



CITY OF MADISON HEIGHTS

CITY HALL - EXECUTIVE CONFERENCE ROOM, 300 W. 13 MILE RD.

**INFORMATION TECHNOLOGY ADVISORY COMMITTEE
MEETING AGENDA**

MAY 28, 2025 AT 5:30 PM

CALL TO ORDER

ROLL CALL

ADDITIONS/DELETIONS

APPROVAL OF MINUTES

- [1.](#) ITAC Meeting Minutes of December 3, 2024

MEETING OPEN TO THE PUBLIC

REPORTS

- [2.](#) Skynet - Q1 Business Report

NEW BUSINESS

- [3.](#) Skynet Master Service Agreement with City of Madison Heights FY 2025-26

ADJOURNMENT

NOTICE: Persons with disabilities needing accommodations for effective participation through electronic means in this meeting should contact the City Clerk at (248) 583-0826 or by email: clerks@madison-heights.org at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.

Information Technology Advisory Committee Meeting
 Madison Heights, Michigan
 December 03, 2024

A Information Technology Advisory Committee Meeting was held on Tuesday, December 03, 2024 at 5:30 PM at City Hall - Executive Conference Room, 300 W. 13 Mile Rd.

PRESENT

Member Brian Davis
 Member Dale Gardner
 Member Curtis J. Kogelman
 City Manager Melissa Marsh
 Ex-Officio member Cheryl Rottmann
 Member Paul Timmins
 Member Scott Tuller
 Council Representative Mark Bliss

1. ITAC Addition to the Agenda.

Motion to add discussion of Axon Body/Car Cameras to the agenda.

Motion made by City Manager Marsh, Seconded by Ex-Officio member Rottmann.

Voting Yea: Member Davis, Member Gardner, Member Kogelman, City Manager Marsh, Ex-Officio member Rottmann, Member Timmins, Member Tuller, Council Representative Bliss

Motion carried.

2. ITAC Meeting Minutes of April 22, 2024.

Motion to approve the minutes of April 22, 2024, as printed.

Motion made by Council Representative Bliss, Seconded by Member Davis.

Voting Yea: Member Davis, Member Gardner, Member Kogelman, City Manager Marsh, Ex-Officio member Rottmann, Member Timmins, Member Tuller, Council Representative Bliss

Motion carried.

MEETING OPEN TO THE PUBLIC:

There were no members of the public wishing to speak.

3. Ty Dolin - Skynet Innovations Quarterly Business Review.

Skynet Support Services Manager Ty Dolin presented the Quarterly Report to the ITAC membership. He reviewed the status of the various projects and discussed topics including hardware, business applications/software, security, continuity, and the 2024/25 Technology Plan as well as a list of completed and upcoming IT projects.

Mayor Pro Tem Bliss requested that the Service Matrix be forwarded to the membership.

It was requested that software renewal dates and expirations be added to the Quarterly Business Review.

4. AXON Body/Car Cameras.

City Manager Marsh stated that the City's Police Axon Body/Car cameras need to be replaced and updated. Unfortunately, there are only two providers of cameras, with most of Oakland County using Axon. The fee prices for the equipment, and the processing/storing the camera footage have increased 62% for an overall cost of \$707,310.41. This price includes unlimited cloud storage for a 5-year period and replacement of body cameras every 2.5 years. The service is a seamless upload of the car cameras starting when the car returns to the lot and the body cameras once they are placed in the docking station. The data is then uploaded into CLEMIS every eight hours and CLEMIS sends the data to Evidence.com. This is a two-part process from Madison Heights to CLEMIS then the data is uploaded to the cloud.

Discussion followed and it was the consensus that the chain of custody was of the utmost importance. Options, including interlocal partnerships were discussed; however, the charges are per camera, so partnerships would unfortunately not result in overall savings. After further review and calculation, it is ITAC's recommendation to have the City Manager further negotiate the pricing as the market allows and recommend the City Council approve if successful.

Motion to recommend to City Council that they approve the purchase of AXON body/car cameras if after further negotiation the subtotal for the purchase is at or below \$695,000 for 5 years; and if not, look at Motorola and other communities pricing for further discussion and consideration.

Motion made by Council Representative Bliss, Seconded by Member Tuller.

Voting Yea: Member Davis, Member Gardner, Member Kogelman, City Manager Marsh, Ex-Officio member Rottmann, Member Timmins, Member Tuller, Council Representative Bliss

Motion carried.

4. Migration to .GOV Update.

Staff provided ITAC with a brief update on the progress of migrating to .GOV noting that the City is applying for a grant to help facilitate the process. The grant is due by the end of the year and staff will keep ITAC apprised of the progress. No action is needed currently.

ADJOURNMENT:

Having no further business, Chair Kogelman adjourned the meeting at 6:29 p.m.

Technology Business Review

Date: May 9, 2025

Client Name: Melissa Marsh
City Manager
City of Madison Heights
300 West 13 Mile Road,
Madison Heights, MI,
48071

Account Manager: Ty Dolin
Skynet Innovations

Risk and Exposure Review

Hardware

Item	Summary	Score
Asset Inventory	All equipment is documented in asset management database	100
Internet Firewalls	Replaced firewalls in 2022/2023, watchguard firewalls. Support renewal date: 1/1/2026	100
Power Management	Project needed for visibility internal battery replacement, pending discovery. Power audit in 2022 didn't reveal any issues for backup power currently. UPS list that needs to be replaced needs to be created. Estimated 2026/2027 Budget	80
Local Host Servers	Equipment is in good working order. Servers are monitored and patched on a regular schedule. SAN and Server project Approved, Ordered, Received and Configuration in progress	80
Network Switching	Budgeted for 2024/2025, 13 switches were replaced in 2023/2024. 10 Switches to be replaced in Phase II (Rollover to fy25/26)	85
Phone - VoIP	The current phone system is viable for a few more years. Scheduled for FY 2024/2025 rolling over to 2025/2026 (Budgeted \$250,000) covers the phone system replacement. Likely will need to go out to bid.	80
Workstations	Yearly computer replacement based on budget. 25 devices replaced in 2023/2024. 30 estimated to be replaced 2024/2025	100

Business Applications / Software

Item	Summary	Score
Email Cloud Host	Microsoft hosts city email and is a viable service for the foreseeable future. License renewed 7/1/2024, next renewal 7/1/2025	100
Operating Systems	Server operating systems are up to date and patched on a regular schedule. All PC's either have windows 11 or can upgrade. Windows 10 supported to end of 2025	100
Monitoring and Alerting	Datto & BlackPoint Cyber sends automated alerts for hardware downtime and severity status. No action needed, provided by Skynet	100
Document Imaging	Laserfiche being utilized by clerk	100

Security

Item	Summary	Score
Anti-Malware	Webroot is installed and updated daily. License renewal date: Monthly subscription budgeted for. CIP Budget item for SentinelOne in 2025/2026 Budget	100
Spam Filter	Barracuda filter and encryption installed and updated daily. License renewal date: Monthly subscription budgeted for in 2024/2025 and 2025/2026	100
Directory Services	Microsoft Active Directory with leveraging organizational units and group policies.	100
Intrusion Detection and Prevention	Firewalls are up to date and monitored for basic uptime. Support license renewal date: 9/7/2027	100
VPN – Remote Access	Watchguard Firebox installed and utilized. Support license renewal date: 1/1/2026	100

Continuity

Item	Summary	Score
Backup to Cloud	Wasabi implemented and utilized; Wasabi is monthly subscription.	100
Backup and Recovery Software	VEEAM installed and updated. License renewed on 5/23/2024 next renewal is 5/24/2025, is in budget for 2024/2025 as well as budgeted for in 2025/2026	100
Disaster Recovery Plan	Disaster Recovery plan written and reviewed	100
Redundant Internet	2 separates ISP Circuits are functioning and Failover is configured on the current Firewall	100
Backup Power – City Hall	Server room is on generator power	100

2024/2025 & 2025/2026 Technology Plan

The following lists technology maintenance items that are scheduled on an annual basis. Additional monthly maintenance can be found in the AutoTask management portal.

First Quarter (2025)

Renew Madison-heights.org email SSL – Budgeted for \$200 **(Completed)**

DUO MFA Renewal – Budgeted for \$1,728, Actual annual \$9,216 (\$768 Paid Monthly) – New Counts after City Wide implementation **(Completed)**

Storage Area Network and Host Servers – Rollover Budget for \$96,000: Actual Cost \$110,028.08– Hardware ordered, received Racked. Licensing model Changed with Broadcom acquisition. Awaiting licensing.

Azure / ENTRA P1 Licenses add-on to MS365 G3 GCC and G1 GCC Licenses – Budgeted for \$16,800 (CIP) (In Progress, Added to yearly Microsoft Renewal for 7/1/2025)

Computer Replacements – Utilizing remaining budgeted for 2024/2025 (Continued)

Network Equipment Update Phase II – Budgeted for \$130,000 (Will need to Rollover to FY25/26)

Second Quarter (2025)

Network Equipment Update Phase II – Budgeted for \$130,000 (continued)

Storage Area Network and Host Servers – Rollover Budget for \$96,000: Actual Cost \$110,028.08 (Continued)

Anti-virus Replacement with Sentinel One – CIP Budgeted for \$6,480

Including Sentinel One with no price increase over Current Provider Webroot. \$2,889 under CIP Budget

Third Quarter (2025) (Projected)

Network Equipment Update Phase II – Budgeted for \$130,000 (continued)

Computer Replacements – Utilizing budgeted for 2025/2026

Migration to .GOV domain – Potentially needs to go out to RFP

Phone System Upgrade – Budgeted at \$250,000 (CIP) RFP

DPS Fiber – Budgeted at \$125,000 (CIP)

CyberSecurity: Pen testing Project– Budgeted at \$75,000 (CIP)

Completed Projects – 2024/2025

PC Replacements **2025/2026** – Budgeted at \$46,000

~~Mobile Device Management and Policy **2024/2025** – Budgeted at \$10,000 (CIP to be updated)~~

Networking Equipment Updates Phase I **2024/2025** – 1 switch remaining (FS1) working with manufacturer to determine issues

Upcoming Projects –25/26, 26/27

PC Replacements **2025/2026** – Budgeted at \$46,000

Migration to .GOV domain **2025/2026** – Potentially needs to go out to RFP

Networking Equipment Updates Phase II **2024/2025** – Budgeted at \$130,000 (CIP to be updated)

Phone System Upgrade **2025/2026** – Budgeted at \$250,000 (CIP)

DPS Fiber Project **2025/2026** – Budgeted at \$125,000 (CIP)

CyberSecurity: Pen testing Project **2025/2026** – Budgeted at \$75,000 (CIP)

Firewall and Router replacement Project **2026 / 2027** – Budgeted at \$200,00 (CIP)

MASTER SERVICES AGREEMENT

This Master Services Agreement (this "**Agreement**") is entered into as of July __, 2025 (the "**Effective Date**"), by and between Skynet Innovations, LLC, with its principal address at 8044 Montgomery Road, Suite 510, Cincinnati, Ohio, 45236 ("**Skynet Innovations**") and the party below ("**Client**").

Client Name: City of Madison Heights	
Billing Address: 300 West 13 Mile Road	
City: Madison Heights	State: Michigan Zip: 48071
Shipping Address: 300 West 13 Mile Road	
City: Madison Heights State: Michigan Zip: 48071	
Telephone Number: 248-588-1200	Fax Number:
Company Website: www.madison-heights.org	
Primary Contact Name: Melissa Marsh	
Primary Contact Email: melissamarsh@madison-heights.org	
Accounting Contact Name: Linda Kunath	
Accounting Contact Email: lindakunath@madison-heights.org	

This Agreement consists of this cover page; the attached Terms and Conditions; and the Schedule(s) listed below, which have been agreed to as of the Effective Date: July 1, 2025, through June 30, 2026 unless extended on an annual basis, in writing by both parties.

EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS READ AND AGREES TO BE BOUND BY THIS AGREEMENT (INCLUDING THE ATTACHED TERMS AND CONDITIONS AND SCHEDULES) AND IS AUTHORIZED TO EXECUTE THIS AGREEMENT.

Skynet Innovations, LLC:

Client: City of Madison Heights

By: _____

By: _____

Print Name and Title

Print Name and Title

Date: _____

Date: _____

Schedules:

- A. Services
- B. Pricing Schedule
- C. Service Level Agreement

SKYNET INNOVATIONS MASTER SERVICES AGREEMENT TERMS AND CONDITIONS

1. **Introduction.** This Agreement is between **SKYNET INNOVATIONS** and the **Client** specified on the cover page of this Agreement. Under the terms of this Agreement, SKYNET INNOVATIONS shall provide Client with IT support services as described in one or more mutually agreed Schedules (the “**Services**”).
2. **Services**
 - (a) **Schedules.** The initial scope of Services under this Agreement is described in Schedules executed on or about the Effective Date. The parties may from time to time add to or modify the initial Services by mutual agreement. Services may be added to or modified through an agreed new Schedule or through other formal or informal means (including by means of a request by Client (made verbally, by e-mail, through a SKYNET INNOVATIONS online portal, or otherwise) for consulting or support services outside the scope of currently ordered Services, a change order, or Client approval of a quote). SKYNET INNOVATIONS shall confirm any informal requests for additional or modified Services by e-mail or other writing. SKYNET INNOVATIONS is entitled to rely on requests for additional Services made by any Client user, including requests for on-site Services and Services outside of Regular Business Hours (as defined below). In all cases, the additional or modified Services will be governed by the terms of this Agreement. The term “Schedule” hereunder refers to both a formal Schedule and to any informal document or communication that specifies the scope and fees of Services provided by SKYNET INNOVATIONS.
 - (b) **Hours of Service.** Services will be provided by SKYNET INNOVATIONS in one or more of the following windows, as agreed by the parties:
 - **Regular Business Hours.** Regular Business Hours are defined as weekdays between 8:00 a.m. and 4:30 p.m. eastern time.
 - **After Hours Service.** After Hours Service is service and support provided between the hours of 4:30 p.m. and 8:00 a.m. eastern time Monday through Friday, all day (24 hours) on Saturday and Sunday and all day (24 hours) on designated holidays.
 - (c) **Help Desk.** SKYNET INNOVATIONS will maintain a centralized “Help Desk” to manage the reporting and handling of technical issues. Client agrees to report all technical issues to the Help Desk. The Help Desk may be contacted by Client by either logging into SKYNET INNOVATIONS’S client portal, sending an email or by calling via telephone, or in other methods as communicated by SKYNET INNOVATIONS to Client from time to time. SKYNET INNOVATIONS shall provide at least one person on site during pre-approved leave days or sick days unless preapproved by City Management.
 - (d) **Start Date.** SKYNET INNOVATIONS may specify in the Schedule an estimated date for beginning the Services. Any such estimated date is made for project planning purposes only

and is not a guarantee; SKYNET INNOVATIONS may revise an estimated start date at any time if the assumptions upon which SKYNET INNOVATIONS relied in determining its initial estimate change the scope or magnitude of the Services, or if Client fails to provide required information, assistance, and/or decisions.

- (e) Warranty Service. SKYNET INNOVATIONS does not provide warranty service for any third-party hardware or software unless expressly agreed in writing by SKYNET INNOVATIONS. Client may request that SKYNET INNOVATIONS provide certain products and services that are also covered under the manufacturer's warranty in order to expedite repairs to Client systems. Client is responsible for any potential impact that this may have on the balance of Client's manufacturers' warranty. Client is also responsible for payment for all requested products and services provided by SKYNET INNOVATIONS related to the repair, replacement, and maintenance of third-party computer hardware and software that may have been otherwise covered under the manufacturer warranties.
- (f) Compliance. Client agrees to comply with all applicable federal, state, local and foreign laws, rules and regulations in connection with its use of the Services and of its IT systems.
- (g) Restrictions. Client shall not: (1) use or allow use of the Services to provide time-sharing, outsourcing, service bureau, or other IT services to third parties; or (2) reverse engineer, decompile, disassemble, modify or change any portion of software provided to Client by SKYNET INNOVATIONS in connection with the Services ("**Software**"), or attempt to do any of the foregoing.

3. Fees and Payment

- (a) Fees. Client shall pay SKYNET INNOVATIONS the fees and other amounts set forth in the Schedule(s). SKYNET INNOVATIONS will deliver invoices on or shortly after the effective date of the applicable Schedule to Client for any one-time set up fee. Invoices for any recurring monthly Services fee will be delivered approximately thirty (30) days in advance of the Services. SKYNET INNOVATIONS may in its sole discretion require that a portion or all of the invoices for hardware and software purchases be paid in advance of SKYNET INNOVATIONS'S ordering of such hardware or software, and/or on a COD basis.
- (b) Rates: For Services provided that are not Managed Services, unless other arrangements are made in advance, SKYNET INNOVATIONS'S standard rates will apply, with time billed in fifteen (15) minute increments. SKYNET INNOVATIONS may, but is not required to, provide any requested Services. A multiplier of 1.5 times the standard rate for Services will apply for Services provided during After Hours and a multiplier of 2 times the standard rate will apply for Services provided during Holidays. SKYNET INNOVATIONS will use reasonable efforts to notify Client in advance of performing any additional Services. Client may acquire in advance a block of hours ("**Block Time**") to use to pay for such Services. Trip charges are applicable on all on-site engagements unless otherwise specified. The minimum charge for any on-site engagement is based on a two (2) hour visit plus appropriate trip charges.

- (c) Terms. Unless otherwise set forth on the Schedule, all invoices delivered by SKYNET INNOVATIONS will be due within thirty (30) days after the invoice date. All payments under this Agreement shall be made in United States dollars and are non-refundable. All payments not submitted when due will be subject to interest at the rate of 1.0% per month, or the maximum amount allowed by applicable law if lower, calculated from the date when payment becomes overdue until payment is made. Client's agreement to any Schedule constitutes a valid purchase order for the Services associated with that Schedule including any additional Services performed related to but outside the scope of that Schedule. Upon renewal, a user head count will be conducted. The total annual cost will be adjusted to account for the user count on the set date in which the contract is signed and renewed, which will be billed at a monthly fixed cost for the following 12 months. (Appendix B)
- (d) Taxes. Client agrees to pay all federal, state, local and other taxes based on this Agreement, the Services or its use, excluding taxes based on SKYNET INNOVATIONS'S net income. If Client claims tax-exempt status for any purpose in connection with this Agreement, Client represents and warrants that it is a tax-exempt entity and will provide Client upon request with a correct copy of Client's tax-exempt certification.
- (e) Expenses. Client shall reimburse SKYNET INNOVATIONS for all reasonable out-of-pocket expenses incurred by SKYNET INNOVATIONS in connection with this Agreement, including but not limited to travel, lodging, meals, and shipping expenses. All travel must be pre-approved by Client.
- (f) Renewals. All fees of SKYNET INNOVATIONS are subject to change upon renewal based on SKYNET INNOVATIONS'S current fees. Calculation of monthly fees for the calendar year, based on the date of an extension or amendment, are described in 3. (c) Terms.
4. **Authorization to Access Client Devices.** Client hereby authorizes SKYNET INNOVATIONS to access, connect to and manage Client devices via remote technologies without first contacting Client as required for the Services. These activities may include, but are not limited to:
- Updating or changing software drivers;
 - Installing and applying software patches;
 - Rebooting devices within maintenance windows;
 - Deleting temporary files & clearing caches;
 - Starting or restarting application services;
 - Verifying and validating data backup jobs;
 - Staging and executing scripts for automated maintenance routines;
 - Network performance tuning; and
 - Transferring data associated with routine system tuning and upkeep between systems within Client's network.

Notwithstanding the above, Client is responsible for notifying SKYNET INNOVATIONS of a restriction of remote access, connections or management activities related to any managed device.

5. General Client Requirements. Client will, at its own cost:

- (a) Cooperate with and assist SKYNET INNOVATIONS in the performance of the Services, and interact with SKYNET INNOVATIONS in a professional and courteous manner.
- (b) Remain solely responsible for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Client data, information, and materials ("**Client Content**"). Client grants to SKYNET INNOVATIONS permission to remove or restrict access to obscene, indecent or offensive content made available by a network user or over the internet, and shall not hold SKYNET INNOVATIONS liable for any action taken to restrict access to material on Client's network that appear to be in violation of any law, regulation or rights of a third party, including, but not limited to, rights under copyright law and prohibitions on libel, slander and invasion of privacy.
- (c) Provide all necessary information when requesting technical support. This information includes but is not limited to:
 - Name of the end user experiencing issue
 - Location of end user and computer
 - Contact information for end user
 - Detailed description of the issue
- (d) If Services are performed at Client's place of business, Client agrees to furnish full and safe access to Client's network and systems for on-site activities by SKYNET INNOVATIONS'S employees, including without limitation to make necessary adjustments and changes. Client will also provide adequate parking, internet access, work space, heating and air conditioning, light, ventilation and electricity. Client also agrees: (a) to provide any security passwords necessary for SKYNET INNOVATIONS'S employees to perform requested tasks, and (b) that SKYNET INNOVATIONS may request a unique administrative password for the purpose of providing ongoing maintenance and support of Client's network and systems. Client acknowledges that in approving a unique administrative password to SKYNET INNOVATIONS and its employees that Client assumes full responsibility and any liability resulting from that decision, unless due to SKYNET INNOVATIONS'S negligence, gross negligence, and willful misconduct.

6. Managed Services Client Requirements. For all Managed Services, Client will at its own cost:

- (a) Notify SKYNET INNOVATIONS upon the removal of a covered device from the network so that SKYNET INNOVATIONS'S remote management and monitoring systems can be updated.

- (b) Provide necessary supplies when deemed necessary, including but not limited to printer consumables, backup tape media, and tape drive cleaning supplies.
- (c) Maintain Client site conditions within the environmental range of all Client system devices and media as specified by the manufacturer.
- (d) Include (except to the extent that Client wishes to discuss certain aspects of SKYNET INNOVATIONS services without SKYNET INNOVATIONS present) its SKYNET INNOVATIONS account representative in Client's material IT planning and IT decision making meetings in order to facilitate continuity of Services.
- (e) Be responsible for designating one or more authorized contacts responsible for screening end-user service requests and to determine level of service needed and assignment of requests to SKYNET INNOVATIONS.

7. Term; Termination.

- (a) Term. This Agreement is effective beginning the Effective Date and continues for the length of the initial term set forth on the Cover Page. After the end of the initial term, this Agreement may be extended on an annual basis, if agreed to in writing by both parties, unless either party provides written notice of its intent to terminate this Agreement at least thirty (30) days prior to the end of the then-current term.
- (b) New Services Adjust to Term. If new Services are added to this Agreement, then the term for the Services will begin on the Effective Date of the Schedule for such Services and will end on termination of this Agreement. The parties may extend the term for this Agreement by written agreement in a new Schedule or amendment to this Agreement. Such extended term, unless otherwise specifically agreed in writing, will apply to all Schedules and Services provided under this Agreement.
- (c) Termination for Breach; Suspension. Either party may terminate this Agreement if the other party materially breaches this Agreement and such breach is not cured within thirty (30) days after written notice.
- (d) Termination for Insolvency. Either party may terminate this Agreement if: (i) the other party has a receiver or administrative receiver appointed over its assets; (ii) the other party's governing body passes a resolution for winding up (otherwise than for the purpose of a bona fide scheme of solvent amalgamation, reconstruction, or merger), or a court of competent jurisdiction enters an order to that effect; (iii) the other party makes a general assignment for the benefit of creditors; (iv) the other party ceases or threatens to cease to carry on business; (v) the other party is generally not paying its debts as they become due; or (vi) the other party is the subject of any petition under any bankruptcy or other law for the protection of debtors.

- (e) Survival. Sections 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16 of this Agreement shall survive termination or expiration of this Agreement. Termination of this Agreement will not affect any accrued rights or liabilities of either party.

8. Intellectual Property

- (a) Ownership. Client agrees that SKYNET INNOVATIONS and its third party licensors and suppliers own all right, title and interest, including but not limited to copyright, patent, trade secret, and all other intellectual property rights, in the Services and the Software (including but not limited to the look and feel, algorithms, documentation format, database structures, methodologies, and know-how associated with the Services and the Software) and any and all copies and Updates. SKYNET INNOVATIONS reserves all rights to the Services and the Software not specifically granted herein.
- (b) Software license. SKYNET INNOVATIONS and/or third parties may provide software in connection with the Services. All such software is licensed to Client subject to the terms and conditions of an end user license agreement ("**EULA**") which is typically provided as either a document accompanying such software or an on-screen dialogue accepted during initial use of such software. Client represents to SKYNET INNOVATIONS that it will abide by the terms and conditions of any EULA associated with any software provided to Client with any Services.
- (c) Client Content. Client, at its expense, shall defend or at its option settle any action, suit or proceeding brought against SKYNET INNOVATIONS which alleges that any Client Content or that SKYNET INNOVATIONS'S access to third party software or hardware required for the Services infringes any third party copyright or patent, or misappropriates a third party trade secret, and shall pay damages finally awarded against SKYNET INNOVATIONS, provided that (i) SKYNET INNOVATIONS notifies Client promptly in writing of the claim, (ii) Client has sole control of the defense and all related settlement negotiations, and (iii) SKYNET INNOVATIONS provides Client with commercially reasonable assistance, information and authority to perform the above at Client's expense.

9. Confidentiality

- (a) Definition. "Confidential Information" means any business or technical information or data that is disclosed by one party to the other party pursuant to this Agreement. Confidential Information does not include information that: (a) is or becomes publicly known or available without breach of this Agreement; (b) is received by a receiving party from a third party without breach of any obligation of confidentiality; or (c) was previously known by the receiving party as shown by its written records. The terms of this Agreement (and information relating to the negotiation of this Agreement) shall be deemed the Confidential Information of the Parties.

- (b) Confidentiality Obligations. A receiving party agrees: (a) to hold the disclosing party's Confidential Information in confidence; (b) not to, directly or indirectly, use, disclose, copy, transfer or allow access to the Confidential Information, except to its employees who have a need to know such information for the purpose of this Agreement; and (c) to protect the disclosing party's Confidential Information with the same degree of care that it uses to protect its own Confidential Information, no less than a reasonable standard of care. A receiving party may disclose Confidential Information of the disclosing party as required by law or court order; in such event, such party shall inform the other party as soon as practicable, prior to any such required disclosure.
- (c) Remedies. Each party acknowledges and agrees that any violation of this Section may cause such party irreparable injury for which such party would have no adequate remedy at law, and that such party shall be entitled to preliminary and other injunctive relief against the other party for any such violation. Such injunctive relief shall be in addition to, and in no way in limitation of, all other remedies or rights that such party may have at law or in equity.
- (d) Termination. Upon the termination or expiration of this Agreement, the receiving party will return to the disclosing party or destroy all the Confidential Information delivered or disclosed to the receiving party, together with all copies in existence thereof at any time made by the receiving party; provided that, with respect to electronic images of Confidential Information, the receiving party's obligations shall be limited to using commercially reasonable efforts to delete those electronic images from local desktop computer document storage systems and active files on servers but shall not extend to receiving party's routine information systems backup or document retention programs.

10. **Warranty**

- (a) Limited Warranty. Each party warrants that it has full authority to enter into this Agreement and is not bound by any contractual or legal restrictions from fulfilling its obligations hereunder. SKYNET INNOVATIONS warrants that the Services will be provided in a professional and workmanlike manner, using personnel that are qualified and experienced. In the event that Client provides notice of a breach of the foregoing warranty within sixty (60) days after the delivery of the Services, SKYNET INNOVATIONS will, as Client's sole and exclusive remedy, use reasonable commercial efforts to correct the breach at no additional charge.
- (b) Disclaimer. SKYNET INNOVATIONS does not warrant that the Services will be provided uninterrupted or error-free. Except to the extent set forth in the Schedule (Appendix A.b.iv), Client agrees that it has the sole responsibility for securing and backing up its data.

11. **Indemnification**. Each party will defend, indemnify and hold harmless the other from and against any and all liability, damages, losses, claims, actions, judgments and costs, including reasonable attorney's fees, for damage to any property and for injury to or death of persons, including employees or agents of such other party performing work under this Agreement,

caused by the willful misconduct or negligent acts, gross negligence or omissions of the indemnifying party, its agents or employees.

12. **Limitation of Liability.** Client agrees that any liability of SKYNET INNOVATIONS or any of its suppliers relating to this Agreement and the Services shall be limited to the amount of fees actually received by SKYNET INNOVATIONS from Client under the applicable Schedule during the prior one-year. In no event shall either party or any of its suppliers be liable for any special, incidental, indirect, cover, consequential, exemplary or punitive damages; any damages based on injury to person or property or death; or any lost sales, profits or data, even if a party is told that any of such damages may occur. The foregoing limitations of liability shall not apply to property damage, death or personal injury caused by the willful misconduct or gross negligence of a party, or to a party's obligations under Sections 10 and 12. The fees charged by SKYNET INNOVATIONS under this Agreement are calculated with specific reference to the level of liabilities undertaken by SKYNET INNOVATIONS hereunder.

13. **Assignment.** Neither party may assign this Agreement without the prior written consent of the other party, except that such consent shall not be necessary for an assignment made to a party's successor in connection with the sale of all or substantially all of such party's business or portion of such party's business to which this Agreement relates, so long as such successor agrees in writing to the terms of this Agreement.

14. **Dispute Resolution**

(a) Negotiation. Each party shall attempt in good faith to resolve any controversy, claim or dispute of whatever nature arising out of or relating to this Agreement ("**Dispute**") promptly by negotiation between executives or managers who have authority to settle the Dispute and who are at a higher level of management within each of the parties' organizations than the parties' appointed project managers. Each party shall provide the other with all information and documentation relied upon by the party to substantiate its position with respect to the Dispute.

(b) Mediation. If the Dispute has not been resolved through negotiation within thirty (30) business days of the initiation thereof, the parties shall make a good faith attempt to settle the Dispute by mediation conducted by a mutually agreed mediator.

15. **Other Provisions**

(a) Security Interest. Client hereby grants to SKYNET INNOVATIONS a security interest in any and all hardware and other items purchased by Client from SKYNET INNOVATIONS ("**Deliverables**"), until such time as those Deliverables are paid in full by the Client, in order to secure Clients' obligations to SKYNET INNOVATIONS. Client agrees that in the event of default in any payment, SKYNET INNOVATIONS shall have, in addition to its rights under applicable law, the right to immediately repossess any and all Deliverables previously sold to Client, but not fully paid for by Client, without further operation of law and without notice to Client. Client further agrees to pay for any and all costs, including reasonable attorney's fees,

reasonable engineering fees, and other applicable reasonable costs which SKYNET INNOVATIONS incurs as a result of said repossession. Client further agrees to execute any additional documents, at Client's expense, to perfect or continue the security interest created by this Agreement.

- (b) Publicity. SKYNET INNOVATIONS may include Client's name and logo in a list of SKYNET INNOVATIONS clients and as a user of the Services.
- (c) Independent Contractors. This Agreement is intended to create an independent contractor relationship between the parties for purposes of federal, state and local law, including the Internal Revenue Code of 1986, as amended. Nothing in this Agreement will be construed or implied to create a relationship of agency, partners, affiliates, joint employers, or joint ventures. SKYNET INNOVATIONS is free to do work for other entities during the term of this Agreement so long as it does not conflict with SKYNET INNOVATIONS'S obligations hereunder. Neither party will have the power or authority to act for the other in any manner or to create obligations or debts which would be binding on the other.
- (d) Non-Solicitation. Client shall not, directly or indirectly, solicit, hire or retain, nor cause to be solicited, hired or retained as an employee or independent contractor, any SKYNET INNOVATIONS employee or former employee employed by SKYNET INNOVATIONS in a technical or sales position at any time during the term of this Agreement and for a period of one (1) year following termination of this Agreement; provided, however, this provision does not apply to any former SKYNET INNOVATIONS employee who has been employed by another employer for a period of one (1) year. Client agrees that if Client wishes to hire any employee of SKYNET INNOVATIONS employed by SKYNET INNOVATIONS in a technical or sales position while bound by this section, Client will pay to SKYNET INNOVATIONS a fee equal to the greater of: (1) \$75,000, (2) such employee's most recent annual salary and bonus or (3) the salary and bonus offered to such employee by Client. Client agrees that this fee is fair and not excessive.
- (e) Notices. Any notice or other communication required or permitted in this Agreement shall be in writing and delivered to the addresses listed on the Contact section of the Cover Page of this Agreement either: (i) by personal delivery; (ii) by certified mail; or (iii) by nationally recognized overnight courier, and shall be effective upon receipt.
- (f) Integration. This Agreement (including the Cover Page and any Schedules) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior proposals, negotiations, conversations, discussions, and agreements between the parties concerning the subject matter hereof. Client specifically acknowledges and agrees that, in entering into this Agreement, Client has not relied on any information or promises that are not specifically set forth in this Agreement. SKYNET INNOVATIONS will have no obligation to provide any services, software, networking, or hardware except as specifically set forth in this Agreement. This Agreement may not be modified or waived except in a written document, signed by both parties. Any additional or conflicting terms on any

purchase order for any products or services covered by this Agreement shall be void and without effect unless agreed to in a separate writing signed by both parties.

- (g) Applicable Law and Jurisdiction. This Agreement shall be governed by the laws of the State of Michigan, without regard to its conflict of law provisions. The parties submit to the jurisdiction of the state sitting in Oakland County, Michigan and/or the federal court sitting in the Eastern District of Michigan, Southern Division, and agree that such courts shall have sole and exclusive jurisdiction over any and all disputes and causes of action involving such parties that arise out of or in connection with this Agreement.
- (h) Force Majeure. Except for Client's payment obligations, each party shall be excused from performance and shall not be liable for any delay or failure to perform caused by the occurrence of, war, terrorism, sabotage, insurrection, riot or other act of civil disobedience, labor disturbance or shortage, act of public enemy, failure of the Internet, act of any government affecting the terms hereof, explosion, hurricane, earthquake, flood or other act of God.
- (i) Third-party Beneficiaries. There are no intended third-party beneficiaries of this Agreement, and nothing in this Agreement may be relied upon by, or shall benefit, any party other than SKYNET INNOVATIONS and Client.
- (j) Severability. If any provision of this Agreement is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, then the invalidity or unenforceability shall not affect the other provisions of the Agreement and all provisions not affected shall remain in full force and effect. Both parties will attempt to substitute with a valid or enforceable provision, which achieves to the greatest extent possible the economic, legal and commercial objectives of the invalid or unenforceable provision.
- (k) Headings and Counterparts. Headings to clauses are for ease of reference only and will not affect the interpretation of this Agreement. This Agreement may be executed in any number of counterparts and by the parties upon different counterparts, each of which shall be deemed to be an original, but which together shall constitute one and the same agreement.
- (l) Electronic Signatures. The parties agree that this Agreement and all Schedules may be submitted and signed electronically by digital signatures or other electronic manifestation of acceptance. Such signatures will be fully binding on the parties, in the same manner as if physically signed and submitted by a party. Each party waives any objection that its digital signatures and acceptances are not valid.
- (m) Assignment and Transferability. Either party may, without the prior written consent of the other party, assign, transfer, or otherwise convey this Agreement or any of its rights and obligations hereunder, in whole or in part, to any third party, including but not limited to a successor company, affiliate, subsidiary, or any entity acquiring all or substantially all of the assets or business of the assigning party. The assigning party shall provide written notice to

the non-assigning party of any such assignment or transfer within a reasonable time. Upon any permitted assignment or transfer, the assignee or transferee shall assume all rights and obligations of the assigning party under this Agreement and shall be bound by the terms and conditions herein.

Schedule A: Services

(a) Core Services

- (i) *Dedicated Support Telephone Access* – We use a Virtual Contact Center, and we provide a dedicated support number to reach our Managed Services team.
- (ii) *Documentation Services* – We implement a very robust document management system.
- (iii) *Best Practice Services* – Clients are asked to review our best practice documentation and we provide adoption of these best practices and ongoing changes to this documentation as required.
- (iv) *Online User Training Portal* – We provide a training portal for common applications and devices that end-users can access and support, custom uploads of training materials can be provided.
- (v) *Ticketing Management & Reporting* – We deploy a robust ticketing system that tracks each item and configuration to provide details on user problems as well as device issues that may be repeating.
- (vi) *Inventory Management* – Devices deployed by SKYNET INNOVATIONS will be tracked via our configurations tabs in our ticketing system and these items will be available for review.
- (vii) *Onboard & Offboard Services* – Employee hiring, and termination services are included.

(b) Client Success

- (i) *Automated Updating Services* – All updates that are considered business critical will be applied at a schedule that our senior engineering staff approve.
- (ii) *Quarterly Business Reviews* – 4 quarterly business reviews throughout the fiscal year, with 2 of those being presented to the ITAC Committee.
- (iii) *Microsoft Patch Management* – Scheduled deployment of patches approved by the SKYNET INNOVATIONS NOC services team.
- (iv) *Backing up systems* – Backing up of:
 - (i) *Servers*: DHCP (srv-ns01), RDP (srv-rmapp), Print (srv-print), Fire Application (ch-fire-sr-01), Microsoft Azure AD Connect (ch-azure-sr-1), Radius (ch-radius-sr-01), File (srv-pdfile, srv-file1), Financial Software (srv-bsa)
 - (ii) *Domain Controllers* (DC2, DC3, NEWDC)

(c) Help Desk Support

- (i) *Telephone Support* – Endpoint problem support via telephone to our dedicated engineering teams that are available 24 hours a day.
- (ii) *Core Support* – Available during business hours via our call-in support staff, or if business critical via our business-critical alerting systems.

(d) Microsoft 365 Support

- (i) *Tenant Support & Management* – SKYNET INNOVATIONS will provide support of the Microsoft 365 tenant for the client and provide level 1, 2, 3 & 4 support for the tenant.
- (ii) *Threat Protection Support* – Alerting and remediation of Microsoft APT and other threat related items provided by Microsoft.

- (iii) *Secure Score Management* – SKYNET INNOVATIONS will help increase the client secure score each month with deployment of best practices across the tenant.
- (iv) *Compliance Score Management* – SKYNET INNOVATIONS will help increase the client compliance score each month with deployment of best practices across the tenant.

(e) Hardware Services

- (i) Unlimited hardware repairs on failed or malfunctioning devices. Hardware level parts replacement will be based on the ability to disassemble the device.
- (ii) Hardware exchange services for malfunctioning devices via client stock and includes peripheral support as well.
- (iii) Support of devices with mobile data plans and support of those respective vendors.
- (iv) Assisted support for BYOD devices.

(f) Alerting

- (i) NOC Services will provide business day (8am to 4:30pm) alerting response for alerts that are provided by the devices or software monitoring agents.
- (ii) Windows services that are considered business critical in nature will be alerted and remediated by our team.
- (iii) Drive space monitoring & alerts for critical drives (C: / Boot)
- (iv) Microsoft 365 Security & Compliance Alerting & Remediation.

(g) Software Licenses

- (i) SKYNET INNOVATIONS Remote Monitoring & Management (RMM) Software License
- (ii) Remote Control License (Windows)
- (iii) SOC/SEIM

(h) Remote Control Support

- (i) SKYNET INNOVATIONS's RMM Agent includes a remote-control toolset for Windows and MAC OS devices and is included as part of our services. This allows our help desk team to remote control and provide immediate support to any user with an internet connection.
- (ii) Deployment Services | Deployment of the initial environment will be treated as a project and based upon information provided as decisions are made, we will provide a scope of work and an associated quote for the deployment.
- (iii) Procurement Services | SKYNET INNOVATIONS's Inside sales team can provide competitive quotes on hardware and software along with we have relationships with several mobile data providers if needed.

Schedule B: Pricing Schedule

1-Year Pricing: 2 on-site Technicians (8:00am-4:30pm)

Microsoft Operating System Devices: \$147.81/Device/Month

Servers: \$147.81/Server/Month

*User count to be determined prior to contract start date.

*User count will be assessed at the end of each quarter and SKYNET INNOVATIONS will notify Madison Heights of price change 30 days in advance

2-Year Pricing: 2 on-site Technicians (8:00am-4:30pm)

Microsoft Operating System Devices: \$151.41/User/Month

Servers: \$151.41/Server/Month

*User count will be assessed at the end of each quarter and SKYNET INNOVATIONS will notify Madison Heights of price change 30 days in advance.

3-Year Pricing: 2 on-site Technicians (8:00am-4:30pm)

Microsoft Operating System Devices: \$155.30/User/Month

Servers: \$155.30/Server/Month

*User count will be assessed at the end of each quarter and SKYNET INNOVATIONS will notify Madison Heights of price change 30 days in advance.

All out-of-scope projects to be quoted separately.

FY 2025 - 2026 Q1 Pricing Structure

Device Type	Counts	Cost per	Totals
Windows OS Devices	147	\$ 147.81	\$ 21,728.07
Servers	16	\$ 147.81	\$ 2,364.96

Monthly	\$ 24,093.03
---------	--------------

Device count Assessment Schedule

Quarters FY 2025-2026	Assessment of Device counts
1st Quarter 2025 (Jul, Aug, Sep)	May / June 2025 (Renewal)
2nd Quarter 2025 (Oct, Nov, Dec)	September 2025
3rd Quarter 2026 (Jan, Feb Mar)	December 2025
4th Quarter 2026 (April, May, Jun)	March 2026

Schedule C: Service Level Agreement

Service Level. Within each Service Agreement, the Parties shall specify such reasonable quantitative levels of performance (“Service Level Standards”) for certain specified Services as are deemed useful. Service Level Measurements and Service Level Standards shall be specified as described in this Article. With respect to each Service which has one or more associated Service Level Measurements, SKYNET INNOVATIONS shall provide such Service throughout the Term in such a manner that the associated Service Level Measurements shall meet or exceed the associated Service Level Standards.

Review of Service Levels. Every three (3) months, the parties shall jointly review the Service Level Standards and adjust them to reflect any improved performance capabilities associated with advances in the technology and methods used to perform the Services.

Failure to Meet Service Levels. (a) If SKYNET INNOVATIONS fails to meet a Service Level Standard, Client shall recover the applicable amount specified in each Service Agreement (“Service Level Credits”); (b) SKYNET INNOVATIONS shall provide a deduction in an amount equivalent to the calculated monthly Service Level Credit from the next succeeding invoice or other amounts due to SKYNET INNOVATIONS. Client shall make the foregoing election within ten (10) calendar days of determining that Service Level Credits are owed it. Each time SKYNET INNOVATIONS fails to meet a Service Level Standard, SKYNET INNOVATIONS shall: (i) promptly investigate the cause(s) of the failure and deliver to Client a written report identifying such cause(s); (ii) use all Commercially Reasonable Efforts to correct the problem and to begin meeting such Service Level Standard(s) as soon as practicable; and (iii) at Client’s request, advise Client of the status of such corrective efforts; (d) All Service Level Standards and applicable Service Level Credits remain in effect notwithstanding SKYNET INNOVATIONS use of Commercially Reasonable Efforts to correct any performance problem; and (e) if any failure to meet a Service Level Standard is directly and solely attributable to a Force Majeure Event or negligent actions or negligent omissions of Client or a breach by Client of this Master Agreement or a Service Agreement, Client shall not be entitled to a Service Level Credit.

Service Level Credits. (1) In each case of a failure to satisfy a Required Service Level, SKYNET INNOVATIONS will, within five (5) calendar days from the identification of the deviation from the applicable Service Level Standard, provide to Client a plan of activities which will allow SKYNET INNOVATIONS to satisfy the applicable Service Level Standard at the earliest date practicable. (2) In addition, Client shall be entitled to recover a Service Level Credit for such deviation calculated in the manner described below, provided, however, that the Total Service Level Credits for any given month will not exceed fifty percent (50%) of SKYNET INNOVATIONS’s monthly charges for the Master Service Agreement (including all Service Agreements) for the applicable month (excluding Pass-Through Expenses and Special Charges, if any); (3) If a single event directly causes the failure to achieve more than one Required Service Level, all applicable Service Level Credits will apply. In such event, and at the sole discretion of the Client, Client may select a reduced quantity of Service Level Measurements that will be used for the calculation of the Service Level Credit. (4) Should Client elect for a monetary service credit, such credits will be reflected in the invoice following month in which the SLA violation(s) occurred.

Method of Calculation for Service Level Credits. (1) If SKYNET INNOVATIONS fails to meet or exceed the Required Service Level, SLA Violations will occur, and the SLA State will be assessed as described in this article. The following Service Level Credits will be calculated and represented as a percentage of the monthly charges (excluding Pass-Through Expenses and Special Charges, if any). The following service credits will be due based on the SLA state for the measurement period:

- Achieved = 0% credit
- At Risk = 10% credit
- Missed = 15% credit

Exceptions to Liability for Service Level Credits. SKYNET INNOVATIONS shall not be liable to pay the Client Service Level Credits for any failure to meet a Service Level Standard to the extent that such a failure is directly attributable to (i) a Force Majeure Event; (ii) breaches of this Agreement by Client, provided that Service Provider has provided Client with reasonable notice of such breach immediately after becoming aware of it and Service Provider has used all Commercially Reasonable Efforts to perform notwithstanding such breach; or (iii) acts or omissions of Client or its suppliers, provided that Service Provider has provided Client with reasonable notice of such act or omission immediately after becoming aware of it and Service Provider has used all Commercially Reasonable Efforts to perform notwithstanding such acts or omissions, or (iv) the first manifestation of an extraordinary latent error or defect in Equipment used by Service Provider in providing the Services (and any related repeated instances pending the applicable Service Provider's correction of the defect) if such defect was (1) unknown to Service Provider and (2) not disclosed in any information distributed by the third party licensor, manufacturer, or distributor and (3) not preventable or discoverable through normal testing or maintenance procedures.

Service Levels

PRIORITY	DEFINITION	RESPONSE TIME	
	<i>Percentage of requests / incidents</i>	90 %	100%
One - Critical	A problem or issue impacting a significant group of users or any mission critical IT issue affecting a single customer with no acceptable workaround to the problem.	15 min.	30 min.
Two - High	Non-critical but significant issue affecting a single user or an issue that is degrading the performance and reliability of supported IT services; however, the services are still operational and a workaround is available.	30 min.	1 hour
Three - Medium	Priority for routine support requests that impact a single user or non-critical software or hardware error. Productivity may be impacted but not impaired. A workaround may or may not be available.	2 hours	4 hours
Four - Low	A minor service issue, general inquiry or request to modify or add services.	8 hours	Next business day