

C-7133  
08/11/2009

# iCapture™

---

## Software License Agreement

September 14, 2007

Revised for City of Glendale on October 19, 2009



### **Impression Technology, Inc.**

1777 N. California Blvd. Suite 240  
Walnut Creek, CA 94596-4684

925.280.0010 / 925.280.0092 Office/Fax  
[www.impression-technology.co](http://www.impression-technology.co)

## SOFTWARE LICENSE AGREEMENT

Between IMPRESSION TECHNOLOGY  
And CITY OF Glendale

This Software License Agreement ("Agreement") is entered into by and between Impression Technology, Inc., a California corporation ("Licensor") and the licensee, the City of Glendale, an Arizona municipal corporation ("City"), as of the date last executed by the Parties ("Effective Date"). Licensor and City are individually referred to as "Party" and collectively as "Parties" throughout this Agreement, and the words Party and Parties shall be construed accordingly. Licensor hereby agrees to grant City certain licenses to the Software as defined (the "License"), subject to the terms and conditions of this Agreement which are attached and the Exhibits set forth below. Any modifications or amendments to this Agreement may be made by an addendum signed by an authorized officer of the Parties ("Agreement Addendum") to be attached to this Agreement.

BOTH PARTIES ACKNOWLEDGE HAVING READ THE TERMS AND CONDITIONS SET FORTH ON THIS FACING PAGE AND ATTACHED HERETO, UNDERSTANDING ALL TERMS AND CONDITIONS, AND AGREEING TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the Parties herein have caused this Agreement to be executed in triplicate originals.

IMPRESSION TECHNOLOGY, INC., a  
California corporation

By: 

Title: PRESIDENT

Date: 11/19/09


CITY OF GLENDALE,  
an Arizona municipal corporation

By: 


Its: City Manager

Date: December 3rd, 2009

ATTEST:

  
Pam Hanna, City Clerk

APPROVED AS TO FORM:

  
Craig Tindall, City Attorney

# SOFTWARE LICENSE AGREEMENT TERMS AND CONDITIONS

## 1. DEFINITIONS.

For purposes of this Agreement, the following terms shall have the following meanings:

"**Client**" is a user (which includes but is not restricted to an employee or consultant of City) who is permitted access to the City data files using the Software.

"**Documentation**" means the user and technical manuals and documentation regarding the Software, whether in hard copy, magnetic or electronic media or other form, provided by Licensor to City. Documentation includes, but is not limited to, the reference manuals and user guides and manuals, operating instructions, input information, format specifications, instructional and other documentation, published specification and other documentation related to the Software.

"**Software**" means Licensor's iCapture software residing on a single or multiple servers at the locations specified on the Facing Page and any software modules which are included with such Software.

"**Update**" means a revised version of the original Software containing updates or modifications of the Software that Licensor provides to City. The term Update includes revisions to any Documentation associated with the Software.

## 2. INSTALLATION AND DELIVERY.

- 2.1 Except as otherwise agreed between the parties, City shall be solely responsible for installation of the Software and for any conversion of data required in connection with City's use of the Software to make such data compatible with the Software.

## 3. LICENSE GRANT.

- 3.1 **Software License.** Licensor shall provide to City, by CDROM or electronically (as agreed between the Parties), one copy of the Software, in machine-readable object code, solely for City's use pursuant to this Agreement. Subject to the terms and conditions of this Agreement, Licensor hereby grants to the City a non-exclusive, non-transferable, restricted license to install and use the Software on the servers designated on the facing page, in machine-readable object code. Such License shall allow City the right to allow up to that number of Clients to access City's designated data files and to:

- (A) use the Software for manipulating, sorting, archiving and accessing City's data files on that number of servers as is permitted under this Agreement;
- (B) use the Documentation;
- (C) reproduce, modify, or adapt the Documentation for Clients in connection with the exercise of the License granted with respect to the Software and Documentation, provided that all notices, restrictions and trademarks are left intact.

- 3.2 **Source Code.** City and its Clients shall not have the right to receive or use the Source Code of the Software.

- 3.3 **Changes.** Any change by City to the Software requires Licensor's written consent for such modification or change.

## 4. LICENSE FEE; TAXES.

- 4.1 **City Fee.** As consideration for the license granted to City hereunder, City shall pay to Licensor the initial License Fee specified in any addendum to the Agreement ("Agreement Addendum"), reference Attachment A - System Support and Maintenance and Support Fees.

- 4.2 Client Access Fees. Additional license fees shall be payable on any additional features elected by City, for any increase by City in the number of Clients who are permitted access to, or can simultaneously access, City's data files at any given point in time. Such additional fees shall be payable in accordance with the terms in any Agreement Addendum.
- 4.3 Payment. Payments shall be paid to Licensor within thirty (30) days after City's receipt of Licensor's invoice therefore.
- 4.4 Taxes. City shall pay all sales, use and other taxes (excluding taxes on Licensor's income) imposed by any jurisdiction arising out of or related to the License granted under this Agreement, or on City's use of the Software, regardless of when such tax liability is asserted. Licensor warrants that it has researched and will apply all known taxes applicable to the transaction contemplated under this Agreement concurrent with its execution.

## **5. RESTRICTIONS.**

- 5.1 Authorized Use Only. City shall: (a ) adopt and enforce such internal policies, procedures and monitoring mechanisms as are necessary to ensure that the Software is used only in accordance with the terms of Section 3 hereof; and (b) take all steps necessary to ensure that no person or entity will have unauthorized access to the Software.
- 5.2 Unauthorized Access. City shall not: (a) assign, sublicense, lease, encumber or otherwise transfer or attempt to transfer the Software or any portion thereof, other than in accordance with Section 13.3 hereof; or (b) except for access by Clients to the Software as permitted by this Agreement, permit any third party to use or have access to the Software, whether by timesharing, networking, through the internet or any other means.
- 5.3 No Reverse Engineering. City shall not modify, translate, reverse engineer, decompile or disassemble the Software; nor shall it permit its Clients to modify, translate, reverse engineer, decompile or disassemble the Software. City shall immediately advise Licensor of any modification, translation, reverse engineering, decompiling or disassembly of the Software by any Party or any Client.
- 5.4 Proprietary Notices. City shall not remove or cause to be removed any copyright, trademark, patent or other proprietary notices from the Software or Documentation or any portion thereof.

## **6. COMPLIANCE.**

- 6.1 Employee Compliance. City shall instruct its employees, consultants, Clients and agents that making unauthorized copies of Software or any portion thereof, or permitting the use of the Software other than in accordance with Section 3 hereof, constitutes a violation of copyright law and of this Agreement.
- 6.2 Compliance Statement. Upon Licensor's reasonable request, City shall provide signed statements verifying its compliance with this Agreement. Licensor shall have the right, upon reasonable notice, and compliance with City security policies, to inspect City facilities to verify City's compliance with this Agreement.

## **7. INTELLECTUAL PROPERTY.**

- 7.1 City acknowledges and agrees that Licensor will retain all right, title, interest and ownership in and to the Software and Documentation and any and all copies, Updates or modifications to the Software and Documentation. City acknowledges that the Software and Documentation constitute proprietary information and trade secrets of Licensor, whether or not any portion thereof is or may be the subject of a valid copyright or patent. City shall maintain all information and data contained in the Software and Documentation, or any portion thereof, in strict confidence, and shall not publish, communicate or disclose, or permit to be published, communicated or disclosed, to third parties such information and data without Licensor's prior written consent. City agrees to take all appropriate steps to ensure that persons having access to the Software and Documentation shall refrain from any unauthorized reproduction or disclosure of the Software, Documentation or any portion thereof.

- 7.2 Notwithstanding any other provision of this Agreement regarding confidentiality, secrets, or protected rights, Licensor information provided to City may be subject to disclosure by laws related to open public records. Consequently, Licensor understands that disclosure of some or all of the items subject to this Agreement may be required by law. In the event City receives a request for disclosure that is reasonably calculated to incorporate information that might be considered confidential by Licensor, City agrees to provide Licensor with notice of that request, which shall be deemed given when deposited by City with the USPS for regular delivery to the address of Licensor specified below for notices. Within ten (10) days of City notice by City, Licensor will inform City in writing of any objection by Licensor to the disclosure of the requested information. Failure by Licensor to object timely shall be deemed to waive any objection and any remedy against City for disclosure. In the event Licensor objects to disclosure within the time specified, Licensor agrees to handle all aspects related to request, including properly communicating with the requestor and timely responding with information the disclosure of which Licensor does not object thereto. Furthermore, Licensor agrees to indemnify and hold harmless City from any claims, actions, lawsuits, or any other controversy or remedy, in whatever form, that arises from the failure to comply with the request for information and the laws pertaining to public records, including defending City in any legal action and payment of any penalties or judgments. This provision shall survive the termination of this Agreement.

## **8. MAINTENANCE; CUSTOMIZATION.**

- 8.1 Maintenance. During the Warranty Period, Licensor shall provide to City, at no charge to City, telephone support between the hours of 8:00 a.m. and 6:00 p.m. Pacific Standard Time. Additional support services and Updates will be subject to City's execution of a Support Services Agreement ("Maintenance Agreement") with Licensor, payment of then current fees and subject to terms and conditions in the Maintenance Agreement. In the event Updates are provided to City pursuant to a Maintenance Agreement, such Updates shall become a part of the "Software" for purposes of this Agreement and shall be subject to all of the terms and conditions of this Agreement.
- 8.2 Customization. Any changes or modifications to the Software requested by City are subject to City's execution of a separate Consulting Agreement with Licensor.

## **9. WARRANTIES.**

- 9.1 Limited Warranty. Licensor warrants that the Software will perform substantially as specified in the Documentation delivered with the Software and that the media in which the Software is stored will be free of defects in materials and workmanship for a period of not less than one (1) year ("Warranty Period"), provided, however, that Licensor shall not be liable under this warranty if the Software has been modified or altered by anyone other than Licensor, if the Software has been abused or misapplied, or if City has failed to incorporate all patches and Updates provided to City by Licensor. This Warranty Period shall commence upon the "go-live" date of the Impression software and will remain in effect for a period of one (1) year from the "go-live" date of the complete tax and licensing information system solution. In the event of a breach of this warranty, City may return the defective Software to Licensor for replacement of the Software without charge.
- 9.2 Disclaimers of Warranties. Except as expressly set forth in this Section 9, Licensor does not make any warranties, express or implied, concerning the Software or the application, operation or use thereof, the data generated by the operation or use thereof, or any support services rendered with respect thereto. Licensor hereby excludes all implied warranties to the extent permitted by law, including specifically, any implied warranty arising by statute or otherwise in law or from a course of dealing or usage of trade. Licensor hereby excludes all implied warranties of merchantability, or of merchantable quality, or of fitness for any purpose, particularly, specific or otherwise, or of non-infringement, concerning the Software and the application, operation or use thereof.

## **10. LIMITATION OF REMEDIES.**

- 10.1 City acknowledges and agrees that it has independently verified that the Software is appropriate for the purposes for which City intends to use the Software. City assumes the entire risk related to the use of the Software. Licensor's liability in contract, tort or otherwise in connection with the Software or this Agreement shall not exceed the City's fee paid or payable plus the professional service fees and expenses paid or payable to Licensor by City under this Agreement. This limitation of liability shall not apply to Licensor's liability for damages arising from bodily injury, including death, damage to or loss of

tangible personal property, or infringement of intellectual property rights. Regardless of whether any remedy set forth herein fails of its essential purpose or otherwise, City further agrees that neither Licensor nor its licensors shall be liable to City for damages in the form of indirect, consequential, incidental, punitive or special damages, lost profits, lost savings, loss of goodwill or otherwise, or for exemplary damages, resulting from City's use or inability to use the Software or from any support services rendered with respect thereto, even if Licensor has been advised of the possibility of such damages. In no event will Licensor be liable for any damages resulting from access by clients or unauthorized third parties to City's servers.

## **11. TERM AND TERMINATION.**

- 11.1 Term. This Agreement shall be effective upon execution by both Parties and, subject to Section 11.3, shall remain in full force and effect unless and until: (a) the Parties mutually agree in writing to terminate the Agreement; or (b) the Agreement is terminated pursuant to Section 11.2 below.
- 11.2 Termination Upon Default. Either Party (the "Terminating Party") shall have the right to terminate this Agreement upon thirty (30) days (or ten (10) days in the event of nonpayment) written notice to the other Party (the "Defaulting Party"), if the Defaulting Party fails to comply with any material term or condition of this Agreement and such failure to comply is not cured within the relevant notice period. Upon such termination by default, the Terminating Party may pursue any remedies available for damages and injunctive relief, which remedies shall be cumulative.
- 11.3 Effect of Termination. City shall, upon termination of this Agreement: (a) discontinue all use of the Software; (b) deliver to Licensor all media containing the Software and all other physical copies of the Software and any related Documentation; (c) destroy the Software and all copies of the Software contained in any computer memory or data storage apparatus under the control of City; and (d) certify to Licensor within one week after the termination of this Agreement that City has delivered to Licensor and destroyed the Software and all copies of the Software in accordance with this Section 11.3. Where City is the Defaulting Party, all payments owed up to and including the termination date shall be due and payable in full immediately upon termination. Sections 7, 9, 10, and 12 shall remain in full force and effect following termination of this Agreement.
- 11.4 Remedies. The pursuit by Licensor or City of any remedy to which it is entitled at any time shall not be deemed an election of remedies or waiver of the right to pursue any of the other remedies to which it may be entitled.

## **12. DISPUTE RESOLUTION.**

- 12.1 Arbitration. Except as set forth in this Section 12, any claim or dispute between the Parties hereto pertaining to or arising out of this Agreement (including, without limitation, the negotiation or execution of this Agreement, or the interpretation, performance or breach of any provision of this Agreement) shall be arbitrated in Glendale, Arizona, before a single neutral arbitrator under the Commercial Arbitration Rules of the American Arbitration Association but not under the direction of nor heard by the American Arbitration Association. Any arbitration award shall be accompanied by a written opinion of the arbitrator giving the reasons for the award, which award may be entered as a judgment in any court of competent jurisdiction. This provision for arbitration shall be specifically enforceable by the Parties and, except as otherwise provided by applicable law, the decision of the arbitrator in accordance herewith shall be final and binding. The arbitrator shall have the power to issue and grant permanent injunctive relief and other equitable orders and remedies. Any such arbitration shall be conducted in confidence and in accordance with the confidentiality provisions of this Agreement. Each Party shall pay its own expenses of arbitration, and the expenses of the arbitrator shall be equally shared.
- 12.2 Injunctive Relief. Each Party recognizes that the other Party will be irreparably harmed in the event of City's breach, or threatened breach, of this Agreement, and that, notwithstanding anything contained herein to the contrary, the non-breaching Party may commence an action in any court of competent jurisdiction in Arizona, to obtain equitable relief to prevent such breach or threatened breach at any time prior to the commencement of an arbitration proceeding and, if an arbitration proceeding has been commenced, at any time until an arbitration award is rendered in such arbitration proceeding, or the claim or dispute is otherwise resolved. The breaching Party shall reimburse the other Party for all fees, costs and expenses including, without limitation, attorneys' fees, costs and expenses incurred by the other Party

in taking such court action to obtain equitable relief. Neither Party shall be deemed to have waived its right to arbitrate any dispute, claim or controversy by reason of seeking such equitable relief.

**13. GENERAL PROVISIONS.**

- 13.1 Nondiscrimination. Licensors will not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, gender, national origin, age, or disability, nor otherwise commit an unfair employment practice. Licensors will take affirmative action to ensure that applicants are employed, and that employees are dealt with during employment, without regard to their race, color, religion, gender, national origin, age, or disability. Such action will include, but not be limited to, the following: employment, upgrading, promotion, demotion, or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or forms of compensation; and selection for training, including apprenticeship.
- 13.2 Licensors further agree that this clause will be incorporated in all subcontracts entered into with suppliers of materials or services, and all labor organizations furnishing skilled, unskilled, and union labor, or who may perform any such labor or services, in connection with this Agreement. This clause will also be incorporated into all job-consultants' agreements or subleases in any way pertaining to Licensors' performance under this Agreement.
- 13.3 Compliance with Immigration Reform and Control Act. Licensors understand and acknowledge the applicability of the Immigration Reform and Control Act of 1986 (IRCA) to it. Licensors agree to comply with IRCA in performing under this Agreement and to permit City to verify such compliance.
- 13.4 Arizona Immigration Requirements.
- (A) Licensors, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
  - (B) Any breach of warranty under subsection (A) above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
  - (C) City retains the legal right to inspect the papers of Licensors or subcontractor employee who performs work under this Agreement to ensure that Licensors or any subcontractor is compliant with the warranty under subsection (A) above.
  - (D) City may conduct random inspections, and upon request of the City, Licensors shall provide copies of papers and records demonstrating continued compliance with the warranty under subsection (A) above. Licensors agree to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section 13.4.
  - (E) Licensors agree to incorporate into any subcontracts under this Agreement the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the City. Licensors also agree to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
  - (F) Licensors' warranty and obligations under this Section 13.4 to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this Section is no longer a requirement.
  - (G) The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.
- 13.5 Fiscal Year Clause. Every payment obligation of the City under this Agreement is conditioned upon the availability of funds appropriated for payment of such obligation. Continuation of this Agreement after the

close of the City's fiscal year, which ends June 30th of each year, is subject to the approval of the budget of the City providing an appropriation covering this item as an expenditure. The City does not represent that such budget item will be actually adopted, as that determination is made by the City Council at the time of the adoption of the budget. If funds are not appropriated for the continuance of this Agreement, this Agreement may be terminated by the City at the end of the period for which funds are available. No liability shall accrue to the City in the event this provision is exercised, and the City shall not be obligated or liable for any future payments or for any damages as a result of termination under this provision.

- 13.6 Offsets. Licensors understands and acknowledges that no demand on City shall be allowed in favor of any person in any manner indebted to City without first deducting such indebtedness. Accordingly, Licensors agrees that any payments that are undisputed and due and payable to City shall be offset against the amounts payable to Licensors under this Agreement.
- 13.7 Cancellation. The Parties understand and acknowledge that this Agreement may be subject to cancellation under Arizona Revised Statutes (A.R.S.) § 38-511, (Arizona's public employee conflict of interest law) in the event there is a conflict of interest of the type specified in A.R.S. § 35-511 by persons significantly involved in initiating, negotiation, securing, drafting or creating this Agreement.
- 13.8 Audit/Records. The provisions of A.R.S. § 35-214 will apply to this Agreement. The City will perform the inspection and audit function specified therein.
- 13.9 Claims or Demands Against the City. Licensors acknowledges that A.R.S §§ 12-821 and 12-821.01 are applicable to any claims or demands Licensors may make against City.
- 13.10 Foreign Prohibitions. Licensors, and on behalf of any subcontractor, certifies, to the extent applicable under A.R.S. §§ 35-391 et seq., and 35-393 et seq., that neither has "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.
- 13.11 Insurance Requirements.
  - (A) Licensors and its subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Licensors, its agents, representatives, employees or subcontractors.
  - (B) The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits contained herein are sufficient to protect Licensors from liabilities that might arise out of the performance of the work under this Agreement by Licensors, its agents, representatives, employees or subcontractors and Licensors is free to purchase additional insurance as may be determined necessary.
  - (C) Minimum Scope and Limits of Insurance. Licensors shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.
    - (i) Commercial General Liability – Occurrence Form:
      - (a) Policy shall include bodily injury, property damage and broad form contractual liability coverage.
 

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
      - (b) The policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of Licensors."



(ii) Automobile Liability:

- (a) Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of this Agreement.  
Combined Single Limit (CSL) \$1,000,000
- (b) The policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of Licensor, including automobiles owned, leased, hired or borrowed by Licensor."

(iii) Worker's Compensation and Employers' Liability:

Workers' Compensation	Statutory
Employers' Liability – Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

- (a) Policy shall contain a waiver of subrogation against the City.
- (b) This requirement shall not apply when a contractor or subcontractor is exempt under A.R.S. § 23-901 and when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

(iv) Professional Liability (Errors and Omissions Liability):

- (a) The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this Agreement.  
Each Claim \$1,000,000  
Annual Aggregate \$2,000,000
- (b) In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, Licensor warrants that any retroactive date under the policy shall precede the effective date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Agreement is completed.

(D) Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

- (i) On insurance policies where the City is named as an additional insured, the City shall be an additional insured to the full limits of liability purchased by Licensor even if those limits of liability are in excess of those required by this Agreement.
- (ii) Licensor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

(E) Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, or canceled, except after thirty (30) days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent in accordance with Paragraph 14.8 of this Agreement and shall be sent by certified mail, return receipt requested.

(F) Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the State of Arizona and with an "A.M. Best" rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect Licensor from potential insurer insolvency.

- (G) Verification of Coverage. Licensors shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
  - (i) All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of contract.
  - (ii) All certificates required by this Agreement shall be sent in accordance with Paragraph 14.8 of this Agreement. The City project/contract number and project description shall be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.
- (H) Subcontractors. Licensors shall require all subcontractors to comply with the foregoing insurance requirements, or Licensors shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- (I) Approval. Any modification or variation from the insurance requirements in this Agreement shall be made by the Risk Management Department, whose decision shall be final. Such action will not require a formal Agreement amendment, but may be made by administrative action.

#### **14. MISCELLANEOUS.**

- 14.1 Default and Other Remedies. Nothing herein shall preclude either Party from seeking money damages or injunctive relief to prevent unauthorized use of the licensed material or City proprietary material in the event of a breach of this Agreement.
- 14.2 Remedies. Except as otherwise provided herein, no right or remedy herein conferred on or reserved to either Party is intended to be exclusive of any other right or remedy, and each and every right and remedy will be cumulative and in addition to any other right or remedy under this Agreement or under applicable law, whether now or hereafter existing.
- 14.3 Injunctive Relief and Special Performance.
  - (A) Licensors and City agree that a breach by either of them of its obligations under, Section 6, Section 7 or Section 11 may cause irreparable harm which cannot be compensated in money damages. Accordingly, Licensors and City each agree that in the event either Party breaches any of the provisions in Section 6, Section 7, Section 11 the other Party shall be entitled to seek injunctive relief or specific performance in addition to its other remedies.
  - (B) Specific Performance. Licensors agrees that, in the event of a breach by Licensors of any material provision of this Agreement, the City shall, upon proper action instituted by it, be entitled to a decree of specific performance thereof according to the terms of this Agreement. In the event the City shall elect to treat any such breach on the part of Licensors as a discharge of the Agreement, the City may nevertheless maintain an action to recover damages arising out of such breach. This paragraph is not intended as a limitation of such other remedies as may be available to the City under law or equity.
  - (C) The total liability of the Licensors under this Agreement for any reason or claim shall not exceed that as stated in Section 10.
- 14.4 Relationship of Parties.
  - (A) The relationship of the Parties shall be that of independent contractors. Any employee, subcontractor or agent of Licensors who is assigned to provide Services under this Agreement shall remain at all times under the exclusive direction and control of Licensors and shall not be deemed to be an employee, subcontractor or agent of the City. Neither Party will represent that it has any

authority to assume or create any obligation, express or implied, on behalf of the other Party, or to represent the other Party as agent, employee, or in any other capacity, except as specifically provided herein.

- (B) This Agreement will not constitute, create, give rise to or otherwise recognize a joint venture, agreement or relationship, partnership or formal business organization of any kind between the Parties, and the rights and obligations of the Parties shall be only those expressly set forth therein. Licensor will agree that no persons supplied by it in the performance of the agreement are employees of the City and further agrees that no rights to the City's civil service, retirement or personnel rules and benefits accrue to such persons. Licensor shall be responsible for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, unemployment compensation, other benefits, taxes and premiums appurtenant thereto concerning such persons provided by such Licensor in the performance of the Agreement, and Licensor shall save and hold the City harmless with respect thereto.

**14.5 Entire Agreement; Amendments; Modifications.** This Agreement, along with the schedules and exhibits attached hereto, sets forth the entire Agreement between the Parties and supersedes any other prior or contemporaneous proposals, agreements and representations between them related to its subject matter, whether written or oral between the Parties and all amendments and extensions thereof, which shall be deemed to be superseded by this Agreement. No modifications or amendments to this Agreement shall be binding upon the Parties unless made in writing and duly executed by authorized officials of both Parties.

**14.6 Binding Effect; Assignment.**

- (A) This Agreement shall be binding on and inure to the benefit of the respective Parties and their permitted successors and assigns. Neither Party may sell, transfer or assign any right or obligation hereunder, except as expressly provided herein, without the prior written consent of the other Party. Any assignment in violation of this Section 14.6 shall be void.
- (B) City shall have the right to assign or transfer (including by merger or otherwise by operation of law) all of its rights, duties and obligations under this Agreement to: (a) any entity that is an Affiliate of City in connection with an internal reorganization of the business of City; or (b) a purchaser of all or substantially all of City's capital stock, assets and business involving the line of business that primarily utilizes the licensed material; provided that with respect to subsections (a) and (b), the resulting assignment shall not expand the scope of the licenses granted hereunder.
- (C) The foregoing assignment shall be valid only if: (a) City provides prior written notice to Licensor; and (b) such assignee or transferee shall have expressly assumed in a written agreement with Licensor, the rights, duties and obligations of City under this Agreement. No such assignment or transfer shall operate to release City of its duties or obligations under this Agreement, absent an express written release executed and delivered by Licensor (it being understood and agreed that Licensor shall not unreasonably withhold its consent to such a release if the assignee or transferee is the operator or successor to City's line of business involving the licensed material).
- (D) Licensor shall have the right to assign or transfer (including by merger or otherwise by operation of law) its rights, duties and obligations under this Agreement with the prior written consent of City, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, such consent shall not be required for an assignment by Licensor: (a) after Licensor has successfully completed final Acceptance of all Licensor Deliverables and made as part of the sale of all or substantially all of Licensor's capital stock, or Licensor's assets and business involving the line of business that related to the products; or (b) at any time, made solely in connection with a complete assignment of all or substantially all assets related to the products to any entity that is a direct or indirect wholly-owned subsidiary of Tata Consultancy Services Limited in connection with an internal reorganization of the business of Tata Consultancy Services Limited provided that, absent an express written release executed and delivered by City, Licensor shall not be relieved of any of their obligations hereunder.
- (E) The foregoing assignment shall be valid only if: (a) Licensor provides written notice to City; and (b) such assignee or transferee shall have expressly assumed, in a written agreement with City, the rights, duties and obligations of Licensor under this Agreement.

14.7 **No Waiver.** Failure or delay by either Party to exercise any right under this Agreement shall not constitute a waiver of any other terms or conditions of this Agreement with respect to any other or subsequent breach, or a waiver by such Party of its right at any time thereafter to require exact and strict compliance with the terms of this Agreement. In order to be effective, all waivers under this Agreement must be in writing and signed by the waiving Party.

14.8 **Notices.**

(A) All notices and other communications required under this Agreement shall be in writing and sent to the address stated below, or to such other address as shall be given by either Party to the other in writing, and shall be effective: (a) upon actual delivery if presented personally or sent by express overnight courier such as Federal Express (with a signature acknowledging receipt); or (b) seven (7) days following deposit in the United States mail if sent by certified or registered mail, postage prepaid, return receipt requested.

(B) If to Licensor:

Impression Technology, Inc.  
1777 N California Blvd, STE 240  
Walnut Creek, California 94596-4684  
Attn: Bruce Lechner and Mike Tokuyama  
Telephone : (925) 280-0010  
Facsimile: (925) 280-0092

(C) If to City:

City of Glendale,  
Attn: Bill Bond, Tax and License Manager  
5850 West Glendale Avenue  
Glendale, Arizona 85301

With required copies to:

City Manager  
City of Glendale  
5850 West Glendale Avenue  
Glendale, Arizona 85301

City Attorney  
City of Glendale  
5850 West Glendale Avenue  
Glendale, Arizona 85301

(D) Concurrent Notices:

- (i) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (ii) A notice will be deemed not to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- (iii) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Licensor identifying the designee(s) and their respective addresses for notices.

(E) Changes. Licensor or City may change its representative or information on notice by giving notice of the change in accordance with this Section at least ten (10) days prior to the change.

(F) Daily Operations. Notwithstanding the foregoing, day-to-day communications between the Parties may be made by phone, facsimile transmission, e-mail or any other method agreed to by the Parties.

- 14.9 **Applicable Law.** This Agreement shall be governed by the laws of the State of Arizona, without giving effect to the conflicts of law principles thereof. The venue for any and all legal disputes and causes of action arising out of this Agreement shall be in the State and Federal courts in Maricopa County, State of Arizona.
- 14.10 **Force Majeure.** If either Party is delayed in or prevented from performing any of its obligations hereunder by reason of a governmental law or regulation, court order, labor disturbance, act of God, fire, flood, national emergency, war, insurrection, terrorist acts, civil disturbance, or other reason of a like nature beyond the control of and not the fault of or due to the negligence of such Party, which such Party is unable to prevent or overcome by the exercise of ordinary prudence and diligence (including, but not limited to, the implementation and exercise of a reasonable disaster recovery plan), upon such Party giving prompt notice and full particulars of such cause to the other Party, the performance of such obligation shall be excused for the period of the delay, and the period for the performance of such obligation shall be extended for an equivalent period.
- 14.11 **Employee Non-Solicitation.** Neither City nor Licensor shall, except with the prior written consent of the other, solicit or hire any employee of the other Party during the time such employee is associated with any Services under this Agreement and for a period of one (1) year after such person ceases to be so engaged. The foregoing restriction shall not apply to the employment of any person who responds to a general recruitment advertisement issued to the public.
- 14.12 **Cooperation.** Each Party to this Agreement agrees to execute and deliver all documents and to perform all further acts and to take any and all further steps that may be reasonably necessary to carry out the provisions of this Agreement and transactions contemplated thereby. Each Party shall perform its obligations hereunder acting in a fair and reasonable manner.
- 14.13 **Export - Import Laws.** Licensor is solely responsible to comply with any applicable laws and regulations for importation or exportation of any Software or any other material provided by City or Licensor in connection with this Agreement. Each Party will comply with any applicable U.S. export regulations with respect to export of software or technology from the United States to Licensor's offshore facilities. Unless authorized by U.S. regulation or an export license or exemption, each of City and Licensor, agree that they will not re-export, directly or indirectly, any software or technology received from the other Party, or allow the direct product thereof to be exported or re-exported, directly or indirectly, to Cuba, Iran, North Korea, Libya, Sudan, Syria or any other country in Country Group E:2 of the Export Administration Regulations of the Department of Commerce (see <http://www.bxa.doc.gov>) or any other country subject to sanctions administered by the Office of Foreign Assets Control (see <http://www.treas.gov/ofac/>), as revised from time to time.
- 14.14 **Headings.** The various headings and subheadings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.
- 14.15 **Severability.** The invalidity of one or more phrases, sentences, sections or clauses contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof; and in the event that one or more phrases, sentences, sections or clauses shall be declared void or unenforceable by any court of competent jurisdiction or by any government or regulatory agency, such provision will be deemed restated, in accordance with applicable law, to reflect as nearly as possible the original intentions of the Parties, and this Agreement shall be construed as if any such phrases, sentences or clauses had not been inserted herein.
- 14.16 **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 instrument.
- 14.17 **Enurement.** This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

14.18 **Compliance with Laws.** Licensor shall comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes and regulations which are, or become, applicable to its performance of the services under this Agreement. If a subsequently enacted law imposes substantial additional costs on Licensor, a request for an amendment may be submitted pursuant to Section 2.2; however, no such change order may be approved by the City if it results in an increase of the Agreement amount approved by the City Council unless additional approval, as applicable, is obtained, in which case Licensor shall have no obligation under this Section.

(SIGNATURES APPEAR ON PAGE 1)

## Attachment A

### System Software and Maintenance and Support Fees

#### System Software

Impression Technology will provide the iCapture software shown in Table 1 below directly to the City under this Agreement between the City and Impression Technology. This Software is certified to run in SQL Server 2008, Windows Server 2008 and supports virtualization. The total License Fee listed below shall be due and payable upon the successful completion of the installation of the Software at the City facilities.

**Table 1-iCapture Software**

Item	Description	List Unit Price	Discount	Discount Unit Price	Qty	Extended List	Glendale Price
1	iCapture Core (25 users)	\$31,800	-60%	\$12,720	1	\$ 31,800	\$ 12,720
3	iCapture Reports Server (incl. Crystal Reports)	\$44,500	-60%	\$17,800	1	\$ 44,500	\$ 17,800
4	Form Definition Editor	\$33,400	-60%	\$13,360	1	\$ 33,400	\$ 6,263
5	Automated TransBuilder	\$12,900	-60%	\$5,160	1	\$ 12,900	\$ 5,160
6	iScanPlus	\$6,900	-60%	\$2,760	2	\$ 13,800	\$ 10,350
7	Image Enhancement	\$26,000	-60%	\$10,400	1	\$ 26,000	\$ 4,875
8	Post-Processor, Business Rule Engine	\$26,500	-60%	\$10,600	1	\$ 26,500	\$ 8,480
9	ICR/OCR Adaptor	\$14,500	-60%	\$5,800	1	\$ 14,500	\$ 5,800
10	ICR/OCR Processor	\$9,000	-60%	\$3,600	1	\$ 9,000	\$ 3,600
11	Key Data Entry	\$3,900	-60%	\$1,560	5	\$ 19,500	\$ 7,800
12	iExport-TaxMantra	\$33,500	-60%	\$13,400	1	\$ 33,500	\$ 13,400
13	iExport-to-ECM repository (TBD)	\$33,500	-60%	\$13,400	1	\$ 33,500	\$ 13,400
<b>Total Impression Software</b>						<b>\$ 298,900</b>	<b>\$ 109,648</b>

#### Maintenance and Support

Table 2 below shows the annual cost of maintenance and support for the iCapture software that will be provided for the City. The iCapture software warranty of not less than one (1) year shall commence on the "go-live" date of the Impression software and shall remain in effect for a period of one (1) year from the "go-live" date of the complete tax and licensing information system solution. Following this warranty period, the Year 1 Maintenance Fee shown below shall be applicable for the next 12 month period. The annual costs shown are based on Impression Technology's standard On-Line Maintenance as defined within the Impression Technology Maintenance and Support Plan incorporated herein (Attachment B). The maintenance and support pricing for Years 1 and 2 are fixed as shown in Table 2, with annual escalation of 5% in Years 3, 4 and 5 as shown. Maintenance shall be prepaid on an annual basis.

**Table 2 iCapture Annual Maintenance**

Year 1	iCapture On-Line Maintenance	\$ 35,868
Year 2	iCapture On-Line Maintenance	\$ 35,868
Year 3	iCapture On-Line Maintenance	\$ 37,661
Year 4	iCapture On-Line Maintenance	\$ 39,544
Year 5	iCapture On-Line Maintenance	\$ 41,522

## iCapture Training

Table 3 below shows the formal iCapture Training Courses that will be provided to the City as a part of the Scope of Work defined in the services contract between TAIC/TCS and Impression Technology. The City may, at its option, purchase additional Training from Impression Technology in the future and the quoted price of this training will be fixed at the costs shown for the first five (5) years from the date of execution of this Agreement.

**Table 3 iCapture Training**

Courses Title	Duration	Description	Services Cost	Materials Cost	Total Cost/Course
<i>iQMonitor</i> User Training	½ day	This course introduces <i>iCapture</i> ™ and the related components to the key data entry managerial or supervisory staff. It will cover all aspect of monitoring the system using the <i>iQMonitor</i> utility	\$1,260	\$140	\$1,400
<i>iStatViewer</i> User Training	½ day	This course introduces <i>iStatViewer</i> and <i>iStatistics</i> to the potential users interested in generating reports to evaluate performance and productivity of users and processes on the system.	\$1,260	\$140	\$1,400
<i>iCapture</i> ™ Administration Training	2 days	This course introduces <i>iCapture</i> ™ and the related components to the system administrative and development staff. It will cover all aspect of configuring, monitoring, and troubleshooting the system.	\$5,040	\$560	\$5,600
<i>iFormEdit</i> User Training	½ day	<i>iFormEdit</i> is a form definition tool that is used to introduce forms into the system. It allows the form administrator and development staff to map and associate various field-attributes to specific region of the form image for the purpose of recognition and data capture. A well-defined and carefully thought-out form definition will improve the recognition accuracy, and the system throughputs.	\$1,260	\$140	\$1,400
<i>iSL</i> Developer Training	½ day	Form related, application-specific business rules may easily be expressed in <i>iSL</i> and captured data may be validated and "scrubbed" before presentation to <i>iEditor</i> operators or export. This course will introduce the <i>iSL</i> language syntax, built-in functions, development approach, and troubleshooting techniques.	\$1,260	\$140	\$1,400



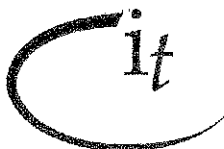
Attachment B  
to Software License Agreement

iCapture™

---

Maintenance and Support Plan

Revision 2.5  
Oct 22, 2006



**Impression Technology, Inc.**  
1777 North California Blvd, Suite 240  
Walnut Creek, CA 94596

925.280.0010 / 925.280.0092 Office/Fax  
<http://www.impression-technology.com>

# Proprietary Notice

This document contains confidential information provided by Impression Technology for the sole purpose of permitting the recipient to evaluate the proposal submitted within. In consideration of the receipt of this document, the recipient agrees to maintain such information in confidence and to not reproduce or otherwise disclose this information to any person outside the group directly responsible for evaluation of its contents. The plan presented in this proposal is proprietary information and may not be without the express written consent of Impression Technology.

© 2009, Impression Technology. All rights reserved.

# 1 Maintenance and Support Plan

## 1.1 Introduction

This document describes the Maintenance and Support plans currently offered by Impression Technology. It provides an overview of the support infrastructure that is in place to meet the needs of customers, the Service Levels, incident reporting, escalation procedures and the standard pricing for the maintenance and support options that are available. It is designed to provide a high degree of flexibility in meeting the requirements of each customer while ensuring a rapid response to issues and the highest degree of system availability. Impression Technology provides maintenance and support following the execution of a Maintenance Agreement based on the provisions and services described in this plan, modified as required to meet unique needs that are identified.

## 1.2 Support Infrastructure

Impression Technology has a very effective support infrastructure in place with a comprehensive selection of services. It supports all aspect of customer needs through our automated support web site and through personal interaction with our knowledgeable engineers. Some of the features of this support infrastructure are outlined below:

- Offers multiple service levels to meet customer business needs for all sites big and small.
- Provides customer access via e-mail, telephone, and the World Wide Web.
- Pages support engineer automatically when a request is issued through our online support web site.
- Processes and tracks problems by priority and severity of the request.
- Offers user-friendly web access to follow-up on any open trouble ticket to assist in the resolution of the problem.
- Supports the automated escalation of problem severity levels to ensure all reported problems receive the attention required and the dedication of resources to effect continuous, reliable operation of the installed solution.
- Supports flexibility to allow customer initiated escalation for on-site support.
- Maintains an indexed and searchable knowledgebase of all trouble ticket resolutions accessible to the user community.

## 1.3 Service Levels

Impression Technology offers three basic levels of maintenance and support service: On-line Standard Service, On-call Service, and our On-Site Service. Table 1-1 below provides a comparison of the features of the Impression On-Site, On-Call and Standard On-Line Maintenance and Support Plan. As shown, this table provides summary information regarding problem response time, on-site support costs, on-site response times, automatic escalation, and software fixes and upgrades for each of the options offered by

Impression. This information provides the basis for the initiation of a Maintenance Agreement with each customer, customized to meet the specific requirements and business needs that exist at that site.

Table 1-1 Support Features

<b>Support Features</b>	<b>Standard On-Line Service</b>	<b>On-Call Service</b>	<b>On-Site Service</b>
<b>On-Line Support Request</b>	Unlimited	Unlimited	Unlimited
<b>Problem Resolution Time</b>	4-hour response time.	4-hour response time.	N/A
<b>Severity Level 2 or 3 Response</b>	All Severity Level 2 or 3 problems are addressed via remote support and diagnostics during Impression's normal PPM, subject to the escalation process.	Same as On-Line Service, but a customer may, at its discretion, request that a support engineer be dispatched to the site to continue work locally. The cost of this on-site support for a Level 2 or 3 problems will be in accordance with the Maintenance Agreement in effect between Impression and the customer.	Immediate on-site support in accordance with the Maintenance Agreement in effect between Impression and the customer.
<b>Severity Level 1 Response</b>	Impression will immediately commence remote support, including dial-in diagnostics and support if available, to correct the identified problem and return the system to operation via a fix, or a work-around. Impression will continue its best efforts to return the system to operation for at least one complete PPM prior to requesting authorization from the customer to dispatch a support engineer to the site.	If the system cannot be returned to operation after four hours during PPM, Impression will dispatch a support engineer to the site on the next available flight, or fastest means possible.	Immediate on-site support in accordance with the Maintenance Agreement in effect between Impression and the customer.
<b>On-Site Support Cost</b>	Per request based on standard T&M Rates.	Per request based on discounted cost of pre-negotiated number of on-site visits per year.	N/A
<b>On-Site Response Time</b>	Level 1 – Report plus 1 business day.  Level 2 – Report plus 72	Level 1 – 4 Hours, then next available flight out.  Level 2 – Report plus 24	N/A

Support Features	Standard On-Line Service	On-Call Service	On-Site Service
	hours (three business days).	hours (1 business day).	
Automatic Escalation From Severity 3 To 2	3 Business Day (72 hours)	1 Business Day (24 hours)	1 Business Day (24 hours)
Automatic Escalation From Severity 2 To 1	3 Business Day (72 hours)	1 Business Day (24 hours)	1 Business Day (24 hours)
Software Fixes	Yes	Yes	Yes
Software Upgrades	Yes	Yes	Yes

### 1.3.1 Standard On-line Service

This is our standard maintenance and support offering. It features unlimited online support over the telephone, electronic mail, and web to initiate, track and respond to all support requests. Our Electronic Help Desk, described in more detail later, will document and automatically page a qualified engineer that can assist in the resolution of any question or problems about the *iCapture* software product suite. It also provides for on-site support if authorized separately by the customer, but at our standard rates and response times that are not as aggressive as those provided under our On-Call Service plan. This is the lowest fixed cost option for those customers who can meet their business needs with a predetermined level of support coverage provided through our standard PPM.

### 1.3.2 On-Call Service

Our On-Call service offering is an enhanced version of our Standard On-line offering described above. As such, it includes all of our On-Line Service support plus a pre-defined program for On-site support to resolve problems that cannot be corrected via remote support within a specified period of time. Under this offering, Impression will dispatch an engineer to the Customer's site within a specified period of time as agreed to in the Maintenance Agreement. The engineer will remain on site until either the problem is corrected or an alternate plan agreed to by the customer is placed into effect. The charges for this Service level include the charges for our Standard On-Line Service plus a fixed pre-determined charge for the on-site support program structured to meet the customers projected requirements. This service offering is particularly attractive to customers who experience peak processing periods throughout the year when a very rapid response is required for any disruption in service regardless of the cause.

### 1.3.3 On-Site Service

Impression's most comprehensive offering is on-site maintenance. This Service Level 1 program encompasses one or more full time senior level technicians resident at the customer's desired location(s) for a specified time period per day and for a specified number of days per week. On-site maintenance and support personnel are dedicated solely to meeting the needs of that site and the Maintenance Agreement includes a Statement of Work that documents responsibilities and expectations. A customer may contract

for On-Site maintenance on an annual basis, or for specific time periods (minimum one month) and the cost are negotiated based on the specific conditions and agreed to in the Maintenance Agreement.

## 1.4 Principle Period of Maintenance

While online support request can be placed 24 hours a day and 7-days per week, all responses will be processed and measured during the PPM in effect for the customer. For our standard On-Line Service offering, this is specified as listed in Table 1-2. If the service request occurred outside the PPM, the service request time will be adjusted to commence at the next earliest coverage period as specified in Table 1-2. For example, if a support request is placed at 20:00 (8:00 pm) with a 4-hour response time, a support response from Impression is not required until the following business day at noon. Or if the service request is initiated during PPM but adequate time is not available to fully resolve the problem, the required response will be carried to the next PPM. For example a support request initiated at 17:00 (5:00 pm) would require a response no later than 11:00am the following business day. Exceptions to these limitations will be handled at the discretion of the support engineer.

Table 1-2 Principle Period of Maintenance (PPM)

<i>Service Level</i>	<i>Time (Mon – Fri)</i>	<i>Time Zone</i>
On-Line Service	08:00 - 18:00	Pacific Standard Time
On-Call Service	08:00 - 18:00	Pacific Standard Time
On-Site Service	Customer Business Hours	Customer's Local Time Zone

## 1.5 Extension to Standard PPM

In addition to providing our standard hours of coverage as described above, customers may optionally choose to contract an extension to our standard PPM as needed to meet peak processing based on their business needs. For this we require a minimum extension period of 4 weeks and we advise a minimum 8-week advance notice to sufficiently resource the extended hours of coverage and operation.

## 1.6 Technical Support Access Methods

As noted above, technical support requests may be reported to Impression Technology via telephone, e-mail or directly through our support web site. The following table provides the details on how the support staff may be contacted. We recommend the use of our web site, which supports the fastest method of accessing help. To support the fast response feature, our knowledgeable support staff is electronically paged to alert them of pending trouble tickets to quickly solicit additional information to resolve problems expeditiously as possible.

Table 1-3 Technical Support Access Methods

<i>On-Line Access Method</i>	
Telephone	925-280-0010
E-mail	<a href="mailto:support@impression-technology.com">support@impression-technology.com</a>
World Wide Web	<a href="http://www.impression-technology.com">http://www.impression-technology.com</a> and click on the Support link

## 1.7 Problem Severity Levels

All Impression Technology *iCapture* maintenance and support Service Level plans feature fast response to a reported problem. Customers who submit incident reports via web or telephone during normal business hours, or PPM as described above, will receive a response from the support staff within four hours. This response will consist of a incident report from our On-Line Help Desk for the customer's review. Included in the initial response will be:

- I. A brief description of the incident---this will be primarily comprised of the information provided by the customer plus any additional information that can be learned within the first four hours of receiving the report.
- II. **Severity Assignment:** Impression Technology will assign a Severity Level to each incident report that is received. This will consist of one of the following:

<i>Severity Levels</i>	<i>Description</i>
<b>Severity 1</b>	The problem is either stopping or severely limiting production operations and no work-around is available.
<b>Severity 2</b>	The problem is either stopping or severely limiting production operations but a work-around is available
<b>Severity 3</b>	The problem is adversely affecting production operations
<b>Bug</b>	A software problem that does not fall into the categories Severity 1, 2, or 3 as described above. All reported "bugs" to the Impression software will be added to the <i>iCapture</i> "bug list"
<b>Recommendation</b>	A request for a new feature. All customer initiated Recommendations are added to the <i>iCapture</i> requested features list that is maintained by Impression. This information is used by the development staff in determining the scope and content of <i>iCapture</i> upgrades and new releases.

- I. **Owner:** Impression Technology will designate the support engineer responsible for investigating the incident and maintaining communications with the customer on the status of the specific request.

Incident reports that are logged outside of the standard working hours via the web that are classified as Severity 1 or 2 will result in a call back from the on-call field service engineer within this same two hour period. The written report from Impression Technology will be provided to the customer within the first four hours of the next Impression PPM.



## **1.8 Problem Resolution Process**

The Maintenance and Support plan provides for a specific set of actions depending on the Severity Level of the problem that has been reported and the Service Level Agreement that is in effect between Impression Technology and the customer.

### **1.8.1 Severity Level 1 Process**

Upon receipt of a Severity Level 1 problem, Impression Technology will immediately commence remote support, including dial-in diagnostics and support if available, to correct the identified problem and return the system to operation via a fix, or a work-around.

Under an On-Call Service Level, if the system cannot be returned to operation after four (4) hours of the start of the next Impression PPM, Impression will dispatch a support engineer to the site on the next available flight, or fastest means possible.

Under a Standard On-Line Service Level, Impression will continue its best efforts to return the system to operation for at least one complete PPM prior to requesting authorization from the customer to dispatch a support engineer to the site. Under this latter scenario, the customer may authorize a site visit.

In the event that Impression sends a support engineer to a site where an On-Call Maintenance Agreement is in effect and it is subsequently determined that the cause of the Severity 1 Level problem is unrelated to the installed Impression software, all costs of this on-site visit will be paid by the customer in accordance with the rates established in the Maintenance Agreement.

### **1.8.2 Severity Level 2 Process**

All Severity Level 2 problems are addressed via remote support and diagnostics during Impression's normal PPM, subject to the escalation process described in the following section. Efforts to correct Level 2 problems will be continuous and the customer will be contacted as necessary as work proceeds. A customer may, at its discretion, request that a support engineer be dispatched to the site to continue work locally. The cost of this on-site support for a Level 2 problem will be in accordance with the Maintenance Agreement in effect between Impression and the customer.

### **1.8.3 Severity Level 3 Process**

Severity Level 3 problems are addressed via remote support and diagnostics during Impression's normal PPM, subject to the escalation process described in the following section. Information regarding the status of correcting all Level 3 problems that are reported will be logged to the Impression web site, or communicated directly to the customer, on a daily basis.

### **1.8.4 Bugs and Recommendations**

All reported "bugs" to the Impression software will be added to the *iCapture* "bug list" maintained on the Impression web site. Status information and updates will be posted to this site as fixes and corrections are completed, tested and released. All customer initiated Recommendations are added to the *iCapture* requested features list that is maintained on the Impression web site. This information is used by the support and development staff in determining the scope and content of *iCapture* upgrades and new releases.

## 1.9 Incident Escalation

The Maintenance and Support Plan provides for the automatic escalation of problems and incidents that are classified as either Level 2 or 3. For those customers that have an **On-Call Maintenance Agreement** in force, a Severity Level 2 problem will automatically be escalated to Level 1 after 1 full business day following the receipt of the report. This provides Impression a minimum of one full PPM to correct the problem prior to its escalation. Similarly, a Severity Level 3 problem will be escalated to Level 2 on the after 1 full business day following the receipt of the support request.

For those customers that have a Standard **On-Line Maintenance Agreement** in force, a Level 2 or 3 problems are automatically escalated to the next level after 1 full business day following the receipt of the support request. In both of the situations cited above it should be noted that a Level 3 problem would, unless resolved, rapidly become a Level 1 incident even though the problem is not stopping system operations in any way. This escalation process has been implemented to ensure that all reported problems receive the attention required and the dedication of resources to effect continuous, reliable operation of the installed solution.

## 1.10 On-Site Support

If a support engineer has been dispatched to a site this individual will remain on site until the problem is fully resolved or a mutually agreeable work plan is developed jointly with the customer. This work plan may include additional on site resources with specific skills based on the nature of the problem, additional remote work by Impression Technology, the need for customer or third party resources to correct a problem not related to the Impression software, or any combination of the above. In the event that the customer requests that the Impression support engineer remain on site to assist in the resolution of a problem not related to the Impression software, all costs will be paid by the customer in accordance with the Maintenance Agreement in effect at that time.

## 1.11 Remote Dial-In Analysis

Impression Technology recommends that all customers who enter into Maintenance Agreements also work with our technical support staff to establish the infrastructure and procedures that will dial in to the site to support the execution of remote diagnostics and troubleshooting in the event of a problem or incident. This capability, when combined with telephone support, has proven to be a very efficient and effective method for identifying, analyzing and correcting problems. This infrastructure can be established to ensure that access by the Impression support staff is limited and controlled by site personnel and compliant with site security requirements. Product Warranty

## 1.12 Maintenance Training

A prerequisite for the execution of a Maintenance Agreement is the completion of the training courses by one or more customer personnel. This training is typically conducted as a part of the Statement of Work between Impression and each customer under a separate Consulting Agreement and we recommend that it be completed prior to the completion of Acceptance tests, or the start of production operations. At the completion of this training these individuals will be provided a single username and password representing their site that will enable them to make full use of the Impression web site and Electronic Help desk described below.

## 1.13 Exclusion

Maintenance and support services provided under a Maintenance Agreement may commence when the system is placed into production operations or upon the completion of Acceptance testing, whichever occurs first. These services do not include pre-acceptance test activities performed by Impression Technology, design or consulting tasks, formal training, the correction of problems or issues related to hardware or software provided by third parties (other than that included in the Impression software Bill of Materials), network or communication issues when customer supplied, the correction of defects in application software developed by the customer or third parties that interface with the Impression solution, or services provided by Impression related solely to system enhancement or expansion. These types of services will be provided by Impression Technology under a separate Consulting Agreement and specific Statement of Work.

### 1.13.1 Product Upgrades and Releases

All customers that execute a Maintenance Agreement will automatically become eligible for the Impression Technology Product Upgrade and Release program.

Periodically, Impression Technology provides "maintenance" releases of its *iCapture* software. These maintenance releases are a collection of critical and non-critical fixes bundled into a single release to simplify testing and installation and limit the frequency of this activity. If, however, critical problems are uncovered within the *iCapture* software that requires immediate correction to prevent or minimize Severity Level 1,2 or 3 problems, Impression Technology releases software patches as required.

Customers subscribing to any *iCapture* maintenance and support plan are entitled to upgrades, releases and patches within the cost agreed to on the Maintenance Agreement. Customers will receive these updates via the Internet at <http://www.impression-technology.com>, including release notes and installation instructions. The customer is responsible for all installation and support for this effort is provided via the standard policy described above. Impression Technology discusses each Upgrade with each customer to ensure an awareness of the potential impact, if any, of moving to this new release. The customer is responsible for the testing of the software in its environment and its installation. Support for this is again provided via the standard maintenance and support channels. Once installed, this software is subject to all of the same maintenance and support provisions as any earlier version.

Impression Technology produces Upgrades to the *iCapture* software in three different categories: major release, minor release and lettered release. The category of the release is indicated by the way that the version number changes with respect to the previous release. A major release contains very substantial new features and is indicated by a change in the most significant part of the version number, e.g. v2.1 to v3.0. Note that a major release may be subject to additional license fees. A minor release may contain significant new features, a group of less significant enhancements, and/or performance enhancements and is indicated by a change in the least significant part of the version number, e.g. v2.1 to v2.2. A lettered release usually contains only problem corrections although it may also contain some new capabilities as well. A lettered release is indicated by the addition of or substitution of a letter to the version number, e.g. v2.1 to v2.1a.

## 1.14 Service Level Pricing

As stated herein, Impression technology executes a Maintenance Agreement with each customer that documents the annual cost of maintenance and support based on the Service Level selected and customer specific parameters such as customer location(s), hours of coverage desired, system configuration and projected on-site support needs, if any.

The following guidelines are used in establishing the quoted price for annual Maintenance and Support:

The “baseline” price for annual Maintenance and Support is 1% per month of the total List Price of the installed *iCapture* software. This cost will be paid by all customers regardless of the Service Level selected.

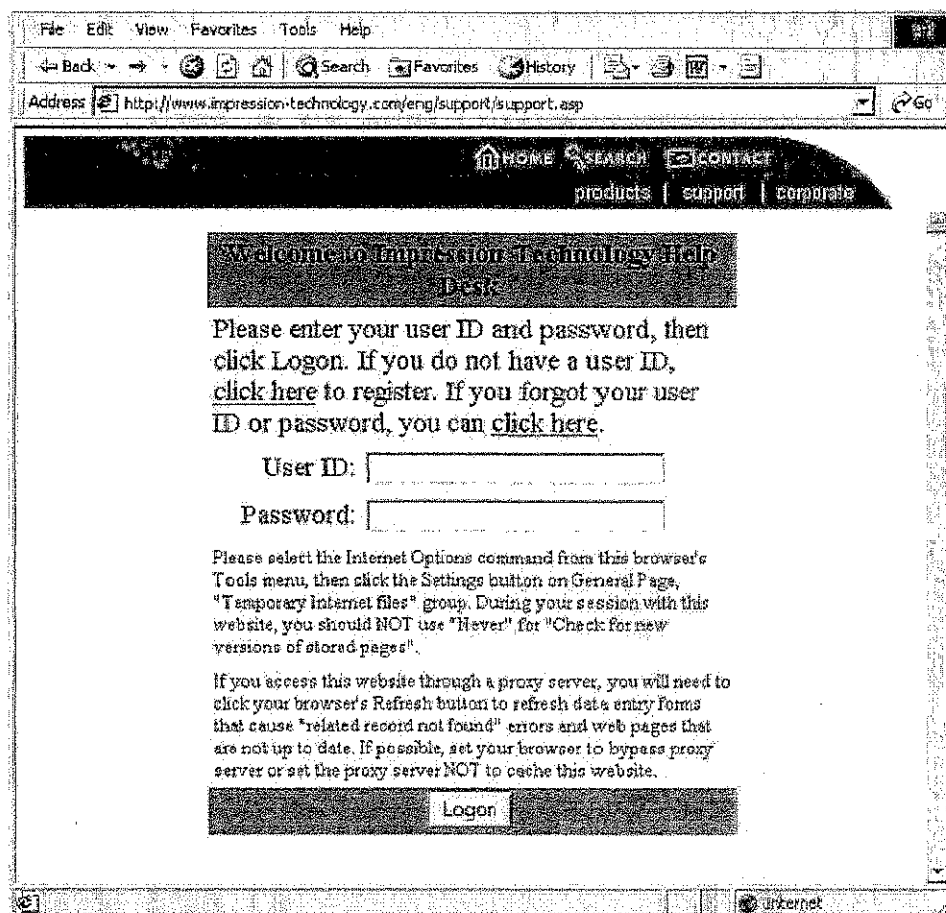
Customers who elect On-Site (Service Level 1) support will be responsible for the full cost of the salary, benefits, travel and living expenses of the engineer while resident on-site. These costs are established with each customer and agreed to in the Maintenance Agreement.

Customers who elect On-Call (Service Level 2) support will pay an additional annual fee for a pre-determined number/duration of on-site visits for maintenance and/or peak processing support. Rates will reflect discounts based on negotiated parameters.

Customers who elect Standard Remote (Service Level 3) may contract for the “baseline” described in Item 1 exclusively. Any on-site costs subsequently incurred would be billed in accordance with Impression’s standard T&M rates then in effect, including reimbursement for all actual expenses incurred.

## 1.15 Impression Technology Electronic Help Desk

After graduating from *iCapture* administration training, the client's single point of contact is given a login to the Impression Technology support web page. This screen appears like the one shown below.



The screenshot shows a web browser window with the address bar displaying `http://www.impression-technology.com/eng/support/support.asp`. The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The toolbar contains buttons for Back, Forward, Home, Search, Favorites, History, and Print. The website's header features a navigation bar with links for HOME, SEARCH, and CONTACT, and a sub-menu with products, support, and corporate. The main content area is titled "Welcome to Impression Technology Help Desk" and contains the following text: "Please enter your user ID and password, then click Logon. If you do not have a user ID, [click here](#) to register. If you forgot your user ID or password, you can [click here](#)." Below this text are two input fields labeled "User ID:" and "Password:". Further down, there is a paragraph of instructions: "Please select the Internet Options command from this browser's Tools menu, then click the Settings button on General Page, 'Temporary Internet files' group. During your session with this website, you should NOT use 'Never' for 'Check for new versions of stored pages'." Another paragraph follows: "If you access this website through a proxy server, you will need to click your browser's Refresh button to refresh data entry forms that cause 'related record not found' errors and web pages that are not up to date. If possible, set your browser to bypass proxy server or set the proxy server NOT to cache this website." At the bottom of the form is a "Logon" button.

Figure 1: Support Login Screen

The Help Desk main menu option is displayed upon a successful login (as shown below).

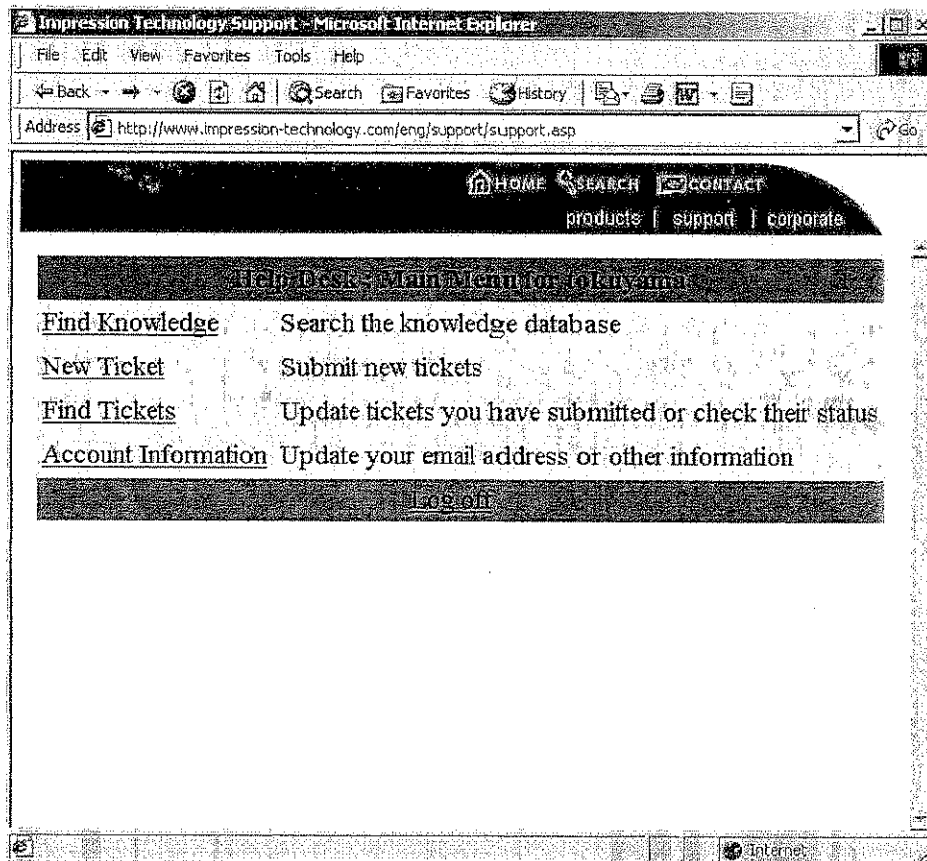


Figure 2 Main Menu

We maintain a knowledge database of trouble tickets resolved in the past to help the *iCapture* user community diagnose problems. The option to research our knowledge database is provided through the **Find Knowledge** option from the main menu. Specific topics may be searched by ID, product name, or by keywords as shown below. Blank fields will default to a wild-card search option.

The screenshot shows a web browser window titled "Impression Technology Support - Microsoft Internet Explorer". The address bar displays "http://www.impression-technology.com/eng/support/support.asp". The page features a navigation bar with links for HOME, SEARCH, and CONTACT, and a sub-menu with products, support, and corporate. The main content area is titled "Help Desk Find Knowledge" and contains the text "Find knowledge records that satisfy ALL conditions:". Below this, there are input fields for "Knowledge ID:", "Product" (with a dropdown menu showing "iEditor"), "Keyword 1:", "Keyword 2:", and "Keyword 3:". A "Go" button is located at the bottom of the search form.

Figure 3 Find Knowledge Screen

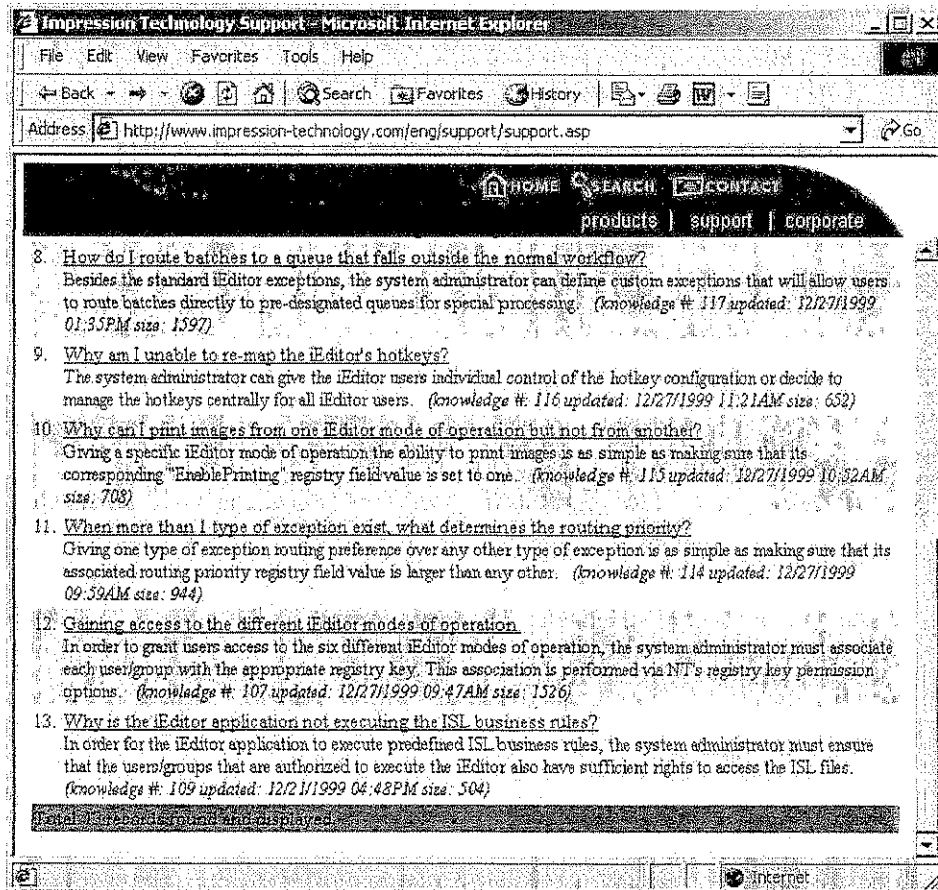


Figure 4 Find Knowledge Search Result



A new trouble ticket may be submitted for each and any application in the *iCapture* suite by using the New Ticket option in the main menu.

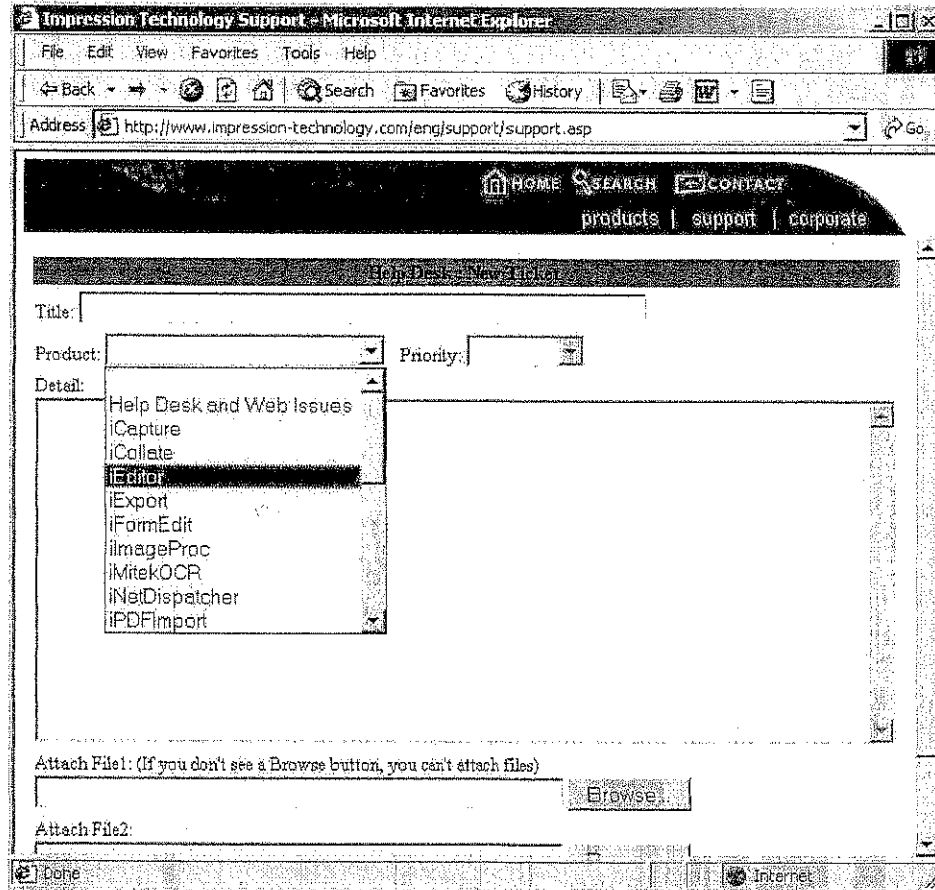


Figure 5: New Ticket Screen -- Application Selection

Once the application name is selected, a description of the problem with your return phone number and the appropriate ticket priority may be entered. Screen dumps, system log files, and any additional notes related to problem may also be submitted as attachments in the designated fields. We highly recommend the compression of the attachment files due to size of the screen dump and log files. Press the **Submit** button when you are finished entering the information.

The screenshot shows a web browser window titled "Impression Technology Support - Microsoft Internet Explorer". The address bar shows the URL "http://www.impression-technology.com/eng/support/support.asp". The page has a navigation bar with links for HOME, SEARCH, CONTACT, products, support, and corporate. Below this is a "New Ticket" section with the following fields:

- Title:** A text box containing "Editor problem observed today with form DE88".
- Product:** A dropdown menu with "Editor" selected.
- Priority:** A dropdown menu with "Normal" selected.
- Detail:** A large text area containing the text: "Problem: When entering field data for DE88 OCR error are not showing up. Is this normal? Please call back by close of business to confirm or deny. See attachment for screen print of the problem."
- Attach File1:** A text box containing "ScreenPrint.zip" with a "Browse" button next to it.
- Attach File2:** A text box containing "log.zip" with a "Browse" button next to it.
- Submit:** A button at the bottom right of the form.

Figure 6: New Ticket Screen – Problem Description

Once the **Submit** button is pressed, the Help Desk system will automatically generate a trouble ticket number as shown below. Please write this number down for subsequent follow-up sessions with the system to monitor the progress of the trouble ticket. The Help Desk system is designed to automatically page a support staff to review any new incoming trouble tickets wherever they are located.

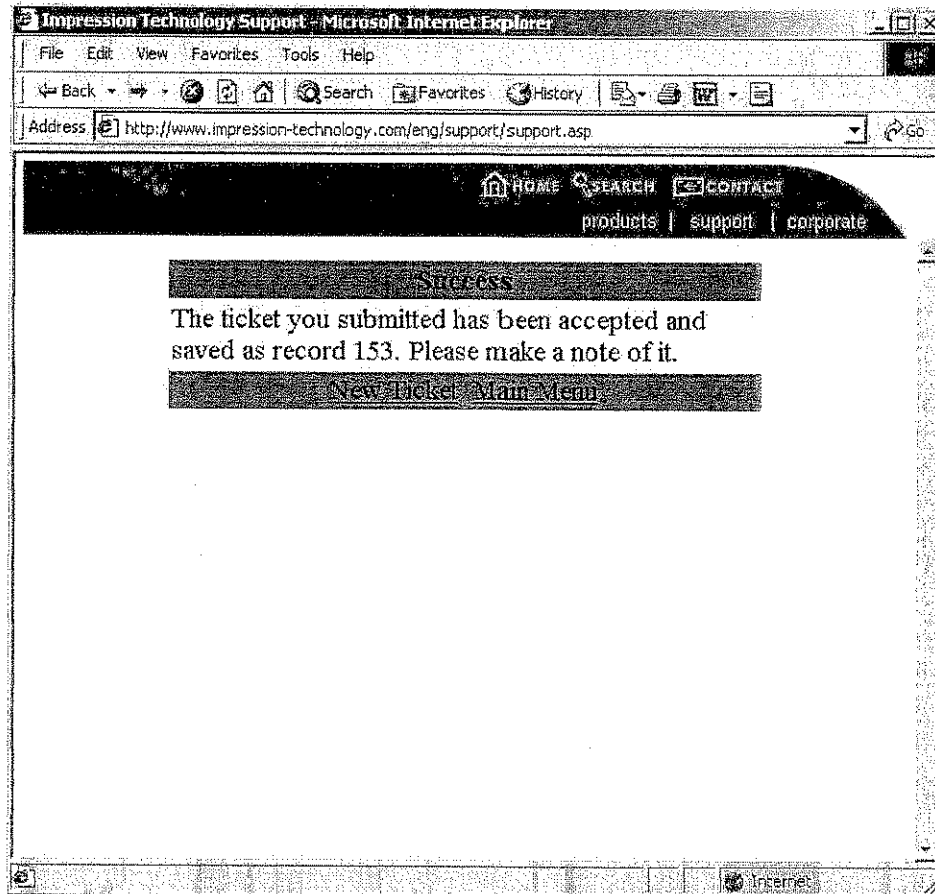


Figure 7 New Ticket Submit Acknowledgement Screen

The **Find Ticket** option from the main menu allows the user to locate and review the current status of the trouble tickets submitted by the user as shown below. If the trouble ticket number is known, enter the ticket number in the field labeled "Ticket ID". If the ticket ID number is lost, leaving the Ticket ID field blank will return all tickets numbers generated by the user. Press the **Go** button when ready to initiate the query. The system will display the result tickets found screen as shown in Figure 8.

Impression Technology Support - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites History Print

Address <http://www.impression-technology.com/eng/support/support.asp> Go

HOME SEARCH CONTACT

products | support | corporate

Help Desk Find Tickets

Display: and: and: and:

Status Title

Sort By 1: Sort By 2:

Ticket ID Ascending Ascending

Find maximum 200 tickets that satisfy ALL conditions:

Submitted By: Ticket ID: Product:

tokuyama 153

Go

Done Internet

Figure 8 Find Tickets Screen

Press the Go button when ready to initiate the query. The system will display the tickets found as shown below.

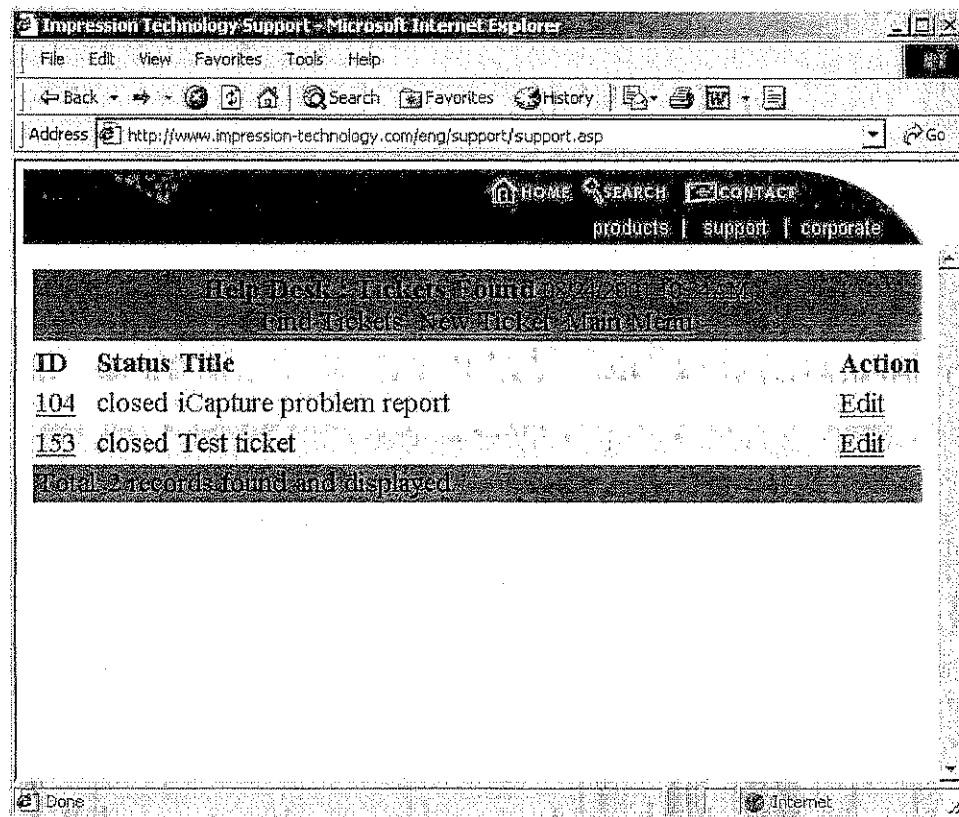


Figure 9 Tickets Found Screen

Select the desired trouble ticket from the list and the complete status of the trouble ticket may be viewed as shown below.

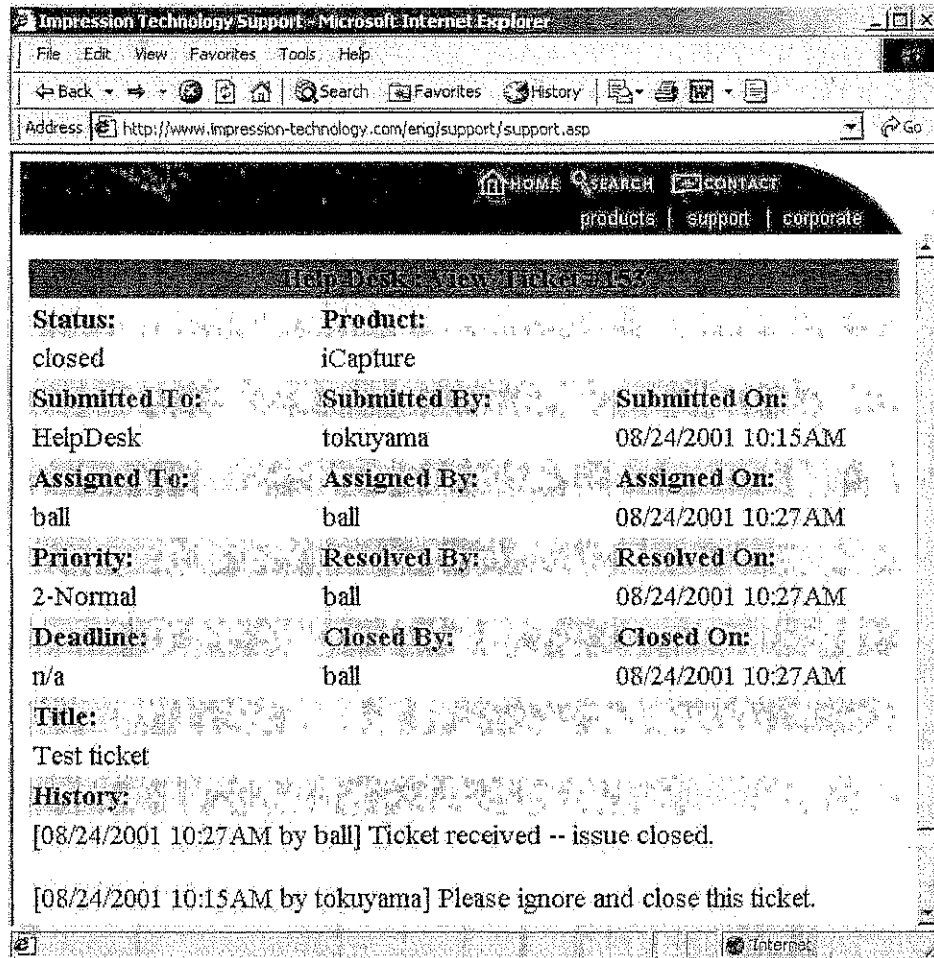


Figure 10 View Ticket Screen

Impression Technology has established a single telephone number to receive support and maintenance calls. *iCapture* users may call this number during normal business hours to speak with an Impression Technology support engineer. After hours, this same number may be used to page the Impression Technology support engineer on-call.

C-7133-1

# City of Glendale, TALIS Project

Data Capture Change Order for Remittance  
Processing Software and Hardware



Impression Technology,  
1777 North California Blvd, Suite 240,  
Walnut Creek, CA 94596

Impression  
4/16/2010



## Table of Contents

1	SCOPE.....	1
2	ASSUMPTIONS.....	1
3	OVERVIEW.....	1
4	MODIFIED DATA CAPTURE WORKFLOW.....	4
5	TAX/LICENSE PAYMENT PROCESSING.....	6
5.1	Assumptions.....	6
5.2	Sorting of Sales Tax Payment Forms.....	7
5.2.1	Singles.....	7
5.2.2	Complex Singles.....	8
5.2.3	Multiples.....	8
5.2.4	Checks-Only.....	8
6	MUNICIPAL BILLING.....	9
6.1	Assumptions.....	9
6.2	Water Bill Scanline.....	10
6.3	Water Bill Processing.....	12
6.3.1	Current Sorting Method.....	12
6.3.2	Change Impact.....	13
6.3.3	Proposed Sorting Method.....	14
6.3.4	Singles.....	14
6.3.5	Complex Singles.....	14
6.3.6	Multiples.....	14
6.3.7	Checks Only.....	15
6.3.8	Processing Rules.....	15
6.4	Water Bill Check Digit Algorithm.....	16
7	EXTERNAL SYSTEMS.....	17
7.1	Assumptions Related to Interfacing to External Systems.....	17
7.2	Output to Harris/NorthStar.....	17
7.2.5	Batch Header 'B' Record Format—Current.....	18
7.2.6	Detail Transaction 'D' Record Format—Current.....	19
7.2.7	Sample Output Records.....	20
8	COST.....	21
8.1	Software Cost.....	21
8.2	Scanner Hardware Lease Cost.....	21
8.2.1	Required Scanner Maintenance Cost.....	22
9	REQUIRED LEGAL PROVISIONS.....	22
9.1	Immigration.....	22
9.2	Prohibitions.....	23
9.3	Conflicts.....	23
10	INTEGRATION.....	23
11	PARTIES/NOTICES.....	23
11.1	Parties.....	23
11.2	Notices.....	24
APPENDIX A: KODAK S1740 SCANNER SUBSYSTEM.....		A-1
APPENDIX B: SCANNER LEASE AGREEMENT.....		B-1

# City of Glendale, TALIS Project

## Data Capture Change Order for Remittance Processing Software and Hardware

April 21, 2010

### 1 Scope

This Change Order addresses the City of Glendale, TALIS project's request to Impression Technology for a fixed-price quotation (CO) to extend the current scope of the TALIS contract to incorporate the additional requirements for remittance payment processing for Tax and Utility bills (water bills). The processing of tax payment transactions received within the Finance Department will be limited to the Sales Tax Return and related monetary documents including Audit Assessments, A/R Statements as well as payments received for Municipal Billing related to water bills. This change order only addresses the necessary adjustments to the software licenses, cost of the necessary scanning hardware, and the incremental annual software maintenance cost. For information related to the implementation cost for required services, please refer to the corresponding Change Order by TCS which addresses the implementation services including installation, integration, testing, and conversion support services to meet the requirements as stated herein. This CO consists of substitutions or upgrades from types of services, hardware or maintenance previously selected. Prior authorizations extended by the Glendale City Council in 2009 are not exceeded by this CO.

### 2 Assumptions

Due to the fixed-price nature of this quotation, the cost for the estimated labor is based on the set of assumptions that follows in the subsections below. As such, the final cost may be impacted by events not directly the responsibility of Impression Technology including additional labor required in supporting design modifications and/or supporting product re-configuration external to the iCapture suite of software.

### 3 Overview

The following is a description of the numbered work steps illustrated in Figure 1.

- 3.1 Mail Opening and Sorting staff will process all mail with priority given to payment then non-payment documents. Tax and License payment documents will be sorted and batched as described in Sections 5.2 and Municipal Billing Statements as described in 6.3.3.
- 3.2 The walkup counter will continue to perform the cashiering function via the iNovah system. Upon completion of cashiering, the completed Tax payment document is walked over to the Mail Opening and Sorting area in preparation of scanning.

- 3.3 The scanning operation will begin scanning the pre-sorted batches with priority given to utility and tax payments then non-payment tax and license documents as prepared by the Mail Opening and Sorting staff.
- 3.4 Upon completion of identifying and performing the optical character recognition of the forms, the data correction of the scanned documents will begin with priority given to utility and tax payments then non-payment tax and license documents.
- 3.5 Tax and License payment documents identified to be from the walk-up counter will be merged with the corresponding images of the check or payment receipt from the iNovah system.
- 3.6 Payment batches will be submitted to the Deposit21 application to deposit the checks immediately. Sales Tax and Municipal Billings will be deposited into their respective accounts at the City's bank. The status of the Deposit21 transactions will be fully accessible via multiple reports via web interface by authorized users only.
- 3.7 Upon completion of the payment processing and data correction/entry of the associated tax and license document, the XML output files are generated and submitted to TaxMantra.
- 3.8 Upon completion of the payment processing and data correction/entry of the associated Municipal Billing Statements, the output files are generated and submitted to Harris NorthStar.
- 3.9 Upon completion of all data correction/entry of the associated tax and license document including the water bills, the XML output files are generated and submitted to Documentum.

*[Rest of page intentionally blank]*



## 4 Modified Data Capture Workflow

This change order is based on the approved detail design of the original data capture system for TALIS with the modified workflow as illustrated in Figure 2. For complete review of this workflow, please refer back to the original Data Capture Detail Design document.

*[Rest of page intentionally blank]*



## 5 Tax/License Payment Processing

### 5.1 Assumptions

- 5.1.1 The majority of the tax payment processing activity will be associated with the Privilege (Sales) Tax returns received in the mailroom with volumes derived from the City's log during the 12 month period beginning July 1, 2008 through June 30, 2009, where the City processed approximately of 78,119 transactions annually with a peak of 1,745 returns in a single day and peak monthly volume of 6,510 transactions.
- 5.1.2 Using a +10% volume adjustment, the adjusted daily design volume of tax payment documents will be 1,920 payment transactions with an estimated 3,839 pages or 7,678 images daily. The total combined peak daily volume (including the miscellaneous tax documents, miscellaneous license documents, and water bills) is approximately 12,788 pages or 20,777 image pages.
- 5.1.3 The replacement of the originally configured Kodak i260 scanner with a newer Kodak s1740 scanner capable of scanning both the full-page and check size documents.
- 5.1.4 The majority of Sales Tax Returns will be received in the mailroom of the Finance Department. The returns along with the checks will be manually sorted and batched by the Finance Department's mailroom staff to be scanned on the new Kodak s1740 high-speed scanner.
- 5.1.5 Returns with payment will be pre-sorted to support the numerical stamping of both the returns and check payments automatically by the iCapture scanner application as a monetary scan-job configured for tax documents with payments.
- 5.1.6 The tax and license related payments cashiered at the walk-up counter via the iNovah system will be scanned at the iCapture scanner application with a special flag set. This is necessary to support the automated linkage and merging of the document to the images associated with the payment scanned by the iNovah application. System Innovators will be responsible for defining the transfer of the documents to iCapture for bulk processing at the end of the day.
- 5.1.7 It is our expectation that iNovah will assign a unique transaction "receipt number" (or something equivalent to it) for each sales tax and license payment processed. This will include the imprinting of the receipt number on the lower-right corner of the front page of tax form including the checks to aid in the retrieval of the images that are digitally scanned and linked to the receipt number at the walk-up counter. For cash transactions, it is further assumed that the iNovah application will automatically generate a cash receipt image in place of the check image. In the event multiple returns are paid with a single check, the single check will be automatically linked to each sales tax return with multiple receipts

numbers such that each return will be uniquely associated with a receipt number.

- 5.1.8 The iNovah receipt number is the common index metadata associated with each payment transaction associating it with one or more checks or a combination of payments types, for example, checks, credit card payments and cash.
- 5.1.9 iNovah application will be configured to transmit a daily batch of image files associated with the tax payments at the end of the day. The format and protocol of this transfer will be supplied by the City or by the vendor responsible for the system.
- 5.1.10 To support the prioritized cashiering functionality within iCapture, the primary workflow path will be designed and configured to support the rapid data entry of the critical payment fields (amount due, amount paid, taxpayer ID) over the data entry of the non-critical data fields that will be deferred as the secondary workflow path.
- 5.1.11 As part of the primary payment workflow, the amount due from each payment form will be balanced to the sum of the checks received.
- 5.1.12 All payments will be validated against Tax Mantra for a NSF/CreditCard/ACH" flag on the account. If found, the operator will be directed to void the entire transaction to remove it physically from the batch to process manually.
- 5.1.13 Upon completion of balancing, the transactions associated with each scan batch will be deposited electronically via Check21 to the Bank of America as required by the bank ICL specifications.

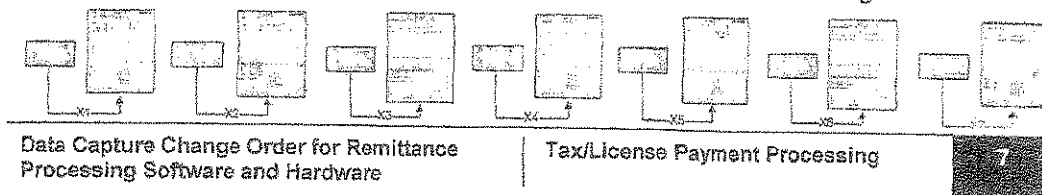
## 5.2 Sorting of Sales Tax Payment Forms

The mail received by the tax department is received daily and monetary documents will be manually prepared by the mailroom staff each morning for scanning. While the mail receiving and opening will remain mostly unchanged, the sorting of the return forms and payment and preparation of the scan batches will be simplified by the implementation of the following sort patterns for the creation of scanner ready tax payment batches:

- Singles
- Complex Singles
- Multiples
- Checks Only

### 5.2.1 Singles

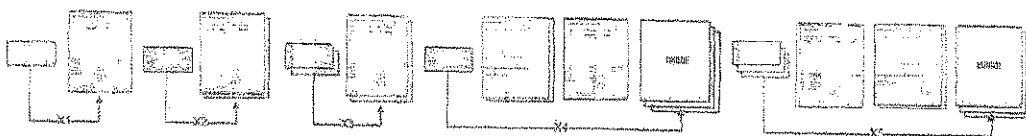
Straight Singles are a collection of payment transactions consisting of a single check payment followed by a single page of a payment form or stub. It is specifically designed to support the automated detection of missing items.





### 5.2.2 Complex Singles

A Complex Single is a monetary transaction that contains one or more check payments to a single account. The Complex Singles batch is a collection of sorted payment transactions consisting of one or more checks followed by a single payment document. Unlike Singles, the Complex Singles also allows the use of multi-paged documents as illustrated in transactions X2, X3 and X4 below. The document with the red border denotes the main payment document. The main payment document will always be associated with the single form containing the "Amount Due" field. On transactions X4 and X5 below, the yellow separator sheets were placed to indicate that the document (possibly without a barcode) was identified to be processed intact as a single document rather than to be processed as individual pages of separate documents.



### 5.2.3 Multiples

A Multiple is a monetary transaction that contains payments to multiple accounts. The Multiples batch is a collection of these transactions consisting of one or more checks followed by one or more payment stubs (red outline) as illustrated below. Balancing will occur by balancing the sum of all the "Amount Due" fields against the sum of all checks per each transaction. In the event an item within a transaction is identified to be void (no signature or within a transaction), the entire transaction must be voided and the transactions must be physically removed from the batch for manual processing.



### 5.2.4 Checks-Only

Checks Only batch is similar to a Singles batch wherein each check must be pre-assigned to a valid account. In order for the system to process this batch, every check must be manually researched to determine the license number and the other indexing information as required by the agency before scanning.



## 6 Municipal Billing

### 6.1 Assumptions

- 6.1.1 Remittance processing of municipal billings will be limited to the City's water bills received in the mailroom with volumes derived from the City's log during the 12 month period beginning July 1, 2008 through June 30, 2009, where the City processed approximately of 366,037 municipal water billing transactions with a peak of 4,199 bills in a single day and peak monthly volume of 30,503 transactions.
- 6.1.2 Using a +10% volume adjustment, the adjusted daily design volume of municipal payments will be 4,199 transactions with an estimated 8,398 pages or 12 images daily. The total combined peak daily volume (including the miscellaneous tax documents, miscellaneous license documents, and water bills) is approximately 12,788 pages or 20,777 image pages.
- 6.1.3 All municipal billings for iCapture will be received in the mailroom of the Finance Department. The billing stub along with the checks will be sorted by the Finance Department's mailroom staff with far less sorting rules than present to be scanned on the new Kodak s1740 high-speed scanner.
- 6.1.4 Bill payments will be pre-sorted to support the numerical stamping of both the payment stub and checks automatically by the iCapture scanner application via the monetary scan-job configured specifically for municipal billings.
- 6.1.5 Bill payments that are cashiered via the walk-up counter will not be scanned by iCapture system as the iNovah system will have already cashiered and updated the Harris/NorthStar system.
- 6.1.6 All payments will be validated against the Harris NorthStar system for a "NSF" flag on the account. If found, the operator will be directed to void the entire transaction to remove it physically from the batch to process manually. This further assumes one of the the following:
  - 1) that Harris will provide an electronic list of bad accounts; or
  - 2) that Harris will provide a stored procedure for iCapture to determine the bad account status given a valid account number.

## 6.2 Water Bill Scanline

The key information related to any given water payment is encoded on each payment stub as illustrated in Figure 1 below. The scanline is the pre-printed line of numbers in machine readable font (OCR-A) immediately above the lower edge of the payment stub also shown in Figure 2. The scanline is printed to support the automated recognition of the following numbered fields as highlighted in Figure 1 :

Figure 3 - Water Bill Scan-Line



A	<b>Account Number:</b> This is an 8 digit account number field as stored in the Harris system without leading zeros.
B	<b>Occupancy Code:</b> This is 2-digit field stored in the Harris system that is used to identify and enumerate an occupant associated with a given address in the City. The Occupancy Code differentiates the occupants who move into the location (e.g. Owner 1= Account #12345678/Occupancy Code#00; Owner 2= Account #12345678/Occupancy Code#01) and ensures the payment is applied correctly.
C	<b>Previous Amount Due:</b> This is the payment amount due for the previous period.
D	<b>Current Amount Due:</b> This is the payment amount due for the current period.
E	<b>Total Billing Due:</b> This is the total amount due collectively from all periods less the donation.
F	<b>Total with Donation:</b> This is the total amount due collectively from all periods including the donation.
G	<b>Check Digit:</b> This is a check digit to validate the data read from the scan line is correct. See the algorithm for computing the check digit in the subsection below.

100

## 6.3 Water Bill Processing

### 6.3.1 Current Sorting Method

The City currently sort payment based on the 10 sort categories as described in the table below.

1.	Overpayments	Any payments where the check amount is greater than all amounts on the scanline (fields C, D, E, and F as shown in Figure 1).
2.	Equal to previous amount due	Any payments where the check amount is equal to field C. The document preparation staff will typically highlight the matching field on the stub with a marker.
3.	Equal to total with donation	Any payments where the check amount is equal to field F. The document preparation staff will typically highlight the matching field on the stub with a marker.
4.	Underpayments	Any payments where the check amount is less than any amounts on fields C, D, E, and F.
5.	Equal to current amount due	Any payments where the check amount is equal to field D. The document preparation staff will typically highlight the matching field on the stub with a marker.
6.	Checks only	Stub missing.
7.	Signature & Date Exceptions	Any payments with a check missing a signature or post-dated checks.
8.	Equal to total billing due	Any payments where the check amount is equal to field E. The document preparation staff will typically highlight the matching field on the stub with a marker.
9.	Stub with multiple checks	Payment for a single account with multiple checks.
10.	Multiple stubs with one check	Payment for multiple accounts with single check.

Note: Any correspondence is normally separated from the stub/check and routed separately.

### 6.3.2 Change Impact

While the mail receiving and opening of the mail will remain mostly unchanged, the new method eliminates 6 sorts currently utilized by the City from and additionally eliminates the need to highlight any of the stub fields with a marker pen as follows:

Sort	Old Sort	Status	Comments
1.	Overpayments	Eliminated	With the exception of verifying amounts greater than 10 times the amount due, the sorting of overpayment payment will be eliminated as it does not change the outcome of the deposit nor the information transmitted to the Harris/NorthStar accounting system. All overpayments will be automatically presented for verification during balancing in iCapture.
2.	Equal to previous amount due	Eliminated	The sorting of payments for the "Previous Amount Due" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
3.	Equal to total with donation	Eliminated	The sorting of payments for the "Total with donation" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
4.	Underpayments	Eliminated	The sorting of payments for the "Underpayments" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system. All underpayments will be automatically presented for verification during balancing in iCapture.
5.	Equal to current amount due	Eliminated	The sorting of payments for the "Current amount due" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
6.	Checks only	Same	The sorting of payments with missing stubs will continue to be separated and furthermore must be associated with a valid Account Number and Occupancy Code written on the "memo" field before scanning. Note the "memo" field is located near the bottom left of the check. Note the "memo" field of the check is located near the bottom left of the check.
7.	No Signature on Check/Date Exceptions	Same	Staff will continue to examine each check for No Signature and Date Exceptions as part of the preparation for scanning process. Absence of a signature or date exception is cause for rejection and the transaction must be fully removed prior to batching for scanning and processed using existing procedures.
8.	Equal to total billing due	Eliminated	The sorting of payments for the "Total Billing Due" will be eliminated as it does not change the outcome of the deposit nor the information submitted to the Harris/NorthStar accounting system.
9.	Stub with multiple checks	Same	Payment for a single account with multiple checks will be batched as "Singles" as described in the following subsection.
10.	Multiple stubs with one check	Revised	Payment for a single account with multiple checks will be batched as "Multiples" as described in the following subsection.

### 6.3.3 Proposed Sorting Method

This section describes the proposed method to sort and batch water bills reducing the sorts currently utilized by the City to just four. While the mail receiving and opening will remain mostly unchanged, the sorting of the water bills and preparation of the scan batches will be greatly simplified by the implementation of the following sort categories:

Singles	1. Complex Singles
2. Multiples	3. Checks Only

### 6.3.4 Singles

A Single is defined to be a transaction that associates a check payment to a single account only. The Singles batch is a collection of such payment transactions as illustrated below consisting of a single check followed by a single stub. It represents the majority of the payment transactions processed by the department and specifically designed to support the automated detection of missing items in the transaction during scanning.



### 6.3.5 Complex Singles

A Complex Single is defined to be a transaction that contains one or more check payments to a single account. The Complex Singles batch is a collection of sorted payment transactions consisting of one or more checks followed by single payment stub as illustrated below. Representing a superset of the singles type of batches, it also supports the processing of the standard Singles defined above.



### 6.3.6 Multiples

A Multiple is a monetary transaction that contains payments to multiple accounts. The Multiples batch is a collection of these transactions consisting of one or more checks followed by one or more payment stubs as illustrated below. Balancing will occur by balancing the sum of all the "Amount Due" fields against the sum of all checks per each transaction. In the event an item within a transaction is identified to be void (no signature or within a transaction), the entire transaction must be voided and the transactions must be physically removed from the batch for manual processing. We recommend that the agency use this batch specifically for rare instances of payments consisting of multiple stubs.



### 6.3.7 Checks Only

Checks Only batch is similar to a Singles batch wherein each check must be pre-assigned to a valid account. In order for the system to process this batch, every check must be manually researched to determine the Account Number and Occupancy Code before scanning. The operator will be presented with the field to be keyed in manually during check editing.



### 6.3.8 Processing Rules

During Check/Stub repair and balancing, perform the following validations:

- 1) During data entry, provide an option to void a transaction if the operator identifies a missing signature on a check or a post-dated check that may have been missed during sorting. The physical transaction must then be removed manually from the scanned batch.
- 2) Stub Correction: During data entry, allow the operator to inspect and repair any fields unrecognized or read with low confidence from the scanline of the stub.
- 3) Check Correction: During data entry, allow the operator to inspect and repair the courtesy amount (check amount field) unrecognized or read with low confidence.
- 4) Overpayment Inspection: During data entry, any transactions that contain a payment greater than ten (10) times the Total Billing amount will be automatically presented to the Operator for manual inspection and rejection if necessary.
- 5) Transaction Balancing: During balancing, present each transaction where the total payment amount does not match any of the four (4) amount fields on the stub, Previous, Current, Total Billing, or Total with Donation Amounts.
- 6) Check Digit Exceptions: In the event the check digit on a scanline is determined to be incorrect, all of the required fields associated with scanline will be presented to the operator for data correction or re-entry.
- 7) Mailing Address/Phone Change: If the Mailing Address/Phone Change checkbox is selected on the front of the bill, the address and phone number will be automatically processed for recognition. Any unrecognized characters or text read with low confidence results will be automatically presented to the operator for data correction and verification.





## **7 External Systems**

### **7.1 Assumptions Related to Interfacing to External Systems**

- 7.1.1 Impression will be fully responsible for defining the necessary document types and index fields to be associated with the storage of the Tax, License and Municipal Billing documents to the City's Documentum system.
- 7.1.2 Impression will be fully responsible for the development of the automated process to transfer the multi-paged TIFF documents to the existing Documentum system. It is expected that the City will assume responsibility related to providing the interface specification and provide the necessary support to test the Documentum interface. The City has contracted this responsibility to a 3<sup>rd</sup> party vendor, Binary Office, in support of the Documentum ApplicationXtender 5.6 product suite.
- 7.1.3 Impression will be fully responsible for the development of the automated process to import the scanned payment images from the existing iNovah system. It is expected that the City will assume all responsibility related to providing the complete interface specification and provide the necessary support to test the iNovah interface. The City has contracted this responsibility to a 3<sup>rd</sup> party vendor, System Innovators, in support of the iNovah product suite.
- 7.1.4 Impression will be fully responsible for the development of the automated process to send municipal billing transaction records to the existing Harris/Northstar system. It is expected that the protocol will remain as utilized by TMS and the format will have minor enhancements to include the Document Locator Number and Mailing Address/Phone Changes. The City will assume the responsibility in providing the interface specification and provide sample data transfer files including the necessary support to test the Harris/Northstar interface. The City has contracted this responsibility to a 3<sup>rd</sup> party vendor, Harris/NorthStar, in support of the Harris/Northstar product suite.
- 7.1.5 Impression will be fully responsible for the development of the automated process to export the scanned payment images to the City's bank. The City has notified the bank of its intention to implement Check21 functionality.
- 7.1.6 Impression will be fully responsible for the development of reconciliation reports for payment information sent to Tax Mantra, NorthStar, and the City's bank.

### **7.2 Output to Harris/NorthStar**

Output of the water bill transaction records will be uploaded to the Harris/NorthStar system upon completion of the deposit of the batch.

- 7.2.1 Upon completion of iCapture balancing and deposit, batch export files will be generated automatically for each successfully deposited batch for near real-time transmission to the Harris system.

- 7.2.2 The files will be transferred specifically for processing by the Harris/NorthStar accounting system to a well-known network share, "Export-Harris," hosted by the iCapture server (TBD) and accessible by both iCapture and NorthStar.
- 7.2.3 Completed Batch Transaction files will be automatically named using the following Harris/NorthStar convention [MMDDYY]\_[XXXXXX][YYYYYY] where:
- 1) [MMDDYY] is the current date;
  - 2) [XXXXXX] is the starting batch number with leading zeros;
  - 3) [YYYYYY] is the ending batch number with leading zeros.
  - 4) While the starting and ending batch number will always be the same for this implementation, this convention support any future options to submit multiple batch transactions in a single export file.
- 7.2.4 As the iCapture is required to send a batch in near real-time, upon completion of each batch deposited, the export file will be transmitted a single batch at a time. For example, batch #15 and batch #16 for Aug. 12, 2010 will be submitted as "081210\_00015\_00015.dat" and "081210\_00016\_00015.dat" respectively.

#### **7.2.5 Batch Header 'B' Record Format—Current**

There will be one Batch Header Record for each file produced.

*[Rest of page intentionally blank]*

Field Name Description	Length/Value	Source	Comments
Record Type	1 A	iCapture	Literal "B"
Batch Number	5 N - Right Justified. Zero Filled.	iCapture	Batch Number
Payment Type	2 N - Right Justified. Zero Filled.	iCapture	Payment Type. Entered in Batch-Level Data Entry.
Entered By	10 A - Left Justified. Blank Filled.	iCapture	Operator User Name
Processed Date	MMDDCCYY - Right Justified. Zero Filled.	iCapture	System Date
Deposit Date	MMDDCCYY - Right Justified. Zero Filled.	iCapture	Receipt Date
Stub Total	14 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Total Dollars from Stubs
Check Total	14 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Total Dollars from Checks
Number of Checks	3 N - Right Justified. Zero Filled.	iCapture	Total Number of Checks in the Batch
Number of Stubs	3 N - Right Justified. Zero Filled.	iCapture	Total Number of Stubs in the Batch

## 7.2.6 Detail Transaction 'D' Record Format—Current

There will be one Detail Transaction Record for each stub processed.

Field Name Description	Length/Value	Source	Comments
Record Type	1 A	iCapture	Literal "D"
Batch Number	5 N - Right Justified. Zero Filled.	iCapture	Batch Number
Sequence Number	3 N - Right Justified. Zero Filled.	iCapture	Item Sequence Number
Account Number	8 N - Right Justified. Zero Filled.	iCapture	Account Number
Occupant Code	2 N - Right Justified. Zero Filled.	iCapture	Occupant Code
Stub Amount	11 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Dollar Amount Applied to the Stub
Donation Amount	11 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Dollar Amount Applied to the Donation for the Stub
Check Number	15 N - Right Justified. Zero Filled.	iCapture	If not available, will be zeroes. Entered in Item-Level Amount Entry.
Check Amount	11 N - Right Justified. Zero Filled. Implied Decimal.	iCapture	Check Amount from the first check of the transaction.

### 7.2.7 Sample Output Records

	1	2	3	4	5	6	7
	1234567890	[REDACTED]	1234567890	[REDACTED]	1234567890	[REDACTED]	

B0000301CARRON 03252010032520100000000075916900000000759169070072

[illegible]

## 8 Cost

The proposed solution will require additional software licenses over the original scope, professional services, and maintenance charge as specified in the following subsections.

### 8.1 Software Cost

Impression Technology has determined the minimal requirements for additional software as listed in Table 1 below totaling \$26,865 with an incremental annual maintenance cost as shown in Table 2. Please note that the software license cost is limited to 500K checks annually. Additional seats for iRemitEdit data entry applications will be subject to a cost of \$1,500 per seat and an additional \$331 in annual maintenance fee.

**Table 1 - Remittance Software Cost**

Core Product	QTY	List Rate/Unit Price	Discount %*	Sell Price
iRemit Edit and Balance App	4	\$ 3,900.00	-60.0%*	\$ 6,240
iRemit CAR/LAR Processor (limited to 500K/year**)	1	\$ 12,500.00	-60.0%*	\$ 7,500
iRemit/Deposit21-Clearing Base (limited to 500K/year**)	1	\$ 21,875.00	-52.0%*	\$ 13,125
Total Impression Software				\$ 26,865

\*special one-time discount

\*\*transactions/annually

**Table 2 - Annual Software Maintenance**

Remittance Annual SW Maintenance	Quantity	Rate/Unit Price
Annual Maintenance - 1st Year	1	\$ 4,498
Annual Maintenance - 2nd Year	1	\$ 4,498
Annual Maintenance - 3rd Year	1	\$ 4,723
Annual Maintenance - 4th Year	1	\$ 4,959
Annual Maintenance - 5th Year	1	\$ 5,207

① This document is limited to the hardware and software cost only. Please refer to the TCS Change Order for the estimated cost of the professional services required to implement this Change Order.

### 8.2 Scanner Hardware Lease Cost

The monthly lease cost for a Kodak certified and refurbished 12-pocket Kodak s1740 scanner, exclusively provided by Impression Technology, is \$1,975 as shown in Table 5. Please also note that any manufacturer refurbished scanners will be subject to limited availability. Alternatively, the lease cost for a new 8-pocket scanner is estimated to be approximately \$2,536.

**Table 3 - Optional Scanner Lease Cost**

Kodak s1740 Capture System	Monthly Lease Cost
Monthly 5-Year Lease Cost of a fully configured 12 pocket s1740 Scanner (demo)	\$ 1,975

### 8.2.1 Required Scanner Maintenance Cost

The scanner will require the purchase of a certified Kodak maintenance with one, two or three year warranties as listed in Table 5. Kodak provides standard extended warranties on all Kodak certified scanners under the same policy as new scanners. Please note that upon the expiration of the initially warranty option selected below (one, two or three year extended warranty as shown below), upon expiration of the term, Kodak will require all subsequent years of maintenance to be purchased annually thereafter via their "1 Year Post Warranty Care Kit" maintenance listed below.

All Kodak warranty service is provided directly by Kodak and the Care kit prices shown below in Table 7 are subject to change by Kodak on an annual basis.

**Table 4 - Scanner Hardware Annual Maintenance**

KODAK s1740 Maintenance	Catalog#	Qty	Unit List Price
Kodak S1740 12p 1 Year Post Warranty Care Kit	1844901	0	\$ 13,973
Kodak S1740 12p 1 Year Extended Warranty Care Kit	1695782	1	\$ 10,518
Kodak S1740 12p 2 Year Extended Warranty Care Kit	1345297	0	\$ 24,542
Kodak S1740 12p 3 Year Extended Warranty Care Kit	1931419	0	\$ 38,584

## 9 Required Legal Provisions

### 9.1 Immigration

- 9.1.1 Impression, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.1.2 Any breach of warranty under subsection 9.1.1 is considered a material breach of this CO and is subject to penalties up to and including termination of this CO.
- 9.1.3 City retains the legal right to inspect the papers of Impression or any subcontractor employee who performs work under this CO to ensure that Impression or any subcontractor is compliant with the warranty under subsection 9.1.1 above.
- 9.1.4 City may conduct random inspections, and upon request of the City, Impression shall provide copies of papers and records demonstrating

continued compliance with the warranty under subsection 9.1.1 above. Impression agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section 9.1.

- 9.1.5 Impression agrees to incorporate into any subcontracts under this CO the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the City. Impression also agrees to require any subcontractor to incorporate into each of its own subcontracts under this CO the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.1.6 Impression's warranty and obligations under this Section 9.1 to the City are continuing throughout the term of this CO or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.1.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

## **9.2 Prohibitions.**

Impression certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this CO will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

## **9.3 Conflicts.**

This CO is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511.

# **10 Integration**

Appendices A and B attached hereto are fully incorporated into this CO as if fully stated. The signatures below also operate to make fully effective the Scanner Lease Agreement outlined in Appendix B.

# **11 Parties/Notices**

## **11.1 Parties**

### **Impression:**

Impression Technology, Inc. a California Corporation  
1777 North California Boulevard  
Walnut Creek, California 94596  
Attention: Charles Hou



**City:**

City of Glendale, an Arizona municipal corporation  
5850 West Glendale Avenue  
Glendale, Arizona 85301  
Attention: Susan Matousek

with a copies to: City Manager  
5850 West Glendale Avenue  
Glendale, Arizona 85301

City Attorney  
5850 West Glendale Avenue  
Glendale, Arizona 85301

## **11.2 Notices**

- 11.2.1 Any notice required or otherwise given pursuant to this CO shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery as listed above.
- 11.2.2 All notices to City's representative must be given concurrently to City Manager and City Attorney.
- 11.2.3 A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- 11.2.4 City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Impression identifying the designee(s) and their respective addresses for notices.
- 11.2.5 Impression or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.
- 11.2.6 Notwithstanding the foregoing, day-to-day communications between the Parties may be made by phone, facsimile transmission, e-mail or any other method agreed to by the Parties.
- 11.2.7 Either party may change such addresses from time to time by providing notice as set forth above.

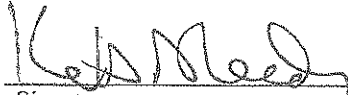
IN WITNESS WHEREOF, the parties have caused this Change Order to be executed.

CITY:

IMPRESSION:

APPROVED BY

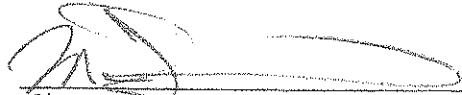
APPROVED BY

  
Signature

Kenneth A. Reedy  
Print Name

Interim Assistant City Manager  
Title

June 1, 2010  
Date

  
Signature

Michael Tokuyama  
Print Name

President  
Title

May 21, 2010  
Date

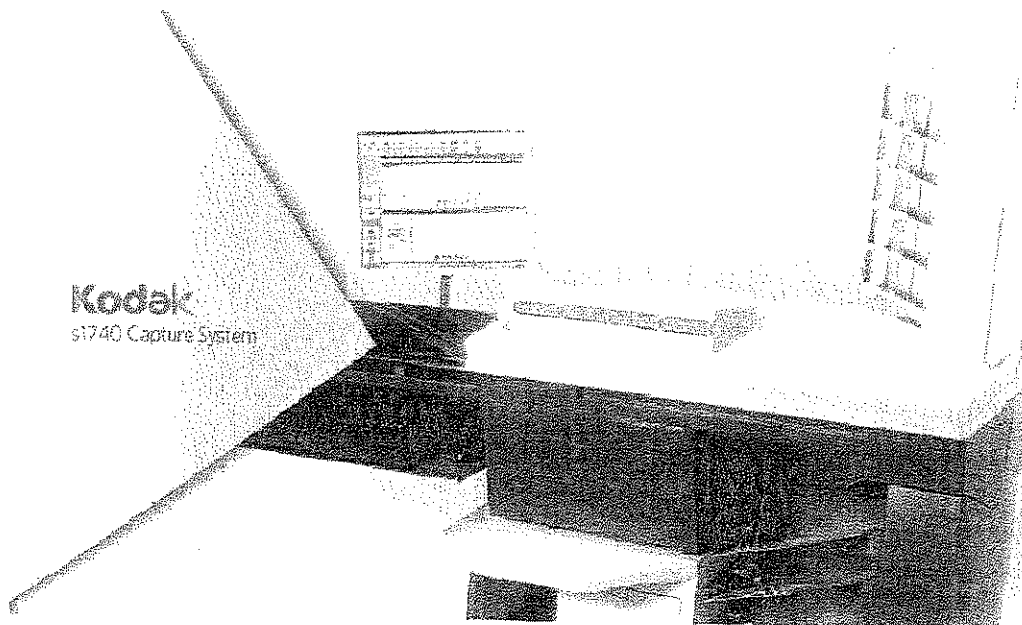
Attest:

  
Pamela Hanna, City Clerk (SEAL)

Approved as to form:

  
Craig Tindall, City Attorney

## Appendix A: Kodak s1740 Scanner Subsystem



### A fully integrated system to meet your business needs

It takes more than quality hardware to solve problems and provide the efficiency today's challenging business environments demand. That's why the Kodak s1740 Capture System integrates a highly capable scanner, advanced operating system software, and worldwide service and support to bring you capability, business efficiency and peace-of-mind.

### Cost-cutting auto-sorting

The Kodak s1740 Capture System delivers advanced inline document separation performance, eliminating most manual pre-sorting to save employees' time.

With far less labor necessary to ensure accurate document separation, your savings will add up fast. Plus, the ease-of-use and automation deliver a great combination of low TCO (Total Cost of Ownership) and high TCB (Taking Care of Business).

### Put more in—we'll sort it out

- In a single pass, Kodak s1740 Operating System Software, a

powerful control program, captures the information that enables automatic post-sorting into 2, 6, 8 or 12 pockets—based on smart imaging that leverages optical character recognition (OCR), barcodes, and even MICR data.

- Whether it's a credit card slip, a check or a complex document on legal-size paper, this dependable, high-volume solution's continuous feeder can handle it with ease. Intermixed sizes? Different weights of paper? No problem.
- For document completeness, easy separation and tracking, you can—in real-time—encode MICR data on documents. With the barcode encoding option, you can imprint the same barcode (up to three barcodes in one run) on every page of a document to keep pages from the same file together.
- You can separate documents as they are scanned by a variety of attributes (size, shape and more) or content (barcode, MICR, format or OCR). You can even sort by logos or other graphic elements.

### Flexible output, too

- For electronic distribution or archiving, you can define tags (XML) to facilitate

the sharing of data and choose the image format (JPEG or TIFF) that best meets your specific application needs.

- You can easily specify up to six different images (color, grayscale and b/w) both front and back from just one pass.
- You'll have instant access to a wide range of statistical information on the documents processed—just what you need to make the best decisions.

### Experience counts

When you choose the Kodak s1740 Capture System to enable new scanning productivity, you're selecting a solution from a company that's been a global leader in document imaging for almost 80 years. We offer the experience, expertise and commitment to enable smooth, one-vendor integration.

### Kodak Service & Support

Our team of service experts is here for you around the clock and around the world—just what you need to ensure peace of mind. Choose from a variety of service plans and enjoy maximum uptime and real convenience.

## 51740 Capture System

Operating Software	Kodak 51740 Operating System Software for intelligent capture, real-time interpretation and efficient management of information
Inline Document Separation	Available in 2-, 6-, 8- and 12-pocket configurations
Imaging/Endorsing/Encoding	Optional front post-scan and rear post-scan (front side marking is in E13B fonts only; rear side is endorsing only)
Scanning Technology	Scans both front and back sides of documents Fast In-line CCD Color scan engine with depth in 256 shades (3-bit); Color capture bit depth, c 40-bit (10 bits per red, green, blue and black channels); Color output bit depth is 24-bit
Character Reading (some optional)	Optical Single-line OCR-A, OCR-B or E13B 2 read-windows configurable by software; Read direction (horizontal and vertical) selectable Supported barcodes: Code 2 of 5 (Code 39); Code 2 of 5 interleaved, non-interleaved, with IATA, Industrial, MATRX, DATALOGIC; Code 128; EAN-8; EAN-13 with AddOn; EAN-13 with AddOn
On-board Imaging Features	Adjustable exposure, crop, skew, image rotation, electronic color, exposure, dual stream scanning, halftone removal, noise removal, image processing, automatic color detection
Illumination	Dual fluorescent lamps per side
Optical Resolution	750 dpi for color images; 240 dpi for grayscale images
Output Resolution	Black and white: 300/240/300 dpi; Color/grayscale: 180/120/150/200/240/300 dpi
Recommended Daily Volume	Unlimited
Throughput Speeds (200 dpi, letter size/A4 documents)	Up to 110 ppm/220 ipm (Throughput speeds may vary depending on your choice of driver, application software, operating system and PC)
Feeder	Continuous feeder with up to 1400-sheet capacity
Paper Thickness and Weight	Check sized documents: 70 g/m <sup>2</sup> (14.3 lbs./sq. ft.) to 110 g/m <sup>2</sup> (22.5 lbs./sq. ft.) Full page documents: 60 g/m <sup>2</sup> (12.3 lbs./sq. ft.) to 130 g/m <sup>2</sup> (26.6 lbs./sq. ft.)
Maximum Document Size	210 mm x 350 mm (8.3 in. x 14 in.)
Minimum Document Size	70 mm x 125 mm (2.75 in. x 4.9 in.)
Double Feed Detection	Optical and ultrasonic double-feed check; Intake point prevents multiple feeds. Additional security is provided by various sensors along paper path, which monitor document transport and detect double feeds.
Connectivity	SCSI-2 Interface
On-board Compression	CCITT G4 or J, J/3PE6 or Huffman lossless output
File Format Outputs	JPEG (for color and grayscale images); TIFF (for black and white images)
Electrical Requirements	120-240 VAC, 50-60 Hz, 2-4 A
Power Consumption	Idle: 220 Watts; Running: 480 Watts
Environmental Factors	Lead-free; Operating temperatures 10°-32° C (50°-90° F); Relative humidity 40 to 80 percent, relative non-condensing
Acoustical Noise	In operation (closed cover) 65.0 dBA
Minimum PC Configuration	Pentium 450 MHz processor with 512 MB RAM
Supported Operating Systems	Windows 2000, Windows XP SP2
Approvals and Product Certifications	CE, TUV, GS, UL 1360
Consumables Available	Ink Cartridge for Mark II Line Endorser (or ML2); Ink Blotter for used ink (or ML2); Ribbon Cartridge MLCR (CMK-7 and CIB fonts); Feeder Belt separator upper side; Feeder Belt separator lower side; Feeder Wheel diameter 100 mm (small version)
Accessories	Codabar recognition for E13B fonts; Multiline Endorser; Endorser for E13B fonts; Enhanced Sorting Module; Barcode Reader Module
Dimensions	With 2 or 6 pockets: Weight: 252 kg (551.3 lbs.); Depth: 635 mm (25.0 in.); Width: 1675 mm (65.9 in.); Height: 1320 mm (52.0 in.) With 3 pockets: Weight: 232 kg (511.3 lbs.); Depth: 635 mm (25.0 in.); Width: 1675 mm (65.9 in.); Height: 1803 mm (71.0 in.) With 12 pockets: Weight: 250 kg (551.5 lbs.); Depth: 635 mm (25.0 in.); Width: 1675 mm (65.9 in.); Height: 1803 mm (71.0 in.)

To learn more:  
www.kodak.com/go/51740  
Printed using Kodak technologies.

Eastern Kodak Company  
343 State Street, Rochester, NY 14650  
1-800-944-6171

Kodak Canada, Inc.  
Toronto, Ontario M5M 1V3  
1-800-485-6325

Kodak GmbH  
Heide Pl. 60  
70327 Stuttgart, Germany  
EAMER-D-Capture@kodak.com

©Kodak, 2002. Kodak is a trademark of Kodak.  
Specifications are subject to change without notice.

A-5781 CAT No. 1415850 Printed in USA 8/02

Inquiries you can count on:

Kodak (Australia) Pty. Ltd.  
Australia: 1-800-895-747  
New Zealand: 0800-2 KODAK (55225)  
ant-marketing@kodak.com  
Kodak (China) Investment Company Limited  
Beijing +8610 6561 6561 ext. 8908  
Kodak (Hong Kong) Limited  
North Point, Hong Kong 07021  
852-2564-9330

Kodak Taiwan Limited  
Taipei +6602 2950 0936 ext. 753

Kodak www.kodak.com

Kodak Japan Limited  
Tokyo, Japan  
81-3-5540-2270  
jp-41-mktg@kodak.com

Kodak de Mexico  
Marino Otero 408  
Guadalupe, Mexico  
521 (361) 3610-6596

**Kodak**

## Appendix B: Scanner Lease Agreement

The Parties agree as follows:

1. **EQUIPMENT:** Impression hereby leases to City the following equipment:  
One (1) Kodak s1740 Capture Systems configured with 12 pockets, Multi-Line Endorser, Codeline Recognition for E138B fonts and Barcode Reader Module ("Equipment").
2. **LEASE TERM:** The term of this lease shall be 60 months and the lease will start on June 1, 2010 and will end with the last lease payment on May 1, 2015.
3. **LEASE PAYMENTS:** City agrees to pay Impression as rent for the Equipment the amount of \$1,975.00 ("Rent") each month in advance on the first day of each month at the following address or at any other address designated by Impression:

Impression Technology, Inc.  
Attention: Charles Hou,  
1777 North California Boulevard  
Suite 240  
Walnut Creek, California 94596

If the lease term does not start on the first day of the month or end on the last day of a month, the rent will be prorated accordingly.

4. **LATE CHARGES:** If any amount under this Agreement is more than forty-five (45) days late, City agrees to pay a late fee of one percent (1%) of the monthly payment due for the subject period.

5. **DELIVERY:** City shall be responsible for all actual expenses and costs associated with the delivery and installation of the Equipment at the City's designated site. At least thirty (30) days prior to the delivery of the Equipment, Impression shall provide the City written specifications regarding the space, power, networking and other facility requirements associated with the installation and operation of the designated Equipment. The City shall be responsible for the preparation of the site in accordance with these specifications and all costs associated with site preparation.

6. **DEFAULTS:** If City fails to perform or fulfill any obligation under this Agreement, City shall be in default of this Agreement. Subject to any statute, ordinance or law to the contrary, City shall have seven (7) days from the date of notice of default by Impression to cure the default. In the event City does not cure a default, Impression may at Impression's option (a) cure such default and the cost of such action may be added to City's financial obligations under this Agreement; or (b) declare City in default of the Agreement. If City shall become insolvent, cease to do business as a going concern or if a petition has been filed by or against City under the Bankruptcy Act or similar federal or state statute, Impression may immediately declare City in default of this Agreement. In the event of default, Impression may, as permitted by law, re-take possession of the Equipment. Impression may, at its option, hold City liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term and any rent paid by any successor to City if the Equipment is re-let minus the cost and expenses of such re-letting. In the event Impression is unable to re-let the Equipment during any remaining

term of this Agreement, after default by City, Impression may at its option hold City liable for the balance of the unpaid rent under this Agreement as if this Agreement had continued in force.

**7. POSSESSION AND SURRENDER OF EQUIPMENT:** City shall be entitled to possession of the Equipment on the first day of the lease term. Unless this lease specifies the terms and condition for full ownership by the City at the expiration of the lease term (see paragraph 25), the City shall surrender the Equipment to Impression by delivering the Equipment at the City's site of installation to Impression or Impression's agent in good condition and working order, ordinary wear and tear excepted, as it was at the commencement of the Agreement. In the event the Equipment is surrendered to Impression at the end of the lease period as provided for herein, Impression shall be responsible for the de-installation of the Equipment and its removal from the City's site.

**8. USE OF EQUIPMENT:** City shall only use the Equipment in a careful and proper manner and in accordance with the operating and maintenance manuals provided by Impression. Impression shall provide the City training (included within the price of the Lease) on the use and routine maintenance associated with the operation of the equipment and Impression agrees to maintain the equipment in accordance with the documentation provided by Impression at the time of delivery and subsequent user training.

**9. CONDITION OF EQUIPMENT AND REPAIR:** City or City's agent will, at the time of delivery, inspect the Equipment and acknowledge that the Equipment is in good and absent of shipping damage or other visible defects. In the event any damage or defects are noted, City shall immediately inform Impression of the nature of the damage or defect and take no further action unless directed in writing by Impression.

**10. MAINTENANCE:** City will, at City's sole expense, maintain a maintenance support agreement with the Original Equipment Manufacturer (OEM) throughout the term of this lease. The monthly costs of this OEM maintenance and support are quoted separately within this Agreement and these monthly costs shall be paid directly to Impression who will then be responsible for the maintenance contract with the OEM.

**11. LOSS AND DAMAGE:** City shall be responsible for the risk of loss or damage to the Equipment for whatever reason during the term of the lease (excepting acts or omissions of Impression attributable to the loss or damage). No loss or damage to the Equipment or any part thereof shall impair any obligations of the City under the terms of this Agreement. In the event of loss or damage to the Equipment of any kind, City, at Impression's sole option may:

- a) Place the Equipment in good repair, condition and working order by contracting with the OEM for such repairs.
- b) Replace the Equipment via a direct purchase with the OEM
- c) Pay Impression the balance of payments due for the term of the lease.

**12. INSURANCE:** City shall be responsible to maintain all risk insurance against loss of and damage to the Equipment for not less than the full replacement value of the equipment, naming Impression as loss payee. City agrees to provide, if requested, a certificate of insurance or other evidence of such insurance.

**13. ENCUMBRANCES, TAXES AND OTHER LAWS:** City shall keep the Equipment free and clear of any liens or other encumbrances, and shall not permit any act where Impression's title or rights may be negatively affected. City shall be responsible for complying with and

conforming to all laws and regulations relating to the possession, use or maintenance of the Equipment. Furthermore, City shall promptly pay all taxes, fees, licenses and governmental charges, together with any penalties or interest thereon, relating to the possession, use or maintenance of the Equipment.

**14. IMPRESSION REPRESENTATIONS:** Impression represents and warrants that it has the right to lease the Equipment as provided in this Agreement and that City shall be entitled to operate and possess the Equipment, and Impression will not interfere with that right as long as City pays the monthly lease payments in a timely manner and performs all other obligations under this Agreement.

**15. TITLE AND OWNERSHIP:** Title and ownership of the Equipment is held by, and shall remain exclusively with, Impression until the end of the lease term at which time title and ownership may transfer upon the payment of \$1 by the City.

**16. SEVERABILITY:** If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

**17. ASSIGNMENT:** Neither this Agreement nor City's rights hereunder are assignable except with Impression's prior, written consent.

**18. BINDING EFFECT:** The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.

**19. GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

**20. ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both Impression and City.

**21. CUMULATIVE RIGHTS:** Impression's and City's rights under this Agreement are cumulative, and shall not be construed as exclusive of each other unless otherwise required by law.

**22. WAIVER:** The failure of either party to enforce any provisions of this Agreement shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The acceptance of rent by Impression does not waive Impression's right to enforce any provisions of this Agreement.

**23. INDEMNIFICATION:** Except for damages, claims or losses due to Impression's acts or negligence, City, to the extent permitted by law, will indemnify and hold Impression and Impression's property, free and harmless from any liability for losses, claims, injury to or death of any person, including City, or for damage to property arising from City using and possessing the

Equipment or from the acts or omissions of any person or persons, including City, using or possessing the Equipment with City's express or implied consent.

**24. ADDITIONAL TERMS & CONDITIONS:** The lease quotation associated with this Agreement is based on the City purchasing the Equipment at the end of the Lease Term for \$1.

*[End of Appendix B]*