

**COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES**  
**(MORE THAN \$100,000) \***

This Professional Services Agreement ("**Agreement**") is made as of the last date opposite the respective signatures by and between the County of Monterey, a political subdivision of the State of California (hereinafter "**County**") and Innovative Interfaces Incorporated, with its principal place of business at 5850 Shellmound Way, Emeryville, CA 94608 (hereinafter "**CONTRACTOR or INNOVATIVE**"), hereafter collectively referred to as "**the parties.**"

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

**1. SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in the attached Exhibits A through C, incorporated by this reference in conformity with the terms of this Agreement. The services are generally described as follows:

Innovative library system with Hosted Services. This proprietary Integrated Library System will provide the hardware, software and services necessary for the cataloging, acquisitions and circulation functions of the Monterey County Free Libraries.

**2. PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in the Product & Services payment Terms section of Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$310,000.00. Additional goods and/or services may be procured by the County pursuant to Article 20.1 herein.

**3. TERM OF AGREEMENT.** This Agreement is effective on the last date opposite the respective signatures for an initial term ending five (5) years from April 1, 2016, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement and further, may not commence work until County issues a "Notice to Proceed" pursuant to Section 9 of this Agreement.

**4. ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

<u>Exhibit A</u>	Confidential Price Quotation
<u>Exhibit B</u>	Hosted Maintenance and Support Services Agreement
<u>Exhibit C</u>	Cost Summary

## **5. PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## **6. PAYMENT CONDITIONS.**

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

## **7. TERMINATION.**

7.01. During the term of this Agreement, the County may terminate the Agreement for convenience by giving written notice of termination to the CONTRACTOR at least ninety (90) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. During the term of this Agreement, the County may terminate this Agreement for good cause by giving the CONTRACTOR written notice to cure any failure to perform under this Agreement. If the CONTRACTOR fails to cure any failure to perform under this Agreement within thirty (30) days of receipt of such notice to cure, the County may, at its sole option, terminate this Agreement with immediate effect. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. **INDEMNIFICATION.** CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents and employees from and against any and all claims, liabilities, and losses whatsoever, (including damages to property and injuries to or death of persons, court costs, and reasonable attorney's fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. **INSURANCE.**

9.01. **Evidence of Coverage:**

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.02 **Qualifying Insurers:** All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

**Commercial general liability insurance,** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

**Business automobile liability insurance,** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

**Workers' Compensation Insurance,** if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

**Professional liability insurance.** if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

9.04. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

**Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.**

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by

CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

## 10. RECORDS AND CONFIDENTIALITY.

10.01. Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02. County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03. Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04. Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05. Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, all computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement that are produced solely and exclusively for the use of the County in conjunction with the operation of the Innovative library system. CONTRACTOR shall not publish any such material without the prior written approval of County.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services

primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.
13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.
14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

**FOR COUNTY:**

Monterey County Free Libraries  
Attn: Jacqueline C. Bleisch  
188 Seaside Circle  
Marina, CA 93933  
(831)883-7569

**FOR CONTRACTOR:**

Innovative Interfaces, Inc.  
ATTN: Legal Department  
5850 Shellmound Way  
Emeryville, CA 94608  
(510) 655-6200

**15. MISCELLANEOUS PROVISIONS.**

- 15.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

- 15.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California and shall be subject to the jurisdiction of the Superior Court of the State of California for the County of Monterey and/or the Sixth District Appellate Court as may be applicable.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

- 15.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.
- 15.18 Assignment. This Agreement is not assignable by either party, whether by operation of law or otherwise, without the prior written consent of the other party, which shall not be unreasonably withheld; provided, however, that Innovative may assign this Agreement to affiliates and successors in interest upon written notice of any such assignment to the other Party. Any purported assignment in violation of this provision shall be void and of no effect. Any permitted assignee shall assume all obligations of its assignor under this Agreement.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

**COUNTY OF MONTEREY**

By: \_\_\_\_\_  
Contracts/Purchasing Manager

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Department Head (if applicable)

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chair, Board of Supervisors (if applicable)

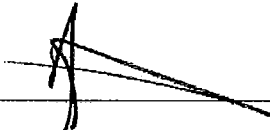
Date: \_\_\_\_\_

**Approved as to Form and Legality<sup>1</sup>**

By: \_\_\_\_\_  
Deputy County Counsel

Date: \_\_\_\_\_

**INNOVATIVE INTERFACES INCORPORATED**

By:  \_\_\_\_\_

Marina Keating S/P Services + Supp. I  
Name/Title  
Chairman/President or Vice President

By:  \_\_\_\_\_  
Signature of Secretary, Asst. Secretary Treasurer or  
Asst. Treasurer

Rory Knell, VP, Operations + Treasurer  
Name/Title



**Approved as to Fiscal Provisions <sup>2</sup>**

By: \_\_\_\_\_  
Auditor/Controller

Date: \_\_\_\_\_

**Approved as to Liability Provisions <sup>3</sup>**

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

**\*INSTRUCTIONS:** If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

<sup>1</sup> Approval by Office of the County Counsel is required

<sup>2</sup> Approval by Auditor/Controller is required

<sup>3</sup> Approval by Risk Management is required only if changes are made in paragraph 8 or 9

**Exhibit A**  
**Confidential Price Quotation**

**CONFIDENTIAL PRICE QUOTATION FOR**  
**THE MONTEREY COUNTY LIBRARY**  
(the "Library") April 1, 2016 (the "Quote Date")

<i>Product Number</i>	<i>Product Name</i>	<i>Type</i>	<i>Quantity</i>	<i>Amount</i>
PSW-INH-SERVERSW	Polaris Hosted Services - April. 2016 – March, 2017	Subscription Renewal Year 1	1	\$49,716.04
	Includes Hosting service and installed software listed: Spanish Language Interface to PAC Collection Agency Interface Export Express Mobile PAC SimplyReports SIP 2 (9) Polaris Staff Client (90) (annual rate of increase 3%)	Year 2	1	\$51,207.52
		Year 3	1	\$52,744
		Year 4	1	\$54,326
		Year 5	1	\$55,955.84
S-PHOSTED	Polaris Staff Client (April. 2016 - March. 2017) (\$ 172.29 each) (annual rate of increase 3%)	Subscription Renewal	8	\$1,352.13
S-PHOSTED	Polaris Staff Client (April. 2016 - March. 2017) (\$ 135.00 each – annual rate of increase 3%)	Subscription Renewal	2	\$270.00
2015-SYND-3rd-SUB-RENEW	Syndetics (April. 2016 - March. 2017) Cover Art First Chapter Excerpts Series Information Summaries & Annotations TOC (annual rate of increase 5%)	3 <sup>rd</sup> Party Subscription Renewal Year 1	1	\$3,198.12
		Year 2	1	\$3358.02
		Year 3	1	\$3525.92
		Year 4	1	\$3702.21
		Year 5	1	\$3887.32
	Add-On Service	1		

PSA not to exceed \$310,000

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\* Approved by County Board of Supervisors on (date) \_\_\_\_\_

<b>S-PCVS-DBSYNCH</b>	Polaris Database Sync Service (One-Time)	License	1	
<b>S-INH-LEAP-SW</b>	Leap Web-Based Application	Add-On Service	1	\$1,000
<b>S-INH-LEAP-INSTALL</b>	Installation Services	Add-on Product	2	\$10,100
<b>PSW-INH-STAFF-CAL</b>	Polaris Staff Client License (Two)			\$2,000
				\$750

**TOTAL CONTRACT AMOUNT: \$308,455.89**  
**YEAR 1 CONTRACT VALUE: \$67,386.29**

**CURRENCY: USD**

**CONTRACT TERM: 5 YEARS (5 YEARS COMMENCING AS OF APRIL 1, 2016)**  
**(THE "SUBSCRIPTION COMMITMENT TERM")**

## Product/Service Description

### LEAP

Web based Polaris Patron Services/Circulation application software designed for Polaris staff workstations, PCs and tablets that targets most commonly used features of Patron Services & Circulation. Leap includes Polaris Mobile PickList at no additional charge. Leap is not a replacement for the Polaris Staff Client; rather it is complementary.

#### Features & functionality:

- Polaris API not required.
- Requires no installation of client software.
- Flat price includes availability for simultaneous use by same number of staff as library has licensed Polaris workstation licenses.
- Intuitive design includes most commonly used Circulation features.
- Runs on most modern web browsers (HTML 5) IE, Chrome, etc.
- Uses existing database & business objects. Changes made in Leap appear in Staff Client & vice versa.

### DATABASE SYNC SERVICE

Product Description: Keeps your Polaris production and training database in synch.

Polaris's Database Synch Service is a custom SQL job that automates the data copy process from your Polaris production server to the training server, making it quick and easy to keep your training data current.

The service allows you to copy your production database as frequently as you need – daily, weekly, monthly or on-demand, so your training database is up-to-date whenever you need it.

PSA not to exceed \$310,000

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\* Approved by County Board of Supervisors on (date) \_\_\_\_\_

Database Synch Service is a time-saving solution for customers running the same version and build of Polaris on their production and training servers.

### **Product/Service Requirements**

- Polaris version and build number: 5.0.
- Microsoft: SQL Server 2008R2, 2012 or 2014
- Windows Server 2008R2, 2012 or 2012R2
- IIS 7.5 or 8 web server
- .NET framework 4.5
- OS: Operating system independent; runs on modern web browsers (must support HTML 5)
- Hardware: PC devices (i.e. laptops) and tablets (iPad, Surface, etc.)
- SSL certificate installed on Application Server where Leap is installed.

### **Product & Services Payment Terms**

#### **Subscription Renewal (“Subscription Renewal”):**

Annual Subscription Renewal product fees are payable as follows:

**Year 1  
Subscription  
payable as  
of April  
1,2016:**

**\$67,386.29**

**Years 2 – 5 Subscription: each below payable as of the anniversary of April 1, 2016:**

**Year 2 Subscription \$57,583.33**

**Year 3 Subscription \$59,327.00**

**Year 4 Subscription \$61,146.00**

**Year 5 Subscription \$63,013.86**

**All fees payable within thirty (30) days of the date of receipt of an invoice from Innovative. Library agrees and acknowledges that the pricing provided in this quotation is based upon the Library completing the Subscription Commitment Term. Accordingly, Library agrees that if it terminates the subscription prior to the end of the Subscription Commitment Term, the Library will remain liable for the full price of the subscription through the end of the Subscription Commitment Term. The Subscription Product license associated with this quote shall automatically terminate upon Library’s failure to make timely payment of monies owed to Innovative as agreed to by the Library.**

**License and Add-On Products/Services are payable by the Library within thirty (30) days of the receipt of an invoice from Innovative.**

Subject to the terms and conditions of this quotation and payment of the fees due hereunder, Innovative hereby grants to the Library, during the Subscription Commitment Term, a non-sublicensable, non-transferable, non-exclusive right to access and use the above-described products on a subscription basis in accordance with this quotation, for normal library operations.

**General Legal Terms & Conditions**

1. The terms and conditions of this quotation constitute an offer by Innovative Interfaces Incorporated ("Innovative") to sell products and services to the Library, and if accepted by the Library, constitutes a legally-binding obligation by the Library to purchase such products and services. Acceptance of this quotation by the Library may be completed by the Library's signature of this quotation as provided below; issuance of a purchase order; or any form of acceptance otherwise recognized by applicable law. The terms and conditions of this quotation are valid for 90 days, and if not accepted by the Library within said time period, shall be deemed automatically revoked.
2. Unless otherwise specified in this quotation, payment terms for the products and services herein are net thirty (30) days from the invoice date.
3. This quotation is confidential between the Library and Innovative.
4. If the terms and conditions of this quotation conflict with any other agreement or writing between Innovative and the Library, the terms and conditions of this quotation shall control. The terms and conditions of this quotation may be rejected, modified or superseded only by a written agreement mutually signed specifying the rejection, modification or supersession of the terms and conditions. For avoidance of doubt, where the Library accepts this quotation by issuance of a purchase order, the Library agrees that any terms contained in the purchase order which conflict with the legal terms and conditions herein are rejected.
5. Subscription Renewal products following the expiration of the initial 5-year subscription term described above. The Library may cancel a Subscription Renewal product only by a written amendment or new agreement between the parties to renew at least ninety (90) days prior to the expiration of the initial 5-year subscription term described above. Payment for any pro-rated portion of a Subscription Renewal product renewal period is due to Innovative within thirty (30) days of the date of receipt of an invoice from Innovative. Pricing for all Subscription Renewal Product renewals are subject to increase by Innovative and written documents signed by the parties.
6. If delivery or installation of any products or services to the Library under this quotation is postponed at the Library's request until a date more than six (6) months after the Quote Effective Date (defined below), the Library will be invoiced the full amount of the purchase order on the date six (6) months after the Quote Effective Date, in advance of delivery or installation of any products or services under this quotation. Innovative also reserves the right to change or increase the pricing of products and services under this quotation under such circumstances.
7. As may be required by the specifications of the product, Innovative's Professional Services department will contact the Library's library coordinators within two (2) weeks after receipt of the Library's acceptance of this quotation to schedule delivery or to arrange a meeting to discuss the delivery/installation process and schedule. Service delivery or product installation will usually be scheduled to commence within forty-five (45) days after receipt of the Library's acceptance of this quotation. The Library should expect that completion of service delivery or product installation may take two (2) to three (3) months after commencement.
8. If the Library fails to pay Innovative any sums due under this quotation on a timely basis, Innovative reserves the right to discontinue subscription and/or hosting services, as applicable, until the Library fully pays to Innovative all sums (and related penalties) (together, the "Overdue Amount") due to Innovative.
9. The above terms, conditions and quotations are subject to the approval of Innovative's Legal Department.

**Exhibit B - Hosted Maintenance and Support Services Schedule**

- a) **Scope of Schedule:** This Maintenance Schedule covers the Innovative-Owned software, network infrastructure and server hardware hosting the Innovative Software for the Library.
- b) **Service Level Agreement:** Innovative will deliver hosted services with a goal of 99.9% uptime, excluding scheduled maintenance which may be scheduled up to 48 hours in advance. In the case of a new implementation, the first two months will not apply to this penalty allowance. In the event that unplanned network or hardware downtime occurs, Innovative will offer a credit of 10% of the monthly hosting fee for each hour of downtime, up to 100% of the monthly hosting fee per incident, with a cap of 2 months credit of hosting fees per calendar year.
- c) **Service Availability:** Innovative will provide 24x7x365 monitoring of the hosted server and infrastructure and will make its good faith efforts to return calls within 2 hours of receipt and repair Software within 48 hours of notice, excluding weekends and holidays. Reported issues will be triaged and addressed based on the following criteria:

Severity	Description	Target Response	Target Resolution or Workaround
<b>Urgent</b>	Server Down or Innovative Hosted Services Network is inaccessible. No Innovative Hosted products are accessible.	1 Hour	2 Hours
<b>ASAP</b>	Innovative Hosted Server performance or network performance is impacted. Innovative Software is functional.	1 Hour	24 Hours
<b>Routine</b>	Inquiries about Innovative Hosted Server or Innovative Hosted Services Network	4 hours	48 Hours

- d) **Backup Schedule:** Innovative will perform daily incremental and weekly full backups of the hosted innovative software and data. Backups will be stored off-site and will be retained for a period of two weeks in the event that a restoration from backup is needed.

- e) **Disaster Recovery:** In the event that a disaster renders the Innovative Hosted Services Infrastructure inoperable, Innovative will make its good faith efforts to restore business operations at another Innovative Hosted Facility, using the then most current backups available. A credit of hosted services fees, per the aforementioned Service Level Agreement in this document is applicable in Disaster Recovery situations.
- f) **Data Ownership:** The Library is the sole owner of the patron and catalog data on the Hosted Innovative Servers and is encouraged to insure such data as deemed appropriate by the Library.
- g) **Data Security:** The Library's catalog and patron data will be accessible by authorized Innovative Staff for the purposes of maintenance, support and backup management. Library staff may access catalog and patron data at the sole discretion and enforcement of the Library. In the event that patron or catalog data is requested by a legal authority, such inquiries will be directed to the Library as the sole owner of the catalog/patron data.
- h) **Additional Services:** Any services provided due to Library supplied equipment failure, where such equipment was not purchased from Innovative, and over which Innovative has no direct control, shall be billable at Innovative's then current maintenance rates.
- i) **Termination of Hosted Services Agreement:** In the event that the services described in this Schedule are not renewed, the patron and catalog data can be migrated to a server of the discretion of the Library at the then current Innovative data migration service fees.

<b>Exhibit C</b> <b>Cost Summary</b>
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**Annual Payments:**

<b>Total Year One: Due 30 days from April 1, 2016</b>	<b>\$68,387</b>
Software Maintenance, Hosted Services, Hosted Environment	\$52,879
Enhanced Data Content for PAC Subscription	\$3,358
<b>Total Year Two: Due two (2) years from Contract Date</b>	<b>\$56,237</b>
Software Maintenance, Hosted Services, Hosted Environment	\$54,474
Enhanced Data Content for PAC Subscription	\$3,526
<b>Total Year Three: Due three (3) years from Contract Date</b>	<b>\$58,000</b>
Software Maintenance, Hosted Services, Hosted Environment	\$56,108
Enhanced Data Content for PAC Subscription	\$3,879
<b>Total Year Four: Due Four (4) years from Contract Date</b>	<b>\$59,987</b>
Software Maintenance, Hosted Services, Hosted Environment	\$57,744
Enhanced Data Content for PAC Subscription	\$4,073
<b>Total Year Five: Due five (5) years from Contract Date</b>	<b>\$61,817</b>