Amendment to ShotSpotter Services Agreement

This Third Amendment is made as of February ____, 2022 to the ShotSpotter Services Agreement (referenced as City of Toledo Contract No. 46-4505) between the City of Toledo, an Ohio municipal corporation, ("Customer", "You" or "Your") and ShotSpotter Inc., a Delaware Corporation, ("ShotSpotter", "We", "Us", or "Our") dated April 25, 2019.

1. Customer desires to expand its existing Coverage Area by an additional four (4.0) square miles for a three-year term, and ShotSpotter agrees to provide services for such additional 4.0 square miles as set forth in ShotSpotter's Proposal Number TOLOEXP022222 attached hereto as Exhibit A.

2. As set forth in Exhibit A, the total amount due for the additional 4.0 square miles for a three-year term is Eight Hundred Forty Thousand Dollars ($840,000.00) to be paid in accordance with the payment terms in Exhibit A.

This Third Amendment amends and modifies the term of the Agreement only to the extent expressly provided herein. All other terms and provisions of the Agreement are affirmed and ratified.

SHOTSPOTTER INC.   **CITY OF TOLEDO**

By: _____   **By:** _____

Name: _Roxanne Lerner_____   **Name:** _____

Title: __Contracts Manager_____   **Title:** _____

Date: _____   **Date:** _____

Approved as to Form: **Approved as to Content:**

_____   _____
City of Toledo Law Department   **Toledo Police Department**

EXHIBIT A

ShotSpotter Proposal TOLOEXP022222 (Attached)

Price Proposal to Expand Subscription-Based

Gunshot Detection, Location, and Forensic Analysis Service

for the City of Toledo, Ohio

February 22, 2022

Proposal ID: TOLOEXP022222

Submitted by:

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Executive Summary

Introduction

ShotSpotter is pleased to provide this proposal for expanded gunshot detection, location, and forensic analysis services per the City's request. ShotSpotter is honored to have served the City of Toledo in its gun violence reduction efforts since April 2019, and we are pleased to present the following proposal to expand the City's current 8 square miles of ShotSpotter coverage. While the original coverage area was deemed the most critical at the time of the original deployment, there are additional areas of the City that would benefit from ShotSpotter coverage. ShotSpotter will collaborate with the Police Department to identify those areas which would benefit most from expanded coverage.

The ShotSpotter gunshot detection, alert, and analysis services provide what would be otherwise unobtainable, critical real-time gunfire intelligence. The core capabilities of the ShotSpotter solution are:

- **DETECT** – ShotSpotter detects and locates gunfire incidents enabling a fast, precise response to over 90% of shooting incidents within the targeted areas. This has a powerful deterrent effect and disrupts the gun violence cycle.

- **PROTECT** – ShotSpotter helps to protect officers by providing them with comprehensive data on the actual amount of gunfire activity that occurs in the neighborhoods they patrol and provides critical situational awareness when responding to specific incidents.

- **CONNECT** – By applying community policing-oriented best practices, ShotSpotter provides a unique opportunity for law enforcement agencies to connect with vulnerable communities. Rapid response to gunfire incidents in communities that have been most impacted by gun violence builds positive attitudes towards law enforcement and leads to more constructive engagements and cooperation.

ShotSpotter has become an indispensable crime-fighting tool for these agencies, in light of the community dynamics that fuel gun violence and the well-documented challenges of relying solely on 9-1-1 calls for service:

- **Under-reporting of persistent gunfire:** Nationwide, on average, less than 20% of gunfire incidents are reported to 9-1-1. Why don't residents call? The answer is complex, but typically involves the following concerns:
    - Recognition: "Was that gunfire, fireworks, or something else?"
    - Retaliation: "If they find out I called, will they come after me?"

o   Resignation: "No one came the last time I called…"

Without ShotSpotter, most law enforcement agencies are working with an 80% to 90% deficiency in their gun violence-related intelligence.

- **Late and inaccurate information:** When a citizen reports a gunfire incident, the 9-1-1 call typically comes several minutes after the event has occurred, and, based on analysis, the location provided is usually mislocated by 750 feet (on average). As a result, valuable time and resources are wasted trying to locate the incident, greatly diminishing the opportunity to identify suspects and witnesses, recover evidence, and, most important, render life-saving aid to victims.

The ability to receive near real-time gunfire intelligence data provides law enforcement agencies with a critical advantage in their efforts to reduce and prevent gun violence and improve officer safety. Specific results include:

- Officers can more quickly and more accurately go directly to the scene of the shooting
- Situational awareness is vastly improved over what is available when relying solely on the 9-1-1 system
- Law enforcement has a better chance of arriving before the shooter has left the scene
- Officers are much more likely to find evidence in the form of shell casings (which, in conjunction with NIBIN/IBIS, provide valuable investigative leads) and/or other ground truth that can aid in the investigation
- Officers are more likely to find witnesses who may have information that can aid in the investigation
- Community engagement is heightened, which often translates into more information from the community (e.g., tip lines, field interviews, etc.)
- Targeted enforcement (precision policing) is enhanced
- More court-admissible and scientifically sound forensic evidence is available to strengthen prosecutions of the worst offenders

How it Works

Based on an analysis of known gunfire-related crimes, the ShotSpotter team designs and deploys networked sensors within the targeted coverage area. These acoustic arrays detect and locate gunshot activity within the coverage area and report that information to ShotSpotter's Incident Review Center (IRC) which is staffed 24/7/365. ShotSpotter uses a two-factor incident review process to minimize false alerts. The first tier is performed by sophisticated AI software. Once the software has performed an initial review and filtered out any incidents that are determined not to be gunfire (e.g., helicopter noise, fireworks, etc.), the data is received at our IRC.

The IRC review process is performed by a team of highly trained acoustic experts. In addition to examination of the incident audio, the review process involves examination of visual characteristics of the detected pulses and the incident, such as the number of participating sensors, the wave form, pulse alignment, and the direction of sound. The IRC review results in publishing (Gunshot or Probable Gunshot) or dismissal (Non-Gunshot) of the incident with a high level of precision. If the reviewer classifies the incident as a gunshot, the reviewer sends an alert, including location information and an audio snippet, to law enforcement agencies via a password-protected application on a mobile phone, in-car laptop, or computer. In addition to the dot on the map and audio, ShotSpotter provides details such as number of shots fired, whether multiple shooters are involved, and whether high-capacity and/or fully automatic weapons are being used. This entire process (i.e., recording the impulsive sound, two-factor review, and publishing alerts to authorized users) is designed to be completed in less than 60 seconds (but is often completed within 25 to 30 seconds).

ShotSpotter customers receive a contextually rich, detailed gunfire alert that enables a fast, precise, and safer response to gunfire incidents. In addition, ShotSpotter alerts can also trigger other technology platforms such as cameras that can pan and zoom in the direction of an event. ShotSpotter has also successfully integrated with a wide range of third-party applications such as CAD, RMS, License Plate Readers, drones, and other applications.

We look forward to working with the City of Toledo to extend the benefits of ShotSpotter to this new coverage area as you expand your efforts to reduce gun violence in your community.

Proposed Coverage Area

ShotSpotter systems are deployed to provide coverage for a specified area, bounded by a specific coverage area perimeter. ShotSpotter will design the coverage area based upon the Department's requirements and based upon analysis of historical crime data. The area delineated by a blue boundary in the image below is a rough estimate of the requested coverage area. The precise size of the area (i.e., in square miles) can only be verified with actual acoustic propagation information; therefore, the final coverage area may vary. ShotSpotter will perform this verification during the installation process.
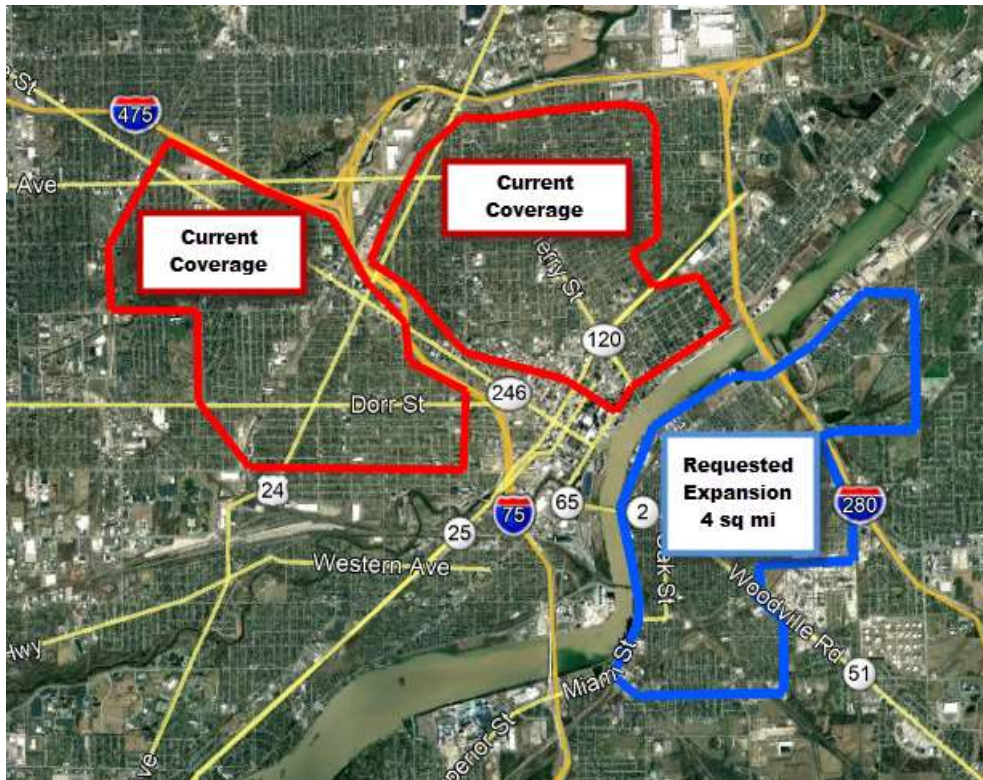

Figure 1: Proposed ShotSpotter Coverage Area = 4 square miles

Pricing

Contract Term	Coverage Area Size	One-Time Service Startup Fees (Initiation)	Annual Subscription Fees*	Discount for Multi-Year Term**	Total
3 Years	4 mi^2	$40,000	$280,000 x 3	($40,000)	**$840,000**

*ShotSpotter's current annual subscription fee is $70,000 per square mile.

**See Pricing Assumptions below for details.

Payment Terms

Payment for the service initiation, and subscription shall be as follows:

Three-Year Payment Terms

- 50% of Year 1 fees due upon execution of agreement ($140,000)
- 50% of Year 1 fees due upon ShotSpotter activation (live) status ($140,000)
- 100% of Year 2 fees due prior to 1st anniversary of ShotSpotter live status ($280,000)
- 100% of Year 3 fees due prior to 2nd anniversary of ShotSpotter live status ($280,000)

Expert Witness Testimony Services are available upon request and billed separately at the above rate.

Pricing Assumptions

This pricing is submitted based on the following assumptions:

- This pricing assumes that services will be delivered under the terms of the ShotSpotter Flex Services Agreement dated April 25, 2019, as amended on May 5, 2020, and as amended on December 23, 2020, and as further amended to incorporate this proposal.

- This pricing does not include any state or local taxes; if taxes are applicable, we will be happy to provide an amended price quotation upon request.

- This pricing remains valid for ninety days from the date of this proposal.

- The Multi-Year Term Commitment discount will be applied to the one-time fees and is contingent upon ShotSpotter receiving a three-year term commitment allowing us to invoice automatically for each annual subscription term over the three years of the agreement, without any requirement for obtaining additional approvals, purchase orders, or notifications.

- The pricing assumes that the Agency will provision network access to meet ShotSpotter minimum specifications and requirements for all computers (PCs and MDCs) that will access the ShotSpotter service.