrier provided voice circuits) are installed or scheduled to be installed prior to scheduling the installation.
 13. Ensure all legacy equipment related to the services provided in this SOW will be operational and satisfy the requirements for this project. Customer assumes complete responsibility if this legacy equipment is faulty in any fashion.
 14. Allow Layer 3 Communications reasonable access to the site during the term of this installation. Layer 3 Communications may be escorted, if required by facility security policy, but this may, in no way, cause a delay in completing the installation.

15. Assume responsibility for the network infrastructure upon completion of the services provided in this SOW.
16. Provide a signed Implementation Acceptance form found below as confirmation and agreement of completion for each site where Layer 3 Communications has provided services under this SOW. Thirty days after implementation and Go-Live, the site will be considered as accepted regardless of completion of the Implementation Acceptance form.

5. Bill of Materials

1. Switching/Routing



500 Wilson Pike Cir.
Suite 100
Brentwood, TN 37027
Phone: (877) 221-3924
Fax: (866) 535-3925

ATTN: Curtis Langford
Phone:
Fax:
Email: curtis.langford@cot.tn.gov

Presented to:
**State of Tennessee -
Comptroller of the Treasury**
600 Charlotte Ave
Nashville, Tennessee 37243
<http://www.comptroller.tn.gov>

QUOTATION
Quotation Number:Q-00096

Date:
VALID TILL 6/30/2017
TERMS: Net 30
FOB : Nashville, TN

Reference :
Submitted By : Andrew Kozlowitz
akozlowitz@layer3com.com

Cordell Hull Switching

IDF Switching and Components

ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
1	[REDACTED]	24	[REDACTED]	\$10,395.00	\$4,126.82	\$99,043.68
2	[REDACTED]	19	[REDACTED]	\$200.00	\$79.40	\$1,508.60
3	[REDACTED]	1	[REDACTED]	\$400.00	\$158.80	\$158.80
4	[REDACTED]	4	[REDACTED]	\$300.00	\$119.10	\$476.40
5	[REDACTED]	24	[REDACTED]	\$1,395.00	\$553.82	\$13,291.68
6	[REDACTED]	10	[REDACTED]	\$1,995.00	\$792.02	\$7,920.20
7	[REDACTED]	24	[REDACTED]	\$1,495.00	\$593.52	\$14,244.48
8	[REDACTED]	24	[REDACTED]	\$90.00	\$35.73	\$857.52
9	[REDACTED]	28	[REDACTED]	\$1,500.00	\$595.50	\$16,674.00
IDF Switching and Components Subtotal:						\$154,175.36

MDF Switching and Components

ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
10	[REDACTED]	2	[REDACTED]	\$30,000.00	\$11,910.00	\$23,820.00
11	[REDACTED]	2	[REDACTED]	\$8,795.00	\$3,491.62	\$6,983.24
12	[REDACTED]	2	[REDACTED]	\$1,395.00	\$553.82	\$1,107.64
13	[REDACTED]	2	[REDACTED]	\$495.00	\$196.52	\$393.04
14	[REDACTED]	2	Power Cable, US	\$50.00	\$19.85	\$39.70
15	[REDACTED]	2	[REDACTED]	\$1,995.00	\$792.02	\$1,584.04
16	[REDACTED]	4	[REDACTED]	\$200.00	\$79.40	\$317.60
17	[REDACTED]	8	[REDACTED]	\$1,500.00	\$595.50	\$4,764.00
MDF Switching and Components Subtotal:						\$39,009.26

Support						
ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
18	[REDACTED]	24	[REDACTED]	\$421.00	\$294.70	\$7,072.80
19	[REDACTED]	2	[REDACTED]	\$1,268.00	\$887.60	\$1,775.20
20	[REDACTED]	2	[REDACTED]	\$363.00	\$254.10	\$508.20
Support Subtotal:						\$9,356.20

Professional Services						
ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
21	[REDACTED]	1	[REDACTED]	\$24,900.00	\$24,900.00	\$24,900.00
Professional Services Subtotal:						\$24,900.00

Total Cost : \$227,440.82

**Total cost does not include shipping, handling, insurance and taxes where applicable*

2. Wireless



500 Wilson Pike Cir.
 Suite 100
 Brentwood, TN 37027
 Phone: (877) 221-3924
 Fax: (866) 535-3925

ATTN: Curtis Langford
 Phone:
 Fax:
 Email: curtis.langford@cot.tn.gov

Presented to:
**State of Tennessee -
 Comptroller of the Treasury**
 600 Charlotte Ave
 Nashville, Tennessee 37243
<http://www.comptroller.tn.gov>

QUOTATION
 Quotation Number: Q-00116
 Date:
 VALID TILL 5/31/2017
 TERMS: Net 30
 FOB : Nashville, TN
 Reference :
 Submitted By : Andrew Kozlowitz
akozlowitz@layer3com.com

Cordell Hull [REDACTED] Wireless

Hardware and Software

ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
1	[REDACTED]	46	[REDACTED]	\$1,695.00	\$1,067.85	\$49,121.10
2	[REDACTED]	2	[REDACTED]	\$16,995.00	\$10,706.85	\$21,413.70
3	[REDACTED]	2	[REDACTED]	\$0.00	\$0.00	\$0.00
4	[REDACTED]	46	[REDACTED]	\$300.00	\$189.00	\$8,694.00
5	[REDACTED]	1	[REDACTED]	\$-8,694.00	\$-8,694.00	\$-8,694.00
Hardware and Software Subtotal:						\$70,534.80

Support

ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
6	[REDACTED]	46	[REDACTED]	\$121.00	\$102.73	\$4,725.58
7	[REDACTED]	2	[REDACTED]	\$7,644.00	\$6,489.76	\$12,979.52
Support Subtotal:						\$17,705.10

Professional Services

ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
8	[REDACTED]	161	[REDACTED]	\$150.00	\$150.00	\$24,150.00
Professional Services Subtotal:						\$24,150.00

Total Cost : \$112,389.90

**Total cost does not include shipping, handling, insurance and taxes where applicable*

3. Firewall



500 Wilson Pike Cir.
 Suite 100
 Brentwood, TN 37027
 Phone: (877) 221-3924
 Fax: (866) 535-3925

ATTN: Curtis Langford
 Phone:
 Fax:
 Email: curtis.langford@cot.tn.gov

Presented to:
State of Tennessee -
Comptroller of the Treasury
 600 Charlotte Ave
 Nashville, Tennessee 37243
<http://www.comptroller.tn.gov>

QUOTATION
 Quotation Number: Q-00129
 Date:
 VALID TILL 5/31/2017
 TERMS: Net 30
 FOB : Nashville, TN
 Reference :
 Submitted By : Andrew Kozlowitz
akozlowitz@layer3com.com

Cordell Hull Firewalls

Hardware/Software						
ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
1	[REDACTED]	2	[REDACTED]	\$50,000.00	\$38,500.00	\$77,000.00
2	[REDACTED]	2	[REDACTED]	\$18,500.00	\$14,245.00	\$28,490.00
3	[REDACTED]	2	[REDACTED]	\$18,500.00	\$14,245.00	\$28,490.00
4	[REDACTED]	2	[REDACTED]	\$18,500.00	\$14,245.00	\$28,490.00
5	[REDACTED]	2	[REDACTED]	\$18,500.00	\$14,245.00	\$28,490.00
Hardware/Software Subtotal:						\$190,960.00

Support						
ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
6	[REDACTED]	2	[REDACTED]	\$19,200.00	\$17,664.00	\$35,328.00
Support Subtotal:						\$35,328.00

Professional Services						
ITEM	PART NUMBER	QTY.	DESCRIPTION	UNIT LIST PRICE	YOUR UNIT COST	YOUR EXTENDED COST
7	[REDACTED]	1	[REDACTED]	\$20,800.00	\$20,800.00	\$20,800.00
Professional Services Subtotal:						\$20,800.00

Total Cost : \$247,088.00

**Total cost does not include shipping, handling, insurance and taxes where applicable*

6. Scope Change Management

COT and Layer 3 Communications require a formal process to control changes in order to identify any deviation from the Scope of work (SOW) as defined in this document. If either party desires to make a change to the SOW, the request must first be submitted to the other party in writing. The Layer 3 Communications Project Manager will discuss with the COT's Project Manager any adjustments to the schedule associated with the change, as well as any resulting cost impact. Both Project Managers must then execute a Service Addendum detailing the changes and costs before any change to this SOW will be considered effective. Layer 3 Communications Inc. and COT Project Managers will then jointly prioritize the approved change request, schedule the changes, and assign it to the project team for implementation.

Layer 3 Communications' Project Manager for this Scope of Work:
Andrew Kozlowitz akozlowitz@layer3com.com