



Martin O'Malley, *Governor*
Anthony G. Brown, *Lt. Governor*

State Highway
Administration

Beverley K. Swaim-Staley, *Secretary*
Neil J. Pedersen, *Administrator*

Maryland Department of Transportation

December 15, 2010

Mr. David E. Stein
Travelers Marketing
47 Church Street
Wellesley, MA 02468

Dear Mr. Stein:

Forwarded herewith are two (2) executed original copies of the Agreement between Travelers Marketing, State Farm Mutual Automobile Insurance Company and the State Highway Administration to provide sponsorship services in connection with the CHART Emergency Traffic Patrol Program. It is requested that you forward a copy to State Farm.

Effective as of this date, you are advised to contact Mr. Glenn McLaughlin, Deputy Director, Office of CHART, telephone number 410-787-5884, through whom all liaison for this work will be provided.

The State Highway Administration appreciates your continued cooperation.

Sincerely,

Neil J. Pedersen
Administrator

cc: Glenn McLaughlin - CHART
Michael Zezeski - CHART

BPW: Approval Date- 12/15/10; MDOT Agenda # - 27-GM; Pages Supplemental

My telephone number/toll-free number is _____

Maryland Relay Service for Impaired Hearing or Speech: 1.800.735.2258 Statewide Toll Free

Street Address: 707 North Calvert Street • Baltimore, Maryland 21202 • Phone: 410-545-0300 • www.marylandroads.com



MARYLAND STATE HIGHWAY ADMINISTRATION

CHART SPONSORSHIP AGREEMENT

This Agreement, dated as of December 15, 2010, ("Agreement") is entered into by and among the Maryland State Highway Administration, 707 N. Calvert Street, Baltimore, Maryland, 21202 ("Highway Administration"), State Farm Mutual Automobile Insurance Company, an Illinois corporation, with its principal place of business at One State Farm Plaza, Bloomington, IL 61704, on behalf of itself, its subsidiaries and affiliates ("Sponsor" or "State Farm") and Travelers Marketing, LLC, a Massachusetts Limited Liability Company, 47 Church Street, Wellesley, MA 02482 ("TM")

WHEREAS, The Highway Administration's mission is to improve safety and convenience for the public by providing free, courtesy roadside assistance to disabled vehicles and motorists in need of assistance during this period of increased traffic on its right of way and in furtherance of its mission operates the Emergency Traffic Patrol ("ETP") Program.

WHEREAS, The Sponsor desires to support the Highway Administration's effort to improve highway safety and provide such free service to the motoring public, as well as obtain certain marketing and advertising rights with respect to the ETP Program.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties agree that the Sponsor shall furnish all materials and perform all work described in the Contract Documents and shall comply with all of the terms and conditions of the Contract Documents, all of which are made a part hereof and are referred to herein as "the Contract".

The Contract documents consist of the following:

1. This Agreement.
2. Attachment A: Request for Information dated March 12, 2010.
3. Attachment B: Sponsor's Proposal dated December 6, 2010.
4. Attachment C: Contract Affidavit (which is to be executed by State farm and TM prior to commencement of any work or service performed under this Agreement
5. Attachment D: Department of Transportation General Conditions for Service Contracts. (November 19, 1999)

1. SPONSORSHIP AND PROMOTIONAL EXCLUSIVITY

The Emergency Traffic Patrol ("ETP") shall be renamed The Emergency Patrol Sponsored by State Farm; ("EPSSF") shall hereinafter be referred to as such.

2. TERM

The term of this Agreement shall be for a period of seven (7) years, consisting of an initial term of three (3) years, commencing as of December 31, 2010 and ending December 30, 2013 ("Initial Term"), and two (2) successive 2-year renewal terms ("Renewal Term") as provided below, unless terminated earlier in accordance with the terms of this Agreement (together, "Term"). It is understood that the initial Agreement and all subsequent Renewal Agreements will require separate prior approvals from the Maryland State Board of Public Works.

3. RENEWAL

Upon the approval of the Maryland State Board of Public Works, this Initial Term may be extended for an additional two-year period ("First Renewal Term") unless either party gives the other party a notice of its desire not to renew the Agreement in writing not less than six (6) months prior to end of the Initial Term. Upon the approval of the Maryland State Board of Public Works, the First Renewal Term may be extended for a further additional two- year period ("Second Renewal Term") unless either party gives the other party a notice of its desire not to renew the Agreement in writing not less than six (6) months prior to end of the First Renewal Term.

4. SPONSORSHIP CONTRIBUTION

The Sponsor shall contribute to the Highway Administration the following amounts for the sponsorship rights contained in this Agreement.

Initial Term

Year 1 - \$481,700 within thirty days of execution of this Agreement

Year 2 - \$420,000 commencing on December 1, 2011

Year 3 - \$420,000 commencing on December 1, 2012

First Renewal Term

Year 4 - \$441,500 commencing on December 1, 2013

Year 5 - \$441,500 commencing on December 1, 2014

Second Renewal Term

Year 6 - \$463,050 commencing on December 1, 2015

Year 7 - \$463,050 commencing on December 1, 2016

- (a) \$195,000.00 of the Sponsor's Year 1 contributions shall be allocated for the payment of all of the expenses contained in this Agreement other than the payments (i) to reimburse the Highway Administration for the fabrication, installation and maintenance of the highway signs in accordance with Section 7 of this Agreement and (ii) to obtain Added Vehicles under Paragraph (a) of Section 5 of this Agreement ('Program In-Kind Contributions').
- (b) \$225,000.00 of the Sponsor's Year 1 contributions shall be paid to TM to be used to secure Added Vehicles and the Added Vehicle Operators under the above-mentioned Paragraph (a) of Section 5 ("Vehicle In-Kind Contributions").
- (c) \$61,200.00 of the Sponsor's Year 1 contributions shall be paid to the Highway Administration as reimbursement for the fabrication, installation and maintenance of the highway signs.
- (d) Prior to the one year anniversary date of this Agreement and the subsequent anniversary dates each year thereafter, TM and the Highway Administration shall meet and negotiate in good faith the amount of Sponsor contributions for that particular year that will be allocated between Program In-Kind Contributions and Vehicle In-Kind Contributions.

5. EPSSF FLEET

The EPSSF Program shall be operated by The Highway Administration throughout the Term of this Agreement with a minimum fleet of fifty (50) vehicles, consisting of 30 tow trucks, 11 box trucks, 6 vans, and 5 pick-up trucks, plus the EPSSF vehicles added to the fleet in accordance with Paragraph (a) of this Section 5 ("Added Vehicles"). If for any reason The Highway Administration does not operate the fifty (50) vehicles plus the number of Added Vehicles for 30 consecutive days during the Term of this Agreement, Sponsor shall upon thirty (30) days written notice to the Highway Administration have the right to terminate this Agreement with no contributions due and further provided that the Sponsor fails to commence an action to cure said reduction of operation within thirty (30) days from the time of receipt of said written notice. In the event that the level of annual funding for the EPSSF program is decreased, resulting in decreased sponsorship opportunities for a portion of the EPSSF fleet, the parties agree that a reduction in the sponsorship contributions shall be negotiated in good faith in accordance with such reduction.

- (a) Within 60 days of the execution of this Agreement and prior to the one year anniversary date of this Agreement and the subsequent anniversary dates each year thereafter, TM shall expend the full amount of the sponsorship Vehicle In-Kind Contributions to

contract and pay a reputable third party sub-contractor to supply Added Vehicles and the Added Vehicle operators to the EPSSF Fleet ("Vehicle Subcontractor"). The contract shall be submitted to the Highway Administration for prior approval, which approval shall not be unreasonably withheld or delayed. .

- (b) The Sponsor shall have the rights and benefits to name, brand and otherwise utilize the surface area of all the EPSSF vehicles in the Fleet in the form as illustrated in Exhibit 2 of the attached Proposal. Subsequent changes to the surface area treatments require the prior written approval of the Highway Administration.

6. UNIFORMS

At the Sponsors sole expense, the Sponsor shall have the right and benefits to: (1) incorporate the Sponsor's logo/theme on the EPSSF drivers' uniforms in a manner that is acceptable to the Highway Administration. Subsequent changes to the uniforms require the prior written approval of the Highway Administration.

7. HIGHWAY SIGNS

The Highway Administration shall fabricate, install and maintain a minimum of sixty (60) EPSSF program highway signs. The signs shall measure 7 ft. wide x 4 ft. high of which approximately 33% will carry the Sponsor name and logo in the form as illustrated in Exhibit 4 of the attached Proposal. The sign measurements are subject to approval by the Federal Highway Administration. The signs will be prominently located near the beginning of route segments as illustrated in Exhibit 3 of the attached Proposal. The Highway Administration shall be responsible for the maintenance, upkeep and repair of all signage, and shall keep the above signs in place and readable by motorists during the Term of this Agreement. Should repairs or replacements become necessary, they shall be made within thirty (30) days of the Highway Administration becoming aware of the need of such repairs or sign replacement. The Highway Administration shall retain all recoveries from third parties for damages to signs. Reimbursement for the cost of fabrication and installation of all Highway Signs shall not exceed the limit set forth in paragraph 4(c) above

8. SCOPE AND PROCEDURES:

Accordingly, The Sponsor shall:

1. Provide appropriate staff for the dedicated management/coordination of the advertisement/sponsorship program.
2. Provide adequate methodology for prompt payment of sponsorship fee(s) to the Highway Administration.
3. Provide related items and materials necessary to implement the advertisement /sponsorship program as provided for herein.

4. Provide communication services in assisting in the roll-out of the advertisement/sponsorship program.
5. In applying services for placement and application of the Sponsor's graphics/decals as provided for herein, provide a clear plan for minimal disruption of the EPSSF Program activities and Highway Administration staff/facilities.
6. Maintain and keep complete records of all transactions with sponsors, and vendors.
7. Abide by federal, state, county, municipal and regulatory agency directives pertaining to advertising and sponsorship. Coordinate and comply with regulatory requirements or inspections by appropriate agencies.
8. Provide sponsor graphics/decals for all damaged and replacement vehicles.

9. MEDIA/USE OF STATE FARM NAME AND CONFIDENTIALITY

- A. Upon Highway Administration approval, which approval shall not be unreasonably withheld or delayed, the Sponsor shall have the right and benefits to incorporate the State Farm logo/theme and name in all promotional and informational media containing references to The EPSSF Program produced by the Highway Administration, including, but not limited to, websites, brochures, newsletters and press releases. The Highway Administration may not disclose or identify State Farm in any of the Highway Administration's publications, or other media, except for purposes of performance of this Agreement and/or except as approved by State Farm.

B. CONFIDENTIALITY

(a) The parties expressly acknowledge that in the course of their performance hereunder, they may learn or have access to certain confidential, patent, copyright, business, trade secret, proprietary or other like information or products of the other party or of third parties, including but not limited to the other party's vendors, consultants, suppliers or customers (the "Information"). Anything in the Agreement to the contrary notwithstanding, the parties expressly agree that they will keep strictly confidential any such Information.

(b) STATE FARM and TM agree that, for the purposes of the Agreement, third parties whose duties for STATE FARM, or as a subcontractor for TM in performing TM's duties under this Agreement, require access to the Information provided under the Agreement shall have access to the Information as required by such duties, provided that: (i) such third parties have agreed in writing with either STATE FARM or TM, in terms no less protective than the confidentiality obligations of the Agreement, to keep confidential the Information; (ii) such third parties have agreed in writing with either STATE FARM or TM not to use the Information for their own benefit or the benefit of any person or entity besides STATE FARM; and (iii) STATE FARM, when allowing such third parties access to TM's Information, will not exceed the license or use restrictions in the Agreement.

(c) TM agrees not to use STATE FARM's or an STATE FARM third party's Information for its own benefit or the benefit of any person besides STATE FARM.

(d) The term "Disclosing Party" shall refer to the party to the Agreement providing the Information to the other party, and the term "Receiving Party" shall refer to the party receiving the Information in the course of its performance under the Agreement. The term "Information" shall not include products or information that: (i) are in the public domain or in the possession of the Receiving Party without restriction at the time of receipt under the Agreement; (ii) are used or released with the prior written approval of the Disclosing Party; (iii) are independently developed by the Receiving Party, or (iv) are ordered to be produced by a court of competent jurisdiction or appropriate regulatory authority, but in such case the Receiving Party producing the Information agrees to notify the Disclosing Party immediately and cooperate with the Disclosing Party in asserting a confidential or protected status for the Information.

(e) Each party expressly further agrees that it shall return to the Disclosing Party upon the Disclosing Party's request any such Information and copies thereof.

10. SPECIAL EVENTS

(a) Sponsor will work with the Highway Administration to plan a press event announcing the launch of the Sponsor program.

(b) The Sponsor shall have the rights and benefits of promotional use of EPSSF vehicles for events during the term of the Agreement, such as sporting events, parades, State Farm safety events. Vehicle assignments shall occur subject to availability as reasonably determined by the Highway Administration. Sponsor shall make requests to the Highway Administration fourteen (14) days in advance of an event. The Highway Administration, or its contractors, shall be responsible for driving and manning the vehicles at all events. Sponsor shall pay for the driver's wages (including overtime) and fuel costs only.

11. PROMOTIONS

Sponsor shall have the right to develop promotional materials including "thank you" cards containing links for posting to social media and have them distributed by the drivers of the EPSSF vehicles to motorists who receive their assistance and services. All such materials shall be submitted by the Sponsor to the Highway Administration for its written prior approval before such distribution. The Highway Administration shall ensure that all approved materials provided by the Sponsor will be distributed by the EPSSF drivers, in accordance with the Sponsor's reasonable instructions. The Highway Administration shall notify Sponsor when inventory of the promotional material is depleted to an approximate thirty (30) day supply, in order to allow adequate time for printing and replenishment of the materials.

12. COMMENT CARDS

The Sponsor shall have the rights and benefits of including the Sponsor's name, brand, or mark on the comment cards provided to all motorists receiving assistance from the EPSSF. The Comment Cards will include the ability to request information from State Farm as illustrated in Exhibit 5 of the attached Proposal. The Sponsor shall provide initial Comment Cards and any modifications for the Highway Administration's written prior approval. The Highway Administration shall prepare quarterly reports with respect to the activities of the EPSSF Program which shall include a motorist comment log, numbers of motorists assisted and the nature of the assists.

13. DISCONTINUANCE OF PROGRAM ELEMENTS

At termination of this Agreement, the Sponsor shall be responsible for all duties and costs related to the removal of any and all Sponsorship Program elements identifying Sponsor on EPSSF vehicles. Such removal shall be finalized within thirty (30) days after termination of the Agreement

14. THE PARTIES OBLIGATIONS REGARDING SPONSORSHIP PROGRAM ELEMENTS

The Sponsor shall be responsible for the design, graphics, fabrication, and installation of the Sponsor name, brand and/or logo ("Decals") on all the EPSSF vehicles, subject to Highway Administration's written approval and at the Sponsor's expense. The Sponsor shall be responsible for the maintenance and upkeep of the Decals. The Highway Administration shall be responsible for the maintenance of the vehicles.

15. OWNERSHIP OF THE SPONSORSHIP AT EXPIRATION OR TERMINATION OF THE CONTRACT

- A. If the Sponsor defaults and the Agreement is terminated as a result prior to the expiration date of the Agreement, ownership of the contract rights shall pass to the Highway Administration at the effective date of termination.
- B. The Sponsor, within thirty (30) days after the expiration date of the contract or the effective termination date, shall remove all sponsor graphics from the EPSSF vehicles.
- C. The Sponsorship signs erected are to remain and become the responsibility of the Highway Administration or another party selected by the Highway Administration.

16. RELATIONSHIP OF THE PARTIES

The parties to this Agreement acknowledge, understand and agree that the Sponsor is providing the contributions provided for herein in exchange for certain promotional, name recognition and/or advertising rights with respect to the EPSSF Program, and that nothing in this Agreement, or any actions, representations or statements by any party or its respective employees, agents, representatives or subcontractors, shall be interpreted or construed as creating any other type of

relationship, including, but not limited to, partnership, agency, representative, employment or joint venture, by and among the parties. The Highway Administration acknowledges and agrees that the Sponsor, by entering into this Agreement, are incurring no obligation, by way of regulation or otherwise, other than to provide funds and services as set forth herein and that in no event shall the Sponsor have any responsibility for, control of, or liability on account of, the EPSSF Program.

17. SUBCONTRACTOR

The Highway Administration shall act to ensure that any of their subcontractors also adhere to the applicable provisions of this Agreement.

18. EMPLOYMENT OF HIGHWAY ADMINISTRATION'S PERSONNEL:

The Sponsor, TM or any Sub-contractor shall not employ any person or persons in the employ of the Highway Administration for any work required by the terms of this Agreement, without the written permission of the Highway Administration except as may otherwise be provided for herein.

The Highway Administration agrees that all employees participating in the EPSSF Program will be subject to the background checks applicable to "Safety Sensitive State Employees".

19. INDEMNIFICATION AND HOLD HARMLESS

- A. By Sponsor and TM: Anything in the Agreement to the contrary notwithstanding, and the extent permitted by law, Sponsor and TM (the "Indemnifying Parties") expressly agree that it shall indemnify and hold the Highway Administration (the "Indemnified Party") fully harmless against any loss, damages, claims, or expenses of any kind whatsoever sustained or incurred by a third party (not a party to this Agreement), including costs and reasonable attorneys' fees, the Indemnified Party incurs as a result of the negligent or intentional acts or omissions of the Indemnifying Parties or their agents or subcontractors, and for which recovery is sought against the Indemnified Party by that third party. These indemnities shall not be limited by reason of the listing of any insurance coverage.
- B. By Highway Administration: Anything in the Agreement to the contrary notwithstanding, to the extent permitted by law and subject to available appropriations, the Highway Administration (the "Indemnifying Party") expressly agrees that it shall indemnify and hold State Farm and TM (the "Indemnified Parties") fully harmless against any loss, damages, claims, or expenses of any kind whatsoever sustained or incurred by a third party (not a party to this Agreement), including costs and reasonable attorneys' fees, the Indemnified Parties incur as a

result of the negligent or intentional acts or omissions of the Indemnifying Party or its agents, and for which recovery is sought against the Indemnified Parties by that third party. These indemnities shall not be limited by reason of the listing of any insurance coverage.

20. LIMITATION OF LIABILITY

UNDER NO CIRCUMSTANCES WHATSOEVER SHALL THE PARTIES BE LIABLE TO ONE ANOTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INDIRECT, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER. IN NO EVENT WHATSOEVER SHALL STATE FARM'S TOTAL LIABILITY TO FOR ANY OTHER DAMAGES WHATSOEVER EXCEED IN THE AGGREGATE THE SUM OF THREE HUNDRED THOUSAND DOLLARS (\$300,000).

21. INSURANCE:

Prior to beginning work, TM and the Vehicle Subcontractor shall obtain and furnish certificates to the Highway Administration for the following minimum amounts of insurance:

- A. Commercial General Liability Insurance in an amount of not less than one million dollars (\$1,000,000) for injuries, including those resulting in death to any one person, and in an amount of not less than three million dollars (\$3,000,000) on an account of any one occurrence.
- B. Automobile Property Damage Insurance in an amount of not less than one hundred thousand dollars (\$100,000) from damages because of any occurrence, with an aggregate limit of three hundred thousand dollars (\$300,000)
- C. In addition, the Vehicle Subcontractor shall obtain and maintain (i) garage-liability insurance in an amount not less than one million dollars (\$1,000,000) because of any occurrence, with an aggregate limit of three million dollars (\$3,000,000) and (ii) garage keepers coverage in an amount not less than one hundred thousand dollars (\$100,000).

TM shall require all other subcontractors to carry comprehensive general public liability and property damage insurance to cover the subcontractor's exposure under the contract, and may require proof of coverage to the start of work on each subcontract, but not less than the amount of one million dollars (\$1,000,000).

Insurance shall be maintained in full force and effect during the life of this Agreement and until completion of the Project and shall name the Highway Administration as an additional named insured. TM and the Vehicle Subcontractor shall furnish annually to the Highway Administration, certificates of insurance evidencing such coverage. These certificates shall also provide that the insurance will not be modified or canceled without a 30 day prior written notice to the Highway Administration. Failure by TM and the Vehicle Subcontractor to procure and maintain the insurance as set forth above shall be considered a default and cause for termination of this Agreement. TM and the Vehicle Subcontractor shall, at least fifteen (15) days prior to the

expiration date or dates of expiring policies, deposit certified copies of renewal, or new policies, or other acceptable evidence of insurance with the Highway Administration.

22. TERMINATION

A. This Agreement may be terminated for cause by the Sponsor upon thirty (30) days written notice to The Highway Administration upon the occurrence of any material breach of the terms and conditions of this Agreement by the Highway Administration and further provided that the Highway Administration fails to cure said violation within thirty (30) days from the time of receipt of said written notice. Breach shall include, but not be limited to, the following:

- (1) The EPSSF Program shall be or become deemed to be in violation of any federal, state or local statutes, laws or regulations; or
- (2) The EPSSF Program is terminated or ceases to operate in accordance with this Agreement for a period exceeding thirty consecutive days; or

B. This Agreement may be terminated by the Highway Administration:

- (1) upon thirty (30) days written notice to the Sponsor upon the occurrence of any material breach of the terms and conditions of this Agreement and further provided that the Sponsor fails to cure said violation within thirty (30) days from the time of receipt of said written notice, and
- (2) upon ten (10) days written notice to the Sponsor for non-payment of fees or other financial obligations hereunder provided that the Sponsor fails to cure the default in payment within ten (10) days of its receipt of such notice.
- (3) upon thirty (30) days written notice to TM upon the occurrence of any material breach of the terms and conditions of Paragraph (a) of section 5 of this Agreement and further provided that the TM fails to cure said violation within thirty (30) days from the time of receipt of said written notice, and
- (4) upon thirty (30) days written notice to the Sponsor upon the occurrence of any default resulting from the below acts by Sponsor:
 - (a) Commits any act of bankruptcy or insolvency, or becomes insolvent or is declared bankrupt.
 - (b) Allows any final judgment to stand against it to go unresolved for a period of ten (10) days.
 - (c) Makes an assignment of revenues for the benefit of creditors.
 - (d) Fails to provide advertisement within the guidelines specified in this Agreement.

Upon a breach or an act of default by the Sponsor, the Highway Administration may by written notice specify the breach or default and shall give the Sponsor the appropriate notice to cure and correct its breach or default. If the Sponsor does not cure or correct such breach or default

within such notice period, the Highway Administration may terminate the Agreement immediately by a second written notice. A notice shall be considered duly served when it is delivered to the Sponsor's office to a responsible person of suitable age and discretion or by certified or registered mail to a party's last known business address.

Termination of the Agreement for cause shall not relieve the Sponsor of its obligations as set forth in the Agreement. The Sponsor, if applicable, shall be liable for all costs incurred thereby, for any resulting increase(s) in costs paid by participating businesses during the remaining term of the Agreement and shall remain responsible for all payments due the Highway Administration under the Agreement for the remainder of the Agreement term.

After notice of termination has been given by either party, the Sponsor shall have no further obligation to promote, develop, or market the program termination.

23. FORCE MAJEURE

Each party will be excused from performance under this Agreement to the extent that it is prevented from performing, in whole or in substantial part, due to delays caused by an act of God, civil disturbance, civil or military authority, war, court order, acts of public enemy or other forces beyond its reasonable control, and such nonperformance will not be default under this Agreement nor a basis for termination for cause provided any delays in performance do not exceed thirty (30) days. Nothing in this paragraph shall be deemed to relieve the Sponsor from its liability for work performed by any subcontractor. If the services to be provided to the Highway Administration or Sponsor are interrupted by a force majeure event, the Highway Administration or Sponsor as the case may be will be entitled to an equitable adjustment to the fees and other payments due under this Agreement.

24. REPRESENTATIONS, WARRANTIES AND COVENANTS

The Parties hereby acknowledge that no express or implied representations, warranties, conditions or understandings, other than those set forth in this Agreement have been made by and between them.

25. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement of the parties herein and supersedes all previous agreements and understandings between the parties, whether oral or written, and no other agreements, understandings, or regulations between the parties not specifically referenced herein are applicable. This Agreement may be amended only by a written agreement signed by each of the parties.

26. SEVERABILITY

If any provision of this Agreement is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Agreement shall not be affected by such declaration or finding and is capable of

substantial performance, then each provision not so affected shall be enforced to the extent permitted by law.

27. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of Maryland without reference to its choice of law doctrine, and any litigation arising out of this Agreement shall be commenced within the State of Maryland.

28. HEADINGS

The headings used throughout this Agreement are used for convenience only and shall not be used to interpret the terms and conditions of this Agreement.

29. NOTICES

All notices, requests, demands, and other communications required or permitted under this Agreement shall be deemed to have been duly given or delivered (i) one business day following the date sent when sent by overnight delivery and (ii) three business days following the date mailed when mailed by registered or certified mail return receipt requested and postage prepaid at the address below:

If to the Sponsor: State Farm Mutual Automobile Insurance Company:

ATTN: Cathy Nyce
Mid Atlantic Zone Marketing Manager
2325 Dulles Corner Blvd.
Herndon, VA 20171-3418

Telephone #: 202.215.0919

Fax #:

E-mail: cathy.nyce.br6d@statefarm.com

With a copy to

Travelers Marketing
47 Church Street
Wellesley, MA 02468
ATTN: David E. Stein

Telephone #

781.416.3737

Fax#

781.237.6747

E-mail:

dstein@travelersmarketing.com

If to the Highway Administration:

ATTN: Glenn McLaughlin
7491 Connelley Drive
Hanover, MD 21076

Telephone #:

410-787-5884

Fax #:

410-582-9880


E-mail:

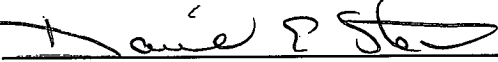
gmclaughlin@sha.state.md.us

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth herein.

WITNESS/ATTEST:

FOR TRAVELERS MARKETING, LLC




By: 
Authorized Signature
David E. Stein
Name Typed
Managing Partner
Title
043438343
Federal Tax I.D. Number or S.S.N.

WITNESS/ATTEST:

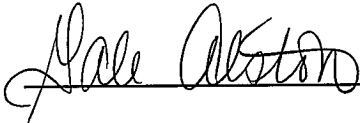
FOR STATE FARM MUTUAL AUTOMOBILE
INSURANCE COMPANY

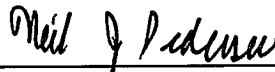
Cheryl D White

By: 
Authorized Signature
Dan Krause
Name Typed
Agency Vice President, Mid Atlantic Zone
Title
37-0533100
Federal Tax I.D. Number or S.S.N.

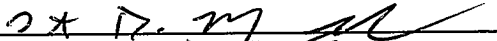
WITNESS/ATTEST:

FOR THE STATE HIGHWAY ADMINISTRATION:



By: 
Authorized Signature
Neil J. Pedersen
Name Typed

Approved for form and legal sufficiency for the
State Highway Administration this 14th day of December
, 20 10


Assistant Attorney General

Attachment A
Request for Information

March 12, 2010

Maryland State Highway Administration

Sponsorship of the Coordinated Highways Action Response Team's (CHART)

Emergency Traffic Patrol (ETP) Program

REQUEST FOR INFORMATION (RFI)

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**Maryland State Highway Administration
Sponsorship of the Coordinated Highways Action Response Team's (CHART)
Emergency Traffic Patrol (ETP) Program
REQUEST FOR INFORMATION (RFI)**

I) General Information

A) Background

The Maryland State Highway Administration's (MD SHA) Office of CHART (Coordinated Highways Action Response Team) and ITS Development is soliciting information concerning the possibility and/or feasibility of engaging a firm, or team of firms, to sponsor and supplement the CHART Emergency Traffic Patrol (ETP) program.

Under this program, the State envisions that a firm or firms would be compensated through rights to partner with the State to promote and market their company in association with elements of the highway safety program. Sponsorship opportunities for the program include placement of advertising on vehicles of the ETP program, development and distribution of joint promotional materials, promotion and sponsorship of safety training and conferences, and other opportunities as identified by the selected Contractor and the State. The MD SHA's CHART program currently uses a fleet of 52 vehicles patrolling over 550 miles of primary and interstate routes throughout Maryland. Branding/sponsorship of the program will raise the profile of customer service available on Maryland's roads, promote safety to travelers, and will provide the title sponsor with a strong public image and related sponsorship opportunities.

CHART is Maryland's highway operations element for the State's ITS program. The program is a cooperative effort, which involves the MD SHA, Maryland State Police (MSP), and the Maryland Transportation Authority (MDTA). It began in the mid-1980s as the "Reach the Beach" initiative, focused on improving travel to and from Maryland's Eastern Shore. As a result of its success, it has developed into a multi-jurisdictional and multi-disciplinary program, focusing on coverage of, not only the Baltimore and Washington metropolitan areas, but, the entire State of Maryland. The daily activities of the CHART program are driven by its five (5) functional elements, which are as follows:

- Traffic and Roadway Monitoring
- Traveler Information
- Incident Management
- Traffic Management
- Emergency and Weather Operations

In an effort to address the incident response and traffic management portion of its services to the state, the CHART program conducts safety patrols on Maryland's roadways. These patrols include:

- **Emergency Traffic Patrols (ETPs):** ETPs are small tow trucks which are equipped to perform minor repairs as well as provide gasoline to motorists with vehicles that become disabled along the freeway system. These patrols are also part of the surveillance network, which can detect incidents as they occur. ETPs can also "relocate" disabled or damaged vehicles from the travel portion of the roadway to a safer location so that the traffic flow is not impeded. This activity also reduces the possibility of secondary incidents as a result of a vehicle blocking a lane.
- **Emergency Response Units (ERUs):** ERUs are vans which are responsible for establishing proper traffic control upon arrival at an incident, and relaying information to the SOC/TOC regarding lane closures. They are equipped with MSP Radios, CB Radios, and cellular phones so that the operator can receive up-to-date information and coordinate activities with several agencies for a quick response and prompt reopening of travel lanes. Like ETPs, they carry equipment to perform minor repairs.
- **Customer Response Vehicles (CRVs):** CRVs are box trucks which are responsible for establishing proper traffic control upon arrival at an incident. They relay information to the SOC/TOC regarding lane closures and carry more response equipment than ETPs or ERUs.

In total, CHART has a fleet of 52 vehicles (30 tow trucks, 11 box trucks, 6 vans, and 5 pickup trucks), which are staffed by 37 operators/drivers to patrol over 550 miles of Maryland roadways daily.

Considering the information provided above, the MD SHA would be interested in any information that would present and describe the private sector's interest, ideas and general approach towards the development of an ETP sponsorship program that would address the highway operations and incident response needs of the state, while being beneficial to all parties involved.

B) Conceptual Approach

Through this partnership, MD SHA envisions granting a selected contractor exclusive rights to place advertisements and sponsor various elements of the program, including, but not limited to:

- Placement of advertising on active ETP vehicles;
- Placement of advertising on uniforms;
- Development of co-branded promotional materials;
- Placement of recognition on the CHART website;
- Sponsorship of safety awareness and training events;

March 12, 2010

- Other sponsorship opportunities, as identified.

In exchange for rights to partner with MD SHA CHART to advertise and market goods or services through the sponsorship of the program, the selected Contractor would provide compensation through the following in-kind services:

- Supplement the current patrol program with privately operated patrol vehicles;
- Appearance upgrades to current vehicles within the ETP fleet;
- Sponsorship of training events/conferences;
- Other types of in-kind compensation as identified.

It is MD SHA's preference to receive compensation in the form of in-kind services, to assure that any resources generated by this partnership are used to support and enhance the CHART ETP program.

C) Purpose

This solicitation seeks to obtain information on:

- (1) The level of private sector interest in developing a highway ETP sponsorship program;
- (2) The approach being used by other jurisdictions to implement similar public-private sponsorship programs;
- (3) The recommended approach to be used by the MD SHA for an ETP sponsorship program;
- (4) How the implementation of a private sector sponsorship program will affect existing MD SHA business processes;
- (5) The most suitable and mutually beneficial financial approach;
- (6) The anticipated impact on the day-to-day management and standard operating procedures of the CHART program, including vehicles and highway operations staff;
- (7) Possible obstacles that both the private sector and the State would have to overcome to make the ETP sponsorship program feasible; and
- (8) Any other comments or suggestions.

The responses to this RFI will be used to assist the MD SHA in making decisions regarding the development of an ETP sponsorship program for CHART Operations.

Note: The State does not intend to award a contract on the basis of this solicitation or to otherwise pay for the information solicited. Although the terms "proposal" and "Offeror" are used, responses to this RFI will not be treated as a proposal to provide services. All responses submitted will be used for informational purposes only, and will in no way affect eligibility to respond to future solicitations issued by the State.

II) Information Requested

Responses to this RFI shall be submitted in the form of a narrative, responding separately to each of the following questions. The narrative responses to the following questions should not total more than twenty (20) pages.

Questions

- (1) What is the level of private sector interest as it relates to an ETP sponsorship program for transportation operations and management?
- (2) What is the general approach being used by other jurisdictions, if any, to implement and maintain a sponsorship agreement of this nature?
- (3) Based on the information provided in *Section 1* and industry experience, what is the recommended and preferred approach to be used?
- (4) What services should the State seek from the private sector industry to implement an ETP sponsorship program?
- (5) How would an ETP sponsorship program such as this be used to compensate the State? Would compensation through in-kind services (the sharing of resources, rather than money) be attractive to the private sector industry?
- (6) What services/activities would you consider to be in-kind?
 - Advertisements on or co-branding of active ETP vehicles (coordination of graphics, agency logo, emblem, badge, etc.)
 - Marketing materials (posters, fliers, website, etc.)
 - Training program (purpose, type, scale, etc.)
 - Other resource sharing opportunities.
- (7) What is the private sector's position as it relates to standard operating procedures, business processes, and liability issues?

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- (8) What other issues or challenges will the State and private sector firm have to overcome to make the sponsorship program feasible?

III) Responses to this RFI

A) Response Format

Submissions shall be prepared simply and economically and shall provide a clear description of the Offeror's response to the information request. Oral or facsimile submissions will not be accepted. The information response shall be submitted in the original, accompanied by two (2) paper copies and one electronic copy.

The information response should also include:

i) Contact Information

All submissions must include the Offeror's contact information including the name, title, mailing address, phone number, and electronic mail address of the person(s) to contact for additional information.

ii) Project Experience

Experience or qualifications that your firm has had (directly or indirectly) with agreements of this nature.

iii) Response to Information Questions

The narrative response to all questions in this section should not total more than twenty (20) pages.

B) Administrative Information

i) Issuing Office/Procurement Officer

The sole point of contact for this RFI is the Procurement Officer at the following issuing office:

Procurement Officer: Mr. Glenn McLaughlin
Deputy Director for Systems, Development and
Administration
Office of CHART and ITS Development
Maryland State Highway Administration
7491 Connelley Drive
Hanover, MD 21076

Phone: (410) 787-5884

Email: GMcLaughlin@sha.state.md.us

ii) Questions and Inquiries

The Procurement Officer will accept written questions from prospective Offerors. The submission deadline for written inquiries is **April 2, 2010** by 4:00 pm. Questions may also be submitted by mail, facsimile or e-mail to the Procurement Officer.

All questions should be promptly submitted to the Procurement Officer. Regarding questions not received in a timely manner, the Procurement Officer will decide, based on the amount of research needed to answer the question, whether an answer can be given before the proposal due date. Answers to all substantive questions will be distributed to all potential Offerors that received a copy of the RFI.

iii) Submission Deadline

To be considered, submissions must be received by the Procurement Officer at the address in *Item i* (above) no later than 4:00 p.m. on **April 16, 2010**. Oral or facsimile submissions will not be accepted. Also, Information Responses, as mentioned earlier, shall be submitted in the original, accompanied by two (2) paper copies and one electronic copy.

iv) Addenda and Revisions to the RFI

In the event that Offerors must make an adequate interpretation of the provisions of this RFI, or if any substantive issues require change or clarification, an addendum to the RFI will be sent to each known Offeror. Offerors should acknowledge receipt of all addenda in the transmittal letter of the Information Response.

v) Confidential and Proprietary Information

The Offeror should identify those portions of its Information Response that it deems to be confidential, proprietary information, or trade secrets, and should provide any justification as to why such materials, upon request, should not be disclosed by the State under the Maryland Public Information Act, Section 10-611 et seq., of the State Government Article, Annotated Code of Maryland. A blanket statement that the entire proposal is confidential is not acceptable.

vi) Incurred Expenses

The State will not be responsible for any costs incurred by Offerors related to preparing and submitting a response to this RFI, attending meetings, providing demonstrations, or for any other associated costs.

C) Minority Business Enterprise (MBE) Participation

The State of Maryland encourages Minority Business Enterprises (MBEs) to participate in all contracts. MDOT hereby notifies all Offerors that in regard to any contract entered into pursuant to this RFI, MBEs will not be subject to discrimination on the basis of race, color, sex or national origin in consideration for an award.

MBEs are also encouraged to respond directly to this RFI.

D) Glossary of Abbreviations

CHART	Coordinated highways Action Response team
CRV	Custom Response Vehicle
ERU	Emergency Response Unit
ETP	Emergency Traffic Patrol
ITS	Intelligent Transportation System
MBE	Minority Business Enterprise
MDOT	Maryland Department of Transportation
MD SHA	Maryland State Highway Administration
MDTA	Maryland Transportation Authority
MSP	Maryland State Police
RFI	Request for Information

E) Anticipated Schedule of Activities

ACTIVITY	DATE:
RFI Notice Published/Posted on E-Maryland Market Place	March 24, 2010
Deadline for Questions and Inquiries	April 02, 2010 by 4:00PM
Deadline for RFI Submittals	April 16, 2010 by 4:00PM
MD SHA Review of Responses	May 07, 2010

ATTACHMENT B

Sponsor's Proposal



Maryland State Highway Administration

Sponsorship of the Coordinated Highways Action Response Team's (CHART) Emergency Traffic Patrol (ETP) Program

**SPONSORSHIP PROPOSAL
December 6, 2010**

47 Church Street, Suite 301
Wellesley, MA 02482

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SCOPE OF SERVICES

State Farm Insurance Company and its sponsorship agent, Travelers Marketing, (together "the SPONSOR") hereby propose a sponsorship program for The Maryland State Highway Administration (SHA), Office of CHART Emergency Traffic Patrol (ETP) Program. The SPONSOR proposes to partner with State Highway Administration (SHA) to expand operations with more vehicles and more coverage and to promote elements of its highway safety program through: a) co-branding of ETP fleet comprised of approximately 50 vehicles; b) installation of sixty (60) ETP signs at strategic locations along the covered routes; c) development and distribution of joint promotional materials; d) sponsorship of ETP driver education sessions; e) promotion of highway safety events; and f) other related opportunities from time to time identified and agreed to by the sponsor and SHA. The public purpose of the sponsorship is to generate new recurring revenue for Maryland and to advance highway safety objectives. However, there are many benefits to the state of Maryland beyond just the financial gain (Exhibit 1). The sponsor's objectives are also to improve highway safety and to associate with this vital and valued public service.

SPONSORSHIP BACKGROUND

Travelers Marketing

Travelers Marketing is a marketing sales agency working exclusively with DOT's and toll road authorities across the country to generate new, recurring revenue through a variety of advertising and sponsorship programs. The company developed the first Safety Service Patrol (SSP) Sponsorship Program in 2002 while working under contract for the Massachusetts Department of Transportation (formerly Massachusetts Highway Department). The company designed the sponsorship elements, derived the valuation, sold the sponsor, implemented the program and provided on-going management which continues to this day. Since then, Travelers Marketing has extended the SSP Sponsorship Program to six more states and is currently in discussions with another six. The success of this program, and to a large extent the success of the company, can be attributed to: a) its development of innovative new "media," b) a skilled, professional sales force and c) a keen understanding of the rules, regulations, politics and sensitivities associated with DOT ITS programs.

Travelers Marketing has also generated universal praise from transportation officials and regulators at the local, state and federal levels and from the public at large. The United States Government Accounting Office cites the SSP Sponsorship Program in a 2007 report titled "Strategies Are Available for Making Existing Road Infrastructure Perform Better." In 2008, the Federal Highway Administration issued a memorandum by Robert Arnold, Director of Transportation Operations (Testimonial I) which "strongly urges" states to consider the benefits of this sponsorship program. These references are testaments to Travelers Marketing's understanding of underlying transportation policies and program objectives. It also reflects the company's understanding of the pertinent regulations and community standards, along with the flexibility to accommodate jurisdictional-specific requirements.

The design, development, negotiation, implementation and steady-state marketing management of sponsorship programs demand an intermediary, third-party agency. With a track record of success in every jurisdiction with a sponsorship program, Travelers Marketing is that agency. Federal Highway Administration not only cites

Travelers Marketing's business model as innovative and effective, but it also urges DOT's to embrace it. The proposed sponsorship program involves only the "marketing media" dimensions of Safety Service Patrol (SSP) programs and pertains exclusively to graphics, branding and exposure. Any and all matters pertaining to operations, procedures, protocols, business processes and liability remain unchanged and unaffected by the introduction of a sponsor. SHA does an excellent job running this program. Notwithstanding the addition of new third-party operators contracted by Travelers Marketing, the operation and control of the ETP Program will remain with the Maryland State Highway Administration.

Without exception, Safety Service Patrol Programs are highly acclaimed by transportation professionals, the traveling public, policy makers and the media alike. Moreover, it is precisely because of the public sector's direct management and imprimatur that the general public universally trusts and values them. Similar to police, fire and EMT's, Safety Service Patrols perform a vital function unmatched by the private sector. The public perceives them as it does other emergency services and holds them in similar esteem. The sponsorship value is derived, in large measure, from the associated recognition, awareness and value that the public sector has created in these programs.

Just as the sponsor's interest is "limited" to the marketing value of the program, the sponsor liability associated with respect to ETP program operations is also limited to the extent required by law.

State Farm Insurance Company

In 2006, State Farm Insurance Company made a corporate commitment to support safety patrol programs in key markets around the country. Pursuant to this commitment, the company entered into an Agreement with Travelers Marketing dated December 19, 2007. The Agreement calls for Travelers Marketing to develop and to implement Safety Service Patrol Sponsorship Programs on behalf of State Farm. With Travelers Marketing's expertise in sponsorship design, valuation and management of transportation assets, State Farm became the national sponsor of safety service patrols.

State Farm understands that public recognition and trust in ETP is critical to its work. This recognition and trust is built up over time, but can be lost instantly if the integrity of the program is compromised. State Farm is committed to reinforcing and promoting SHA's ownership, its constitutive and fundamental policy and full operational control of the ETP program. The fact that ETP is an official state program is an essential component of its sponsorship value. The company's sponsorship objective is to leverage this SHA-created value through co-branding.

State Farm also understands that this sponsorship program cannot and must not in any way burden the State Highway Administration. State Farm and Travelers Marketing together provide a complete "turn-key" sponsorship. In collaboration with and at the direction of SHA, the SPONSOR is prepared to develop, produce and implement the program in a timely fashion – all in coordination with SHA.

SPONSORSHIP ELEMENTS

In collaboration with the Maryland State Highway Administration, the SPONSOR proposes to co-brand the Department's Emergency Traffic Patrol program as follows:

- **Vehicle Co-Branding**

Incorporation of State Farm brand, name and graphics on the ETP vehicle fleet of approximately 50 vehicles comprised of 30 tow trucks, 11 box trucks, 6 vans and 3 pick-up trucks, along with SHA elements such as "Emergency Patrol" and the CHART logo. The sponsorship design also includes highly reflective, red, conspicuity striping that improves the visibility and safety of the drivers and vehicles (Exhibit 2).

- **State Highway Safety Signs**

Design, fabrication and installation of sixty (60) highway signs (SHS) to identify ETP coverage and name the sponsor. Fixed signage enhances Emergency Service Patrol programs by making motorists aware of the service. The sign shall be 4' x 7', strategically located along the 550 miles of covered routes, with 14 signs each around the Baltimore and D.C. Beltways (Exhibit 3). The sponsor understands that the final sign design and precise locations are subject to safety guidelines and agreement by the parties (Exhibit 4).

- **Supplemental Patrol Coverage**

Select, hire and outfit, via a third-party subcontractor, vehicles and drivers to augment and expand the existing ETP coverage. Vehicles and drivers will appear identical to the state-operated fleet and will be managed by CHART. Travelers Marketing expects to retain an experienced and uniquely qualified patrol operator for between \$50.00 - \$75.00/coverage hour. Actual costs to be determined by an open selection process, under the review of MD SHA. The hiring of drivers and outfitting of the vehicles will be done according to MD SHA specifications. The determination of patrol routes and hours of operation will also be at MD SHA's discretion.

- **Driver Uniform Patches and Hats**

Application of complementary sponsor identification patches on drivers' current uniforms. The precise treatment is subject to safety considerations and agreement by the parties.

- **Collateral Materials**

Distribution of a collateral package of patron information about the Emergency Traffic Patrol program including: 1) program overview, 2) frequently asked questions (FAQs) and answers, and 3) motorist feedback/reply cards or "comment cards" (Exhibit 5).

- **ETP Webpage on MDOT Site**

Inclusion of ETP information including sponsorship materials through pages or links on the Department website. The precise treatment will be developed collaboratively by the parties.

- **ETP Driver Safety Training**

Signage and sponsor recognition at a number of sponsor-funded, SHA initiated, ETP Driver Safety Training Events and/or conferences within Maryland and the Washington Metropolitan Region throughout the year that focus on the ability of ETP Drivers to improve upon their services and understanding of traffic incident management.

- **Community Events**

ETP sponsored vehicle recognition and participation at community events, including fairs, "walks," parades, career-days, sporting events and more. State Farm initiated participation at these events will increase the public's awareness of the program as well as the sponsor's association with it.

- **Media Launch Event**

One or more planned media event(s) at SHA or other Government facilities to announce the sponsorship of the ETP Program. SHA and State Farm will jointly promote and present at the event(s).

- **Additional Options**

From time to time the sponsor and/or the State Highway Administration may propose additional, mutually beneficial Emergency Patrol sponsorship elements to be incorporated in the program, subject to prior agreement.

WORK PLAN

Graphic Design

The graphic design process is a collaborative effort. Travelers Marketing's design agency, Bach-Lees Design, will develop all design options based on SHA and Sponsor directives. The markings will be designed in such a manner and with the clear intent to communicate a partnership between the State Highway Administration and the sponsor. The design objectives must insure:

- 1.) All safety needs are addressed, and improved upon, where possible.
- 2.) An appropriate graphic balance between the State's indicia/identity and the sponsor's indicia/identity.
- 3.) The graphic design elements maintain a consistent look and identity in every application: vehicles, uniforms, signs, websites, collateral materials, etc..
- 4.) Existing ETP identity is carried forward in the Sponsorship program.

All proposed designs will be presented to both CHART and the sponsor for comment and/or approval until a consensus is reached on a final design with all parties-satisfied. Travelers Marketing and Bach-Lees Design will supervise this process and produce all design-illustrations.

Vehicle Graphic Application Process

Travelers Marketing and Bach-Lees Design will be responsible for coordinating installation and inspection of all vehicle graphics. Advertising and graphical displays shall be placed only on those locations approved by SHA and in a manner directed by SHA.

As with all other sponsorship programs, the Sponsor intends to work with Bach-Lees Design's and Miller Graphics' experienced, professional installers. Bach-Lees Design and Miller Graphics will be responsible for the graphic conversion and upgrade consistent with a schedule derived jointly with SHA to assure no disruption to service nor interference with operations. Travelers Marketing will further coordinate with SHA regarding the favorable SHA location(s) to perform this work.

Vehicle Graphic Installation Schedule

The fleet installation time estimate is based on availability and completion of two vehicles per day, working seven days a week. The estimate is subject to change based on days/times made available for installation by SHA, condition of facilities and vehicle availability, so as not to interrupt service patrols. As has been the case with most fleet installations, it is likely some vehicles will be under repair or about to be replaced during the initial installation time frame, therefore arrangements will be made to complete installation of these vehicles as they come online.

- **Days 1-3:** Onsite survey. The survey will include photographs and measurements of all vehicle types. During this time we will also review the facilities available for installation, meet with the project manager, determine the installation procedure and confirm the installation schedule.
- **Days 4-11:** Graphic production for vehicle design standards. In addition to preparing the actual graphics for the vehicle design standards, we will produce photo illustrations of each vehicle type for pre-approval.
- **Days 12-16:** Installation of design standards. Based on the approved vehicle designs, we will install graphics on one of each vehicle type as a prototype.
- **Days 17-24:** Graphic production for fleet installation
- **Days 25-50*:** Fleet installation.

** NOTE: Cold weather will have an impact on installation. A quality and long-lasting installation requires vehicles to acclimate to the installation facility temperature prior to installation as well as time for the graphics to properly cure after installation. Outdoor temperatures below 45-50 degrees can increase total installation time by as much as 25 percent.*

Graphic Material

As these vehicle graphics reflect on both State Farm and SHA's image, it is essential they be of the highest quality and their initial application appearance be maintained over the life of the sponsorship.

Based on years of experience from similar applications in other states, Travelers Marketing proposes the use of pressure sensitive vinyl: 3M Scotchlite removable graphic film along with 3M "Diamond Grade" conspicuity tape - red/white block pattern 983-326 - 6" / 6". We have found these materials to be superior for both their installation flexibility and performance durability. They are able to withstand the harmful effects from exposure to the sun, weather and frequent washings.

Graphic Repair Plan

The cost for replacing or repairing sponsorship graphics, which are not covered under SHA's current repair program, will be paid for by the Sponsor as part of the sponsorship fee. The Sponsor will rely on SHA to report any damage and/or changes to graphics requiring repair throughout

the term of the program. Travelers Marketing will provide a customized graphics repair form to facilitate the identification and reporting of the repair process. This form can be transmitted via fax or email (according to the instructions on the form) and the repair will be coordinated within 48 hours of receipt.

Replacement Vehicles

Travelers Marketing will coordinate arrangements for installing graphics on all replacement vehicles at the sponsor's expense and according to a schedule provided by SHA, thereby insuring quality and consistency throughout the fleet for the life of the sponsorship.

Removal of Vehicle Graphics at Term End

Upon the conclusion or termination of the sponsorship agreement, the Sponsor will be responsible for the removal of the sponsor's name and indicia from all vehicles. Travelers Marketing and its subcontractor, Bach-Lees Design, will be responsible for managing the graphic removal and vehicle restoration based on a schedule derived by SHA to assure no disruption to service nor interference with operations. Travelers Marketing will further coordinate with SHA regarding SHA location(s) conducive to perform this work.

Supplemental Patrol Coverage

Travelers Marketing will be responsible for the selection and preparation of as many as two (2) additional vehicles operating for up to 16 hours per day from Monday through Friday. Based on preliminary research and initial sub-contractor response, Travelers Marketing expects to retain an experienced and uniquely qualified patrol operator for between \$50.00 - \$75.00/coverage hour.*

*Actual costs to be determined by an open selection process, under the review of MD SHA.

Research compiled by Rebecca Brewster (ATRI) in conjunction with SAIC for the National Unified Goal for Incident Management (NUG) presented in the I-95 Presentation found that costs per vehicle per hour for state and non-state owned operators range from \$45.00-\$75.00 with an average of \$56.00. Outreach conducted by Travelers Marketing to other sponsored patrols with state and non-state owned operators concluded that sponsored patrol vehicles cost \$46.00 - \$65.00 with initial estimates for the MD SHA program ranging from \$56.00 - \$100.00.

Proposal for Maryland State Highway Administration Sponsorship of the Coordinated Highways Action Response Team's (CHART) Emergency Traffic Patrol (ETP) Program - December 6, 2010

Agency	Operator	Patrol Name	Location	Cost per Truck per Hour
FDOT	Sunshine Towing, Inc.	Road Rangers	Broward County	\$46.00
OOCEA	Florida Turnpike Services	Road Rangers	Orlando	\$46.65
Florida Turnpike Enterprise	Florida Turnpike Services	State Farm Safety Patrol	Orlando, Tampa, Miami	\$50.25
NYS DOT	Autobase, Marone's, Stiloski's, et. al.	H.E.L.P.	Albany	\$55 - \$65
URS Corporation	Initial Estimate for MD SHA	ETP	Maryland	\$75 - \$100
Autobase	Initial Estimate for MD SHA	ETP	Maryland	\$56.00

The selected Supplemental Patrol Coverage (SPC) vehicles will work as an extension to, and take direction from, SHA staff. SPC drivers will provide motorist assistance services, identical to the services currently provided by ETP vehicles. In cooperation with other ETPs, these contracted patrol drivers will also report incidents, inspect and report disabled vehicles, and remove roadway debris.

- **Weeks 1-3:** Preparation of solicitation for bids
- **Weeks 4-5:** Review of bids received and selection of subcontractor
- **Weeks 6-8:** Contract preparation and execution
- **Weeks 9-15:** SPC preparation including hiring of drivers, procurement of vehicles and equipment, outfitting and graphics installation of vehicles. Uniform purchase and preparation.
- **Week 16:** Training of drivers and integration into MD SHA fleet (communications, procedures)
- **Week 17:** Begin SPC

SPC Vehicles:

Vehicles will be provided by the subcontractor to meet MD SHA guidelines.

SPC Operators:

The SPC will meet or exceed the qualifications prescribed by MD SHA. All contracted patrol personnel will participate in SHA training.

Appearance:

SPC vehicles will be identical to MD SHA vehicles in regards to color, graphics and equipment. SPC drivers will wear ANSI Class 3 Visibility uniforms matching the ones worn by MD SHA ETP drivers.

Reporting:

On or before the 20th day of each month, TM shall provide to the MD SHA a monthly report presenting, at a minimum, the following information for the previous month:

- Number of miles patrolled
- Dollar value of patrol services
- Number and type of assists
- Number of positive comment cards received from assisted vehicles
- Number of accidents / roadway conditions reported to CHART personnel that are not within the scope of ETP services (major accidents, vehicle relocations, etc.)
- Hours of operation
- Additional information as requested by MD SHA

SPC Equipment List:

- Truck Mounted Dynamic Message Sign
- Bar Lights (Amber in color)
- Grill Lights (Amber in color)
- State Radio (Compatible with MD SHA Statewide Radio Standards)
- Cellular Telephone (Compatible with CHART Operations)
- Push-Bumper
- Plug Box for and Jumper Cables or Booster PAC
- First Aid Kit and First Responder Bag
- Fire Extinguisher
- Flash Light
- Tool Box and Tools
- Safety Cones (20)
- Safety Vests
- Safety Flares
- Portable Air Tank (or truck mounted air compressor and hose to fill tires, etc)
- Hydraulic Jack 2 1/4 Ton (1 small jack and 1 heavy duty jack for trucks and SUV's)
- Four Way Lug Wrench
- Five Gallon Water Jug
- Pig Putty
- Absorbency
- Rain Gear
- Anti-Freeze/ Water Container
- Tow Strap or Chain
- Push-Brooms
- Shovels
- Snow Chains (for vehicles without 4 wheel drive)
- Digital Camera (for capturing incidents/ damage to vehicles private and state)
- Funnel
- State and County Maps
- Emergency Response Guidebook

Driver Uniforms

The sponsor name and indicia will be added by MD SHA to drivers' uniforms including hats, shirts, vests, and jackets. The exact sizing and placement will be determined jointly by SHA and the Sponsor and subject to SHA approval. Sponsor will provide the hats and patches which display the State Farm name and logo to MD SHA, who will apply them to the drivers' existing uniforms.

ETP Driver Training

The Sponsor proposes approximately five (5) percent of the ETP Sponsorship fee be allocated for use at one or more SHA initiated ETP driver training event(s) and/or conference(s) within Maryland and the Washington Metropolitan Region throughout the year. State Farm is proposing to help fund trainings which SHA plans, coordinates and implements, including State Farm as the training sponsor. However, 5% of the sponsorship fee which is designated as a philanthropic donation can be directed to other qualifying uses, such as purchase of safety equipment, with SPONSOR approval.

ETP Community Events.

The sponsored patrol vehicles will be used on occasion to increase ETP Program recognition at community events including fairs, "walks" (e.g. Walk for Hunger), State Farm agency events, "Touch-a-Truck" exhibits, career-days, parades, sporting events and concerts. The Sponsor will initiate the process of exhibiting a truck at one of these events and pay direct expenses (fuel and mileage) for use of the vehicle and will reimburse SHA for the driver's regular or overtime salary per hour of the event, including transportation to and from the event location.

An event request form will be developed and presented to SHA for approval at least two weeks prior to any event opportunity.

Co-Branded Promotional Materials

The Sponsor may provide materials for the ETP drivers to give to stranded motorists, such as tire gauges or mini flashlights, to promote highway safety while increasing public awareness of the ETP program and the public/private partnership. Other items, such as teddy bears or coloring books, may also be provided to assist ETP drivers in calming younger family members who have been in an accident or other stressful traffic experience.

Sponsorship Launch

The announcement that the SHA will be generating additional revenue for the state through sponsorship of the ETP Program will generate significant media coverage. Therefore, it is imperative that the press event be handled professionally. State Farm and Travelers Marketing have a solid track record over the past 5 years of making similar sponsorship announcements in several jurisdictions.

Travelers Marketing will coordinate a series of conference calls among SHA PIOs and State Farm Public Affairs representatives to insure that all aspects of the announcement event are well thought-out and agreed upon in advance. The main messages from the event will educate the public of the important safety and TIM work the ETP Program provides.

WORK PLAN SCHEDULE

ACTIVITY	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6-15
DESIGN DEVELOPMENT						
All Graphic Designs - Vehicles, Uniforms & Signs						
Develop Design Alternatives	X					
Presentation to Maryland SHA		X				
Further Refinement as Needed			X			
Submittal of Final Design for Maryland SHA Approval				X		
Production/Fabrication - Approved Truck Graphics for Design Standard ¹				X		
Graphic Applications ^{2a}					X	X
Collateral Design						
Submittal of Collateral to Maryland SHA for Approval			X	X		
Collateral Production						
Printing					X	
Delivery to SHA before Launch Event						X
Maryland SHA Webpage Design				X		
FIXED SIGNAGE ELEMENT						
Signage Design Iterations	X	X	X			
SHA/State Farm Approval				X		
Locations Designated (SHA) ⁴					X	
Fabrication and Installation Begins						X
LAUNCH PREP						
Pre-planning Meeting/Call with Maryland SHA	X					
Conference Calls Scheduled with SHA and State Farm		X	X	X	X	X
Draft Press Release, Presentations, FAQs			X	X		
Select Venue			X			
Driver/Operator Materials/Training					X	
Finalize Press Release						X
Issue Media Alert						X
Finalize Speaking Program						X
Arrange for Audio and Visuals				X		X
Conduct Press Event						X
Press Clippings						X
PROGRAM MANAGEMENT PLAN						
Establish Periodic (monthly) Performance Reports ⁵						X
Year-End Summary Report ⁶						

Work Plan Schedule Notes

1. Design Standard vehicles include one of each vehicle type in the sponsored ETP Program. SHA will then have the opportunity to preview and adjust any design concerns before graphic installation.
2. State Farm will coordinate with SHA to develop a schedule allowing vehicles to rotate through the sign shops without disruption to service.
3. Signing of vehicles is estimated to take 4-6 weeks.
4. Signage locations, engineering & installation directed by SHA with State Farm input.
5. Reports reflect SHA's performance measures and may include: a) number of motorists assisted, b) nature of assist (tire, battery etc.), c) non-assist activity (debris removal), d) customer service cards distributed, etc..
6. Contains 360-degree performance data, marketing measures, problems, next year goals.

TERM

The sponsor seeks to establish a long-term partnership with the Maryland State Highway Administration and accordingly proposes an initial term of three (3) years followed by two (2) two (2) year renewal periods.

PRICE PROPOSAL CONTENT

The sponsor proposes a Sponsorship fee of \$1,321,700.00 for the initial 3 year term, \$883,000.00 for the first 2 year renewal period and \$926,100.00 for the second 2 year renewal period for a total sponsorship value of \$3,130,800.00. This price proposal is conditioned upon successful completion of an Agreement with the State Highway Administration by no later than December 15, 2010.

The sponsor proposes the fee be allocated as follows:

Sponsorship Fees Proposal

CONTRACT PERIOD	Year 1	Year 2	Year 3	First Renewal (Year 4,5)	Second Renewal (Year 6,7)	TOTAL
TOTAL SHA VALUE	\$481,700	\$420,000	\$420,000	\$883,000	\$926,100	\$3,130,800
COVERAGE HOURS CONTRIBUTION - portion of sponsorship fee funding additional coverage hours by 3rd party vendor according to MD SHA management and specifications	\$225,200	\$361,100	\$367,000	\$764,600	\$807,600	\$2,525,500
Reflective Vehicle Graphic Enhancement - covers costs to design, manufacture and apply all approved graphics as needed.	\$165,000	\$30,000	\$30,000	\$60,000	\$60,000	\$345,000
Safety Signage Design, Fabrication, Installation - 60 Informational Signs (84" w x 48"h) indicating emergency patrol coverage. (N.B. - valuation based on SHA fabrication and installation cost estimate)	\$61,200	\$0	\$0	\$0	\$0	\$61,200
Informative Brochure/Feedback Comment Card - printing and pre-postage expenses for safety related brochures and assisted motorists reply cards (approx. 50,000 every 18 months).	\$10,300	\$8,900	\$3,000	\$16,400	\$14,400	\$53,000
Sponsorship Management agency fee for on-going management including problem resolution, event use coordination, quarterly reporting, media relations, government affairs, graphics inspections and repairs, driver training coordination, social networking management and implementation of sponsorship activation opportunities.	\$20,000	\$20,000	\$20,000	\$42,000	\$44,100	\$146,100

Key Staff

Travelers Marketing

David Stein – Managing Partner/ SHA Sponsorship Developer

David works with transportation authorities and state departments of transportation to develop a variety of advertising and sponsorship-based revenue programs. He created the Transponsorship™ model that has been successfully implemented for ITS programs, including Safety Service Patrols and electronic toll systems. In 2003, David first approached SHA regarding the ETP Sponsorship Program. He will continue to work with SHA to mold a suitable agreement between SHA and State Farm, the sponsor, if the contract is awarded.

Prior to Travelers Marketing, David co-founded Smart Route Systems, the first telephonic ATIS operation in the country giving rise to "511." David is the co-author of two white papers for US DOT on public/private partnerships. He chairs the Marketing and Business Development Subcommittee of the IBTTA. David also worked for New England Development Company as the project manager of large-scale urban development projects including the CambridgeSide Galleria. David holds a BA from Bucknell University and an MBA from Boston University.

Brian Lee – Managing Partner/ Liaison to State Farm

Brian is responsible for advertising and sales in jurisdictions throughout the country and directs the sales staff. His responsibilities and expertise in sales include: program design, valuation, lead generation, lead qualification, presentation, deal closing, implementation and activation. Brian will work as the liaison to State Farm throughout SHA's ETP Sponsorship Program providing State Farm with updates on the sponsorship as well as informing them of new marketing opportunities presented throughout the sponsorship.

Prior to Travelers Marketing, Brian worked for Fidelity Investments' media division as the Advertising Sales Director, managing a staff of 45 sales representatives and selling advertising to retail and classified advertisers in 130 daily and weekly newspapers. Brian holds a BA in Communication and Media from the University of Massachusetts.

Al Kramer Esq. – Legal Counsel/SHA Head of Contract Negotiations

Honorable Albert L. Kramer has served as an attorney, a State District Court Judge for the State of Massachusetts, Chief Policy Advisor to the Governor of Massachusetts and a Massachusetts State Legislator. Since 1993, Judge Kramer has been in private practice. He has served as In-house Counsel to Syratech Corporation from 1993 to 2005 and as Chief Counsel to Travelers Marketing, LLC since 2004. During his 18-years on the bench (from 1975 to 1992) Judge Kramer served as the Presiding Justice at the Quincy District Court and received many national awards for his innovative programs that became national models. Two of the programs were featured on 60-Minutes with Dan Rather and Ed Bradley.

Judge Kramer was an Adjunct Professor in Criminal Justice at Brandeis University's Florence Heller Graduate School and a lecturer at the Harvard School of Public Health and the John F. Kennedy School of Government. Judge Kramer received his undergraduate and law degrees from Boston University in 1954 and 1957, respectively.

Sam McClain – Vice President of Sponsorship/Program Director of SHA ETP Sponsorship

Sam has an extensive background in sponsorship and marketing management. He currently manages sponsored SSP programs for Pennsylvania's, Kansas' and Florida's Turnpikes, Florida DOT, Georgia DOT and New York DOT. In addition to managing the launch of the sponsorship programs, Sam has instituted a variety of SSP- related highway safety events in each jurisdiction. As Program Director of SHA ETP Sponsorship, Sam will work with both SHA and State Farm to ensure that both parties are satisfied with the sponsorship program. Starting with the installation of graphics on vehicles and continuing through the program launch to the end of the contract, Sam will be the main point of contact for SHA and will manage all points of negotiation between SHA and State Farm.

Prior to joining Travelers Marketing, Sam was the Zone Marketing Manager for State Farm Insurance, Florida Zone, where he launched the first State Farm Sponsorship of a Safety Service Patrol. For nine years prior, he was the Senior Brand Manager for Pioneer Electronics, Inc. USA in Long Beach, CA. Sam has been with Travelers Marketing for two and a half years.

Rita Gallagher – Marketing Manager/ Marketing Liaison to SHA and State Farm

Rita operates across disciplines supporting sales activities, program implementation, marketing maintenance and reporting. Rita's direct oversight of day-to-day business and encyclopedic mind makes her an effective point of contact. She and her team manage the ongoing relationship between sponsor and sponsoree, including tracking related correspondence, coordinating incident reports and logging motorist comments. Rita manages the production of materials and reports including newsletters, "Quarterly Snapshots," Annual Reports, status reports and event lists. Her work for SHA will include analyzing comment cards and assist data for reports as well as researching additional marketing opportunities to promote the ETP program and its sponsor.

In addition, Rita leads her team in research about SSPs across the country to stay informed about new patrol and sponsorship developments and to ensure each sponsored program meets its full potential. Rita also serves as the Editor in Chief of "Safe Highway Matters," a national quarterly newsletter, created for professionals involved in SSP Programs that explores current SSP Programs and informs readers of recent developments in the industry.

Rita holds an MS in Journalism from Boston University and a BA in Communication from Tulane University. She has experience as a business owner, as well as a background in publishing. She is currently a member of Women in Transportation (WTS) Boston.

Elizabeth LaBelle – Marketing Assistant/Marketing Liaison Assistant to SHA and State Farm

Elizabeth focuses on design and research for Travelers Marketing's programs and reports. She assists the sales team by producing client specific proposals, charting sales progress and researching new product ideas. Elizabeth assists Rita and her team in managing the ongoing relationship with the sponsor and sponsoree. She focuses on data collection and presentation with special attention paid to the design and formatting of reports and collateral to maximize the sponsor's and the sponsoree's understanding of the SSP Sponsorship Program elements. She has also made a number of SSP industry contacts across the country while assisting Rita with sponsorship and patrol research. Elizabeth's SSP contacts are beneficial to her work on sponsored

SSP Programs and to her Assistant Editor position for the quarterly Safety Service Patrol newsletter "Safe Highway Matters." As the Marketing Liaison Assistant to SHA and State Farm, Elizabeth will work with Rita on creating quarterly and annual reports for both SHA and the sponsor as well as research on new marketing opportunities for the ETP sponsored program.

Prior to Travelers Marketing, Elizabeth worked at a web design company and in the marketing department of a non-profit organization. She has traveled Europe extensively and resided in southern Spain for two years. Elizabeth holds a BA from Smith College. She is currently a member of Women in Transportation (WTS) Boston.

Melissa Wilton – Chief Financial Officer/ SHA Sponsorship Accounting

Melissa is responsible for financial oversight, accounting and reporting. She manages all aspects of advertising revenue as well as roadway partners' share payments, and ensures payments and reporting are administered and completed according to each roadway partner's contractual specifications. Melissa will compile all financial reports pertinent to the ETP Sponsorship Program and deliver them to SHA as required.

Melissa has been with Travelers Marketing since 1998. She also spent over twenty years in academia, teaching mathematics at both the secondary and college levels. Melissa holds a BA in Biopsychology from Pine Manor College.

State Farm

Catherine Nyce, Mid-Atlantic Zone Marketing Manager

Cathy leads the marketing department for State Farm in the six Mid-Atlantic jurisdictions. Her team develops and implements marketing programs for independent State Farm agents that include direct marketing, mass media and sponsorships.

During her 23 year career at State Farm, Cathy has worked as a communications strategist and Federal Affairs Liaison in Washington, D.C. Prior to that, she was a claims team manager in Maryland for over 17 years, where her experience included managing the litigation unit. A graduate of Georgia College, Cathy attended Georgia State University Law School, and received her Master's degree in Legal and Ethical Studies from the University of Baltimore. She is active in politics and community activities. She lives in Bowie, Maryland with her husband, Erik, a partner in the law firm of DeCaro, Doran, and their children, Caroline and Erik, Jr.

Lawrence Anthony Richardson

Lawrence A. Richardson, Jr. serves as Claim Attorney and Legislative Liaison for State Farm Insurance Companies, overseeing the District of Columbia and Maryland. On legislative matters, Mr. Richardson serves as principal in-house representative on legislative and governmental issues before the Maryland General Assembly and the Council of the District of Columbia, as well as matters involving numerous Maryland and District of Columbia government agencies. As Claim Attorney, he is responsible for advising management and operations on legal issues impacting State Farm's claims operations in Maryland and the District of Columbia.

Mr. Richardson currently serves on the Board of Directors (and is former President) of the District of Columbia Insurance Federation. Mr. Richardson also serves as Vice-President of the Board of Directors of the District of Columbia Insurance Regulatory Trust Fund Bureau, and as Secretary of the Maryland Property and Casualty Insurance Guaranty Corporation.

Prior to joining State Farm in 1995, Mr. Richardson served as an attorney for Blue Cross Blue Shield of Maryland. He holds a BA (cum laude) in Government and Public Administration from the University of Baltimore, where he also received his Juris Doctor degree.

Subcontractors

Bach-Lees Design

Bach-Lees Design provides effective design solutions for interactive and traditional communications to a wide range of corporate, industrial and institutional clients. Its work encompasses branding, identity development, websites, annual reports, corporate literature, marketing material, magazines and specialty publications. Its experience and technological expertise allows the company to meet clients' strategic marketing communications needs. Bach-Lees Design offers a full range of creative services from concept development to implementation to maintenance. The company's clearly defined design process allows it to integrate strategic planning, competitive awareness, conceptual innovation and client feedback.

Travelers Marketing works with Bach-Lees Design for design, fabrication and installation of signage. Bach-Lees served State Farm in this capacity on multiple Safety Service Patrol Sponsorships. Bach-Lees' work on the patrol vehicles and informative highway signs as well as other similar sponsorship elements for various sponsorship programs, qualifies them to render these services for Maryland's ETP Sponsorship.

Eric Lees – Partner, Bach-Lees Design

A founding partner at Bach-Lees, Eric is responsible for day-to-day operations and has over 20 years of industry experience. Eric is an exceptional project manager who has worked with numerous, high-profile clients, such as Sheraton Hotels and State Farm Insurance on projects ranging from corporate identity to full fleet graphic implementations.

Rob Mayotte – Partner, Bach-Lees Design

Rob Mayotte is a partner at Bach-Lees and has been with the firm for 12 years. Prior to joining Bach-Lees Design, Rob worked as Managing Editor of 14 community newspapers in and around the Boston area. Rob's work focuses primarily on interactive development, print production and consultation to the publishing industry.


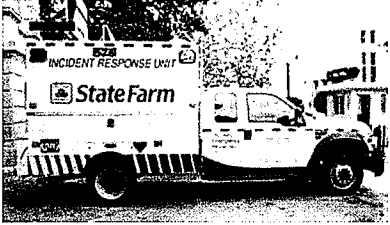

I-Tyng Deng – Senior Designer, Bach-Lees Design

I-Tyng is a Senior Designer with an exceptional eye for detail who joined Bach-Lees Design in 2004. While she has extensive experience in many design disciplines, her current efforts are mainly focused on large format signage and fleet graphic design.

Miller Graphics

Owen Miller, of Miller Graphics has been the master installer for vehicle wraps on all of State Farm's sponsored patrol programs to date. Miller Graphics served as the master installer for over 200 vehicle wrap installations in New York and Georgia, alone, in 2009 and will be the master installer for SHA ETP Sponsorship patrol vehicles. Miller Graphics is a minority owned business.

Similar Projects

DOT/ Agency	Launch Date	Reference/ Contact	Sponsor	Sponsorship Elements	Patrol Vehicle
Florida DOT-District 4	2008	Gaetano (Guy) Francese, <i>Project Manager,</i> FDOT District Operation (954) 847-2797 Ann Margaret Ramos, <i>Vice President,</i> Sunshine Towing (305) 218-7913	State Farm Insurance Company	Fixed Highway Signage (16), Vehicle Wrap (21 Vehicle Fleet), Website Link, Collateral	
Georgia DOT	2009	Richard Sawyer, <i>Chief Acquisition Officer</i> (404) 631-1975 Gary Millsaps, <i>Incident Management Coordinator</i> (404) 894-3857	State Farm Insurance Company	Fixed Highway Signage (22), Vehicle Wrap (114 Vehicle Fleet), Website Link, Collateral	
New York State DOT	2009	Stan Gee, <i>Acting Commissioner</i> (518) 485-5364 John Bassett, <i>Director of ITS</i> (518) 457-2384	State Farm Insurance Company	Fixed Highway Signage (107), Vehicle Wrap (87 Vehicle Fleet), Website Link, Collateral	

Testimonial Letter I



U.S. Department
of Transportation
Federal Highway
Administration

Memorandum

via Electronic Mail

Subject: **INFORMATION:** Freeway Safety Service/Motorist
Assistance Patrol Sponsorship Programs

Date: April 23, 2008

From: **Original signed by:**
Robert Arnold
Director, Office of Transportation Operations

In Reply Refer To: HOTO-1

To: Division Administrators

As State and Transportation Agency budgets become strained, there is always a temptation to target non-capital improvement projects and initiatives, and operational activities for cuts. Over the past several years, transportation agencies have developed congestion management systems capable of measuring levels of service and of maximizing the value of capacity expansions and optimizing throughput in congested locations. Service patrols are an integral part of these systems. As we all know, incident management programs significantly improve a system's performance by reducing the time to clear non-recurring congestion. Therefore, it is important to consider alternatives to eliminating an agency's service patrol program.

In several areas of the country, service patrol programs are jointly funded by the State Transportation Agency and localized metropolitan planning organizations. In other areas, State Patrol agencies have assumed the dispatching and administrative costs associated with the program. These cost-sharing arrangements divide the costs among other agencies who also benefit from the program.

Another way to prevent cutbacks or elimination of the program is to develop a public/private partnership between the transportation agency and an appropriate private sector partner. Several statewide agencies, which have authority granted under State statute to enter into contract or license agreements for the sale of business opportunities to provide additional revenue to the agency, are using this authority to supplement the costs of operating a service patrol program. These agreements allow the business entity to place advertisements on service patrols and in other locations for a fee. By carefully choosing sponsors with a strong commitment to highway safety and customer service, the transportation agencies are able to maintain the highest level of integrity. One example is the agreement between the Pennsylvania Turnpike and the State Farm Safety Patrol program. (A News Release announcing the agreement appears as an attachment to this memorandum).

An informal survey of agencies with such an agreement revealed that these sponsored service patrols have been well received by the public. The partnerships have allowed the transportation agencies to maintain and even increase the services provided and hours-of-service of the patrols. The transportation agencies have maintained ownership and maintenance responsibilities for the patrol vehicles and continue to have agency employees

**MOVING THE
AMERICAN
ECONOMY**

Testimonial Letter I (cont'd)

2

operate the vehicles. By continuing to prominently display the transportation agency logo on the service vehicle, they have eliminated any confusion that may exist on the part of a disabled motorist. The Florida Turnpike initiative was recognized as having 'significantly and measurably increased productivity by promoting innovation to improve the delivery of State services and save money for Florida taxpayers and businesses.'

The Federal Highway Administration strongly urges other States to examine the benefits of this type of public/private partnership. As transportation professionals and operators of the highway system, we have a responsibility to provide a high level of customer service and we see such agreements as a means to accomplish this goal.

Attachment

Testimonial Letter II.

Vance C. Smith, Jr., Commissioner



GEORGIA DEPARTMENT OF TRANSPORTATION

One Georgia Center, 600 West Peachtree Street, NW
Atlanta, Georgia 30308
Telephone: (404) 631-1000

November 3, 2010

Georgia Department of Transportation
Attn: Beth Edmiston
600 West Peachtree Street
Atlanta, GA 30308

Re: RFQ 484-111010-P3 GDOT - Rest Area Mgmt

Evaluation Committee:

The Georgia Department of Transportation selected and awarded Travelers Marketing the contract to sponsor the Department's Incident Management Program in 2009. This was our first experience in seeking an innovative funding partnership and overall the agreement has been a success.

The Travelers Marketing group, representing State Farm Insurance, has continued to be creative in working within our GDOT policies to meet and exceed the needs of the Department.

If you have any questions or need more detailed information, please feel free to contact me directly at (404) 631-1401.

Sincerely,

Keith Golden, P.E.
Director of Permits and Operations

Testimonial Letter III

Our Mission:

To operate and manage a safe, reliable, cost effective and valued toll road system



Pennsylvania Turnpike Commission

America's First Superhighway

Communications & Public Relations Department
P.O. Box 67676 Harrisburg, PA 17106-7676
Phone: (717)-939-9551 x 3040 Fax: (717) 986-9649

RE: Travelers Marketing

To Whom It May Concern:

The Pennsylvania Turnpike Commission has enjoyed a professional working relationship with Travelers Marketing since October 1998. Our initial partnership resulted in the successful implementation of our toll plaza advertising program, our agency's first serious venture designed to produce recurring non-toll revenue. Travelers Marketing maintains the program at toll plazas across our 545 mile long highway system. To date, the program has generated revenue of more than \$7 million for the Commission.

More recently, Travelers Marketing was instrumental in acquiring a major sponsor, the State Farm Insurance Company, for our First Responder vehicles. Branded as the State Farm Safety Patrol, our 28 vehicles respond to incidents and accidents along the Pennsylvania Turnpike seven days a week, twenty-four hours a day, 365 days a year. Travelers Marketing succeeded in finding a partner who shared our commitment to promoting highway safety. This sponsorship program has not only produced \$1.79 million in revenue since 2007, it has served to raise awareness of our fleet of dedicated vehicles and drivers in the minds of our customers.

In addition to these two programs, Travelers Marketing continues to pursue a variety of interesting revenue-generating opportunities utilizing Turnpike Commission assets that would offer value and service to our customers.

We have enjoyed our association with Travelers Marketing and the individuals with whom we have worked. They are a highly professional company that has exceeded expectations. I would highly recommend them to any one considering their services.

Please feel free to contact me if you require additional information.

Sincerely yours,

A handwritten signature in cursive script that reads "William J. Capone".

William J. Capone
Director of Communications & Public Relations



1-877-736-6727
paturnpike.com

Exhibits

Exhibit 1

Benefits to MD SHA from Sponsorship

The \$3,130,800 sponsorship contribution over the first 7 years, will be deployed in ways which benefit Maryland motorists and help to make Maryland highways safer and more efficient.

Additional patrol coverage

The majority of funding from sponsorship will increase patrol coverage in the locations where MD SHA needs it most. Fully equipped trucks fully specified by SHA will be supplied for patrol operations. Qualified drivers will be hired, trained and outfitted to work under MD SHA direction. With a proven 26:1 benefit to cost ratio to the state of Maryland, the addition of these patrols will exponentially increase the benefit and service to Maryland motorists, reducing delays, decreasing secondary incidents, saving time and fuel, and perhaps, saving lives.

Safer vehicles thanks to increased visibility

The addition of reflective, pressure sensitive vinyl safety striping (3M Scotchlite removable graphic film along with 3M "Diamond Grade" conspicuity tape), rear chevrons and sponsor colors, will make the vehicles more visible both day and night. Increased vehicle visibility means increased safety for the Maryland employees who drive them; the assisted motorists and first responders they serve; and all oncoming motorists.

Consistent vehicle graphics

Wrapping the entire fleet at once allows for a consistent look for every vehicle in the fleet. MD SHA logos and all other graphics will be uniform, making the fleet more recognizable to the traveling public.

Information signage to assist motorists

Installation of sixty signs along patrolled routes will inform motorists of patrol assistance on the covered routes and the emergency reporting number (#77). In so doing, patrols will be able to respond accidents and incidents more quickly, thereby reducing the overall incident duration and subsequent back-up or risk of secondary accident. In addition, the signage serves to merchandise this valued SHA program increasing awareness, recognition and appreciation.

Increased patrol awareness and safety initiatives

Through the sponsors/partner resources and outreach efforts including descriptive materials and various program safety initiatives, such as child-safety seat inspections and teen-driver safety promotional events the Emergency Patrol and the traveling public will benefit from heighten public awareness will. With a variety of communication channels provided by the sponsor, SHA has more opportunities to communicate with its road users/customers.

Motorist feedback

A comment card provided for each assisted motorist allows SHA to gain valuable feedback

regarding program efficacy, service satisfaction levels and areas for potential increased in service.

Partnership benefits

State Farm is the ideal partner for MD SHA as their interests coincide so well with those of the Department. In addition to insuring approximately one out of five cars in Maryland, State Farm is a leading advocate for safer roads and provides ongoing support of auto safety initiative through partnerships with automotive safety organizations and other research facilities. State Farm sponsors similar patrols in eight (8) other jurisdictions around the country and has proven to be a generous and loyal partner. State Farm promotes the patrols safety and service roles both internally and externally, provides additional patrol driver and motorist benefits, such as motorist give-away items or compensation for vehicle/driver use at promotional events, and truly "is there" for MD SHA.

Exhibit 2

Vehicle Designs - Vehicle A



Exhibit 2

Vehicle Designs - Vehicle B



Exhibit 2

Vehicle Designs - Vehicle C



Exhibit 2

Vehicle Designs - Vehicle C Front



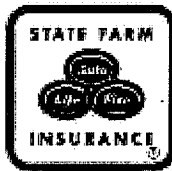
Exhibit 2

Vehicle Designs - Vehicle B Back



Exhibit 2
Vehicle Designs - Arrowboard

Sponsored by



State FarmTM



EMERGENCY PATROL

Exhibit 3

Highway Sign Locations Map - Baltimore

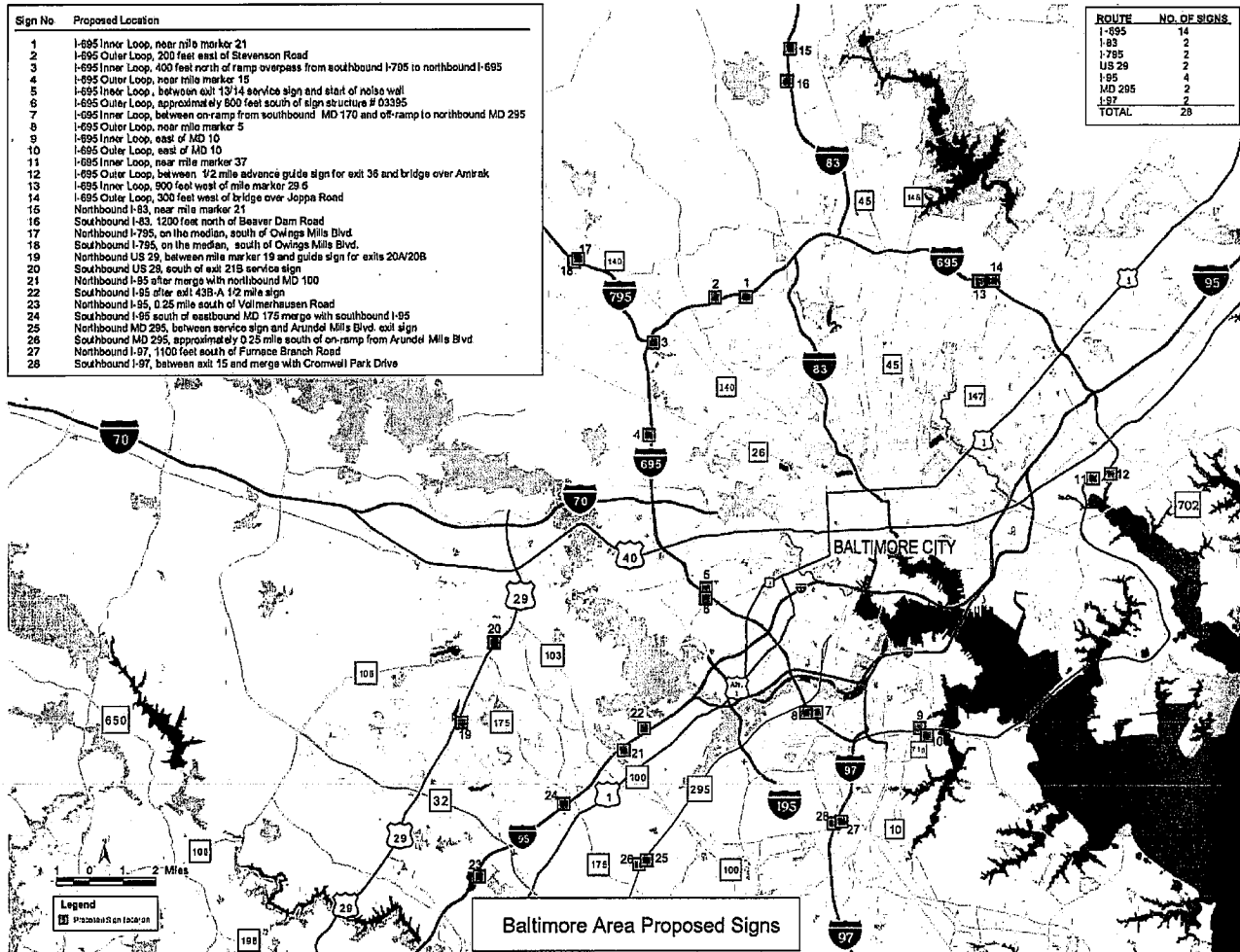


Exhibit 3

Highway Sign Locations Map - Frederick

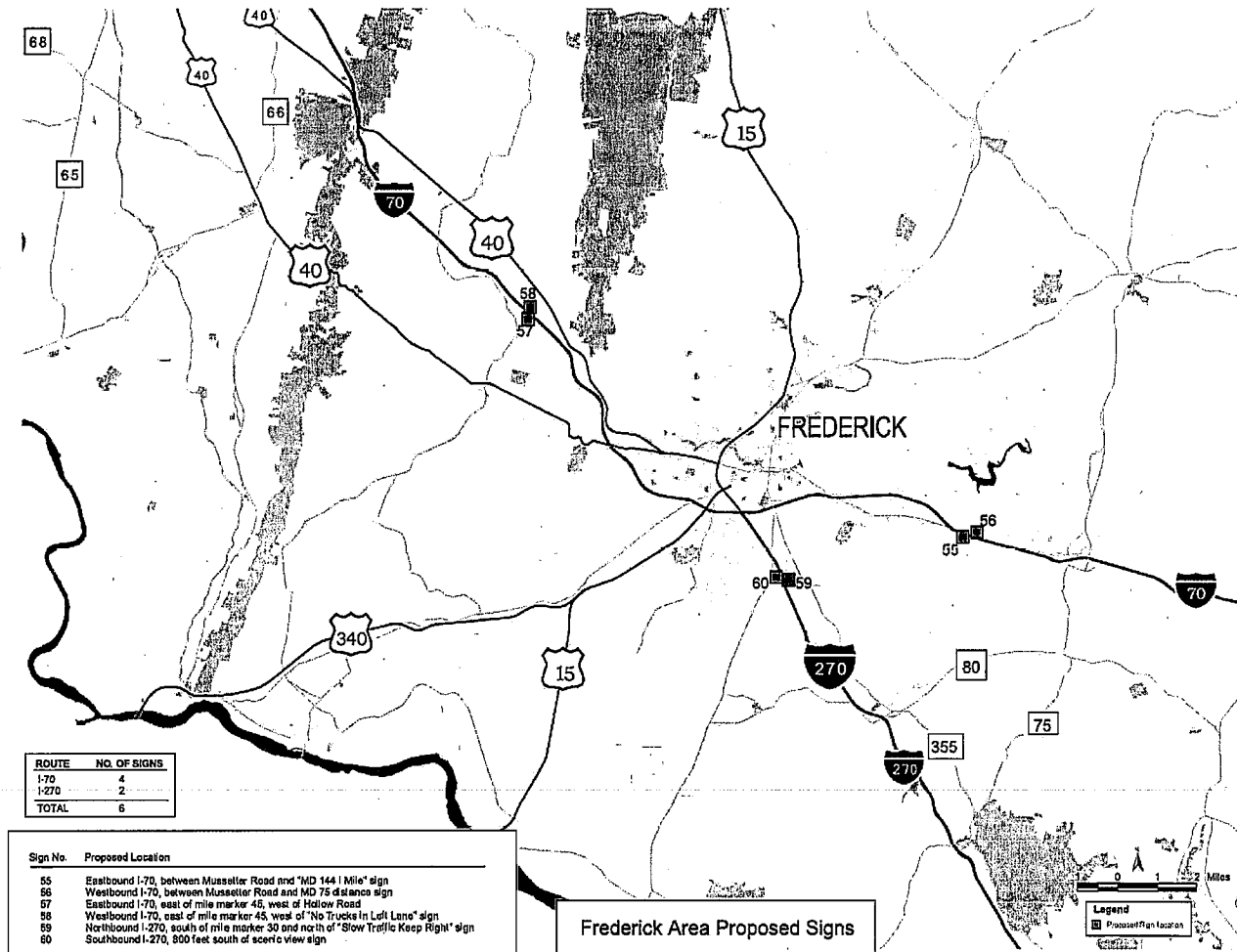


Exhibit 3

Highway Sign Locations Map - Washington D.C.

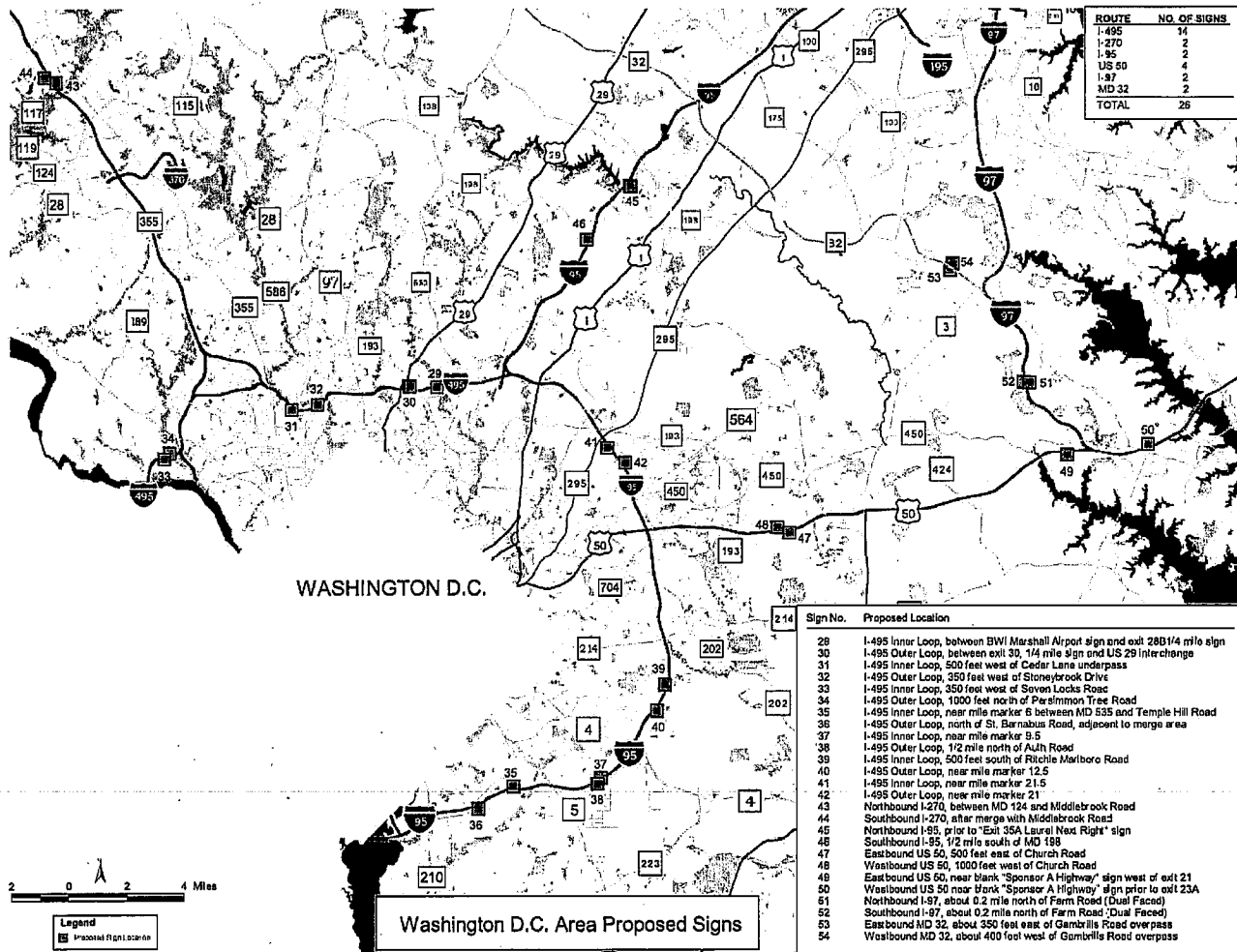


Exhibit 4
Informative Highway Sign Design


7' w x 4' h




Exhibit 5

Brochure with Comment Card

Address Goes Here



EMERGENCY PATROL



If you are in an accident

- Drivers involved in minor accidents with no serious injuries should follow the "Move It" law and remove accident vehicles from travel lanes. Make sure to turn on hazard lights.
- Dial #77 for assistance or use the emergency call boxes located at 1 mile intervals on both sides of the highway.
- Check for and attend to injuries.
- Exchange driver and vehicle insurance information.
- Wait for assistance to arrive.

The National Highway Traffic Safety Administration considers some of these behaviors aggressive. So next time, think twice before doing any of these things.

Safety and preventative measures

To avoid an encounter with an aggressive driver, remember these tips:

- Don't block the passing lane.
- Avoid blocking the right-hand turn lane.
- Don't take more than one parking space.
- Don't tailgate.
- Don't stop in the road to talk with a pedestrian or other drivers.
- If you travel slowly, pull over to allow traffic to pass you.
- Avoid eye contact with an aggressive driver.
- Keep your eyes on the road.
- Keep away from erratic drivers.
- Don't challenge other drivers by speeding up to hold your own in your travel lane.
- Ignore gestures; do not return them.


For convenient access for your insurance and financial service needs visit statefarm.com or your local agent today. You can walk in to your local agent's office, call in for 24/7 service or click in at statefarm.com.

At statefarm.com you may:

- View your policy
- Pay your insurance bill
- Report a claim
- E-mail your agent
- Review all of our insurance and financial services

Go to www.statefarm.com on your phone and check out the mobile goodness.

Note: Patrol drivers are not authorized to contact State Farm® on behalf of the motorists or assist in insurance claims.



Home Office: Bloomington, IL
www.statefarm.com

SHA Emergency Patrol

The SHA Emergency Patrol provides free roadside emergency services on over 550 miles of primary and interstate routes in the Baltimore and Washington metropolitan areas. The Emergency Patrol provides:

- Traffic and Roadway Monitoring
- Traveler Information
- Incident Management
- Traffic Management
- Emergency and Weather Operations
- Assistance to stranded motorists in many ways, including:
 - Change flat tires and jump start batteries
 - Provide fuel, coolant, etc.
 - Provide road and travel information
 - Provide transportation to safer areas
 - Provide courtesy use of a telephone
 - Provide other minor repairs

State Farm Insurance® entered into this partnership with the Maryland State Highway Administration to promote highway safety.

State Farm Insurance® and the Maryland State Highway Administration are proud to offer this service to all motorists who travel throughout the state of Maryland.

Commonly Asked questions

What does the SHA Emergency Patrol do?

The SHA Emergency Patrol vehicles travel the roadways looking for stranded motorists, debris on the road, traffic accidents or other incidents. The Emergency Patrol drivers assist in these situations to help motorists and ultimately keep traffic moving.

How much will this service cost motorists?

There is no charge for the service.

What are your hours of operations?

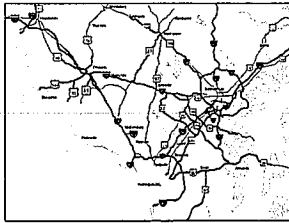
Monday through Friday, 5 AM – 9 PM.

Can I call them if I need help when I am stranded?

Yes, you may call #77 from your cell phone. Emergency Patrol drivers should be able to locate you within 15 to 30 minutes unless they are detained because of an emergency such as a crash. If you are stranded on the highway, move your vehicle to a safe location, stay inside, and wait for help to arrive.

What areas do you cover?

(Insert detailed coverage description)



State Farm®

State Farm® is the number one insurer of cars in the United States.

We offer:

- Competitive Rates
- 24-Hour Good Neighbor Service®
- Discounts for auto insurance
- Personalized service
- Exceptional claim service

Visit us online at www.statefarm.com or call a local State Farm agent today!

Like a good neighbor, State Farm is there.®

Comment Card

Please share your comments below and return this card either to your Patrol driver or the address on the reverse side.

Driver name: _____

Truck # _____

Log # _____

Date of service	Time of service	Location	Type of problem	How did the SHA ETP truck know that you needed assistance?	How would you rate the SHA ETP service?
<input type="checkbox"/> In a travel lane <input type="checkbox"/> On the shoulder <input type="checkbox"/> Off the road	<input type="checkbox"/> 0-10 minutes <input type="checkbox"/> 11-20 minutes <input type="checkbox"/> 21-30 minutes <input type="checkbox"/> 30+	<input type="checkbox"/> On the shoulder <input type="checkbox"/> Off the road <input type="checkbox"/> On the road	<input type="checkbox"/> Overheating <input type="checkbox"/> Mechanical <input type="checkbox"/> Out of fuel <input type="checkbox"/> Flat tire <input type="checkbox"/> Dead battery <input type="checkbox"/> Needed tow <input type="checkbox"/> Other	<input type="checkbox"/> Saw the vehicle on the side of the road <input type="checkbox"/> Cell phone <input type="checkbox"/> Police <input type="checkbox"/> SHA ETP driver saw me <input type="checkbox"/> I don't know <input type="checkbox"/> Other	<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor

Phone number: _____

State Farm® is the insurer of the service you've just experienced. Would you say your opinion of State Farm® is more favorable than before the experience?

☐ Much more favorable than before the experience

☐ Somewhat more favorable than before the experience

☐ No change in opinion

☐ Somewhat less favorable than before the experience

☐ Much less favorable than before the experience

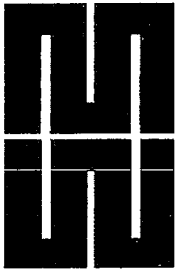
Would you like to receive information from State Farm about their products and services?

☐ Yes ☐ No

Signature: _____

State Farm

Financial Capability and Insurance Attachments



MILLER WACHMAN LLP
CERTIFIED PUBLIC ACCOUNTANTS
www.millerwachman.com

10 St. James Avenue, 16th Floor
Boston, Massachusetts 02116
Tel (617) 338-6800
Fax (617) 338-8485
email: boston@millerwachman.com

Offices in:
Holliston and Worcester

August 24, 2010

Maryland State Highway Administration
7491 Connelly Drive
Hanover, MD 21076

Dear Sirs:

This letter is to inform you that we have been the accountants for TRAVELERS MARKETING LLC since its inception. It is our opinion that the company continues to have the financial strength and capacity to accept and complete the projects it embarks upon. The owners and management are financially intelligent and sound people who have always been conservative and thorough in all of their financial dealings.

Very truly yours,

Robert C. Helman, CPA
Partner



September 1, 2010

Neil J. Pedersen
Administrator
Maryland State Highway Administration
7491 Connelly Drive
Hanover, MD 21076

RE: ETP Sponsorship Proposal

Dear Mr. Pedersen:

This is to advise you that there are no outstanding legal actions or potential claims against Travelers Marketing LLC.

Sincerely,

A handwritten signature in black ink that reads 'David E. Stein'.

David E. Stein
Managing Partner

ACORD CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YYYY)
8/24/2010PRODUCER Phone: 508-651-7700 Fax: 508-653-8089
Eastern Insurance Group LLC - Main
233 West Central Street
Natick MA 01760THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.INSURED
Travelers Marketing LLC
47 Church St, Suite 301
Wellesley MA 02482

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Hartford Fire Insurance Co.

19682

INSURER B:

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED.
NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS
CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE
TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	08SBALR7314	4/15/2010	4/15/2011	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000
A	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	08SBALR7314	4/15/2010	4/15/2011	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				WC STATU- TORY LIMITS OTH- ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER

Travelers Marketing LLC
47 Church Street, Ste 301
Wellesley MA 02482

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED
BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER
WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE
CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO
SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON
THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Mary Anne Steinmann

ACORD CERTIFICATE OF LIABILITY INSURANCE		OP ID LW TRAVE-1	DATE (MM/DD/YYYY) 08/24/10
PRODUCER Hoffman Insurance Services, Inc 141 Linden St. PO Box 9002 Wellesley MA 02482-9002 Phone: 781-235-0087 Fax: 781-235-6665		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Travelers Marketing LLC Attn: Stephen J Cummings 47 Church St Ste 301 Wellesley MA 02482		INSURERS AFFORDING COVERAGE INSURER A: Hartford Service Center INSURER B: INSURER C: INSURER D: INSURER E:	NAIC #

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR ADD'L LTR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
	<input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$		
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$		
	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$		
	<input type="checkbox"/> EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$		
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	08WECLB4548	08/14/10	08/14/11	<input checked="" type="checkbox"/> WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000		
	OTHER						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER <div style="border: 1px solid black; padding: 10px; height: 100px; display: flex; align-items: center; justify-content: center;"> <div style="text-align: center;"> INSURED INSUREDS COPY </div> </div>	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
--	--

Maryland Minority Business Enterprise/Federal Disadvantaged Business Enterprise Program Attachment



Maryland Minority Business Enterprise/
Federal Disadvantaged Business Enterprise Program

To Whom It May Concern:

The statutory and regulatory requirements of the State's Minority Business Enterprise Program (MBE) and the Disadvantaged Business Enterprise Program (DBE), as a condition of law and federal funding requirements, do not apply to sponsorship of the State Highway Administration's Emergency Traffic Patrol program. This is the conclusion of the State Highway Administration's Project Review Group and Travelers Marketing's chief counsel. In short, the purpose of these programs is to achieve minority participation in instances where money is awarded by the states with state and/or Federal dollars to companies for services, supplies and construction. This does not apply in this case of sponsorship, where a sponsor pays money to the state.

Notwithstanding that MBE / DBE requirements do not apply, both State Farm and Travelers Marketing understand and support the program purpose and the over arching policy objectives. In this context, I hereby affirm on behalf of the State Farm/ Travelers Marketing sponsorship team that we will make every effort to retain certified MBE/DBE companies in those few instances where we contract with outside companies. Moreover, Miller Graphics (based in Port Saint Lucie, Florida) the vehicle graphic master installer we use in all other jurisdictions and intend to use in Maryland, is a minority owned business.

In addition, we have reviewed the Maryland Department of Transportation's MBE/DBE Directory and have identified and reached out to four potential subcontractors, of which two might meet the program needs. In any event, we will report our efforts and outcome of this endeavor.

A handwritten signature in black ink that reads 'David E. Stein'.

David E. Stein
Managing Partner
Travelers Marketing

8/31/10

Date

47 Church Street, Suite 301, Wellesley, MA 02482-6407
P: (781) 416-5000 | F: (781) 237-3111
www.travelersmarketing.com

Attachment C

Contract Affidavit

STATE CONTRACT NO. _____

CONTRACT AFFIDAVIT

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____

and the duly authorized representative of (business) _____

_____ and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

(1) The business named above is a (domestic _____) (foreign _____) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is:

Name: _____

Address: _____

_____ (2) Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

C. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated _____, 20_____, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____

By: _____
(Authorized Representative
and Affiant)

06/08/2000

Attachment D
General Conditions for Service Contracts

**Maryland
Department of
Transportation**

**GENERAL
CONDITIONS
FOR
SERVICE
CONTRACTS**

Revised Nov. 29, 1999

MARYLAND DEPARTMENT OF TRANSPORTATION (MDOT)

GENERAL CONDITIONS FOR SERVICE CONTRACTS

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**The following Sections are non-applicable to the Chart Sponsorship Agreement:
Sections 3, 14, 23, 25, 31 and 44.**

MARYLAND DEPARTMENT OF TRANSPORTATION (MDOT)

GENERAL CONDITIONS FOR SERVICE CONTRACTS

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MARYLAND DEPARTMENT OF TRANSPORTATION (MDOT)

GENERAL CONDITIONS FOR SERVICE CONTRACTS

1. **DEFINITIONS**

Wherever in these General Conditions or in other contract documents the following terms or abbreviations are used, the meaning shall be as follows:

A. **Organizational Structure**

The Maryland Department of Transportation (MDOT) is composed of the following Administrations:

- (1) The Secretary's Office (TSO)
- (2) Maryland Aviation Administration (MAA)
- (3) Maryland Port Administration (MPA)
- (4) Maryland Transportation Authority (MdTA)
- (5) Mass Transit Administration (MTA)
- (6) Motor Vehicle Administration (MVA)
- (7) State Highway Administration (SHA)

B. **Organizational Definitions**

Administration- The word "Administration" shall mean any one of the Administrations within the MDOT as listed in Section A above..

Department - The word "Department" shall mean the Maryland Department of Transportation.

Executive Director - The Chief Executive Officer of an Administration or Jurisdiction.

Procurement Officer - Any person authorized by the MDOT in accordance with law or regulations to formulate, enter into, or administer contracts or make written determinations and findings with respect to them. The term also includes and authorized representative acting within the limits of authority.

Secretary - The Chief Executive Officer of the MDOT.

C. **General Definitions**

Agreement - Contract

Award - The decision by a Jurisdiction to execute a purchase agreement or contract after all necessary approvals have been obtained.

Bid - A statement of price, terms of sale, and description of the supplies, services, or construction offered by a vendor to the State (see "Proposal").

Bidder - A person formally submitting a bid for the work contemplated, acting directly as the, or through the, duly authorized representative-same as Offeror.

Bid Security - See Proposal Guaranty.

Board - The Board of Public Works (BPW) of the State of Maryland.

Business - A corporation, partnership, individual, sole proprietorship, joint venture, or any other legal entity through which business or commercial activity is conducted.

Calendar Day - Every day shown on the calendar; Saturdays, Sundays, and Holidays included.

Change Order - A written order signed by the responsible procurement officer, directing a contractor to make changes which the modification clause of a contract authorizes the procurement officer to order, with or without the consent of the contractor.

COMAR Title 21 - Code of Maryland State Procurement Regulations.

Contract - Any agreement entered into by a procurement agency for the acquisition of supplies, services, construction, construction related services, or any other item and includes:

- (1) Awards and Notices of award;
- (2) Contracts of a fixed-price, cost-reimbursement, cost-plus-a-fixed-fee, fixed-price incentive, or cost-plus incentive fee type;
- (3) Contracts providing for the issuance of job or task orders;
- (4) Leases;
- (5) Letter contracts;
- (6) Purchase Orders;
- (7) Supplemental agreements with respect to any of these;
- (8) Orders; and
- (9) Grants.

Contract does not include:

- (1) Collective bargaining agreements with employee organizations;
- (2) An employee with an employment contract; or
- (3) Medical, Medicare, Judicare, or similar reimbursement contracts for which user eligibility and cost are set by law regulation.

Contract Affidavit - A completed Contract Affidavit must be submitted by the successful bidder/offeror prior to issuance of the Notice to Proceed and the Contract.

Contract Documents - The written agreement executed between the MDOT and the successful offeror, covering the performance of the work and furnishing of labor, equipment and materials, by which the Contractor is bound to perform the work and furnish the labor, equipment, services, and materials, and by which the MDOT is obligated to compensate the Contractor at the mutually established and accepted rate or price.

The contract shall include the Invitation for Bids, Notice to Contractors, Instructions to Bidders, Request for Proposal, Contract Forms and Bonds, MDOT General Conditions, Specifications, Supplemental Specifications, all Special Provisions, all Technical Provisions, all Plans and Notices to Proceed, also any written Modifications, Change Orders and Supplemental Agreements that are required to complete the scope of the work or services in an acceptable manner, including authorized extensions thereof.

Contract Modification - Any written alteration or change in the specifications, delivery point, date of delivery, contract period, price, quantity, or other provision of any existing contract, whether accomplished in accordance with a contract provision, or by mutual action of the parties to the contract. It includes without limitation Change Orders, extra Work Orders, Supplemental Agreements, Contract Amendments, or Reinstatements, or any changes made to a contract as a consequence of partial termination or settlements.

Contractor - Any person having a contract with the MDOT. Contractor does not include employees with labor contracts (collective bargaining agreements) or an employee with an employment contract.

Cost-Reimbursement Contract - A contract under which the MDOT reimburses the Contractor for those contract costs, within as stated ceiling, and a fee, if any, which are recognized as allowable and allocable under the cost and price principle regulations.

Day - Calendar day unless otherwise designated.

Notice to Proceed - A written notice to the contractor of the date on or before which the contractor shall begin the work or service to be performed under the contract.

Procurement - Includes all functions that pertain to the obtaining of any public procurement, including description of requirements, solicitation of sources, selection, preparation and award of contract, all phases of Contract Administration.

Proposal - The response by an offeror to a solicitation by the MDOT to obtain goods or services. The response may include, but is not limited to, an offeror's price and terms for the proposed contract, a description of technical expertise, work experience and other information as requested in the solicitation. As used herein the words "Proposal," "Offer," or "Bid," have the same meaning.

Proposal Guaranty - Acceptable security for bid, performance, and payment bonds, as stated in COMAR 21.06.07.01B, designated in the Proposal, to be furnished by the Offeror as a guaranty of good faith to enter into a contract with the MDOT.

Services - The rendering of time, effort or work, rather than the furnishing of a specific physical product other than reports incidental to the required performance of services. It includes, but is not limited to, the professional, personal and/or contractual services provided by attorneys, accountants, physicians, consultants, appraisers, land surveyors, and property management, where the service is associated with the provision of expertise and/or labor. Examples include, but are not limited to, property management, janitorial, security, waste disposal, pest control, environmental control, trash removal, window cleaning, computer hardware and software, snow removal, equipment maintenance, professional and consultant services.

"Services" does not include services contained within the definitions of maintenance, construction-related services, architectural services or engineering services.

Solicitation - Invitation for bids, request for quotations, request for proposals, or any other method or instrument used to provide public notice and advertisement of the MDOT's intent to procure supplies, services, and construction.

Specification - A written description of functional performance or salient characteristics. It may include a statement of any of the user's requirements and may provide for inspection, testing, or preparation of a sample or prototype before procurement.

State - The State of Maryland acting through its authorized representative.

Subcontractor - Any person undertaking the providing of a part of the scope of work or service under the terms of the contract, by virtue of an agreement with the contractor, who, prior to such undertaking, receives the approval of the MDOT and, if applicable, the Surety.

Scope of Work or Services - shall mean the furnishings of all labor, materials, equipment, and other deliverables necessary to the successful completion of the contract and the carrying out of all the duties and obligations imposed by the contract.

2. **PREPARATION OF PROPOSAL/BID**

- A. Bidder submission shall be on the forms furnished or in the format provided by the MDOT, carefully following preparation instructions. A completed Bid/Proposal Affidavit is an essential part of the proposal submission.

- B. Offerors should give specific attention to the identification of those portions of the Proposal which they deem to be confidential, proprietary information or trade secrets. Offeror should provide any justification of why such materials, upon request, should not be disclosed by the MDOT under the Maryland Public Information Act, Section **10-611 et seq.** of the State Government Article of the Annotated Code of Maryland. The MDOT makes the final determination of whether a document must be disclosed.

3. **SMALL BUSINESS PROCUREMENT**

If the solicitation for bid or proposal indicates that a procurement has been designated for a small business preference, the provisions of COMAR Title **21.11.01.02** pertaining to small business preferences shall apply and are incorporated herein by reference.

4. **SANCTIONS UPON IMPROPER ACTS**

- A. In the event the Contractor or any of it's officers, partners, principals, or employees, is convicted of a crime arising out of, or in connection with, the procurement of work or service to be done or payment to be made under this contract, the contract may, in the discretion of the MDOT, be terminated.
- B. Section **16-203** of State Finance and Procurement Article of the Annotated Code, and COMAR **21.08.01**, which relate to contracts with persons convicted of bribery, attempted bribery or conspiracy to bribe are incorporated into this contract by reference.
- C. Section **11-205** of State Finance and Procurement Article and COMAR **21.08.03** relating to collusion for purposes of defrauding of the State are incorporated into this contract by reference.
- D. Subtitle **08** of Title **21** of COMAR, "Disqualification, Suspension, Debarment, Reinstatement, and Sanctions" is incorporated into this contract by reference.

5. **COMPLIANCE WITH LAWS**

The Contractor hereby represents and warrants that:

- A. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- B. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including, but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this contract;

- C. It shall comply with all Federal, State, and local laws, regulations and ordinances applicable to its activities and obligations under this contract; and
- D. It shall obtain, at its expense, all licenses, permits, insurance, and Government approvals, if any, necessary to the performance of its obligations under this contract.

6. NON-DISCRIMINATION IN EMPLOYMENT

A. Compliance with State Law and regulations

- (1). State Law: The Contractor agrees:
 - (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or the physical or mental disability of a qualified individual with a disability;
 - (b) to include a provision similar to that contained in subsection (a) above, and in any subcontract except a subcontract for standard commercial supplies or raw materials; and
 - (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substances of this clause.
- (2). Sanctions for Non-compliance: In the event of the Contractor's non-compliance with the non-discrimination provisions of this Agreement, the Department shall impose such sanctions as it may determine to be appropriate, including but not limited to:
 - (a) withholding of payment to the Contractor under the Agreement until the Contractor complies, and/or
 - (b) cancellation, termination or suspension of the Agreement in whole or in part.

B. Compliance with Federal Law

Contractors providing materials, equipment, supplies, or services to the State under this contract herewith assure the State that they are conforming to the provision of the Civil Rights Act of 1964, and Section 202 of Executive Order 11246 of the President of the United States of America as amended December 1, 1996.

The Contractor shall comply with all applicable Federal law pertaining to non-discrimination in employment.

7. **DISSEMINATION OF INFORMATION**

During the term of this contract, the Contractor shall not release any information related to the services or performance of the services under this Contract nor publish any final reports or documents without the prior written approval of the MDOT.

8. **NON-HIRING OF EMPLOYEES**

No employees of the State of Maryland, or any unit thereof, whose duties as such employee include matters relating to or affecting the subject matter of this contract, shall while so employed, become or be an employee of the party or parties hereby contracting with the State of Maryland, or any unit thereof.

9. **CONTINGENT FEE PROHIBITION (Revised 10/94)**

A. The contractor, architect, or engineer warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the contractor, architect, or engineer, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide salesperson, or commercial selling agency, any fee or other consideration contingent on the making of this Agreement.

B. For breach or violation of this warranty the MDOT shall have the right to terminate this Agreement without liability, or, at MDOT's discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

10. **CONFLICT OF INTEREST LAW**

It is unlawful for any State, officer, employee, or agent to participate personally in his official capacity through decision, approval, disapproval, recommendation, advise, or investigation in any contract or other matter in which he, his spouse, parent, minor child, brother or sister, has a financial interest or to which any firm, corporation, association, or other organization in which he has a financial interest or in which he is serving as an officer, director, trustee, partner, or employee, or any person or organization whom he is negotiating or has any arrangement concerning prospective employment, is a part, unless such officer, employee, or agent has previously complied with the provisions of **Article 40A, subsection 3-101 et seq.** of the Annotated Code of Maryland.

11. **FINANCIAL DISCLOSURE**

The Contractor shall comply with the provisions of Section **13-221** of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every business that enters into this contracts, leases or other agreements with the State of

Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

12. **POLITICAL CONTRIBUTION DISCLOSURE (Revised 5/21/97)**

The Contractor shall comply with the provisions of **Article 33, Sections 30-1 through 30-4** of the Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State, including its agencies, or a political subdivision of the State, during a calendar year under which the person receives in the aggregate \$10,000 or more, shall on or before February 1 of the following year, file with the State Administrative Board of Election Laws disclosing political contributions \$500 or more to a candidate for elective office. The statement must be filed before execution of a lease or contract by the State or its subdivisions and covers the preceding two calendar years. If the contribution is made subsequent to the execution of a lease or contract, the statement must be filed twice a year during the contract term.

13. **PERSONAL LIABILITY OF PUBLIC OFFICIALS**

In carrying out any of the provisions of the contract, or in exercising any power or authority granted to them by or within the scope of the contract, there shall be no liability upon the MDOT, procurement officer or other authorized representatives, either personally or as officials of the State, it is being understood that in all such matters the above act solely as agents and representatives of the State.

14. **COST AND PRICE CERTIFICATION**

A. The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusion of any price discussions or negotiations for:

- (1) A negotiated contract, if the total contract price is expected to exceed \$100,000, or a smaller amount set by the procurement officer; or
- (2) A change order or contract modification, expected to exceed \$100,000, or a smaller amount set by the procurement officer.

B. The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increase occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

15. **CONTRACT ADMINISTRATION**

This contract will be administered on behalf of the MDOT by the procurement officer and/or by the responsible contract administrator(s).

16. **AUTHORITY OF THE PROCUREMENT OFFICER**

- A. The procurement officer and/or responsible contract administrator(s) shall decide all questions which may arise as to the quality and acceptability of work performed and as to the rate of progress of said work; all questions which may arise as to the interpretation of any or all plans and/or specifications; and all questions as to the acceptable fulfillment of the Contract on the part of the Contractor.
- B. The procurement officer and/or responsible contract administrator(s) shall determine the amount of work performed to be paid for under the Contract.
- C. The procurement officer shall have the authority to suspend the work wholly or in part due to the failure of the Contractor to carry out provisions of the Contract.
- D. The procurement officer and/or responsible contract administrator(s) may authorize progress payments for work satisfactorily completed, subject to such retainage that the procurement officer deems appropriate.

17. **CORPORATE REGISTRATION AND TAX PAYMENT CERTIFICATION**

Corporations are required to execute a Certification of Corporation Registration and Tax Payment.

18. **INVITATION OF WORK**

The Contractor shall not commence performance of the services until it receives from the MDOT a formal, written Notice to Proceed.

19. **NOTICE TO PROCEED AND PROSECUTION OF WORK**

- A. After the contract has been executed, the MDOT will issue to the Contractor a Notice to Proceed and this notice will stipulate the date on or before which the Contractor is expected to begin work. Any preliminary work, started before receipt of the Notice to Proceed, shall be at the risk of the Contractor.
- B. The Contractor shall begin work promptly within the time specified by the procurement officer. After the work has once been started, it shall be prosecuted diligently until the entire Contract is complete.

20. **DISCREPANCIES IN CONTRACT DOCUMENTS**

In the event the Contractor discovers any discrepancies in the Contract documents, he shall immediately notify the Procurement Officer. The procurement Officer will then make such corrections and interpretations as may be deemed necessary in the best interests of MDOT and for fulfilling the intent of the Contract.

21. **CONTRACTOR INSURANCE**

Prior to the start of work on any contract, the Contractor shall submit to the procurement officer certificate(s) of insurance indicating that he carries insurance against the risks and in the amounts specified elsewhere in the Contract.

22. **RESPONSIBILITY FOR CLAIMS AND LIABILITY**

- A. It is expressly understood that the Contractor shall indemnify and save harmless the MDOT, the Administration and its officers, agents, and employees from and against all claims, suits, judgments, expenses, actions, damages and costs of every name and description, arising out of or resulting from errors, omissions, negligent acts, negligent performance or nonperformance of the services of the Contractor or those of his subcontractors, agents, or employees under this Contract, or arising from or based on the violation of applicable Federal, State or local law, ordinance, regulation, order, or decree, whether by himself or his employees or subcontractors.
- B. Further, the Contractor shall pay any claims for personal injury, bodily injury or property damage which the Contractor is legally obligated to pay and shall indemnify the State against such claims. The Contractor shall undertake to defend any third party claim seeking those damages.

23. **MINORITY BUSINESS ENTERPRISE/AFFIRMATIVE ACTION/CONTRACT COMPLIANCE**

- A. This Contract is subject to Executive Order **01.01.1995.19**, July 17, 1995 (Code of Fair Practices). This Contract is subject to the applicable provisions of the State Finance and Procurement Article - **Title 14, Subtitle 3; COMAR Title 21.11.03 - Minority Business Enterprise Policies; and COMAR Title 21.11.04 - Contractor's Affirmative Action Plan Review/Approval and Compliance Monitoring Process - DOT; and the provisions of COMAR 11.01.10** which incorporates by reference the Minority Business Enterprise Program. Copies of the Minority Business Enterprise Program may be requested from the Maryland Department of Transportation, Office of Minority Business Enterprise/ Equal Opportunity, P.O. Box 8755, BWI Airport, Maryland 21240. This Contract is also subject to pertaining to Minority Business Enterprise and Affirmative Action.
- B. To the extent of any of the above laws or regulations are applicable to this Contract, they are specifically incorporated herein.

24. **COOPERATION BY CONTRACTOR**

The Contractor shall give the work and/or services the constant attention necessary to facilitate the progress thereof, and shall cooperate with the procurement officer and/or contract administrator(s) in every way possible.

25. **COOPERATION BETWEEN CONTRACTORS**

The Contractor agrees in the event of dispute as to cooperation between contractors, the procurement officer and/or contract administrator(s) will act as referee and decisions made by the procurement officer and/or contract administrator(s) will be binding. The Contractor agrees to make no claims against the MDOT for any inconvenience, delay or loss experienced because of the presence and operations of other contractors.

26. **ASSIGNMENT**

The Contractor shall not assign the whole or any part of this Contract, or any monies due or to become due under this Contract without the prior written consent of the MDOT. In case the Contractor assigns all or any part of the monies due or to become due under this contract, the instrument of assignment shall contain a clause providing that the right of the assignee in and to any monies due or to become due to the Contractor shall be subject to prior claims of all persons, firms and corporations for services rendered or materials supplied for the performance of the work called for in this contract. The MDOT is not responsible for Contractor assignments.

27. **CHANGES, ALTERATIONS OR MODIFICATIONS IN THE SERVICES**

The MDOT shall have the unilateral right, at its discretion, to change, alter or modify in writing the services provided for in this Agreement and such changes, alterations or modifications may be made even though it will result in an increase or decrease in the services of the Contractor or in the contract cost thereof.

28. **APPROVAL AUTHORITY**

This Contract and any change order or amendment thereto, is subject to the approval requirements established by the Secretary of Transportation or his designee and the Board of Public Works of Maryland. The Contract shall be considered to bind the parties hereto in accordance with the Constitution and Laws of the State of Maryland.

29. **OWNERSHIP OF DOCUMENTS**

The Contractor agrees that all data and material including, but not limited to, reports, drawings, studies, specifications, estimates, maps, photographs, dies, prints, diskettes and computations prepared by or for him under the terms of this Agreement shall at any time during the performance of the services be made available to the MDOT upon request and shall become and remain the property of the MDOT upon termination or

completion of the services. The MDOT shall have the right to use same without restriction or limitation and without compensation to the Contractor other than that provided in the Contract.

30. **MULTI-YEAR CONTRACTS CONTINGENT UPON APPROPRIATIONS**

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of the Contract for each succeeding fiscal period beyond the first.

31. **CONTRACTOR'S INVOICES**

Contractor agrees to include on the face of all invoices billed to the State, his Federal Tax Identification or Social Security Number.

32. **OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA)**

All materials, supplies, equipment or services supplied as a result of this Contract shall comply with the applicable U.S. and Maryland OSHA standards.

33. **DISPUTES**

This Contract shall be subject to the provisions of State Finance and Procurement Article Title 15, Subtitle 2 - Dispute Resolution of the Annotated Code of Maryland and COMAR 21.10 - Administrative and Civil Remedies. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the procurement officer's decision.

34. **REMEDIES AND TERMINATION**

A. **Termination for default**

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the MDOT may terminate the Contract by written notice to the Contractor. The notice shall specify the acts of omission relied on as a cause for termination. All finished or unfinished supplies and services provided by the Contractor shall, at the MDOT's option, become the MDOT's property. The MDOT shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the MDOT can affirmatively collect damages. Termination, including determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR, Title 21.07.01.11.B.

B. **Termination for Convenience of the State**

The performance of work under this Contract may be terminated by the MDOT in accordance with this clause in whole, or from time to time in part, whenever the MDOT shall determine that such termination is in the best interest of the State. The MDOT will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination, including the determination of the rights and obligations of the parties shall be governed by the provisions of COMAR, Title 21.07.01.12.A(2).

C. **Obligations of Contractor Upon Termination**

Upon notice of termination as provided in paragraph A. and B. above, the Contractor shall:

- (1) Take immediate action to discontinue its work and demobilize its work force in an orderly manner so as to minimize the incurrence of costs.
- (2) Take such action as may be necessary to protect the property of the State of Maryland, place no further orders or subcontracts, assign to the MDOT in the manner and to the extent directed by the MDOT all of the rights, title and, if ordered by the MDOT, possession and interest of Contractor under the orders or subcontracts terminated.

- (3) Transfer title to the MDOT of all materials, equipment, data, drawings, specifications, reports, estimates and such other information accumulated by the Contractor in performing this Contract, for the cost of which the Contractor has been or will be reimbursed under this Contract.

D. Remedies Not Exclusive

The rights and remedies contained in this General Conditions are in addition to any other right or remedy provided by law, and the exercise thereof is not a waiver of any other right or remedy provided by law.

35. DELAYS AND EXTENSIONS OF TIME

- A. The Contractor agrees to prosecute the scope of work or services continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.
- B. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another Contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

36. GENERAL GUARANTY

Neither the final acceptance of the work or payment therefore nor any provision in the Contract documents nor partial or entire use of the work by the MDOT shall constitute an acceptance of work not performed in accordance with the contract documents or relieve the Contractor of liability for any express or warranties or responsibility for faulty materials or workmanship. The Contractor shall remedy any defects in the work, and pay for any damage to other work resulting from defects in his work which shall appear within a period of one (1) year from the date of final acceptance of work, unless a longer period is specified. The MDOT will give notice of observed defects with reasonable promptness.

37. PATENT INDEMNITY

Contractor shall indemnify, protect and save harmless the State, its officers, agents and employees from all claims growing out of any patent or copyright infringements or claims thereof pertaining to any design, drawings, specifications or other patentable or copyrighted items used by the Contractor.

38. **GENERAL CONDITIONS PREVAILING**

In event of a conflict between these General Conditions and any other provisions of the Contract documents, these General Conditions shall prevail unless such other provision expressly provides to the contrary.

39. **INCORPORATION BY REFERENCE**

All terms and conditions under the solicitation, any amendments thereto, are made a part of this Contract.

40. **MISCELLANEOUS**

For the purpose of these General Conditions, the words Contract and Agreement are synonymous.

41. **MARYLAND LAW PREVAILS**

The provisions of this Contract shall be governed by the Laws of Maryland.

42. **RESIDENT BUSINESS PREFERENCE**

- A. Contracts are subject to the applicable provisions of COMAR Title **25.01.01.04**, which authorizes that when awarding a contract by competitive bidding, the MDOT may give a preference to the lowest responsive and responsible bid from a Maryland firm over that of a non-resident firm if the State in which the non-resident firm is located gives a resident business preference.
- B. The preference given under this Section shall be identical to the preference, through law, policy or practice, given to its residents by the State in which the non-resident firm is located.
- C. This provision shall not apply if it conflicts with any Federal grant or regulation affecting this Contract.

43. **COMPLIANCE WITH AMERICANS WITH DISABILITIES ACT (ADA)**

Contractor shall comply with the ADA, **42 USC §§ 12101 et seq.** and applicable regulations. To the extent required by the ADA, Contractor's facilities, services, and programs shall be accessible to persons with disabilities. Contractor shall bear sole responsibility for assuring that its activities under this Agreement conform to the ADA. Contractor shall indemnify and hold the State harmless in any administrative proceeding or other action brought pursuant to the ADA for all damages, attorney fees, litigation expenses and costs, if such action or proceeding arises from the acts of Contractor, Contractor's employees, agents or subcontractors.

44. PAYMENT OF STATE OBLIGATIONS

- A. Payment to the Contractor pursuant to this Contract shall be made no later than thirty (30) days after the State's receipt of a proper invoice from the Contractor. Charges for late payment of invoices, other than as prescribed by title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, or by the Public Service Commission of Maryland with respect to regulated public utilities, as applicable, are prohibited.
- B. A proper invoice shall include a description of the items or services provided; the date the goods were received, or the inclusive dates the services were rendered; the Contract price(s); retention, if any; the basis for the billing; the Contract or purchase order number; the Contractor's Federal Tax Identification Number or Social Security Number; the name and address of the proper invoice recipient.
- C. In order to receive payment of interest, the Contractor must submit a proper invoice for accrued interest within 30 calendar days after the payment date of the amount on which the interest is claimed to have accrued. Interest may not be claimed for more than one year following the 31st calendar day after the date that a proper invoice was received, or on amounts representing unpaid interest, or if a claim has been filed under State Finance and Procurement Article Title 15, Subtitle 2 of the Annotated Code of Maryland.
- D. For the purpose of this Contract, an invoice amount will not be deemed due and payable if:
 - (1) The amount invoiced is inconsistent with the Contract;
 - (2) The proper invoice has not been received by the party or location specified in the Contract;
 - (3) The invoice or performance under the Contract is in dispute, or the Contractor has failed to otherwise comply with the provisions of the Contract;
 - (4) The item or services have not been accepted;
 - (5) The quantity of items delivered is less than the quantity ordered;
 - (6) The items or services do not meet the quality requirements of the Contract.
 - (7) The proper invoice for the progress payment, if applicable, has not been submitted according to the schedule contained in the Agreement;
 - (8) All stipulated conditions for release of the retainage, if applicable, have not been met; and

- (9) Satisfactory documentation or other evidence reasonably required by the procurement officer or by the Contract administrator(s) concerning performance under the Contract has not been submitted by the Contractor.

45. **SUSPENSION OF WORK**

The procurement officer unilaterally may order the Contractor in writing, to suspend, delay, or interrupt all or any part of the work for such period of time as he or she may determine to be appropriate for the convenience of the State.

46. **PRE-EXISTING REGULATIONS**

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in COMAR, Title 21 State Procurement Regulations, in effect on the date of execution of this Contract are applicable to this Contract.

47. **RETENTION OF RECORDS**

The Contractor shall retain and maintain all records and documents relating to this Contract for three (3) years after final payment by the State hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the procurement officer or designee, at all reasonable times.

48. **INSOLVENCY**

If the Contractor becomes insolvent, files a bankruptcy petition in any court, becomes the subject of an involuntary bankruptcy petition, makes a general assignment for the benefit of creditors, has a receiver appointed for assets, or ceases to conduct business, the Contractor shall be considered in default of the Contract. If any of these events occurs, the Contractor must immediately notify the procurement officer or designee.

49. **SURETY BOND ASSISTANCE PROGRAM**

Assistance in obtaining bid, performance, and payment bonds may be available to qualifying small businesses through the Maryland Small Business Development Financing Authority (MSBDFA). MSBDFA can directly issue bid, performance, or payment bonds up to \$750,000.