



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

Handwritten initials: Jm

LINDA M. HODGDON
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

February 28, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Retroactive

REQUESTED ACTION

Authorize the Department of Administrative Services to make a **retroactive** amendment to extend the contract with MGT of America, Inc., of Tallahassee, Florida (Vendor Number 171618), for the provision of consulting services for the evaluation and analysis of certain proposals received as a result of a series of three Request for Proposals ("RFPs") for the construction and potential operation of prison facilities for the State. The original Governor and Council approval was on July 11, 2012 item #15 with a term through October 31, 2012 at a cost not to exceed \$171,347. This contract was amended by approval of Governor and Council on December 5, 2012, item #18A, to extend through February 28, 2013. This amendment would extend the term of the contract through April 30, 2013 with no additional funding required.

EXPLANATION

This item is **retroactive** due to the fact the fully amended contract documents were not assembled and available for review by the Department of Justice until after the deadline had passed for the appropriate Governor and Council meeting due to the illness of a key staff member.

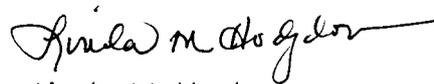
Late last year the Department of Administrative Services (the "Department"), in conjunction with the New Hampshire Department of Corrections, released a series of three RFPs for the construction and/or renovation/expansion of prison facilities for the State. As a result of these RFPs, the State received a host of responses from interested vendors, offering a wide array of options for facilities' design, construction, renovation,

expansion and/or operation. During the process of evaluating these varied proposals, it was determined that it would be beneficial to hire a consulting firm to assist in the evaluation, particularly in relation to the operational/financial analysis of the proposals.

The contract with MGT of America, Inc. has provided independent expertise to evaluate and analyze the proposals. The purpose of this amendment is to extend the deadline of the contract to allow for the review and finalization of the consultant's report.

Based on the foregoing, I am respectfully recommending approval of the contract amendment and extension with MGT of America, Inc.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Linda M. Hodgdon", with a long horizontal flourish extending to the right.

Linda M. Hodgdon
Commissioner

**SECOND AMENDMENT
TO
MGT of America, Inc. Evaluation Consulting Services Contract**

It is hereby agreed that the Evaluation Consulting Services Contract approved by Governor and Executive Council on July 11, 2012, which was amended by approval of Governor and Executive Council on December 5, 2012, and herein referred to as the "Agreement" between MGT of America, Inc. as "Contractor" and the Department of Administrative Services as "State" is amended as follows:

Background

The State and the Contractor entered into an agreement for evaluation consulting services on July 11, 2012; the Agreement has an expiration date of February 28, 2013.

Amendment

WHEREAS, pursuant to Section 18 of the Agreement, the Agreement may be amended by an instrument in writing executed by both parties;

NOW, THEREFORE, for and in consideration of the mutual promises set forth in this Amendment and the underlying Agreement, the parties do mutually agree as follows:

1. Delete in its entirety Form Number P-37, item 1.7 Completion Date and substitute the following:
1.7 Completion Date: 4/30/2013
2. Delete in its entirety Exhibit A, Section 2 and substitute the following:

2. EFFECTIVE DATE, DURATION

This contract shall take effect on July 11, 2012, or upon Governor and Executive Council's approval of said contract, whichever is later (the "effective date"). This contract shall terminate April 30, 2013 unless terminated earlier in accordance with the terms of this Contract, see Section 9 below.

3. Delete in its entirety Exhibit E Deliverables and substitute the following:

Deliverable	Scheduled Date	Percentage of Fees to be Invoiced
-Final Project work plan	- 7-20-12	- 1% (\$1713.47)
- Periodic progress reports	- 7-27-12, 8-31-12, 9-28-12	- 3% (\$5140.41) each (1 per month for a total of 9%)
-Summary of Data Availability Issues	- 7-25-12	- 5% (\$8567.35)
- Summary of Proposals (Design)	- 9-11-12	- 5% (\$8567.35)
- Summary Assessing Compliance (Design)	- 9-14-12	- 5% (\$8567.35)

Contractor Initials: *MAZ*
Date: 3/4/13

-Comparative Summary (Design)	- 9-14-12	- 5% (\$8567.35)
- Summary of Proposals (Operational)	- 9-14-12	- 5% (\$8567.35)
- Summary Assessing Compliance (Operational)	- 9-14-12	- 5% (\$8567.35)
-Comparative Summary (Operational)	- 9-14-12	- 5% (\$8567.35)
- Summary of State Benchmarks	- 3-1-13	- 10% (\$17134.70)
- Financial Analysis	- 3-1-13	- 10% (\$17134.70)
- Risk Assessment	- 8-31-12	- 5% (\$8567.35)
- Business Case Assessment	- 3-31-13	- 5% (\$8567.35)
- Final Report	- 3-31-13	- 25% (\$42836.75)

4. All other provisions of the Agreement, approved by Governor and Council on July 11, 2012, and amended by approval of Governor and Council on December 5, 2012, shall remain in full force and effect.

Contractor Initials: *ME*
Date: Date: 3/4/13

MGT OF AMERICA, INC.

STATE OF NEW HAMPSHIRE

By: Mark Epstein
Mark Epstein
(Print Name)

By: Linda M. Hodgdon
Linda M. Hodgdon
(Print Name)

Title: Senior Partner

Title: Commissioner
Department of Administrative Services

Date: March 4, 2013

Date: 3/5/13

NOTARY PUBLIC/JUSTICE OF THE PEACE

OFFICE OF THE ATTORNEY GENERAL

On the 4th day of March, 2013,
There appeared before me, the state and county
foresaid a person who satisfactorily identified
himself as

By: Rosemary Wiant
Rosemary Wiant
(Print Name)

Mark Epstein

Title: Assistant Attorney General

Date: 3-7-13

And acknowledge that he executed this
document indicated above.

In witness thereof, I hereunto set my hand and
official seal.

The foregoing contract was approved by the
Governor and Council of New Hampshire on

Florenda A. Gabriel
(Notary Public/Justice of the Peace)

Signed: _____

My commission expires:

(Print Name)

September 22, 2014
(Date)

Title: _____



Contractor Initials: ME
Date: 3/4/13

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MGT OF AMERICA, INC. a(n) Florida corporation, is authorized to transact business in New Hampshire and qualified on April 19, 2004. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of March, A.D. 2013

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

Certificate of Vote

CERTIFICATE

(Corporation with a Seal)

I, Fred Seamon, Senior Partner with MGT of America, Inc., a Florida corporation, do hereby certify that:

- (1) I am an acting Senior Partner of MGT of America, Inc., a Florida corporation (the "Corporation")
- (2) By resolution authorized by the Board of Directors, which was effective on September 12, 2011, Mark Epstein, Senior Partner with the corporation, is authorized to bind the Corporation by legal contract for the following

That this Corporation enter into a contract with the State of New Hampshire, acting by and through the Department of Administrative Services, providing for the performance by the Corporation of certain Agreement for Consulting Services, and that Mark Epstein, Senior Partner with the Corporation be and hereby is authorized and directed for and on behalf of this Corporation to enter into the said contract with the State and to take any and all such actions and to execute, seal, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) as he may deem necessary, desirable or appropriate to accomplish the same,

- That the signature of Mark Epstein, Senior Partner with this corporation, affixed to any instrument of document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officer to bind this Corporation thereby.

IN WITNESS WHEREOF, I have hereto set my hand as the Senior Partner and have affixed its corporate seal this 4th day of March, 2013.



Senior Partner

(No Corporate Seal)

STATE OF TEXAS

COUNTY OF TRAVIS

On this 27th day of February, 2013, before me Fred Seamon, the undersigned officer, personally appeared and acknowledged himself to be the Senior Partner of MGT of America, Inc., a Florida corporation, and that being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as Senior Partner.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public / Justice of the Peace

My commission expires: 09/22/2014



18A *dm*



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

November 20, 2012

His Excellency, Governor John H. Lynch
and the Honorable Council
State House
Concord, New Hampshire 03301

Retroactive

REQUESTED ACTION

Authorize the Department of Administrative Services make a **retroactive** amendment to extend the contract with MGT of America, Inc., of Tallahassee, Florida (Vendor Number 171618), for the provision of consulting services for the evaluation and analysis of certain proposals received as a result of several facilities' driven Request for Proposals. The original Governor and Council approval was July 11, 2012 item # 15 with approval through October 31, 2012 at a cost not to exceed \$171,347. This amendment would extend the term of the contract through February 28, 2013 with no additional funding required.

EXPLANATION

This item is **retroactive** due to the Department of Administrative Services and the Vendor not realizing until late in October that the complexity of the bids and the time required for proper review by the vendor would exceed the original planned end date. Fully amended contract documents were not assembled and available for review by the Department of Justice until after the deadline for the sole November Governor and Council meeting.

Late last year the Department of Administrative Services (the "Department"), in conjunction with the New Hampshire Department of Corrections, released a series of three Request for Proposals ("RFPs") for the construction and/or renovation/expansion of prison facilities for the State. As a result of these RFPs, the State received a host of responses from interested vendors, offering a wide array of options for facilities' design, construction, renovation, expansion and/or operation. During the process of evaluating these varied proposals, it was determined that it would be beneficial to hire a consulting firm to assist in the evaluation, particularly in relation to the operational/financial analysis of the proposals.

The contract with MGT of America, Inc. has provided independent expertise to evaluate and analyze the proposals. The purpose of this amendment is to extend the deadline of the contract to allow for the finalization of the consultant's report and development of the comparative costing model.

Based on the foregoing, I am respectfully recommending approval of the contract amendment and extension with MGT of America, Inc.

Respectfully submitted,

Joseph Bouchard *Asst. Comm.*
Linda M. Hodgdon
Commissioner

**FIRST AMENDMENT
TO
MGT of America, Inc. Evaluation Consulting Services Contract**

It is hereby agreed that the Evaluation Consulting Services Contract approved by Governor & Executive Council on July 11, 2012, and herein referred to as the "Agreement" between MGT of America, Inc. as "Contractor" and the Department of Administrative Services as "State" is amended as follows:

Background

The State and the Contractor entered into an agreement for evaluation consulting services on July 11, 2012; the Agreement has an expiration date of October 31, 2012.

Amendment

WHEREAS, pursuant to Section 18 of the Agreement, the Agreement may be amended by an instrument in writing executed by both parties;

NOW, THEREFORE, for and in consideration of the mutual promises set forth in this Amendment and the underlying Agreement, the parties do mutually agree as follows:

1. Delete in its entirety Form Number P-37, item 1.7 Completion Date and substitute the following:
1.7 Completion Date: 2/28/2013
2. Delete in its entirety Exhibit A, Section 2 and substitute the following:

2. EFFECTIVE DATE, DURATION

This contract shall take effect on July 11, 2012, or upon Governor and Executive Council's approval of said contract, whichever is later (the "effective date"). This contract shall terminate February 28, 2013 unless terminated earlier in accordance with the terms of this Contract, see Section 9 below.

3. Delete in its entirety Exhibit E Deliverables and substitute the following:

Deliverable	Scheduled Date	Percentage of Fees to be Invoiced
- Final Project work plan	- 7-20-12	- 1% (\$1713.47)
- Periodic progress reports	- 7-27-12, 8-31-12, 9-28-12	- 3% (\$5140.41) each (1 per month for a total of 9%)
- Summary of Data Availability Issues	- 7-25-12	- 5% (\$8567.35)
- Summary of Proposals (Design)	- 9-11-12	- 5% (\$8567.35)
- Summary Assessing Compliance (Design)	- 9-14-12	- 5% (\$8567.35)
- Comparative Summary (Design)	- 9-14-12	- 5% (\$8567.35)

Contractor Initials: 
Date: 7/17/12

- Summary of Proposals (Operational)	- 9-14-12	- 5% (\$8567.35)
- Summary Assessing Compliance (Operational)	- 9-14-12	- 5% (\$8567.35)
- Comparative Summary (Operational)	- 9-14-12	- 5% (\$8567.35)
- Summary of State Benchmarks	- 12-21-12	- 10% (\$17134.70)
- Financial Analysis	- 12-21-12	- 10% (\$17134.70)
- Risk Assessment	- 8-31-12	- 5% (\$8567.35)
- Business Case Assessment	- 12-21-12	- 5% (\$8567.35)
- Final Report	- 12-21-12	- 25% (\$42836.75)

4. All other provisions of the Agreement, approved by Governor and Council on July 11, 2012, shall remain in full force and effect.

Contractor Initials: 
Date: 11/8/12

MGT OF AMERICA, INC.

By:

J. Mark Charland
(Print Name)

Title: CEO

Date: Nov. 13, 2012

NOTARY PUBLIC/JUSTICE OF THE PEACE

On the 13th day of November, 2012,
There appeared before me, the state and county
foresaid a person who satisfactorily identified
himself as

J. Mark Charland

And acknowledge that he executed this
document indicated above.

In witness thereof, I hereunto set my hand and
official seal.

Melanie N. Jackson
(Notary Public/Justice of the Peace)

My commission expires:

June 1, 2014
(Date)



STATE OF NEW HAMPSHIRE

By:

Linda M. Hodgdon
(Print Name)

Title: Commissioner
Department of Administrative Services

Date: Nov. 21, 2012

OFFICE OF THE ATTORNEY GENERAL

By:

Rosemary Wiant
(Print Name)

Title: Assistant Attorney General

Date: 11-21-12

The foregoing contract was approved by the
Governor and Council of New Hampshire on

Signed: _____

(Print Name)

Title: _____

Contractor Initials: JM
Date: 11/13/12

Exhibit N Certificate of Vote

CERTIFICATE

(Corporation with a Seal)

I, Fred Seamon, Senior Partner with MGT of America, Inc., a Florida corporation, do hereby certify that:

- (1) I am an acting Senior Partner of MGT of America, Inc., a Florida corporation (the "Corporation")
- (2) By resolution authorized by the Board of Directors, which was effective on September 12, 2011, Mark Charland, Chief Executive Officer of the corporation, is authorized to bind the Corporation by legal contract for the following

That this Corporation enter into a contract with the State of New Hampshire, acting by and through the Department of Administrative Services, providing for the performance by the Corporation of certain Agreement for Consulting Services, and that Mark Charland, Chief Executive Officer of the Corporation be and hereby is authorized and directed for and on behalf of this Corporation to enter into the said contract with the State and to take any and all such actions and to execute, seal, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) as he may deem necessary, desirable or appropriate to accomplish the same,

- That the signature of Mark Charland, Chief Executive Officer of this corporation, affixed to any instrument or document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officer to bind this Corporation thereby.

IN WITNESS WHEREOF, I have hereto set my hand as the Senior Partner and have affixed its corporate seal this 13th day of November, 2012.

Fred Seamon
Senior Partner

(No Corporate Seal)

STATE OF FLORIDA

COUNTY OF LEON

On this 13th day of November, 2012, before me, Fred Seamon, the undersigned officer, personally appeared and acknowledged himself to be the Senior Partner of MGT of America, Inc., a Florida corporation, and that he being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as Senior Partner.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Melanie N. Jackson
Notary Public /Justice of the Peace

My commission expires: 6/1/14





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/22/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

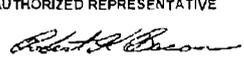
PRODUCER Earl Bacon Agency, Inc. P.O. Box 12039 Tallahassee FL 32317		CONTACT NAME: Nancy Klucher / Bobby Bacon PHONE (A/C, N o, Ext): 850-878-2121 FAX (A/C, N o): 850-878-2128 E-MAIL ADDRESS: bbacon@earlbacon.com															
INSURED MGT of America, Inc. Public Resource Management Inc. 2123 Centre Point Blvd. Tallahassee FL 32308		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Valley Forge Insurance Co.</td> <td>20508</td> </tr> <tr> <td>INSURER B: American Cas. Co. of Reading, PA</td> <td>20427</td> </tr> <tr> <td>INSURER C: Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER D: Transportation Ins. Company</td> <td>20494</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F: Travelers Casualty & Surety Co</td> <td>31194</td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Valley Forge Insurance Co.	20508	INSURER B: American Cas. Co. of Reading, PA	20427	INSURER C: Continental Casualty Company	20443	INSURER D: Transportation Ins. Company	20494	INSURER E:		INSURER F: Travelers Casualty & Surety Co	31194
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COVERAGES CERTIFICATE NUMBER: 1048442368 REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDC SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> A-XV Rating GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	Y Y	P2093390918	7/1/2012	7/1/2013	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIR'D AUTOS <input checked="" type="checkbox"/> A-XV Rating <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWN'D AUTOS	Y Y	2093563501	7/1/2012	7/1/2013	COMBINED SINGLE LIMIT (Per accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTIONS \$10,000		2093563496	7/1/2012	7/1/2013	EACH OCCURRENCE \$5,000,000 AGGREGATE \$ \$
A D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	3011086712 3011086788 CA	7/1/2012 7/1/2012	7/1/2013 7/1/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER CA EL below EL EACH ACCIDENT \$500,000 EL DISEASE - FA EMPLOYER \$500,000 EL DISEASE POLICY LIMIT \$500,000
F	Professional Liability Claims-Made Form 7/5/95 Retro Date: A-XIV		105638880	7/1/2012	7/1/2013	Per Claim \$2,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Umbrella: A-XV Rating. All Other Workers' Comp and CA Workers' Comp: A-XV Rating. California Employers Liability Limits. \$1,000,000 Each Accident/\$1,000,000 Disease Policy Limit/\$1,000,000 Disease Each Employee.

CERTIFICATE HOLDER State of New Hampshire State House Annex, Room 102 25 Capital Street Concord NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MGT OF AMERICA, INC. a(n) Florida corporation, is authorized to transact business in New Hampshire and qualified on April 19, 2004. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 21st day of November, A.D. 2012

A handwritten signature in cursive script, appearing to read "William Gardner".

William M. Gardner
Secretary of State



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

Obm 15

JUL 11 2012

4-3

LINDA M. HODGDON
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

June 26, 2012

His Excellency, Governor John H. Lynch
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Administrative Services to enter into a contract with MGT of America, Inc., (VC# 171618) Tallahassee, FL for an amount not to exceed \$171,347 for the provision of consulting services for the evaluation and analysis of the Department of Corrections RFP responses. Effective upon Governor and Council approval through October 31, 2012. **100% General – Capital Funds**

Funding is available in account titled Corrections – State Prison for Women as follows:

02-46-46-466030-17670000 – Women's Prison	SFY13
034-500152 Design/Study	\$171,347.00
Total	\$171,347.00

EXPLANATION

Late last year the Department of Administrative Services (the "Department"), in conjunction with the New Hampshire Department of Corrections (NHDOC), released a series of three Request for Proposals ("RFPs") for the construction and/or renovation/expansion of prison facilities for the State. As a result of these RFPs, the State received a host of responses from interested vendors, offering a wide array of options for facilities' design, construction, renovation, expansion and/or operation. During the process of evaluating these varied proposals, it was determined that it would be beneficial to hire a consulting firm to assist in the evaluation, particularly in relation to the operational/financial analysis of the proposals.

The Department, in conjunction with NHDOC, pursuant to Chapter 145:9, Laws of 2009 made a request to the Capital Budget Overview Committee to transfer appropriations from a completed capital project, MSU & Admin Bldg – Replace Sprinkler System to Women's Prison & Transitional Housing Site/Design to enable the hiring of a consultant. This transfer of appropriations, which was granted from the Capital Budget Overview Committee, allows the use of funds to hire a consultant to assist with the review of the various proposals and provide recommendations for the most cost effective long term solution for the State.

Based on the above, the Department issued a Request for Proposal ("RFP") for Evaluation Consulting Services on May 9, 2012. Direct notice was supplied to a host of industry firms, public notice was provided through the Union Leader, and the RFP was posted on the Bureau of Purchase and

His Excellency, Governor John H. Lynch
and the Honorable Council
June 26, 2012
Page 2 of 2

Property website. Attached is a list of vendors that received notification of the RFP. On June 5, 2012, a proposal was received from MGT of America, Inc.

After thorough review of the proposal to ensure that it met with the standards set forth in the RFP, it was decided to seek approval of a contract with MGT of America, Inc. in order to secure these services.

The contract with MGT of America, Inc. will provide independent expertise to evaluate and analyze the proposals. Such expertise is essential to ensure that the State has the information and understanding necessary to act in the best interest of the State.

Based on the foregoing, I am respectfully recommending approval of the contract with MGT of America, Inc.

Respectfully submitted,


for Linda M. Hodgdon, Asst. Comm.
Commissioner

List of Firms with whom the Department had direct contact relative to the RFP:

- Northpointe
- Pulitzer Bogard & Associates
- MGT of America
- Voohris Robertson Justice Services
- Garrison Consulting
- CJIS Group
- AECOM



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street - Room 120
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

April 3, 2012

The Honorable Gene Chandler, Chairman
Capital Budget Overview Committee
Legislative Office Building, Room 201
Concord, NH 03301

REQUESTED ACTION

Pursuant to Chapter 145:9, Laws of 2009, authorize the Department of Corrections to transfer appropriations from a completed capital project to the project entitled Women's Prison & Transitional Housing Site/Design to enable the Department of Corrections to hire a consultant to review various options and provide recommendations to the State regarding the best option(s) for women and or men prison facility and operations.

From:

MSU & Admin Bldg - Replace Sprinkler System Chapter 145:1, IV, E
extended by laws of 2011 Chapter 253:28, 40 \$240,560

To:

Women's Prison & Transitional Housing Site/Design, Chapter 145:1, IV, A
extended by laws of 2011, Chapter 253:28, 36 \$240,560

EXPLANATION

Pursuant to Chapter 145:9, Laws of 2009, please consider my request to transfer an individual project appropriation for the following completed capital budget project to the capital budget project within the same section entitled Women's Prison & Transitional Housing Site/Design. The State has solicited proposals from vendors to construct/renovate and operate new and or renovated women's and men's prison facilities. This request would allow the use of the funds to hire a consultant to assist the State with the review of the various proposals and provide recommendations for the most cost effective long term solution for the state. The proposals are very complex and voluminous and additional help is needed in order to evaluate them properly.

Respectfully submitted,

Linda M. Hodgdon
Commissioner

William Wrenn
Commissioner

lan) prepared by McFarland Johnson, Inc., Concord, New Hampshire.

Contract documents may be examined, if not obtained, at the following locations:

Associated General Contractors of NH, 8 Grandview Road, Bow, New Hampshire 03304

Construction Summary of NH, Inc., 34 Chestnut Street, Manchester, New Hampshire 03104

Town of Bedford, 24 No. Amherst Road, Bedford, New Hampshire 03110

McFarland Johnson, Inc. 53 Regional Drive Concord, New Hampshire 03301

Copies of Contract Documents may be obtained, at the following location:

The Copy Room, 61 Stark Street, Manchester, NH 03101, PH: 603-627-7251

A non-refundable payment for reproduction costs for each set of plans and specifications will be required from prospective bidders. Bidders requesting plans mailed to their office shall send the payment and include their Fedex or UPS account number. Checks shall be made payable to "The Copy Room".

Bidders must supply all the information required by the proposal forms. A certified check, drawn upon a state or national bank, or a bid bond, in the total sum of five percent (5%) of the total maximum bid price will be required with each bid. The Town of Bedford reserves the right to reject any and all bids and to waive any informalities in bids received. No bidder may withdraw his/her bid within sixty (60) days from bid opening. JL - May 24)

Legal Notice

USDA Forest Service,

White Mountain National Forest Decision Document Available

Forest Supervisor Thomas Wagner signed a Decision Memo for the Campground Concessionaire Special Use Permit proposal on May 21, 2012. The proposal consists of issuing a new 5 year permit (with the option of an additional 5 years) for concessionaire management of 23 campgrounds and 2 recreation sites across the White Mountain National Forest starting January 1, 2013. Copies of the Decision Memo are available at the Forest Supervisor's Office, 71 White Mountain Drive, Campton, New Hampshire, 03223, or on our website at <http://www.fs.usda.gov/projects/whitemountain/landmanagement/projects>. For further information contact Lianne Leberman at (603) 536-6236, (603) 536-3665 or send e-mail inquiries to mleberman@fs.fed.us.

Pursuant to 36 CFR Part 215.12(e), his decision is not subject to appeal because no comments were received during the 30-day comment period. This project can be implemented immediately. JL - May 24)

Legal Notice

NH Department of Education Request for Proposal Content Support and Technical Assistance to Local School Districts

The New Hampshire Department of Education, Division of Instruction, is seeking two individuals with specific expertise and experience to work with schools and districts in New Hampshire as part of the statewide System of Support in order to improve student achievement. Interested bidders may obtain a copy of the Request for Proposal on the NH Department of Education website at www.education.nh.gov/rfp/. Deadline for receipt of the proposal is 4:00 p.m., Wednesday, June 6, 2012. Proposals received after this date will be considered until the positions have been filled. JL - May 23, 24)

Telephone 271-3721.

Sealed bids shall be received and deposited in the bid box at the 33 Smokey Bear Boulevard, Concord office of The Bureau of Mechanical Services prior to 2:00 pm, prevailing time on June 6, 2013, at which time they will be opened. It shall be the bidders responsibility to ensure the bid is deposited as specified. Bids delivered to the bureau by alternative means to hand delivery are submitted at the sole risk of the bidder. The Department will not accept responsibility for any reason if the bid is not deposited in the bid box by the specific time and date. Bids received after the time for opening bids will not be considered.

The right is reserved to waive any informality in or reject any or all bids. Willard A. Campbell Assistant Administrator (UL - May 24, 25, 27)

Legal Notice

Department of Transportation Bureau of Mechanical Services Invitation to Bid Yard Cranes

The Department of Transportation, Bureau of Mechanical Services is soliciting bids for the yearly safety inspection, needed repairs noted during the inspection, and scheduled component services and replacements for several Cranes. Inspections will be performed at the location of the cranes. This service contract will extend upon approval by Governor and Council until June 30, 2013.

NOTE: BIDDER MUST BE QUALIFIED TO PERFORM THE REQUESTED SERVICE.

Specifications and bid proposal forms may be obtained from Mechanical Services at the address below or at www.admin.state.nh.us/purchasing/bids_posteddt.asp Bids shall be placed in two envelopes, with the inner envelope sealed and plainly marked "Bid for Yard Cranes-Mechanical Services" and addressed to:

Bureau of Mechanical Services, PO Box 458, 33 Smokey Bear Boulevard Concord, New Hampshire 03302-0458 Telephone 271-3721.

Scaled bids shall be received and deposited in the bid box at the 33 Smokey Bear Boulevard, Concord office of The Bureau of Mechanical Services prior to 2:00 pm, prevailing time on June 6, 2012, at which time they will be opened. It shall be the bidders responsibility to ensure the bid is deposited as specified. Bids delivered to the bureau by alternative means to hand delivery are submitted at the sole risk of the bidder. The Department will not accept responsibility for any reason if the bid is not deposited in the bid box by the specific time and date. Bids received after the time for opening bids will not be considered.

The right is reserved to waive any informality in or reject any or all proposals. Willard A. Campbell Assistant Administrator (UL - May 24, 23, 27)

Legal Notice

PUBLIC NOTICE INVITATION TO BID

The State of New Hampshire is soliciting bids for Consulting Services for Correctional Facility RFP Evaluations. Specifications and bid forms may be obtained at http://admin.state.nh.us/purchasing/bids_posteddt.asp, Bid #2012-143 or at the Bureau of Purchasing, 25 Capitol Street, Room 102, Concord, NH. All bids must be submitted to the Bureau of Purchasing no later than 3:00 P.M. on Friday, June 1, 2012.

Robert D. Stowell, Administrator Administrative Services (UL - May 22, 23, 24)

Treatment Facility:

SODIUM HYPOCHLORITE FY12-270-92

Bid Invitations and specifications will be available at the Environmental Protection Division, 300 Winston Street, Manchester, NH or online at:

<http://www.manchester.nh.gov/website/Departments/Purchasing/BidOpportunitiesandResults/tabid/952/Default.aspx>

Questions regarding this request should be directed to Mr. Ricardo Cantu, Plant Superintendent, at (603) 624-6526.

The Public Works Director reserves the right to waive any irregularities, reject any or all bids, and to accept the bid that appears to be in the best interest of the City. Failure to submit all information called for may be sufficient for disqualification.

Kevin A. Sheppard, P.E. Public Works Director (UL - May 24)

Legal Notice

NH Department of Education Request for Proposal Content Specialist to Assist with the Development of the State Assessment (NECAP)

The New Hampshire Department of Education, Division of Instruction, is seeking an individual with specific content expertise and experience with the New England Common Assessment Program (NECAP) to work with other content specialists from Maine, Vermont, and Rhode Island on all aspects of NECAP test development and review in mathematics. Interested bidders may obtain a copy of the Request for Proposal on the NH Department of Education website at www.education.nh.gov/rfp/.

Deadline for receipt of the proposal is 4:00 p.m., Thursday, May 31, 2012. Proposals received after this date will be considered until the position is filled. (UL - May 23, 24)

Legal Notice

THE STATE OF NEW HAMPSHIRE DAS-BPW IS SOLICITING BIDS:

The State of New Hampshire is soliciting bids for Site Improvements in Statewide, NH for the NH Army National Guard. A complete Invitation to Bid and project description may be obtained at <http://www.nh.gov/dot/org/administration/finance/bids/invitations/index.htm>, BPW Project No. 80613R, Contract B. Plans and Specifications must be purchased from the NH DOT, Finance & Contracts Office at 7 Hazen Drive, Room 130, Concord NH. Sealed bids must be deposited in the Bid Box at 7 Hazen Drive, Room 112, Concord NH, no later than 2:00 P.M. EST on Wednesday, June 13, 2012. Roger E. Dionne, PE, BPW Contract Administrator. (UL - May 24)

Legal Notice

REQUEST FOR PROPOSALS

The Town of Hampstead Fire Department is accepting sealed proposals for an Automatic Sprinkler System as outlined in the bid package available at the Selectmen's Office or www.hampsteadnh.us.

Sealed proposals should be submitted to the attention of the Board of Selectmen, Town of Hampstead, 11 Main St., Hampstead, NH 03841 and clearly marked "Fire Department Sprinkler", no later than 4:00 p.m. on Monday, June 11, 2012. The Board of Selectmen reserves the right to accept or reject any or all proposals and will choose the proposal which best serves the interest of the Town of Hampstead. No facsimiles or e-mails will be accepted. (UL - May 24)

59720 state

CONTRACT AGREEMENT

P-37

Subject: Agreement for Consulting Services

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1.1 State Agency Name State of New Hampshire Administrative Services		1.2 State Agency Address State House Annex, Room 102 25 Capitol Street Concord, NH 03301	
1.3 Contractor Name MGT of America, Inc.		1.4 Contractor Address 502 East 11 th Street, Suite 300 Austin, Texas 78701	
1.5 Contractor Phone 508-789-8054	1.6 Account Number 02-46-46-46600- 1747000	1.7 Completion Date 10/8/2012 <i>ME</i>	1.8 Price Limitation \$171,347.00
1.9 Contracting Officer for State Agency Rudolph Ogden		1.10 State Agency Telephone Number 603-271-3290 (x 230)	
1.11 Contractor Signature <i>Mark Epstein</i>		1.12 Name and Title of Contractor Signatory Mark Epstein, Senior Partner	
1.13 Acknowledgement: State of Florida, County of Leon On June 25, 2012, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace <i>Melanie N. Jackson</i> [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace <i>Melanie N. Jackson, Notary</i>			
1.14 State Agency Signature <i>Joseph Bouchard, Asst. Com.</i>		1.15 Name and Title of State Agency Signatory <i>Joseph Bouchard, Asst. Comm.</i> Linda M. Hodgdon, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <i>Rosemary Wiant</i> On: <i>6-28-12</i>			
1.18 Approval by the Governor and Executive Council			

[Signature]
DEPUTY SECRETARY OF STATE

JUL 11 2012

Contractor's Initials *ME*
Date *6/25/12*

By:

On:

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached Agreement for Contractor Services, which is incorporated herein by reference and attached as Exhibit A ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

Contractor's Initials
Date

ME
6/25/12

7. PERSONNEL

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

Contractor's Initials
Date 6/25/12



13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

Contractor's Initials
Date 6/25/12

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21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

Contractor's Initials
Date

MS
6/25/12

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Exhibit A Scope of Services

1. PARTIES:

This contract is entered into by and between the State of New Hampshire, Department of Administrative Services, (hereinafter referred to as "the State"), whose address is 25 Capitol Street, Concord, NH 03301, and MGT of America, Inc., (hereinafter referred to as the "Contractor"), whose address and phone number are:

MGT of America, Inc.
502 East 11th Street, Suite 300
Austin, Texas 78701
508-789-8054

THE PARTIES AGREE AS FOLLOWS:

2. EFFECTIVE DATE, DURATION

This contract shall take effect on July 11, 2012, or upon Governor and Executive Council's approval of said contract, whichever is later (the "effective date"). This contract shall terminate October 31, 2012 unless terminated earlier in accordance with the terms of this Contract, see Section 9 below.

3. STAFFING REQUIREMENTS

The Contractor shall assign and identify (name) all project staff who meet the requirements of this Contract, and who have verifiable experience and expertise to perform the services as defined in the Scope of Work. Any changes to the Contractor's project staff shall require the prior written justification submitted by the Contractor, and prior written approval of the State. The Contractor's replacement project staff shall have comparable or greater skills as the staff being replaced and shall be subject to the following:

- 3.1. The State reserves the right to require removal or reassignment of the project staff found unacceptable to the State
- 3.2. The State may conduct reference and background checks on the project staff. The State reserves the right to reject any of the Contractor's project staff as a result of such reference checks
- 3.3. Any reference checks and background checks conducted by the State shall be conducted in a lawful manner and the results will be subject to the confidentiality provisions.

The Contractor shall provide verifiable experience, expertise and references upon request by the State. The Contractor may be required to sign a Confidentiality or Non-Disclosure Agreement with the State and/or the individual Agencies at anytime during the term of the Contract.

4. SERVICES

The Contractor shall:

1. Assist the State of New Hampshire to evaluate the quality of proposals received from vendors effectively and fairly;
2. Rate compliance with applicable RFP requirements and all existing court orders and consent decrees; and
3. Conduct an in-depth financial analysis that will;

Contractor's Initials ME
Date 6/25/12

- b. Synthesize and summarize financial data contained in RFP responses to assist the State in accurately comparing each response to the others. Synthesis should include linking pricing structure to proposed deliverables for facilities, programs, and staffing for each of the proposals, summarized in a way that facilitates direct "apples-to-apples" comparisons among proposals.
- c. Create a financial model of status-quo State prison operating and capital costs for the State to employ as a comparison to the proposals received. This model should anticipate continued State operation of existing prison facilities with the expectation of bonding the construction of a new women's prison. This model will anticipate current and future capital and operational investment to maintain efficient and evidence-based practices.

5. PROJECT DELIVERABLES

Deliverables required under the Contract, as further defined in Exhibit D, are set forth in Exhibit E.

6. MEETINGS AND STATUS REPORTS

The Contractor Project Manager or Contractor Key Project Staff shall submit status reports in accordance with the Schedule and terms and requirements of this Contract, as provided in Exhibit D, Work Plan. The Contractor Key Project Staff shall participate in meetings as requested by the State, in accordance with the requirements and terms of this Contract. All status reports shall be prepared in formats approved by the State, unless otherwise agreed by the parties in writing. Status reports shall include, at a minimum, the following:

- a. Project status as it relates to the Work Plan;
- b. Accomplishments during period being reported;
- c. Deliverables status;
- d. Conflicts and potential conflicts in planned activities, resource commitments, and decisions that pose a risk to the project schedule;
- e. Items requiring escalated attention; and
- f. Planned activities for the upcoming period;

7. ACCESS AND RETENTION OF RECORDS

7.1. Access to Records

The Contractor shall provide the State access to all documents, State Data, materials, and reports relating to the Contract. The State may own such documents, subject to Contractor's ownership and Intellectual Property Rights ("State Owned Documents"). Upon expiration or termination of the Contract with the State, the Contractor shall turn over all State Owned Documents, material, reports, and work in progress relating to this Contract to the State at no additional cost to the State.

8. SUBCONTRACTING

In addition to the provisions of Section 12 of the P-37 related to assignment and subcontracting of contractual rights and obligations, the Contractor shall be responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Contractor. No contractual relationships exist between any subcontractor and the State.

9. CONTRACT TERMINATION

9.1. Bankruptcy or Receivership

Contractor's Initials
Date 6/25/12

ME 7

Voluntary or involuntary bankruptcy or receivership by the Contractor may be cause for termination at the election of the State.

9.2. Material Breach

The non-breaching party may terminate this contract in whole or in part after thirty (30) days' written notice, as described in the Form P-37 General Terms and Conditions Section 8, in the event of the breaching party's failure to perform a material obligation of this contract.

9.3. Written Notice by State

The State may terminate this contract in whole or in part at any time by giving the Contractor thirty (30) days' written notice.

10. Dispute Resolution

Prior to the filing of any formal proceedings with respect to a dispute (other than an action seeking injunctive relief with respect to intellectual property rights or Confidential Information), the party believing itself aggrieved (the "Invoking Party") shall call for progressive management involvement in the dispute negotiation by written notice to the other party. Such notice shall be without prejudice to the invoking party's right to any other remedy permitted by this contract.

The following table sets forth the responsible parties for each level of the dispute resolution and the corresponding time allotment for resolution at each level.

Level	The Contractor	The State	Cumulative Time Allotted
Primary	George Vose	State Project Manager	5 business days
First	Brad Sassatelli	State Contract Manager	10 Business days
Second	Michelle Juarez	State Project Sponsor	15 Business days

The allotted time for the first level negotiations shall begin on the date the invoking party's notice is received by the other party.

11. SCOPE, AMENDMENT AND INTERPRETATION

11.1. Contract

This contract consists of the following documents ("Contract Documents") in order of precedence:

- a. State of New Hampshire Terms and Conditions, General Provisions Form P-37 and its corresponding Exhibits and Attachments
- b. State of New Hampshire RFP# 2012-143

11.2. Entire Agreement

The documents referenced in 11.1 above contain the entire agreement of the parties. Any enlargement, alteration or modification requires a written amendment signed by both parties.

Contractor's Initials
Date 6/25/12

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Exhibit B Pricing and Payment

The Contract Fees shall not Exceed - \$171,347.

Invoicing - Payment shall be paid, via check or wire transfer, within thirty (30) days after receipt of a fully and properly documented invoice. Payment shall be remitted to the address set forth in Section 1.4 of the Form P-37 unless otherwise directed by the Invoice.

The Contractor shall issue an invoice for its accepted deliverables during the term according to the project milestone deliverables set forth below, and further defined in Exhibit E and Exhibit F.

Following Contractor's notification to the State that Contractor has completed a Deliverable identified in this Contract, the State shall have a period of five (5) business days or mutually agreed to timeframe (the "Deliverable Acceptance Period") to determine whether such Deliverable is acceptable. Within that time period, the State Project Manager is to notify the Contractor Project Manager in writing (email is considered acceptable for this notice) that the State accepts or rejects the Deliverable. If the State's Project Manager has not notified the Contractor Project Manager within the Deliverable Acceptance Period, then the Deliverable will be deemed to be accepted.

If the State deems that the Deliverable is unacceptable, the State's Project Manager shall, within the Deliverable Acceptance Period, give Contractor's Project Manager written notice that specifies in detail the Deliverable's Deficiencies ("Rejection Notice"). Contractor will notify the State Project Manager if additional detail is required, and the State will provide such additional detail within two (2) business days or mutually agreed to timeframe. The Contractor will either use reasonable efforts to promptly cure any such deficiencies in the rejected Deliverable or explain why Contractor disagrees with the State's deemed deficiency. After completing such cure, Contractor shall resubmit the rejected Deliverable for the State's review as set forth above. The Deliverable Acceptance process may be conducted no more than two (2) times per Deliverable. If acceptance of a Deliverable has not occurred after two (2) attempts, the Parties will create a mutually acceptable plan to cure the deficiency.

Deliverable	Percentage of Fees to be Invoiced
-Final Project work plan	- 1% (\$1713.47)
- Periodic progress reports	- 3% (\$5140.41) each (1 per month for a total of 9%)
-Summary of Data Availability Issues	- 5% (\$8567.35)
- Summary of Proposals (Design)	- 5% (\$8567.35)
- Summary Assessing Compliance (Design)	- 5% (\$8567.35)
-Comparative Summary (Design)	- 5% (\$8567.35)
- Summary of Proposals (Operational)	- 5% (\$8567.35)
- Summary Assessing Compliance (Operational)	- 5% (\$8567.35)
-Comparative Summary (Operational)	- 5% (\$8567.35)
- Summary of State Benchmarks	- 10% (\$17134.70)
- Financial Analysis	- 10% (\$17134.70)

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- Risk Assessment	- 5% (\$8567.35)
- Business Case Assessment	- 5% (\$8567.35)
- Final Report	- 25% (\$42836.75)

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Exhibit C Special Provisions

1. Delete Paragraph 14.1.1 and substitute the following: "comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per incident and no less than \$1,000,000 in excess/umbrella liability each occurrence"; and
2. There are no other special provisions of this contract.

Exhibit D Work Plan

Contractor Work Plan Responsibilities (Further Defined in Exhibit F):

Task	Description	Deliverable
	Task 1: Initiate Project and Collect Relevant Data	
1-1	Project Initiation: Discuss project logistics and timeline, identify key contacts, and develop working relationships and reporting protocol.	-Final Project work plan
1-2	Project Management: Prepare progress reports, communicate with state's project manager, and conduct milestone meetings as needed.	- Periodic progress reports
1-3	Request Relevant Data, Prepare summary of data availability issues.	-Summary of Data Availability Issues
	Task 2: Review Design/Build Proposals	
2-1	Profile and summarize design/build proposals	- Summary of Proposals
2-2	Assess the degree of proposal compliance with RFP requirements	- Summary Assessing Compliance
2-3	Provide Comparative Assessment of all proposals that meet requirements	-Comparative Summary
	Task 3: Review Operational Plans	
3-1	Profile and summarize operational proposals	- Summary of Proposals
3-2	Assess the degree of proposal compliance with RFP requirements	- Summary Assessing Compliance
3-3	Provide Comparative Assessment of all proposals that meet requirements	-Comparative Summary
	Task 4:Conduct Financial Analysis of Proposals	
4-1	Evaluate the pricing structure of Each proposal	-
4-2	Develop a methodology for objective comparative financial analysis of all proposals	-
4-3	Establish Benchmarks for state construction and operation of correctional facilities	- Summary of State Benchmarks
4-4	Provide a comprehensive financial analysis of proposals received and potential savings and/or costs to the state	- Financial Analysis
	Task 5:Conduct Risk Assessment	-
5-1	Identify Performance and financial risks associated with privatization options	- Risk Assessment
	Task 6:Privatization Business Case Assessment	-
6-1	Comparative analysis of Privatization vs. Non Privatization	- Business Case Assessment
	Task 7:Final Report	-
7-1	Summarize Analysis into a final report that meets all project objectives.	- Final Report

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Exhibit E Deliverables

Deliverable	Scheduled Date	Percentage of Fees to be Invoiced
-Final Project work plan	- 7-20-12	- 1% (\$1713.47)
- Periodic progress reports	- 7-27-12, 8-31-12, 9-28-12	- 3% (\$5140.41) each (1 per month for a total of 9%)
-Summary of Data Availability Issues	- 7-25-12	- 5% (\$8567.35)
- Summary of Proposals (Design)	- 9-11-12	- 5% (\$8567.35)
- Summary Assessing Compliance (Design)	- 9-14-12	- 5% (\$8567.35)
-Comparative Summary (Design)	- 9-14-12	- 5% (\$8567.35)
- Summary of Proposals (Operational)	- 9-14-12	- 5% (\$8567.35)
- Summary Assessing Compliance (Operational)	- 9-14-12	- 5% (\$8567.35)
-Comparative Summary (Operational)	- 9-14-12	- 5% (\$8567.35)
- Summary of State Benchmarks	- 9-14-12	- 10% (\$17134.70)
- Financial Analysis	- 9-14-12	- 10% (\$17134.70)
- Risk Assessment	- 8-31-12	- 5% (\$8567.35)
- Business Case Assessment	- 9-21-12	- 5% (\$8567.35)
- Final Report	- 10-5-12	- 25% (\$42836.75)

Exhibit F Project Work Plan Detail

Task 1.0: Initiate Project and Collect Relevant Data

Objectives:

- Gain a comprehensive understanding of the project's background and goals.
- Identify, in detail, the State's objectives for the study, and assess how well this initial work plan accomplishes those objectives.
- Establish a mutually agreed-upon project work plan, time lines, deliverables, and monitoring procedures that will lead to the successful accomplishment of all project objectives.

Work Activities:

- 1.1 Meet with Department of Administrative Services Project Manager to establish working relationships, determine communication lines, and finalize contractual arrangements.
- 1.2 Meet on-site with the Department of Corrections and Department of Administrative Services subject matter experts to determine the direction and extent of the work they have initiated in support of the project.
- 1.3 Obtain pertinent data and background materials relevant to the study from the state, including:
 - Materials relevant to the procurement, including the RFP, questions and answers to prospective bidders, addenda, proposals, and applicable state procurement rules;
 - Detailed expenditure data on Department of Corrections facilities by operational function, program, and appropriation account;
 - Average daily population data on the state prison system by facility, with corresponding offender demographic, classification, and offense profile by facility;
 - Capital facility survey, master plans and budget requests for Department of Corrections facilities; and
 - Department of Corrections performance indicator data, strategic plan, and performance objectives.
- 1.4 Prepare a written summary of data availability issues and restrictions that may affect project analyses and outcomes, along with proposed solutions to overcome.
- 1.5 Revise original work plan and finalize the time lines for each project task with the State's project manager. Develop in greater detail:
 - data collection approach; and
 - interim milestones and deliverables.

Task 2.0: Review Design/Build Proposals

Objectives:

- Profile and summarize design/build proposals.
- Assess the degree of proposal compliance with RFP requirements.
- Provide comparative assessment of all design/build proposals that meet requirements

Work Activities:

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2.1 Profile all RFP requirements pertaining to design and construction. Note all applicable ACA standards, court orders, and consent decrees. The minimum required sections which must be addressed will include:

- Cover Page
- Table of Contents
- General Information
- The Leadership in Energy and Environmental Design (LEED) Green
- Experience - Corrections Facility Specific
- Organization
- Organizational Staff
- Construction Management
- Overlap of Design/Build and Operation/Management (for Construct and Operate proposals Only)
- Responsibilities and Liability
- Associations
- Improvements
- Construction Management Control System
- State of the Art Processes
- Workload
- Local Knowledge
- Financial Statement
- References
- Project Experience - General
- Project Experience - Specific
- Skills and Experience of the Construction Team
- Project Scope, Approach, and Understanding
- Development Plan
- Project Work Plan

We will develop a summary template for proposal review that incorporates all RFP requirements applicable ACA standards, court orders, and consent decrees. The review will determine the Vendors compliance with these requirements. Determination of the quality of the responses relative to these required components will be by the State (unless the State requests input from MGT).

2.2 Evaluate the physical plant Design/Build proposals specifically to determine compliance with the RFP relative to:

- Number of beds
- Type of beds
- Custody security classifications
- Specific design elements
- Specific Housing security requirements
- Specific Special Needs security
- Perimeter Security
- Residential Treatment Unit (RTU) requirements
- Secure Psychiatric Unit (SPU) requirements
- Other elements listed in the Vendors RFP #1356 - 12, Attachment E, section 1.1 "Facility Description"

- 2.3 Evaluate the physical plant Design/Build proposals Site Design specifically to determine compliance with the RFP requirements for building setbacks, separations and security as listed in the Vendors RFP #1356 - 12, Attachment E, 1.2 "Site Information /Requirements."
- 2.4 Evaluate the physical plant Design/Build proposals Design Submittals specifically to determine compliance with the RFP requirements for Building Plan and Specification documents for each proposal including Site Plans, Floor Plans, Perimeter Security Plan, Perimeter fencing, and other elements as listed in the Vendors RFP #1356 - 12, Attachment E, section 1.3 "Design Submittal."
- 2.5 Review the proposals for compliance with applicable NIC and minimum mandatory ACA Standards, Joint Commission Standards for the SPU for Physical Plant. We will provide a detailed summary of any items in the proposals that are not in compliance with all existing standards. We will also provide supporting documentation that explains why the proposed construction, layout, or specifications do not comply with current standards.
- 2.6 Develop a standardized grading system to easily compare the required elements of each proposal objectively on an apples-to-apples basis. Since Physical Plant standards include both prescriptive and performance based requirements grading forms will be developed so elements can be evaluated and graded on either a pass/fail basis, or on a performance basis. Pass/fail elements will be noted as passing, if they meet the prescribed standards and any other required rules, regulations, laws, etc., or failing if they do not.

Performance based elements will be given a rating on a scale where a score of 100 meets the minimum mandatory standards and any other required rules, regulations, laws, etc. and establishes a Performance Bar. Evaluations of the Design/Build proposals will be made to determine a level of compliance as it relates to the Performance Bar. Anything above the Bar will denote a level proposed to exceed this minimum. Scores below Bar do not meet the minimum standards and will indicate the level of non compliance. Documentation will be provided in specific areas as necessary to clarify and support why an element has exceeded or is deficient in meeting the Bar.

The use of these simple, concise measures will allow for accurate and quick comparisons by any interested party.
- 2.7 Submit draft of the evaluation sheet format to the State for review prior to implementation. With the State's input, revisions will be made to produce a final version of the evaluation instruments.
- 2.8 Review the proposals for compliance with existing court orders and consent decrees as they relate to the Design/Build elements of the Vendors proposals. As applicable, grading instruments similar to those developed for the standards review and assessments as described above will be designed and developed specifically for court order and consent decree evaluations. We will provide a detailed summary of any items in the proposals that are not in compliance with existing court orders and consent decrees. We will also provide supporting documentation that explains why the proposed construction, layout, or specifications do not comply with existing court orders and consent decrees.

Task 3.0: Review Operational Plans

Objectives:

- Profile and summarize operational plans contained in the proposals.
- Assess the degree of proposal compliance with RFP requirements.
- Provide comparative assessment of operational plans in all proposals that meet requirements

Work Activities:

- 3.1 Profile all RFP requirements pertaining to facility operations. Note all applicable ACA standards, court orders, and consent decrees.

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- 3.2 Gather all required documentation to include state statutes, Department of Corrections policy and procedure, the 1978 Laaman Consent Decree, the 1990, 1994, 2001, and 2003 Laaman Settlement Agreements concerning operational issues such as vocational education, mental health, special housing units, and general operational issues, which include medical services. Additionally examine Fiandaca court judgment.
- 3.3 Meet with Department of Corrections officials, stakeholders, and subject matter experts to develop a better understanding of the requirements specified in the RFP and to identify issues and concerns that the officials have that may not be apparent in the documentation.
- 3.4 Develop summary template for proposal review that incorporates all RFP requirements applicable ACA standards, court orders and consent decrees. The template shall address:
 - Policy development and compliance,
 - Classification/intake assessment and risk assessment tools,
 - Training,
 - Security protocols,
 - Contract compliance monitoring systems,
 - Staffing plan,
 - Program services, including health care delivery, mental health treatment, education, law library, vocational training, and Correctional Industries. Specific attention will be paid to evidence-based offender program offerings, and
 - Facility support service functions.
- 3.5 Assess each proposal for compliance, noting all exceptions to requirements.
- 3.6 Document all exceptions, specifying the scope of each deficiency.
- 3.7 Develop a scoring instrument for the objective evaluation of all proposals that meet minimum requirements. Criteria will include at a minimum:
 - Staffing requirements,
 - Management systems,
 - Program delivery, and
 - Operational efficiency.
- 3.8 Rank the operational plans for all proposals that meet minimum RFP requirements.

Task 4.0: Conduct Financial Analysis of Proposals

Objectives:

- Evaluate the pricing structure of each proposal.
- Develop a methodology for objective comparative financial analysis of all proposals.
- Establish benchmarks for state construction and operation .of correctional facilities.
- Provide a comprehensive financial analysis of proposals received and potential savings and/or costs to the state.

Work Activities:

- 4.1 Develop a financial model to analyze the status-quo State prison operating and capital costs that will include the following:
 - Documentation of the full costs (direct costs, indirect costs and overhead costs) associated with this program.

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- Cost composition reports outlining the annual cost (budget or actual) for each cost component, along with per unit of service costs by category identified in the RFP (Administrative costs, wages and benefits by business area, medical costs, inmate programming costs, etc.)
 - Documentation of data used to calculate the cost of each service.
- 4.2 The costs associated with each program, both direct and indirect will be segregated into like or similar functions, referred to as cost pools. The cost pools were identified in Attachment C of RFP 1356-12. They are:
- Wages, Salaries, and Benefits
 - Medical
 - Food/Food Services
 - Utilities
 - Clothing and Shoes
 - Fire Insurance
 - Mail and Postage
 - Supplies
 - Training and Tuition
 - Indirect Costs
 - Major Maintenance Fund
 - Programs
 - Capital Costs

These pools represent distinct activities performed to provide the various services and will include administrative and support, as well as direct service and capital costs.

We will determine and distribute all labor costs into functions based on timesheets, assignments, activities, or other allowable methods. Once staff members and their corresponding salaries and wages are distributed into the proper functions, other division costs—such as materials and supplies, benefits, etc.—will also be distributed proportionately into the same functions. The result of this task is a breakdown of all costs into functional cost pools, which can then be allocated to the various services provided (or to non-billable areas if applicable) using meaningful, measurable, and auditable cost distribution (allocation) techniques.

Costs identified as overhead support for each program provided through other State departments will be distributed down to the service level as well. However, they will retain their identity throughout the process and their impact easily quantified on our cost composition reports. With our approach, for each cost calculated we will be able to show its composition down to a level that will allow comparison with vendor proposals. The distinction between a direct or indirect cost is paramount as many times the indirect costs are unavoidable and not controllable by the service provider.

- 4.3 Identify cost bases for each service function and calculate the State's corrections costs down to the appropriate service level. We will use all of the cost and statistical information obtained from the tasks above to calculate draft costs to provide prison services and programs using an Excel based model. This model will calculate and provide (through its detailed and summary reports) the full cost of providing each service. Reports will be provided which identify for each service, its full cost along with its direct, indirect and overhead cost components clearly displayed. In addition, we will create cost composition reports, showing the full cost of each service, broken down at the specific line item level. These cost composition reports will show the annual cost (budget or actual basis), the fee (cost) per unit of service, and the percentage for each significant line item.
- 4.4 Create a twenty year cost projection model. We will develop an Excel based twenty-year cost forecasting model to allow comparison of State costs versus the projected costs presented in the

various vendor proposals. This tool is designed to predict the need for future adjustments in funding and to quickly (and accurately) conduct internal "what if" scenario analysis. The model will be prepared in a format consistent with traditional cost analysis requirements as recognized by GAAP accounting and, as such, will forecast costs for the next twenty years. The model will represent a series of linked worksheets designed to allow forecasting changes in individual line items of costs based upon known or anticipated factors and assumptions. The model will become the property of the State upon completion of the project, thus reducing the State's reliance upon external consultants.

4.5 Create a summary report identifying the State's costs to operate prison facilities, which includes:

- Descriptions of the services provided (service definitions).
- Documentation associated with the costing model structure and design.
- Documentation of cost calculation procedures and techniques.
- Listings of key assumptions to ensure an "apples-to-apples" comparison.
- Listings of data sources and reports utilized.
- Listings of pertinent definitions and terms.

The costing model will be designed to provide a simplified cost comparison between the State's projected costs and those of the vendors and will allow the State to quickly (and accurately) conduct internal "what if" scenario analysis. The model will project net costs and fund balances for twenty years as identified in the RFPs. We will provide both printed and electronic copies (Adobe PDF file, Excel, and MS Word on CD-ROM) of the final costing model and costing manual to State personnel following confirmation that the work is considered final by the State's project manager. Additionally, we will provide electronic copies of all support files or schedules, and other reports as requested.

Task 5.0: Conduct Risk Assessment

Objective:

- Identify performance and financial risks associated with privatization options.

Work Activities:

5.1 Research vendor performance issues including but not limited to:

- law suits;
- security audits;
- performance data and contract performance reviews; and
- news reports.

5.2 Research vendor financial performance and stability.

5.3 Contact private contractor customers to discuss operational performance and compliance with contract terms in those jurisdictions where they do business. Proven performance is a good indicator of future performance and should be examined.

5.4 Develop scoring instrument to quantify risk profile of each vendor.

Task 6.0: Privatization Business Case Assessment

Objectives:

- Compare the costs and benefits of government management of the detention system with potential privatization of the facility.
- Examine short and long-term cost and operational impacts of both alternatives.

Work Activities:

- 6.1 Establish projected baseline costs for current DOC facilities, comparable to those proposed for potential privatization.
- 6.2 Identify additional operating and capital costs that may be incurred by the State attributable to privatization.
- 6.3 Identify State prison system operating and capital costs that may be avoided by privatization.
- 6.4 Identify support and administrative cost impacts to the State associated with privatization.
- 6.5 Identify operational impacts that may be associated with privatization.
- 6.6 Develop a matrix that presents annual costs and benefits for each alternative for a ten-year period.
- 6.7 Establish a discount rate for use in the analysis to obtain the present value of projected out-year costs and benefits.
- 6.8 Conduct a comparative analysis of each alternative that assesses overall costs/benefits as well as the specific factors that have the greatest impact upon each alternative's costs/benefits.

Task 7.0: Submit Routine Updates

Objective:

- Provide ongoing reports on project status, findings, and issues to the State.

Work Activities:

- 7.1 Identify the type, format, and frequency of periodic update reports, in consultation with the State.
- 7.2 Submit updates as agreed to in Task 7.1.

Task 8.0: Submit Final Report

Objective:

- Summarize analysis and recommendations into a final report that meets all project objectives.

Work Activities:

- 8.1 From the data and analysis of the major areas of the study, consolidate all of the findings into one overall report for the State.
- 8.2 Prepare a detailed written outline of the report and submit to the Department. The outline will include:
 - methodology used;
 - explanation of supported documented findings;
 - results, in both detail and summary form, including narrative and quantitative information;
 - detailed recommendations, including a discussion of financial impact and operational implications; and
 - potential implementation strategies for recommendations, as well as procedures for a transition process to achieve recommendations, as appropriate.
- 8.3 Based on the consolidated findings, develop business case recommendations for the potential privatization of DOC correctional facilities.
- 8.4 Provide an assessment and evaluation of proposals for privatization made to the State.
- 8.5 Present draft report for review by the Department

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Date 9/25/12

- 8.6 Revise draft in accord with Department comments.
- 8.7 Submit final report.

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Date 6/25/12

Exhibit N Certificate of Vote

CERTIFICATE

(Corporation with a Seal)

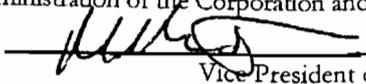
I, Michelle Juarez, Vice President of Finance and Administration of MGT of America, Inc., a Florida corporation, do hereby certify that:

- (1) I am a duly elected and acting Vice President of Finance and Administration of MGT of America, Inc., a Florida corporation (the "Corporation")
- (2) By resolution authorized by the Board of Directors, which was effective on October 21, 2011, Mark Epstein a Senior Partner of the corporation is authorized to bind the Corporation by legal contract for the following:

That this Corporation enter into a contract with the State of New Hampshire, acting by and through the Department of Administrative Services, providing for the performance by the Corporation of certain Agreement for Consulting Services, and that Mark Epstein, Senior Partner of the Corporation be and hereby is authorized and directed for and on behalf of this Corporation to enter into the said contract with the State and to take any and all such actions and to execute, seal, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) as she may deem necessary, desirable or appropriate to accomplish the same;

- That the signature of Mark Epstein, a Senior Partner of this Corporation affixed to any instrument or document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officer to bind this Corporation thereby;

IN WITNESS WHEREOF, I have hereto set my hand as the Vice President of Finance and Administration of the Corporation and have affixed its corporate seal this 25th day of June, 2012..



Vice President of Finance

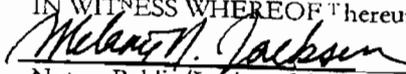
(No Corporate Seal)

STATE OF FLORIDA

COUNTY OF LEON

On this 25th day of June, 2012, before me, Michelle Juarez, the undersigned Officer, personally appeared and acknowledged herself to be the Vice President of Finance and Administration of MGT of America, Inc., a Florida corporation,, and that she, as such Vice President of Finance and Administration being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by herself as Vice President of Finance and Administration.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public/Justice of the Peace

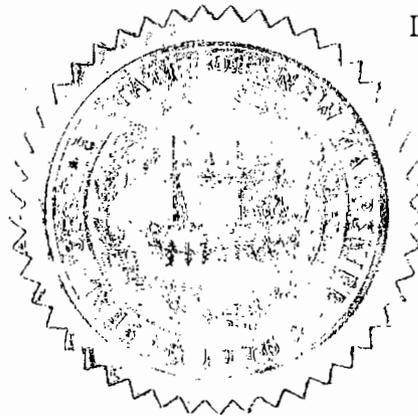


My Commission Expires: 6/1/14
Initial All Pages:

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MGT OF AMERICA, INC. a(n) Florida corporation, is authorized to transact business in New Hampshire and qualified on April 19, 2004. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 26th day of June, A.D. 2012

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State