

**DETERMINATION
INTERGOVERNMENTAL COOPERATIVE PURCHASING
MODIFICATION NO. 2
CONTRACT NO. 215006-IT, VIDEO ANALYTICS**

On or about March 16, 2016, MPA and Vector Resources Inc., dba VectorUSA ("Contractor") entered into Contract No. 215006-IT (the "Contract") under which Contractor agreed to provide certain information technology supplies generally described as a Video Analytics system, and associated services. On or about September 23, 2016, MPA and Contractor entered into Modification No. 1 extending the date by which the Contract must be completed (other than performance of maintenance and warranty obligations) to November 22, 2016. Since the execution of Modification No. 1, or prior thereto, one of Contractor's subcontractors/suppliers, Giant Gray, has gone out of business without completing its subcontract, resulting in delay in completion of the Contract and MPA's refusal to pay the remaining unpaid balance of the Contract amount until the Contract is completed.

To resolve the impasse between the parties, MPA and Contractor have agreed to the attached Modification No. 2. If the parties do not enter into the proposed Modification No. 2 the Contract will remain uncompleted, depriving MPA of the fully functional Video Analytics product for which it contracted and depriving the Contractor of the full contract amount for which it contracted, and the parties will likely commence litigation through the disputes procedures of the Maryland Procurement law. Therefore, I determine that it is in the best interest of MPA to execute the proposed Modification No. 2 because doing so will, for the reasons stated, provide cost benefits to the State and promote administrative efficiencies, and execution of the modification is not intended as a means to evade the purposes set forth under COMAR 21.01.01.03.



John Thornton, Procurement Officer

Date 1/17/18

MODIFICATION NO. 2
CONTRACT NO. 215006-IT

This Modification No. 2, made this 11 day of January, 2018, by and between the

Maryland Port Administration
401 East Pratt Street, Suite 1100
Baltimore, Maryland 21202
(hereinafter "MPA")

and

Vector Resources, Inc.
trading as VectorUSA
3530 Voyager Street
Torrance, CA 90503
(hereinafter "Contractor")

WHEREAS, on or about March 16, 2016, MPA and Contractor entered into Contract No. 215006-IT (the "Contract") under which Contractor agreed to provide certain information technology supplies and associated services; and

WHEREAS, on or about September 23, 2016, MPA and Contractor entered into Modification No. 1 extending the date by which the Contract must be completed (other than performance of maintenance and warranty obligations) to November 22, 2016; and

WHEREAS, Contractor has still not completed the Contract and as a result MPA has not issued final payment to Contractor; and

WHEREAS, to attempt to have performance of the Contract completed by Contractor the parties have executed this Modification No. 2;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained MPA and Contractor promise and agree as follows:

1. MPA agrees to allow Contractor to migrate the current Giant Gray Video Analytic software product and eighty (80) licenses to the Omni Ai foundation platform software product and eighty (80) licenses at no additional cost to MPA.
2. Contractor will provide MPA, at no additional cost to MPA, with four (4) HPE NVIDIA Quadro M6000 24 GB GPU modules, part number P8Y47A (the "Modules").
3. Upon delivery of the Modules to MPA, Omni Ai, as subcontractor to Contractor, with the assistance of MPA, will provide forty (40) hours of support services, including:
 - (a) Installation of the modules on MPA's existing servers;
 - (b) Migration of the current Giant Gray video analytic software to the Omni Ai foundation platform software product; and

(c) Training to MPA on the operation and use of the software.

4. Contractor shall provide three (3) years of software maintenance of the Omni AI Foundation Video software, as required by the Contract, to begin when the migration to the Omni AI Foundation Video platform is complete; and
5. Upon Contractor's completion of the migration to the Omni AI Foundation Video platform, and all other requirements of the Contract other than maintenance and warranty obligations, Contractor may submit to MPA the final invoice for payment of the \$27,602.10 withheld by MPA pending satisfactory completion of the Contract, and MPA shall process that invoice promptly for payment.
6. Except as revised by this Modification No. 2, Contract No. 215006-IT, as modified by Modification No. 1, remains in full force and effect.


WITNESS:

MARYLAND PORT ADMINISTRATION

BY: _____
John Thornton, Procurement Officer

ATTEST:

VECTOR RESOURCES, INC.

BY:  _____
Robert Messinger, Executive Vice President

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY

Assistant Attorney General