



**RESOLUTION OF THE COUNTY BOARD
WILL COUNTY, ILLINOIS**

Awarding Bid for Permit & Case System for the Land Use Department

WHEREAS, in order to receive the most competitive price available, the Will County Executive's Office solicited bids for a Permit and Case System for the Land Use Department, and

WHEREAS, on October 1, 2015, the Will County Executive's Office opened nine (9) proposals, and

WHEREAS, one (1) bid was returned as a "No Bid" leaving eight (8) qualified bids, and

WHEREAS, after review and interviews were held, staff has recommended that the bid for a permit and case system for the Land Use Department be awarded to Paladin Data Systems Corp, Poulsbo, WA, for an amount not to exceed \$116,902.00, and

WHEREAS, the Executive Committee concurs with their request.

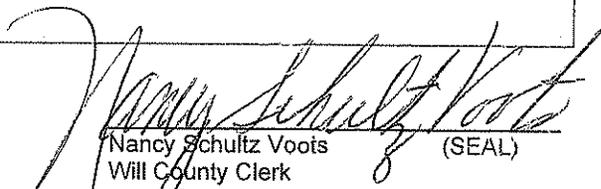
NOW, THEREFORE, BE IT RESOLVED, that the Will County Board hereby awards the bid for a permit and case system for the Land Use Department to Paladin Data Systems Corp, Poulsbo, WA, for an amount not to exceed \$116,902.00.

BE IT FURTHER RESOLVED, that the Preamble of this Resolution is hereby adopted as if fully set herein. This Resolution shall be in full force and effect upon its passage and approval as provided by law.

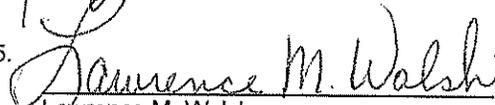
Adopted by the Will County Board this 19th day of November, 2015.

AYES:	Howard, Ogalla, Moustis, Singer, Moran, Rice, Harris, Traynere, Bennefield, Fritz, Freitag, Balich, Fricilone, Brooks Jr., Winfrey, Parker, Staley-Ferry, Babich, Wilhelmi, Hart, Tuminello, Weigel, Collins, Ferry
LEFT MEETING:	Gould, Maher

Result: Approved - [Unanimous]


 Nancy Schultz Voots (SEAL)
 Will County Clerk

Approved this 23rd day of November, 2015.


 Lawrence M. Walsh
 Will County Executive

BID TABULATION SHEET

ORIGINAL

DEPARTMENT: 2015-63 LAND USE PERMIT & CASE SYSTEM
 DUE: 10-1-15, 2:00 P.M. OPEN: 10-1-15, 2:10 P.M.

COMPANY NAME & ADDRESS	REQUIREMENTS	BASE BID MODULES
<i>COMPUTRONIX CO</i>	Prime Cert: Y or N Addenda (3): Y or N Form Signed Y or N Copy / Electronic Y or N	Base Bid \$ <i>No Bid</i>
Cityview Chesterfield, MO	Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N * Copy / Electronic <input checked="" type="radio"/> Y or N	Base Bid \$ <i>373,070.⁰⁰</i>
The Davenport Group, USA Ltd. Crystal Lake, IL	Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N * Copy / Electronic <input checked="" type="radio"/> Y or N	Base Bid \$ <i>363,000.⁰⁰</i>
Sofbang LLC Chicago, IL	Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed Y or N * Copy / Electronic <input checked="" type="radio"/> Y or N	Base Bid \$ <i>195,400.⁰⁰</i> <i>per year</i>
Sages Networks Inc. Atlanta, GA	Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N Copy / Electronic <input checked="" type="radio"/> Y or N	Base Bid \$ <i>69,900.⁰⁰</i> <i>per year</i>

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)

BID TABULATION SHEET

ORIGINAL

<p>Vertiba Inc. Boulder, CO</p>	<p>Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N Copy / Electronic <input checked="" type="radio"/> Y or N</p>	<p>Base Bid \$ 115,761.70 per year</p>
<p>Paladin Data Systems Corp. Poulsbo, WA</p>	<p>Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N Copy / Electronic <input checked="" type="radio"/> Y or N</p>	<p>Base Bid \$ 42,152.⁰⁰</p>
<p>Flairsoft Columbus, OH</p>	<p>Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N Copy / Electronic <input checked="" type="radio"/> Y or N</p>	<p>Base Bid \$ 248,150.⁰⁰</p>
<p>Tyler Tech Duluth, GA</p>	<p>Prime Cert: <input checked="" type="radio"/> Y or N Addenda (3): <input checked="" type="radio"/> Y or N Form Signed <input checked="" type="radio"/> Y or N Copy / Electronic <input checked="" type="radio"/> Y or N</p>	<p>Base Bid \$ 115,605.⁰⁰</p>
	<p>Prime Cert: Y or N Addenda (3): Y or N Form Signed Y or N Copy / Electronic Y or N</p>	<p>Base Bid \$</p>
	<p>Prime Cert: Y or N Addenda (3): Y or N Form Signed Y or N Copy / Electronic Y or N</p>	<p>Base Bid \$</p>

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)

ALSO PRESENT: Rita Weiss, Elisa Medina, Mike Shay, Brian Radner, TIM FARRELL 22.

RW

EM

MS

ORIGINAL

Rita Weiss

From: Keith Burgess <keith.burgess@computronix.com>
Sent: Friday, September 25, 2015 1:02 PM
To: Rita Weiss
Subject: RE: 2015-63 Land Use Permit & Case System
Attachments: Keith Burgess.vcf; POSSE 7 Datasheets.pdf; POSSE LMS overview.pdf; POSSE Cloud.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Hi, Rita –

Thank you very much for your very thorough response! Much appreciated.

After further evaluation, Computronix (see "POSSE Land Management System" software at www.computronix.com) has decided not to provide a bid, although our POSSE LMS software would provide a high fit. Likely limited budget and a lack of tin to respond to the RFP are the two key reasons.

We wish Will County all the best for a successful procurement! Should this procurement not be successful, Computronix would very much like to engage the Will County Land Use Department and central IT group in further discussion.

Cordially,

Keith Burgess

Business Development Manager, Northern Region
Toll-free in North America: 1.800.359.3758 ext 5362 | Cell: 780.238.0255

 **COMPUTRONIX**
POSSE Regulatory Software for Government | "Distinctive Software. Exceptional Service."
Website: www.computronix.com

	<p>Keith Burgess Computronix Business Development Mana... 1-800-359-3758 ext 5362 Work (780) 238-0255 Mobile keith.burgess@computronix.... www.computronix.com</p>
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Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)

From: Rita Weiss [mailto:RWeiss@willcountyillinois.com]
Sent: September-25-15 11:24 AM
To: Keith Burgess
Subject: 2015-63 Land Use Permit & Case System

Mr. Burgess,
Per your voice mail, attached are all documents associated with the project noted above. I am not sure if you required any additional information, but found your email on DemandStar and noticed you had not downloaded these documents.

Thank you for your interest in Will County projects.
Rita

Rita Weiss

From: Mike Shay
Sent: Tuesday, October 27, 2015 8:44 AM
To: Rita Weiss
Cc: Brian Radner
Subject: LIPS Replacement

Hello Rita,

The Land Use and ICT Departments have finished their review of the responses to the LIPS Replacement RFP and are asking permission to negotiate and execute a services agreement (attached) with Paladin Data Systems Corporation Corp for use of their SmartGov SaaS system and to purchase equipment to implement the project.

Nine responses were received. There was one "No Bid" response. Of the remaining eight qualified bids, one bidder did not have a system but was proposing to create one for us, one was, upon detailed review, the wrong type of system, and four others were eliminated for technical, cost, or support reasons. The two remaining, CityView and SmartGov provided more detailed information and performed demonstrations for the Land Use and ICT staff.

After consideration the SmartGov product was selected. SmartGov is a Software as a Service solution and fulfills the needs of the Land Use Department, including the ability to access the system using any internet connected browser.

SmartGov will provide the ability for a number of new services, should we desire, including:

- Online contractor registration
- Online fee payment
- Online permit application
- Online inspection scheduling and rescheduling
- Public portal to view basic information regarding existing permits and construction activity
- More extensive information availability for inspectors
- Better workflow analysis for staff and leaders

The original allocation for this project was \$200,000, and we ask for an amount not to exceed \$116,902.00 for the services agreement. In addition we are asking for \$15,500 for a large format scanner/printer that will allow the Land Use Department to scan building and site plans into the system to gain full use of the system. We are also asking for an amount not to exceed \$6,000 for the purchase of large monitors for plan reviewers and for an amount not to exceed \$16,000 for field devices and protective equipment for those devices. Thus the total request is for an amount not to exceed \$154,402

Thank you for your help through the process, it is appreciated!

Mike Shay

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)



Sales Order

Paladin Data Systems Corporation
 19362 Powder Hill Place NE
 Poulsbo, WA 98370-8720
 Tel: 360-779-2400 1-800-532-8448
 Fax: 360-779-2600

Date: October 26, 2015
 Order: 1621
 Ordered by: Jeff Pavey
 Required Date: November 26, 2015

To: Will County, IL
 302 North Chicago Street, 2nd Floor
 Joliet, IL 60432

Telephone: 815-740-4605
 Fax: 815-740-4604
 Contact Person: Rita Weiss, Purchasing Director
 Mike Shay
 Email: rweiss@willcountyillinois.com
 mshay@willcountyillinois.com

Purpose of this Sales Order:

Will County, IL, is purchasing a subscription for SMARTGov® Software as a Service (SaaS) which comprises the following core modules: permitting, planning, code enforcement, inspections, licensing, recurring inspections, cashiering, public portal, and GIS mapping. This includes the modification of the following five system reports/output documents to client's specifications (which encompasses up to a total of 15 hours): permit, receipt, certificate of occupancy, inspection results, and inspection hardcard.

In addition, this purchase may include SMARTConnectors, professional services for data migration, configuration, training, and travel expenses as identified below.

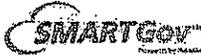
This SaaS Subscription includes five free "occasional named users" which individually average less than 30% usage during an 8 hour day.

Start date: TBD **SaaS Subscription Term:** 12 months from the SaaS Subscription start date

Sales tax not included.
 If tax exempt, please provide a copy of tax exempt certificate.

Qty	Unit of Issue	Description	Unit Cost	Extended Price
Fees for SMARTGov SaaS Subscription				
40	Users ¹	SMARTGov® SaaS with public portal	\$865.30	\$34,612.00
15	Users	SMARTInspection Assistant	\$432.67	\$6,490.05
4	Connectors	SMARTConnector SaaS Transaction	262.50	\$1,050.00
1 st Year promotional discount				[\$8,430.05]
Subtotal for SMARTGov SaaS Subscription fees for year 1				\$33,722.00
Fees for SMARTConnectors-(Optional Additional Services)				
1	Layer	GIS Additional Layers Connector Connection to additional GIS web services	\$3,500	\$3,500.00
1	Site	Parcel Connector Create procedure to import parcel data from master parcel source	\$3,500	\$3,500.00
1	Site	Financial Connector Create procedure to export financial transaction data into one delimited text file	\$1,500	\$1,500.00

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)



Sales Order

Qty	Unit of Issue	Description	Unit Cost	Extended Price
1	Site	Merchant Services Connector Create integration from SMARTGov public portal to merchant services vendor's payment gateway	\$3,500	\$3,500.00
Subtotal for SMARTConnectors				\$12,000.00
Fees for Professional Services and Expenses (Optional Additional Services)				
128	Per Hour	Data Migration ²	\$160	\$20,480.00
32	Per Hour	Report Configuration ²	\$160	\$5,120.00
18	Per Hour	Fee Configuration ²	\$160	\$2,880.00
120	Per Hour	General Configuration ² Assist with basic configuration of permit types, fees, and inspections	\$160	\$19,200.00
80	Per Hour	Training ² Webinar style training or on site	\$200	\$16,000.00
3	Per Week	Travel expenses ³ (estimate)	\$2,500	\$7,500.00
Subtotal for Professional Services and expenses				\$71,180.00
Total without sales tax				\$116,902.00
SMARTGov SaaS Subscription year 2				\$42,152.00

¹45 User Subscriptions will be set up in the system and will be subject to monitoring and amendment of the number of User Subscriptions and fees under Section 5.1(a) of the Master SaaS and Professional Services Agreement.

²Estimate only. While We make this estimate in good faith, We will not exceed without written confirmation from You and will notify You as soon as We know that the required work will exceed the original estimate.

³Travel expenses:

Airfare will be billed according to actual rates; however, We will purchase coach class tickets.

Lodging will be billed according to the actual rates; however, We agree to book government rate lodging, if available.

Car rental will be billed according to actual rates; however, We agree to rent economy car if available.

Meals and incidental expenses will be billed according to per diem rates as contained in the published GSA per diem rates.

Schedule of Payments	
50% of SMARTGov [®] total (annual SaaS Subscription fees and SMARTGov Connectors fees). Invoiced upon contract signing.	\$22,861.00
50% of SMARTGov [®] total (annual SaaS Subscription fees and SMARTGov Connectors fees). Invoiced at start date.	\$22,861.00
Professional Services and travel expenses to be invoiced monthly as they occur (\$71,180.00)	Monthly
100% of SMARTGov [®] SaaS year 2 total due at start date anniversary for renewals.	\$42,152.00

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)



Sales Order

This Paladin Data Systems Corporation Sales Order ("Sales Order") is entered into by Will County, IL ("You or Your") and Paladin Data Systems Corporation ("We, Us or Our" and, together with You, the "Parties" and each a "Party") as of the Sales Order Effective Date. By signing this Sales Order, You agree to the terms and conditions contained in this Sales Order and the Master SaaS and Professional Services Agreement, which is incorporated herein by this reference. This Sales Order is effective as of the last date set forth below (the "Sales Order Effective Date").

Will County, IL

Paladin Data Systems Corporation

Signature

Michelle Dvosek

Signature

Print Name

Michelle Dvosek

Print Name

Print Title

Business Operations Mgr

Print Title

Date

10/26/2015

Date

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)

**Paladin Data Systems Corporation
Master SaaS Subscription and Professional Services Agreement**

THIS MASTER SOFTWARE AS A SERVICE (SaaS) SUBSCRIPTION AND PROFESSIONAL SERVICES AGREEMENT ("AGREEMENT") GOVERNS YOUR ACQUISITION AND USE OF OUR SaaS SUBSCRIPTION AND PROFESSIONAL SERVICES. BY EXECUTING A SALES ORDER THAT REFERENCES THIS AGREEMENT, YOU AGREE TO THE TERMS OF THIS AGREEMENT. IF YOU ARE ENTERING INTO THIS AGREEMENT ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT THAT YOU HAVE THE AUTHORITY TO BIND SUCH ENTITY AND ITS AFFILIATES TO THESE TERMS AND CONDITIONS, IN WHICH CASE THE TERMS "YOU" OR "YOUR" WILL REFER TO SUCH ENTITY AND ITS AFFILIATES. IF YOU DO NOT HAVE SUCH AUTHORITY, OR IF YOU DO NOT AGREE WITH THESE TERMS AND CONDITIONS, YOU MUST NOT ACCEPT THIS AGREEMENT AND MAY NOT USE THE SaaS SUBSCRIPTION OR THE PROFESSIONAL SERVICES.

You may not access the SaaS Subscription if You are Our direct competitor, except with Our prior written consent. In addition, You may not access the SaaS Subscription for purposes of monitoring availability, performance or functionality, or for any other benchmarking or competitive purposes.

This Agreement was last updated on December 17, 2014. It is effective between You and Us as of the date of Your acceptance of this Agreement and the Sales Order ("Effective Date").

1. DEFINITIONS IN addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings:

- 1.1. **"Affiliate"** means any entity which directly or indirectly controls, is controlled by, or is under common control with the subject entity. "Control," for purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.
- 1.2. **"Malicious Code"** means viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs.
- 1.3. **"Non-SMARTGov Applications"** means online applications and offline software products that are provided by entities or individuals other than Us and are clearly identified as such, and that Interoperate with the SaaS Subscription.
- 1.4. **"Party or Parties"** means either We, Us, or Our, as well as You or Your individually or collectively.
- 1.5. **"Professional Services"** means the labor or time and materials work that You or Your Affiliates purchase under a Sales Order.
- 1.6. **"SaaS Subscription"** means the software as a service ("**SaaS**") products ordered by You on a Sales Order and made available by Us online via the customer login link and/or other web pages designated by Us, including associated offline components, as described in the User Guide. SaaS Subscription excludes Non-SMARTGov Applications.
- 1.7. **"Sales Order"** means the documents for placing orders, including addenda thereto, that are entered into between You and Us or any of Our Affiliates from time to time, including addenda and supplements. By entering into a Sales Order, an Affiliate agrees to be bound by the terms of this Agreement as if it were an original party. Sales Orders will be deemed incorporated herein by reference.
- 1.8. **"Third Party"** means any entity or individual other than We, Us, or Our, as well as You or Your.
- 1.9. **"User Guide"** means the online user guide for the SaaS Subscription, accessible via login, as updated from time to time.
- 1.10. **"Users"** means individuals who are authorized by You to use the SaaS Subscription, for whom subscriptions have been ordered, and who have been supplied user identifications and passwords by You (or by Us at Your request). Users may include, but are not limited to Your employees, consultants, contractors and agents, and any Third Party with which You transact business.
- 1.11. **"We," "Us" or "Our"** means Paladin Data Systems Corporation described in Section 14.1 (Contracting Seller, Notices, Governing Law and Jurisdiction).
- 1.12. **"You" or "Your"** means the company or other legal entity for which you are accepting this Agreement and Affiliates of that company or entity.
- 1.13. **"Your Data"** means all electronic data or information owned by Your company or other legal entity and submitted by You to the SaaS Subscription.

**Paladin Data Systems Corporation
Master SaaS Subscription and Professional Services Agreement**

2. SaaS SUBSCRIPTION AND PROFESSIONAL SERVICES

2.1. **Provision of SaaS Subscription.** We will make the SaaS Subscription available to You pursuant to this Agreement and the relevant Sales Order during a subscription term. You agree that Your purchases are not contingent on the delivery of any future functionality or features, and not dependent on any oral or written public comments made by Us regarding future functionality or features.

2.2. **User Subscriptions.** Unless otherwise specified in the Sales Order, (i) SaaS Subscription are purchased as User subscriptions and may be accessed by no more than the specified number of Users, (ii) additional User subscriptions may be added during the subscription term at the same pricing as the pre-existing subscriptions, prorated for the remainder of the subscription term in effect at the time the additional User subscriptions are added, and (iii) the added User subscriptions will terminate on the same date as the pre-existing subscriptions. User subscriptions are for designated Users only and cannot be shared or used by more than one User but may be reassigned to new Users replacing former Users who no longer require ongoing use of the SaaS Subscription.

2.3. **Provision of Professional Services.** We will provide to You the Professional Services specified on the Sales Order. The Professional Services are cost estimates based on time and materials work for Your budgeting and Our resource scheduling purposes. If the estimate is exceeded, We will continue to provide the Professional Services on a time and materials basis if a statement of work or purchase order for continuation of the Professional Services is signed by the Parties.

3. USE OF THE SaaS SUBSCRIPTION

3.1. **Our Responsibilities.** We will: (i) provide Our basic support for the SaaS Subscription to You at no additional charge (ii) use commercially reasonable efforts to make the SaaS Subscription available and (iii) We will provide You access to Your Data via a database extract process that enables You to execute and download a current copy of Your Data on demand.

3.2. **Your Responsibilities.** You will (i) be responsible for Users' compliance with this Agreement, (ii) be responsible for the accuracy, quality and legality of Your Data and the means by which You acquired Your Data, (iii) use commercially reasonable efforts to prevent unauthorized access to or use of the SaaS Subscription, and notify Us promptly of any such unauthorized access or use, and (iv) use the SaaS Subscription only in accordance with the User Guide and applicable laws and government regulations, (v) validate for correctness all output and reports and (vi) have sole responsibility for downloading and storing back-up files, (vii) You will NOT (a) make the SaaS Subscription available to anyone other than Users, (b) sell, resell, rent or lease the SaaS Subscription to any Third Party, (c) use the SaaS Subscription to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of Third Party privacy rights, (d) use the SaaS Subscription to store or transmit Malicious Code, (e) interfere with or disrupt the integrity or performance of the SaaS Subscription or Third Party data contained therein, or (f) attempt to gain unauthorized access to the SaaS Subscription or their related systems or networks.

4. NON-SMARTGov PROVIDERS

4.1. **Acquisition of Non-SMARTGov Products.** We or a Third Party may from time to time make available to You, Third Party products or services, including but not limited to Non-SMARTGov Applications and implementation, customization and other consulting services. Any acquisition by You of Non-SMARTGov products or services, and any exchange of data between You and any Non-SMARTGov provider, is solely between You and the applicable Non-SMARTGov provider. We do not warrant or support Non-SMARTGov products or services, except as specified in a Sales Order. Subject to Section 4.3 (Integration with Non-SMARTGov Applications), purchase of Non-SMARTGov products is not required to use the SaaS Subscription except for a supported computing device, operating system, web browser and Internet connection.

4.2. **Non-SMARTGov Applications and Your Data.** If You install or enable Non-SMARTGov Applications for use with SaaS Subscription, You acknowledge that We may allow providers of those Non-SMARTGov Applications to access Your Data as required for the interoperation of such Non-SMARTGov Applications with the SaaS Subscription. We will not be responsible for any disclosure, modification or deletion of Your Data resulting from any such access by Non-SMARTGov Application providers. The SaaS Subscription will allow You to restrict such access by restricting Users from installing or enabling such Non-SMARTGov Applications for use with the SaaS Subscription.

Paladin Data Systems Corporation
Master SaaS Subscription and Professional Services Agreement

4.3. **Integration with Non-SMARTGov Applications.** The SaaS Subscription may contain features designed to operate with Non-SMARTGov Applications. To use such features, You may be required to obtain access to such Non-SMARTGov Applications from their providers. If the provider of any Non-SMARTGov Application ceases to make the Non-SMARTGov Application available for operation with the corresponding SaaS Subscription features on reasonable terms, We may cease providing such SaaS Subscription features without entitling You to any refund, credit, or other compensation.

5. FEES AND PAYMENT

5.1. **Fees.** You will pay all fees specified in all Sales Orders. Except as otherwise specified herein or in a Sales Order, (i) fees are based on SaaS Subscription and/or Professional Services purchased and not actual usage, (ii) payment obligations are non-cancelable and fees paid are non-refundable, and (iii) the number of User subscriptions purchased cannot be decreased during the subscription term stated on the Sales Order. User subscription fees are based on annual periods that begin on the subscription start date and each annual anniversary; therefore, fees for User subscriptions added in the middle of an annual period will be charged a prorated amount for the remaining subscription term.

(a) If We determine, based on electronic monitoring of Your User subscriptions, the actual number of User subscriptions exceeds the number licensed on a Sales Order, We reserve the right to amend the Sales Order for successive Renewal Terms to increase the number of User subscriptions and the fees.

(b) Professional Service fees do not include travel, lodging or other expenses incurred by Us unless specified on the Sales Order. You will reimburse Us for all travel, lodging, communications, incidentals and other out-of-pocket expenses as they relate to the services rendered by Us to You.

5.2. **Invoicing and Payment.** We will invoice You in advance for SaaS Subscription in accordance with the relevant Sales Order. We will invoice You monthly for Professional Services in accordance with the relevant Sales Order. Unless otherwise stated in the Sales Order, invoiced charges are due net 30 days from the invoice date.

5.3. **Overdue Payments.** If any payments are not received by the due date, then at Our discretion, (a) such overdue payments may accrue late interest at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower, from the date such payment was due until the date paid, and/or (b) We may condition future subscription renewals and Sales Orders on payment terms shorter than those specified in Section 5.2 (Invoicing and Payment).

5.4. **Suspension of SaaS Subscription or Professional Services.** If any amount owing by You under any agreement is 30 days' overdue, We may, without limiting Our other rights and remedies, accelerate Your unpaid fee obligations so that all such obligations become immediately due and payable, and suspend Our SaaS Subscription or Professional Services to You until such amounts are paid in full.

5.5. **Payment Disputes.** We will not exercise Our rights under Section 5.3 (Overdue Payments) or 5.4 (Suspension of SaaS Subscription or Professional Services) if You are disputing the applicable charges reasonably and in good faith and are cooperating diligently to resolve the dispute.

5.6. **Taxes.** Unless otherwise stated, Our fees do not include any taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, sales, use or withholding taxes, assessable by any local, state, provincial, federal or foreign jurisdiction (collectively, "Taxes"). You are responsible for paying all Taxes associated with Your purchases hereunder. If We have the legal obligation to pay or collect Taxes for which You are responsible, the appropriate amount will be invoiced to and paid by You, unless You provide Us with a valid tax exemption certificate authorized by the appropriate taxing authority. For clarity, We are solely responsible for taxes assessable based on Our income, property and employees.

6. PROPRIETARY RIGHTS

6.1. **Reservation of Rights in SaaS Subscription.** Subject to the limited rights expressly granted hereunder, We reserve all rights, title and interest in and to the SaaS Subscription, including all related intellectual property and trademark rights. No rights are granted to You other than as expressly set forth herein.

6.2. **Restrictions.** You will not (i) permit any Third Party to access the SaaS Subscription except as permitted herein or in a Sales Order, (ii) create derivative works based on the SaaS Subscription, (iii) copy, frame or mirror any part or content of the SaaS Subscription, other than copying or framing on Your own intranets or otherwise for Your own internal business purposes, (iv) reverse engineer, decompile or

Paladin Data Systems Corporation
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otherwise attempt to derive source code, or (v) access the SaaS Subscription in order to (a) build a competitive product or service, or (b) copy any features, functions or graphics of the SaaS Subscription.

6.3. **Ownership.** We retain sole and exclusive ownership of, and all right, title and interest in and to the SaaS Subscription, the documentation User Guide, any modifications and all suggestions, ideas, improvements, feedback, evaluation materials, presentations, designs, technology, inventions, know-how, works of authorship, software, specifications, and other materials, information and any other intellectual property made, developed, conceived or reduced to practice by Us (whether alone, or jointly with You) in the performance of this Agreement.

6.4. **Your Applications and Code.** If You, a Third Party acting on Your behalf, or a User creates applications or program code using the SaaS Subscription, You authorize Us to host, copy, transmit, display and adapt such applications and program code, solely as necessary for Us to provide the SaaS Subscription in accordance with this Agreement. Subject to the above, We acquire no right, title or interest from You or Your licensors under this Agreement in or to such applications or program code, including any intellectual property rights therein.

6.5. **Your Data.** Subject to the limited rights granted by You hereunder, We acquire no right, title or interest from You or Your licensors under this Agreement in or to Your Data, including any intellectual property rights therein. You grant to Us a non-exclusive license to use Your Data for the purposes of performing Our obligations under this Agreement.

6.6. **Our Protection of Your Data.** We receive no ownership rights in Your Data. We will maintain appropriate administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Your Data. We will not (a) modify Your Data, (b) disclose Your Data except as compelled by law in accordance with Section 7.3 (Compelled Disclosure) or as expressly permitted in writing by You, or (c) access Your Data except to provide the SaaS Subscription or Professional Services and prevent or address service or technical problems, or except at Your request in connection with customer support matters.

6.7. **Report Writer Software.** You acknowledge the SaaS Subscription Service utilizes ad hoc report writer software ("Ad Hoc") under a license granted to Us by a Third Party, which licenses Us the right to sublicense the use of the Ad Hoc as part of the Service to You. Such sublicense is nonexclusive and solely for Your internal use and You may not further resell, re-license, or grant any other rights to use such sublicense to any Third Party. You further acknowledge the Ad Hoc licensing Third Party retains all right, title, and interest to the Ad Hoc and all documentation related to the Ad Hoc. All confidential or proprietary information of Ad Hoc licensing Third Party is Confidential Information under the terms of this Agreement.

7. CONFIDENTIALITY

7.1. **Definition of Confidential Information.** "Confidential Information" means all confidential information disclosed by a Party ("Disclosing Party") to the other Party ("Receiving Party"), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Your Confidential Information will include, but not be limited to Your Data; Our Confidential Information will include, but not be limited to the SaaS Subscription; and Confidential Information of each Party will include the terms and conditions of this Agreement and all Sales Orders, as well as business and marketing plans, technology and technical information, product plans and designs, and business processes disclosed by such Party. However, Confidential Information will not include any information that (i) is or becomes generally known to the public without breach of any obligation owed to the Disclosing Party, (ii) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (iii) is received from a Third Party without breach of any obligation owed to the Disclosing Party, or (iv) was independently developed by the Receiving Party.

7.2. **Protection of Confidential Information.** The Receiving Party (i) will use the same degree of care that it uses to protect the confidentiality of its own confidential information of like kind (but in no event less than reasonable care) (ii) will not use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement, and (iii) except as otherwise authorized by the Disclosing Party in writing, will limit access to Confidential Information of the Disclosing Party to its Affiliates' employees, contractors and agents who need such access for purposes consistent with this Agreement. Neither party will disclose the terms of this Agreement or any Sales Order to any Third Party other than its Affiliates and their legal counsel and accountants without the other Party's prior written consent.

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7.3. **Compelled Disclosure.** If the Receiving Party is required to disclose any Confidential Information of the other by law, regulation or governmental authority, the Receiving Party will provide reasonable notice to Disclosing Party of such required disclosure and reasonably cooperate with the Disclosing Party in preventing or limiting such disclosure, or obtaining an appropriate protective order or other remedy. If a protective order or other remedy is not obtained, then the Receiving Party may disclose such Confidential Information as necessary for compliance with the applicable law, regulation or governmental authority. Notwithstanding such disclosure, such information will remain Confidential Information and subject to the requirements of this Section.

8. WARRANTIES AND DISCLAIMERS FOR SaaS SUBSCRIPTION AND PROFESSIONAL SERVICES

8.1. **Our Warranties for SaaS Subscription.** We warrant that (i) We have the legal power to enter into this Agreement, (ii) the SaaS Subscription will perform materially in accordance with the User Guide, (iii) subject to Section 4.3 (Integration with Non-SMARTGov Applications), the functionality of the SaaS Subscription will not be materially decreased during a subscription term, and (iv) We will not transmit Malicious Code to You, provided it is not a breach of this subpart (iv) if You or a User uploads a file containing Malicious Code into the SaaS Subscription and later downloads that file containing Malicious Code. For any breach of a warranty above, Your exclusive remedy will be as provided in Section 13.4 (Termination for Cause) and Section 13.6 (Refund or Payment upon Termination) below.

8.2. **Our Warranties for Professional Services.** We warrant the Professional Services will be performed consistent with generally accepted industry standards.

8.3. **Disclaimer.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, NEITHER PARTY MAKES ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EACH PARTY SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

9. LIMITATION ON WARRANTIES FOR PROFESSIONAL SERVICES

YOU MUST REPORT ANY DEFICIENCIES IN THE PROFESSIONAL SERVICES TO US IN WRITING WITHIN THIRTY (30) DAYS OF COMPLETION OF THE PROFESSIONAL SERVICES IN ORDER TO RECEIVE WARRANTY REMEDIES. THE WARRANTY HEREIN IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

10. EXCLUSIVE REMEDY FOR PROFESSIONAL SERVICES

For any breach of the above warranty, Your exclusive remedy, and Our entire liability, will be the re-performance of the Professional Services. If We are unable to re-perform the Professional Services as warranted, You will be entitled to recover the fees paid to Us for the deficient services. IN NO EVENT WILL WE BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES ARISING FROM ANY PROFESSIONAL SERVICES PROVIDED HEREUNDER, INCLUDING BUT NOT LIMITED TO CLAIMS FOR LOST PROFITS OR OTHER ECONOMIC DAMAGES.

11. LIMITATION OF LIABILITY

11.1. **Limitation of Liability.** NEITHER PARTY'S LIABILITY WITH RESPECT TO ANY SINGLE INCIDENT ARISING OUT OF OR RELATED TO THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR UNDER ANY OTHER THEORY OF LIABILITY) WILL EXCEED THE AMOUNT PAID BY YOU IN THE 12 MONTHS PRECEDING THE INCIDENT, PROVIDED THAT IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR UNDER ANY OTHER THEORY OF LIABILITY) EXCEED THE TOTAL AMOUNT PAID BY YOU. THE FOREGOING WILL NOT LIMIT YOUR PAYMENT OBLIGATIONS UNDER SECTION 5 (FEES AND PAYMENT).

11.2. **Exclusion of Consequential and Related Damages.** IN NO EVENT WILL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY LOST PROFITS OR REVENUES OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, COVER OR PUNITIVE DAMAGES HOWEVER CAUSED, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, AND WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.



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THE FOREGOING DISCLAIMER WILL NOT APPLY TO THE EXTENT PROHIBITED BY APPLICABLE LAW.

12. TERM AND TERMINATION FOR PROFESSIONAL SERVICES

Professional Services will commence on the date specified on the Sales Order. Either Party may terminate Professional Services any time by providing the other Party with at least 14 days written notice. Any Professional Services outstanding at the time of termination will continue to be covered by this Agreement as if it had not been terminated.

13. TERM AND TERMINATION FOR SaaS SUBSCRIPTION

13.1. Term of Agreement. This Agreement commences on the date You accept it and continues until all User subscriptions have expired or been terminated.

13.2. Term of Purchased User Subscriptions. User subscriptions purchased by You commence on the start date specified in the applicable Sales Order and continue for the subscription term specified. Except as otherwise specified in the applicable Sales Order, all User subscriptions will automatically renew for additional periods equal to the expiring one year subscription term, unless either Party gives the other notice of non-renewal at least 30 days before the end of the relevant subscription term. The pricing during any such renewal term will be the same as the prior term unless We have given You written notice of a pricing increase at least 180 days before the end of such prior term, in which case the pricing increase will be effective upon renewal and thereafter.

13.3. Stop in SaaS Subscription. Upon 180 days' prior written notice, We may terminate provision of the SaaS Subscription as a hosted offering. We will export and return Your Data to You via digital media at Our expense. We will refund You any prepaid fees covering the remainder of the term of all subscriptions after the effective date of stop in SaaS Subscription.

13.4. Termination for Cause. A Party may terminate this Agreement for cause: (i) upon 30 days written notice to the other Party of a material breach if such breach remains uncured at the expiration of such period, or (ii) if the other Party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. In addition, We may terminate this Agreement if You fail to make any payment due hereunder within 30 days after receiving written notice from Us that such payment is delinquent.

13.5. Effect of Termination. Upon termination for any reason, (a) all licenses granted will automatically and immediately terminate, and We may immediately disable and discontinue Your access to and use of the SaaS Subscription without further notice to You, (b) You will promptly return to Us all Documentation and all information and materials that You have acquired pertaining to the SaaS Subscription and any other Confidential Information of Ours and (c) within 30 days of the effective date of such termination, We will export all Your Data then-stored in the Service and ship the information to You in a digital format.

13.6. Refund or Payment upon Termination. Upon any termination by You for cause, We will refund You any prepaid fees covering the remainder of the term of all subscriptions after the effective date of termination. Upon any termination by Us for cause, You will pay any unpaid fees covering the remainder of the term of all Sales Orders after the effective date of termination. In no event will any termination relieve You of the obligation to pay any fees payable to Us for the period prior to the effective date of termination.

13.7. Return of Your Data. Within 30 days after the effective date of termination of SaaS Subscription and upon request by You, We will make available to You for download a file of Your Data. After such 30-day period, We will have no obligation to maintain or provide any of Your Data and will thereafter, unless legally prohibited, delete all of Your Data in Our systems or otherwise in Our possession or under Our control.

13.8. Surviving Provisions. Section 5 (Fees and Payment), 6 (Proprietary Rights), 7 (Confidentiality), 8.3 (Disclaimer), 11 (Limitation of Liability), 13.6 (Refund or Payment upon Termination), 13.7 (Return of Your Data), 14 (Contracting Seller, Notices, Governing Law and Jurisdiction) and 15 (General Provisions) will survive any termination or expiration of this Agreement.

14. CONTRACTINGSELLER, NOTICES, GOVERNING LAW AND JURISDICTION

14.1. Seller: Paladin Data Systems Corporation, a Washington corporation.

14.2. Address notices to: 19362 Powder Hill Pl. NW, Poulsbo, WA 98370, Attn: Contracts

14.3. Governing law: Washington and controlling United States federal law

14.4. Exclusive court jurisdiction: Kitsap County, Washington



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14.5. Manner of Giving Notice. Except as otherwise specified in this Agreement, all notices, permissions and approvals will be in writing and will be deemed to have been given upon: (i) personal delivery, (ii) the second business day after mailing, (iii) the second business day after sending by confirmed facsimile, or (iv) the first business day after sending by email (provided email will not be sufficient for notices of termination or an indemnifiable claim). Billing-related notices to You will be addressed to the relevant billing contact designated by You. All other notices to You will be addressed to the relevant SaaS Subscription system administrator designated by You.

14.6. Agreement to Governing Law and Jurisdiction. Each Party agrees to the applicable governing law above without regard to choice or conflicts of law rules, and to the exclusive jurisdiction of the applicable courts above.

14.7. Waiver of Jury Trial. Each Party hereby waives any right to jury trial in connection with any action or litigation in any way arising out of or related to this Agreement.

15. GENERAL PROVISIONS

15.1. Amendment; No Waiver. Except as otherwise expressly provided herein, this Agreement may not be amended or modified and the observance of any provision of this Agreement may not be waived except with the written consent of the Parties. No failure by either Party to enforce any rights hereunder will constitute a waiver of such right then or in the future or any other right or remedy hereunder. To the extent the terms and conditions of any Exhibit, attachment, purchase order, invoice, proposal or response to request for proposal, conflict with or are inconsistent with this Agreement, the terms and conditions of this Agreement will control and no such conflicting terms will be deemed as a waiver or amendment of this Agreement.

15.2. Anti-Corruption. You have not received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from any of Our employees or agents in connection with this Agreement. Reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction. If You learn of any violation of the above restriction, You will use reasonable efforts to promptly notify Us.

15.3. Assignment; Binding Effect. This Agreement may not be transferred or assigned by either Party without the express written consent of the other, which will not be unreasonably withheld or delayed, except that either Party may, without the consent of the other Party, assign this Agreement in its entirety to a parent, subsidiary or affiliate of such Party or an acquirer of more than 50% of the assigning Party's outstanding voting capital stock or to a purchaser of all or substantially all of the assigning Party's assets. Notwithstanding the foregoing or any other provision of this Agreement, You may not assign, sublicense, delegate or transfer this Agreement or any of its rights or obligations under this Agreement to any competitor of Ours. Any purported transfer or assignment in contravention of this Section will be null and void. This Agreement will inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

15.4. Basis of Bargain. The Parties acknowledge that they have entered into this Agreement in reliance upon the disclaimers of warranties and limitations of liability and damages as set forth in this Agreement, and that such provisions form an essential basis of the bargain between the Parties and do not cause this Agreement, or the remedies available hereunder, to fail of its or their essential purpose.

15.5. Counterparts. This Agreement may be executed in any number of English language counterparts or duplicate originals, and each such counterpart or duplicate original will constitute an original instrument, but all such separate counterparts or duplicate originals will constitute one and the same instrument.

15.6. Entire Agreement. This Agreement, including the Exhibits attached, constitutes the entire Agreement of the Parties concerning its subject matter and supersedes any and all prior or contemporaneous, written or oral negotiations, correspondence, understandings and agreements between the Parties respecting the subject matter of this Agreement.

15.7. Export Compliance. The SaaS Subscription, other technology We make available, and derivatives thereof may be subject to export laws and regulations of the United States and other jurisdictions. Each Party represents that it is not named on any U.S. government denied-party list. You will not permit Users to access or use SaaS Subscription in a U.S.-embargoed country or in violation of any U.S. export law or regulation.

15.8. Force Majeure. Except with respect to payment obligations, neither Party will be liable for any failure of performance or equipment due to causes beyond such Party's reasonable control, including but not limited to: acts of God, fire, flood or other catastrophes; any law, order, regulation, direction, action, or

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request of any governmental entity or agency, or any civil or military authority; national emergencies, insurrections, riots, wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

15.9. **Headings and Interpretation.** Headings and captions are for convenience only and are not to be used in the interpretation of this Agreement. The words "include," "includes," and "including" when used in this Agreement will be treated in each case as followed by the words "without limitation."

15.10. **Relationship of the Parties.** The parties are independent contractors. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties.

15.11. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision will be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement will remain in effect.

15.12. **Insurance and Risk of Loss.** You bear all responsibility for damages to Your equipment and facilities.

Attachment: Award Docs (15-354 : Permit & Case System - Bid Award)

