

Family Health Centers, Inc.

Request for Proposal

for

**Data Center Virtualization & Expansion Project
Hardware: Servers, SANS, & Network Equipment**

Date Issued: 07/22/2009

Date Due: 08/05/2009

Table of Contents

	Page
I. Introduction.....	3
II. RFP Instructions.....	5
A. Completing the RFP	
B. Format, Due Date	
C. Contract	
D. Confidentiality	
E. Selection Process	
F. Disclaimer	
G. Conflict of Interest	
H. RFP Related Questions	
III. Vendor Background.....	9
A. Company Information	
B. References	
IV. System Requirements & Specifications	10
A. Background and General Project Requirements	
B. Required Hardware & Software Equipment List and Minimum Specifications	
C. Qualifications & Equivalencies	
V. Installation, Professional Services, & Support.....	15
A. Installation	
1. Project Scope and Responsibilities	
2. Professional Services	
3. Delivery & Installation Schedule	
B. Warranty Maintenance & Post Warranty Support	
C. Warranty & Support Questions	
D. Technical Training	
VI. Pricing & Terms	18
A. Equipment & Delivery	
B. Pricing	
C. Terms	
D. Default	

I. Introduction

Family Health Centers, Inc. (FHC) is an independent, not-for-profit (501C3), Federally Qualified Community Health Center located in Louisville, Kentucky. FHC has been in business for over 31 years and operates seven clinical sites in the Louisville/Jefferson County metropolitan area. FHC currently employs in excess of 350 full and part time employees and operates on a 25 million dollar annual budget that includes federal, local, and state public funding sources.

FHC applied for and was awarded a Federal Grant through the American Recovery and Reinvestment Act (ARRA) Capital Improvement Program (CIP) for the expansion and virtualization of its current data center located at 2215 Portland Ave., Louisville, KY.

FHC is committed to ensuring that goods and services are purchased in an effective and efficient manner that provides, to the maximum extent practicable, open and free competition, and in compliance with the provisions of applicable federal, state and local statutes and executive orders. FHC has established and maintains appropriate procedures addressing the procurement of goods and services to accomplish this objective.

In accordance with standards set by the ARRA CIP Grant, grant recipients and vendors receiving grant funds must comply with these applicable federal standards and regulations:

- Equal Employment Opportunity, as amended (E.O. 11246)
- Copeland "Anti-Kickback" Act (18 U.S. C. 874 and 40 U.S.C. 276c)
- Davis Bacon Act, as amended (40 U.S.C. 276a to a-7)
- Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333)
- Rights to Inventions Made Under a Contract or Agreement (37 CFR Part 401)
- Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.)
- Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)
- Debarment and Suspension (E. O. 12549 and 12689)

To support this project FHC, will purchase the servers, storage area network (SANS), network switches, racks, and peripheral equipment required to complete the project. FHC is currently soliciting bids from qualified vendors who can provide the required equipment and any necessary professional services to complete the project. In addition participating vendors must demonstrate a well established support program in the Louisville/Jefferson County market and be able to meet all minimum requirements defined in this RFP.

Vendors responding to this RFP will be responsible for the timely acquisition and delivery of all hardware, software, and accessories detailed in this document. In addition, respondents must have the necessary expertise and staff required to provide the installation and professional services to complete this project.

Vendors are also required to submit firm timetables for delivery, implementation, and any required training denoted in the RFP response in the form of a **“Project Scope and Design Document”** detailed in (section II-A). In addition, an equipment list detailing all hardware, software, accessories, and professional services must be provided with the RFP response including any shipping and/or delivery charges.

The selected vendor will be responsible for providing the following:

- Project related hardware, software, and accessories. Feature requirements and system capabilities as defined in (section IV).
- Installation, configuration, and post installation certification of equipment as defined in (section V).
- Warranty support as defined in (section V).
- Extended warranty and maintenance support of purchased equipment and software as defined in (section V).
- Technical training as defined in (section V).
- Timely delivery and implementation of the specified equipment as defined in (section V & VI).
- Upgrades to the systems as necessary.

II. RFP Instructions

A. *Completing the RFP*

Provide a complete description of the equipment and services included in your bid response as well as a project scope and estimated timeline. A separate equipment list of vendor supplied hardware and software is required. Any non-vendor supplied equipment and/or services required to complete the project are to be specifically noted. All proposed hardware, software, and professional services must be listed in the bid. The bid response must also include a complete **“Project Scope and Design Document”** explaining the proposed implementation and specific details and timelines of the project.

No verbal agreements will be considered during the bid process. The quality of the response to the RFP will be viewed as an example of the vendor's capabilities.

Only current production hardware and software will be considered. Hardware or software under development, in planning, or at beta test will not be considered. Discontinued models, demos, refurbished, and/or used equipment will only be considered if it is clearly denoted in the RFP response and has been mutually agreed upon by FHC and the vendor; otherwise this equipment will not be considered for the bid process and use of such will result in disqualification of the submitted bid. If a model is replaced or updated between the bid process and equipment delivery, an equivalent updated or upgraded model can be submitted for approval with supporting manufacturer data. Vendors can also include additional information about future developments or plans under separate attachment if applicable.

FHC expects this to be a **“TURN KEY”** project, meaning that any and all items or services required to complete the project are to be included in the bid, or specifically noted if not. FHC's expectation is that upon project completion, all hardware, software, and professional services required to implement the virtual environment's framework will be provided. FHC also expects that this equipment will meet or exceed the bid specifications. It is the prospective vendors' responsibility to ensure that all equipment, labor, and necessary engineering time are included in the submitted bid to cover the stated project scope. If you require any clarification, provide the questions via email or fax Larry Owen (see section II-G).

Quoted prices and discounts are to be guaranteed for at least 60 days from the bid close date.

B. Format, Due Date

BIDS: Sealed bids in triplicate for furnishing all hardware, software, and professional services required to complete the "hardware" portion of the **Family Health Centers Data Center Virtualization & Expansion Project** will be received in the office of Family Health Center-Portland, Room 419 at 2215 Portland Avenue until 2:00 P.M., E.D.T., Wednesday August 5th 2009. The bid opening is public.

All submitted bids will be considered the property of FHC. All proposals should include copies of product descriptions for the proposed equipment.

Name one person to be the coordinator for your RFP response and for any clarification activities, which might be necessary.

Contact Name:

Company:

Title:

Address:

Phone:

Fax:

Email:

C. Contract

The bid should include a contract for all proposed equipment and services. If the vendor does not wish to submit an actual contract with the bid, due to alternatives proposed and pending choices from those alternatives, a sample contract should be submitted with the bid.

D. Confidentiality

Information submitted by any vendor will be considered confidential to FHC and will not be used for any other purpose than evaluating vendor responses.

E. Selection Process

Several factors will influence FHC's decision in selecting the vendor and the product line they represent. In addition to cost considerations, proposals will be evaluated on the basis of the following factors:

1. Functionality of proposed solution and ability to meet the projects specific needs
2. Availability of optional components and capabilities
3. System growth and expansion
4. Product quality, reliability, and warranty plan
5. Ease of configuration and administration
6. A credible commitment by the vendor/manufacturer to the product and the ongoing enhancement of future capabilities and service
7. Vendor qualifications including:
 - a. Overall experience and reputation in the industry
 - b. Experience with the proposed solution
 - c. Service and support resources, including overall skill level of technical personnel
 - d. Verifiable quality of services provided by vendor to area customers

In addition, any vendor submitting a bid must be recognized as a current Authorized Dealer of the equipment they are quoting and have a proven regional service and support system in place prior to submitting the bid.

F. Disclaimer

Please note that FHC will select the vendor based upon the best overall solution and value and is not obligated to select the lowest priced bidder; this RFP does not commit FHC to any specific course of action. In addition, FHC reserves the right to purchase either selected components, or to not select any vendor or purchase any goods and services resulting from this RFP.

G. Conflict of Interest

No public official, Family Health Centers board member, or Family Health Centers employee, shall participate in any decision related to the award of this contract, which affects their personal interests or has any pecuniary interest, directly or indirectly, in this contract or the proceeds thereof.

H. RFP Related Questions

Submit any RFP related questions to:

**Larry Owen - Director of Information Systems
Family Health Centers
2215 Portland Avenue
Louisville, Kentucky 40212**

**Phone 502-772-8114
Fax 502-772-3489
Email – Lowen@fhclouisville.org**

III. Vendor Background

A. Company Information

1. List your company's legal name, physical address, and telephone number. Include parent company information if applicable.
2. How long has your company been in business?
3. How long has your company or division been providing enterprise network data systems, virtualization solutions, and related services?
4. How many employees does your company have?
5. How many technicians/engineers are certified on the proposed solution? If none are directly employed by your company, please provide background information for the organization supporting the products defined in the RFP.

B. References

Provide a minimum of three (3) references of your customers that have purchased products and services similar to that being proposed in the RFP. Include contact names, telephone numbers, and physical addresses.

IV. System Requirements & Specifications

A. Background and General Project Requirements

As stated in (section I), FHC has applied for and been awarded a Federal Grant through the American Recovery and Reinvestment Act (ARRA) Capital Improvement Program (CIP) for the expansion and virtualization of our current data center. To complete this project FHC has elected to use industry standard enterprise data center systems, network equipment, and software. FHC will procure these components and professional services from qualified factory authorized dealers and distributors of these product lines.

FHC's data center currently consists of 28 Windows Servers (rack and tower) in an Active Directory environment, as well as two Linux application servers. Most of this equipment resides in three 42U network racks, each with local UPS power backup devices. The servers are networked via two top-of-rack, layer 2, managed network data switches and a separate network switch for the backup network. These switches are interconnected via Cat 6 cabling between the racks.

The proposed network design includes adding two network racks, the required management consoles, converting the existing tower servers to rack mount, and adding UPS power backup devices as required. An enterprise level core backbone switch and a master data backup network switch will be added. In addition a new top-of-rack, layer 3, managed switch and web managed data backup switch will be added to each rack.

Each local top-of-rack switch will connect to the core backbone switch and each local backup switch will connect to the master backup switch. This design will greatly simplify inter-rack network cabling, maximize throughput on member servers, and create a flexible design to accommodate future growth.

In addition to the network changes a virtual server environment will be added. The virtual environment hardware will include three enterprise class servers, a high performance SAN, and SAN optimized network switches required for optimal performance and redundancy.

Where applicable existing FHC hardware will be utilized and integrated with the new hardware listed in (section IV-B) to complete the network design.

B. Required Hardware and Software - Equipment List and Minimum Specifications

Refer to the following chart for the list of required project related equipment and minimum specifications.

Component	Description	Qty
Storage Area Network (SANS)	<p>General High Performance Rack Mount Storage Area Network (SANS)</p> <p>Storage Controllers Dual controllers with a total of 4 GB battery-backed memory Battery-backed memory provides up to 72 hours of data protection</p> <p>Hard Disk Drives Sixteen (16) SAS hot-pluggable hard disk drives</p> <p>Drive Capacities 15,000 RPM SAS drives 450 GB</p> <p>System Capacities 7.2 TB using sixteen (16) 450 GB SAS disk drives</p> <p>Volumes Up to 1,024</p> <p>Snapshots 512 per volume / up to 10,000 total</p> <p>Hosts Accessing PS Series Up to 512 per pool / 2,048 per group</p> <p>Host Protocol Any standards-compliant iSCSI initiator</p> <p>Operating Systems Supported Windows 2000 Server, Windows Server 2003, Windows Server 2008, including Hyper-V, Windows Vista, Windows XP, Red Hat Enterprise Linux, SUSE Linux Enterprise, Linux, Sun Solaris, UNIX, IBM AIX, HP-UX, Mac OS X, VMware ESX Server 3 / 3.5 / 4.0 ESXi 3.5/ 4.0, Citrix XenServer, Virtual Iron, Novell Netware</p> <p>RAID Support Automatic RAID 5, RAID 6, RAID 10, and RAID 50</p> <p>GbE Network Interfaces Four (4) copper per controller</p> <p>Expansion Option Can be combined with other compatible series SANS online</p> <p>TCP Network Support IPv4, IPv6 core support including JITC</p> <p>Reliability Redundant, hot-swappable controllers, power supplies / cooling fans, and disks</p> <p>Enclosure Monitoring System Individual disk drive slot power control Automatic spare configuration and utilization SMART Automatic bad block replacement Automatic Disk Monitoring System to monitor health of data on disk drives</p> <p>Management Interfaces SAN Management multi-group performance and event monitoring tool, SNMP, telnet, SSH, HTTP, Web (SSL), host scripting, Serial console, Multi-administrator support, Ability to configure a separate management network</p> <p>Security CHAP authentication Access control for iSCSI</p> <p>Notification Methods Access control for management interfaces including RADIUS support SNMP traps, e-mail, syslog</p>	1
Component	Description	Qty
Rack Mount Server	<p>General Rack mount server, optimized for virtualization</p> <p>Processors 2 - Quad-Core Intel Xeon X5570 Processors</p> <p>L2/L3 Cache 4MB and 8MB</p> <p>Memory 72GB Memory (18x4GB), 800MHz Dual Ranked RDIMMs for 2 Processors, Optimized</p> <p>RAID Controller SAS RAID Controller 2x4 Connectors, Internal, PCIe 256MB Cache</p> <p>Hard Drives 2 - 3.5" SAS (15K): 146GB Hard Disk Drives – RAID 1 Configuration</p> <p>Drive Bays 6 x 3.5" Hard Drive (8 x 2.5" Hard Drive Optional)</p> <p>Network Interface Cards 1 - Four port embedded Gigabit Ethernet NIC with failover and load balancing; TOE (TCP/IP Offload Engine) 1 - Dual Port 1GbE NIC w/TOE iSCSI, PCIe-4</p> <p>Power Supply 2 – Redundant Energy Smart High Output hot-plug 870W PSUs</p> <p>Internal CD/DVD DVD+/-RW ROM, SATA, Internal</p> <p>Form Factor 2U Rack Server with mounting rails included</p> <p>Warranty & Support MISSION CRITICAL: Enhanced Services Hardware & Software Support, 3 Year 4-Hour 7x24 On-Site Service with Emergency Dispatch 7x24 HW / SW Tech Support and Assistance for Certified IT Staff</p>	3

Component	Description	Qty
Cisco Catalyst 4948-10G - Core Backbone Switch-	<p>General 48 port copper Gigabit Ethernet Managed Layer 3 line speed switch with 2 10Gb uplinks and redundant power supplies</p> <p>Power Supply Dual 300W redundant power supplies</p> <p>Form Factor 1U Rack Switch with mounting hardware included</p> <p>Specifications Switching Capacity -136 Gbps Throughput -102 mpps IPv6 support -In Software Height - 1RU Maximum 10/100/1000 ports - 48 Maximum 10 Gigabit Ethernet ports - 2 Uplink Optic Type – 2X2 (10Gigabit Ethernet) optics Multilayer switching - IP Base and Enterprise Services options Shared Buffer - 16 MB CPU - 666 MHz Synchronous dynamic RAM (SDRAM) -256 MB Active VLANs - 4096 Multicast entries - 28,000 (Layer 3) 16,000 (Layer 2) Per-VLAN Spanning Tree (PVST) and VLAN IDs - 4096 Spanning Tree Protocol instances - 1500 Switched virtual interfaces (SVIs) - 2000 Security and QoS hardware entries - 32,000 MAC addresses - 55,000 Switched Port Analyzer (SPAN) - 2 ingress, 4 egress Minimum software requirement - Cisco IOS Software Release 12.2(25)EWA or later</p> <p>Warranty & Support Smartnet 24X7X4 with no field engineer</p>	1
Component	Description	Qty
Network Switch Web Managed	<p>General 24 Port Gigabit Web Managed Ethernet Switch with 2 Fiber Uplinks</p> <p>Form Factor 1U Rack Switch with mounting hardware included</p> <p>Specifications Performance Switch Fabric Capacity up to 48 Gbps Forwarding Rate 35.6 Mpps Up to 8,000 MAC Addresses 2Mbits of Packet Buffer Memory</p> <p>Port Attributes 24 10/100/1000BASE-T auto-sensing Gigabit Ethernet switching ports 2 SFP fiber combo ports provide support for 1000BASE-SX and 1000BASE-LX transceivers Power reduction for short cables or inactive connections Auto-negotiation for speed, duplex mode and flow control Auto-MDI/MDIX Integrated LEDs for improved visual monitoring and analysis Supports Virtual Cable Diagnostics by Marvell™ and fiber transceiver diagnostics to provide advanced troubleshooting capabilities for your cable infrastructure</p> <p>Quality of Service Delivers 4 priority queues per port Honor 802.1p values and honor IP DSCP values Supports strict priority and configurable Weighted Round Robin (WRR) scheduling across queues</p> <p>Warranty & Support Next Business Day Parts and Labor On-Site Service, 3 YR</p>	4

Component	Description	Qty
Rack Mount UPS - 5000VA	<p>General</p> <p>5000VA / 5kVA on-line, double-conversion, extended run, 4U all-in-one rack UPS</p> <p>Specifications</p> <p>OUTPUT</p> <p>Output Volt Amp Capacity (VA) - 5000 Output kVA capacity (kVA) - 5 Output Watt Capacity (watts) - 3800 Output kW capacity - 3.8 Output power factor - 0.8 Crest Factor - 3:1 Nominal Output Voltage(s) Supported - 120v; 208v; 240v Nominal Voltage details - Auto-selection of 240/120 or 208/120 split phase output Frequency compatibility - 50 / 60 Hz Frequency compatibility details - Output frequency matches input nominal on startup Output voltage regulation (line mode) +/- 3% Output voltage regulation (Battery mode) +/- 3% Built-in UPS output receptacles - 8 5-15/20R outlet(s); 2 L6-20R outlet(s); 2 L6-30R outlet(s) Output circuit breaker 20A branch rated breakers (x4) protect 2 5-15/20R outlets each, 20A double pole breakers (x2) protect one L6-20R each, L6-30R outlets are unbreakered</p> <p>INPUT</p> <p>Rated input current (at maximum load) - 21A Nominal input voltage(s) supported - 208 / 120V AC (4 wire split single phase); 240 /120V AC (4 wire split single phase) UPS input connection type - L14-30P UPS input connection description 4 wire split-phase input (L1, L2, N, G) UPS Input cord length (ft.) - 10 UPS Input cord length (m) - 3 Recommended Electrical Svc - 30A 208/120V Split Phase Input cord length (m) - 3</p> <p>BATTERY</p> <p>Full load runtime (minutes) - 6 min. (3800w) Half load runtime (minutes) - 14 min. (1900w) Expandable battery runtime - Supports extended runtime with optional external battery packs External battery pack compatibility DC system voltage 192V DC Battery recharge rate (included batteries) - Less than 6 hours from 10% to 80% Hot-swappable, user replaceable batteries</p> <p>Form Factor</p> <p>4U Rack mount with mounting rails included</p> <p>Warranty & Insurance</p> <p>2 Years Standard</p>	4
Component	Description	Qty
42U Network Rack – Dell 4210 with cooling fan kit	<p>General</p> <p>42U Network Rack with Doors and Side Panels</p> <p>Cooling</p> <p>Top Mounted Cooling Fan Kit</p> <p>Shelves</p> <p>5 – Full Length 1U Equipment Shelf</p> <p>Warranty & Support</p> <p>1 Year Standard</p>	2

C. Qualifications & Equivalencies

Specifications listed above are defined as minimum required, and must be met before submitting an RFP response. Referenced specifications can be met with equivalent standards where applicable or exceeded without authorization by FHC. If equipment is to be provided that doesn't meet these standards, an equivalency where applicable, must be agreed upon by FHC and the vendor prior to the RFP submission.

Failure to meet the required minimums or propose alternate equipment without prior approval by FHC will result in the disqualification of the bid. If a vendor chooses to submit a bid proposing equipment that exceeds the bid specifications either as a primary or optional bid, clearly denote the differences in the submitted bid.

In addition, only authorized dealers of the data center equipment being quoted will be permitted to participate in the RFP process. Wholesalers or liquidators who are not factory authorized or who do not have the required support channels will have their bids disqualified.

V. Installation, Professional Services, & Support

A. Installation & Professional Services

1. Project Scope and Responsibilities

a. FHC responsibilities:

- i. FHC assumes the responsibility for providing the necessary power, local area network ports, WAN connectivity, CAT 5/6 cabling, and in house technical support as required to complete the project.
- ii. FHC also accepts the responsibility to install the proposed network racks, servers, network switches, UPS Power backups, and management consoles as required.

b. Vendor responsibilities:

- i. Vendors responding to the RFP will provide new, current model, fully warranted project related hardware and support contracts as specified in the RFP.
- ii. The vendor will provide all technical and administrative aspects required to configure and integrate the SANS and associated SANS network switches into the FHC network.
- iii. The vendor will provide appropriate technical resources required to assist the FHC IT staff in the proper configuration and integration of the core network switch and top of rack switches itemized in the table listed in (section IV-B).
- iv. Failure to adhere to these directives will result in the disqualification of the bid.

2. Professional Services

- a. Responding vendors must have the available technical expertise, either directly employed or contracted, to implement, and configure the proposed enterprise level SANS solution. These services must be included in the RFP response and be clearly denoted. Examples of the required professional services to be provided are:
 - i. Technical support and guidance to the FHC IT staff for SANS design options.
 - ii. SANS implementation and configuration.
 - iii. Technical support for the integration with FHC servers
 - iv. Technical support for SANS network switch configuration

This list of proposed professional services should be used as a reference to formulate an RFP response. Additional professional services may be required to complete this project. It is the prospective bidder's responsibility to account for and provide additional services as required to complete the project as defined.

3. Delivery & Installation Schedule

- a. A proposed delivery and installation schedule must be included in the **"Project Scope and Design Document"**. It is the prospective vendor's responsibility to ensure the timely acquisition, delivery, and installation of the proposed equipment. It is also incumbent that potential vendors be prepared to facilitate a timely project completion. FHC has strict timelines and milestones established in the Grant guidelines that must be met.

B. Warranty Maintenance & Post Warranty Support

Provide a complete description of the manufacturer and/or vendor supplied warranty and support included in the RFP response (section VI-C-1). If no warranty or supplemental support is documented in the response then "no warranty" is assumed by FHC for the vendor's response.

If warranty or support services are to be provided by an entity other than the equipment manufacturer or the RFP respondent, list the organization and its affiliation to the respondent. If optional or upgraded warranty and support programs exist for the equipment listed in the RFP response then the vendor should list the information as an optional cost or in an addendum. (section VI-C-4)

C. Warranty & Support Questions

Please answer these warranty and support questions as applicable:

1. Explain in detail the warranty coverage, and length of the warranty.
2. What post warranty service arrangements does your company offer?
3. What are your standard service hours?
4. Break down service costs as follows:
 - Per call basis (Service Call without Maintenance Agreement)
 - Per call basis (Changes and/or technical assistance without Maintenance Agreement)
 - Annual Maintenance Agreement (quote should be for the year(s) immediately following expiration of warranty)
 - Optional maintenance plans
5. Explain in detail how additional options added to the basic system will increase maintenance costs.

6. What are your response times during and after the warranty period?
7. Service Calls — What are your *response times* for a:
 - Critical failure (define a critical failure)
 - Minor failure (define a minor failure)
8. Explain in detail your *service capabilities* for a:
 - Critical failure (as defined above)
 - Minor failure (as defined above)
9. Where is your local support dispatched from?
10. How many “factory authorized” engineers/support personnel do you have located within the local area
11. Do you stock adequate spare parts to meet your service agreement commitments? (explain)

D. Technical Training

Provide a detailed training plan, number of hours required, and cost to bring FHC's staff up to speed on the proposed SANS solution. In addition please provide optional factory authorized training classes or software as required.

VI. Pricing & Terms

A. Equipment & Delivery

(As stated in Section I)

Vendors responding to the bid process will be responsible for the timely acquisition and delivery of all hardware, software, and accessories listed in this document. Please provide a complete description of the equipment and services included in your bid response as well as an estimated timeline for delivery as defined in the RFP details.

A separate equipment list of vendor supplied hardware and software is also required. Any non-vendor supplied equipment and/or services required to complete the project must be specifically noted. All proposed hardware, software, and services must be included in writing with the bid.

B. Pricing

When submitting the RFP response, include a detailed line item description including a unit price and any applicable shipping and/or delivery charges. Any proposed professional services should also be itemized and priced separately. No verbal agreements will be considered during the bid process. The quality of the response to the RFP will be viewed as an example of the vendor's capabilities.

C. Terms

The payment terms must be clearly stated in the bid specifications. Payment terms should be structured using a milestone based payment schedule. The schedule should start with contract signing, following a logical progression of system delivery and installation, then conclude with the final system acceptance.

D. Default

1. Family Health Centers may, subject to the provisions of (section VI-D-3) below, by written notice of default to the contractor; terminate the whole, or any part, of this contract in any of the following circumstances:
 - a. If the contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof: or
 - b. If the contractor fails to perform any of the other provisions of the contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, or in either of these two circumstances does not cure such failure within a period of 30 days after receipt of notice from the department specifying such failure.
2. In the event FHC terminates this contract in whole or in part as provided in (section VI-D-1), FHC may procure, upon such terms and in such manner that are deemed appropriate by FHC, supplies or services similar to those terminated. In this circumstance the contractor shall be liable to FHC for any excess costs for such similar supplies or services, subject to the provisions of (section VI-D-3).
3. The contractor shall not be liable for any excess of costs if acceptable evidence has been submitted to FHC that failure to perform the contract was not due to negligence of the contractor.