

# COUNCIL DECISION REQUEST

SUBJECT: CRW Maintenance & Support Agreement

MEETING DATE: May 7, 2009

PAYSON GOAL: NEW:            EXISTING:

ITEM NO.:

TENTATIVE SCHEDULE:

SUBMITTED BY: Ray LaHaye 

AMOUNT BUDGETED: \$40,000.00 (payable over 5 years)

SUBMITTAL TO AGENDA  
APPROVED BY TOWN MANAGER

EXPENDITURE REQUIRED: \$0.00

CONT. FUNDING REQUIRED: \$0.00

  
EXHIBITS (If Applicable, To Be Attached):

## POSSIBLE MOTION

I move to approve the five (5) year CRW Software Maintenance and Support Agreement and to have the Mayor sign all necessary documents.

## SUMMARY OF THE BASIS FOR POSSIBLE MOTION:

This software package is used for issuing and tracking building permits and inspection records, code enforcement cases, and planning projects.

The fee schedule for the five (5) years is as follows: 1) 09/10 - \$7,000 – 2) 10/11 - \$7,500 – 3) 11/12 - \$8,000 – 4) 12/13 - \$8,500 – 5) 13/14 - \$9,000 – for a grand total of \$40,000.

## PROS:

## CONS:

## PUBLIC INPUT (if any):

## BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes):

## FUNDING:

Acct: 101-5-1408-00-7005	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:

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

MAY 07 2009 I.3\*

## SOFTWARE MAINTENANCE & SUPPORT AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between TOWN OF PAYSON, (hereinafter "CLIENT") and CRW SYSTEMS, INC., (hereafter "CRW") (collectively referred to as "the PARTIES") for the maintenance and support services of permit and code enforcement software as further specified in Exhibit A (the "SOFTWARE") provided to CLIENT by CRW pursuant to a separate Installation & License Agreement.

IN CONSIDERATION of the covenants as set forth in this Agreement, CLIENT and CRW agree as follows:

### A. INCORPORATION OF DOCUMENTS

The following documents are attached hereto and, by this reference, incorporated in this Agreement:

- |            |                                                 |
|------------|-------------------------------------------------|
| EXHIBIT A: | Covered Sites, Software Modules & Configuration |
| EXHIBIT B: | Services and Fees                               |

### B. COVERAGE

#### B.1. SCOPE OF SERVICES:

CRW shall provide maintenance service, technical support and software updates for the SOFTWARE as further detailed in Exhibit A and herein referred to as "Covered Software". Covered software does not include hardware, hardware vendor operating systems and other system software, CLIENT-developed software, or third-party software.

#### B.2. DISCRIPTION OF SERVICES:

**B.2.1. SUPPORT SERVICES.** During the term of this Agreement, CRW shall provide the services described herein so as to maintain the Covered Software in good working order, keeping it free from material defects so that the Covered Software shall function properly and in accordance with its intended use.

**B.2.2. TECHNICAL SUPPORT.** CLIENT shall have email and Toll-free phone access to CRW Monday through Friday during their normal business hours. CRW shall use its best efforts to work with and support all CLIENT-users who may call CRW with technical questions, however, CRW reserves the right to restrict email and/or telephone access to CLIENT-designated representatives only, as further detailed in Section G.3. herein. CRW shall have contact with CLIENT's designated System Administrator by telephone or email at least once per month to discuss system performance and unanswered questions. At the request of the CLIENT a quote for onsite technical support may be provided at anytime.

**B.2.3. REMEDIAL SUPPORT.** Upon notification by CLIENT of an error, defect, malfunction or nonconformity in the Covered Software, CRW shall respond as follows:

- (a) SEVERITY 1: Produces an emergency situation in which the Covered Software is inoperable, produces incorrect results, or fails catastrophically.

RESPONSE: CRW shall provide a response by a qualified member of its staff to begin to diagnose and to correct Severity 1 problem as soon as reasonably possible, but in any event, a response via telephone will be provided within two (2) hours. CRW will continue to provide best efforts to resolve Severity 1 problems in less than forty-eight (48) hours. The resolution will be delivered to CLIENT as a work-around or as an emergency software fix. If CRW delivers an acceptable work-around, the severity classification will drop to Severity 2.

- (b) SEVERITY 2: Produces a detrimental situation in which performance of the Covered Software degrades substantially under reasonable loads, such that there is a severe impact on use; the

Covered Software is usable, but materially incomplete; one or more mainline functions or commands is inoperable; or the use is otherwise significantly impacted.

RESPONSE: CRW will provide a response by a qualified member of its staff to begin to diagnose and to correct a Severity 2 problem as soon as reasonably possible, but in any event a response via telephone will be provided within six (6) hours. CRW will exercise best efforts to resolve Severity 2 problems within five (5) days. The resolution shall be delivered to CLIENT in the same format as Severity 1 problems. If CRW delivers an acceptable work-around for a Severity 2 problem, the severity classification will drop to a Severity 3.

- (c) SEVERITY 3: Produces an inconvenient situation in which the Covered Software is usable, but does not provide a function in the most convenient or expeditious manner, and the user suffers little or no significant impact.

RESPONSE: CRW will provide a fix or fixes for Severity 4 problems within 15 days or at the next scheduled maintenance release, whichever occurs first.

- (d) SEVERITY 4: Produces a noticeable situation in which the use is affected in some way which is reasonably correctable by a documentation change or by a future, regular release from CRW.

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- (e) For the purpose of the response listed above, an "hour" is defined as one (1) business hour during CRW office hours, and a "day" is defined as one (1) business day during CRW office hours.

**B.2.4. EMAIL/FACSIMILE SUPPORT.** For Severity 3 & Severity 4 issues, CRW provides a written problem report. CLIENT may submit a problem report via email or fax at any time. CRW shall acknowledge receipt of all reports with a telephone call or response email to CLIENT and provide a resolution to the problem within 15 days or at the next scheduled maintenance release, whichever occurs first.

**B.2.5 MAINTENANCE SERVICES.** During the term of this Agreement CRW will maintain the Covered Software by providing CLIENT with all software upgrades, enhancements and modifications. All updates or new versions shall be provided to CLIENT via download through CRW's website. CRW anticipates at least one upgrade per quarter.

**B.2.6. SERVICES NOT INCLUDED.** Maintenance Services do not include any of the following:

- (a) Custom programming services;
- (b) On-site support, including installation of hardware or software;
- (c) Support of any software not designated as Covered Software.
- (d) Custom reports/forms or a modification to an existing reports/forms.
- (e) Training, except as specified in Exhibit B.

**B.2.7. LIMITS OF LIABILITY.** CRW assumes no responsibility for the correctness of, performance of, or any resulting incompatibilities with, current or future releases of the Covered Software if CLIENT has made changes to the system hardware/software configuration or modifications to any supplied source code of the Covered Software.

**B.2.8. ADDITIONAL SERVICES.** CLIENT may request CRW perform additional services which are not covered under the Scope of Services or Description of Services as provided in this Agreement. Should CRW agree to perform said additional services, CRW & CLIENT shall enter into a separate written agreement setting forth the scope of said additional services and the compensation to CRW for those additional services. Said separate written agreement may be made an amendment to this Agreement at CRW's discretion.

## C. COMPENSATION

**C.1. FEES:**

**C.1.1. SERVICE FEES:** Fees for Maintenance, Support & Service provided under this Agreement shall be contained in Exhibit B. Should a user and/or software package be added to Exhibit A, CRW reserves the right to adjust and/or amend Exhibit A and Exhibit B accordingly and shall provide CLIENT with notification of such adjustment.

**C.1.2. TAXES.** CLIENT shall, in addition to the other amounts payable under this Agreement, pay all sales and other taxes, national, state or otherwise, however designated which are levied or imposed by reason of transactions contemplated by this Agreement, except those which arise as a result of income, including withholding taxes or similar deductions. Without limiting the foregoing, CLIENT shall promptly pay to CRW an amount equal to any such items actually paid, or required to be collected by CRW.

**D. EXCLUSIONS OF LIABILITY**

**D.1. WARRANTY:** CRW MAKES AND CLIENT RECEIVES NO WARRANTY EXPRESS OR IMPLIED AND THERE IS EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CLIENT ACKNOWLEDGES AND AGREES THAT THE MAINTENANCE FEES AND OTHER CHARGES WHICH CRW IS CHARGING UNDER THIS AGREEMENT DO NOT INCLUDE ANY CONSIDERATION FOR ASSUMPTION BY CRW OF THE RISK OF CLIENT'S CONSEQUENTIAL OR INCIDENTAL DAMAGES OR OF UNLIMITED DIRECT DAMAGES. ACCORDINGLY, CRW SHALL HAVE NO LIABILITY WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT FOR CONSEQUENTIAL, EXEMPLARY, OR INCIDENTAL DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT IN THE CASE OF GROSS NEGLIGENCE OR WILFUL MISCONDUCT, IN NO EVENT SHALL CRW BE LIABLE HEREUNDER TO CLIENT FOR CUMULATIVE DIRECT DAMAGES IN ANY AMOUNT GREATER THAN THAT PAID BY CLIENT TO CRW UNDER THIS AGREEMENT AS A MAINTENANCE FEE FOR THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE ACCRUAL OF THE CAUSE OF ACTION.

**D.2. INDEMNITY:**

**D.2.1.** CRW agrees to indemnify and hold harmless CLIENT, its officers, officials, employees, and agents from and against liability, damages, costs, losses, claims and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors or omissions of CRW and its employees, subcontractors, subconsultants, and agents in the performance of this Agreement.

**D.2.2.** CLIENT agrees to indemnify and hold harmless CRW, its employees, subconsultants, and agents from and against liability, damages, costs, losses, claims, and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors, or omissions of the CLIENT, its officers or employees, including, but not limited to, incorrect data or information provided by CLIENT.

**E. INSURANCE & LICENSES**

**E.1 WORKER'S COMPENSATION INSURANCE:**

Throughout the term of this Agreement and any extension thereof, CRW shall maintain Workers' Compensation and Employer's Liability Insurance of a form and in an amount as required by state law.

**E.2. GENERAL LIABILITY:**

Throughout the term of this Agreement and any extension thereof, CRW shall maintain Comprehensive General Bodily Injury and Property Damage Liability Insurance, including automobile (non-owned, or hired), in the amount of One Million Dollars (\$1,000,000), combined single limits per occurrence and annual aggregate.

**E.3. LICENSES:**

CRW shall maintain all licenses required by law which are applicable and necessary to the course and conduct of their business, including, but not limited to, a business license in the State, County, and/or City in which CLIENT is located, if applicable. Said licenses shall be maintained in full force throughout the term of this Agreement and any extension thereof.

**F. TERM AND TERMINATION**

**F.1. TERM:**

The term of this Agreement shall be for five (5) years. Covered Software maintenance service and support shall commence upon the receipt of a fully executed original of this Agreement and (2) the expiration of the initial twelve (12) month maintenance service and support period set forth in the Agreement for the Installation and use of TRAKIT Software. This Agreement shall remain in effect for the original five (5) year term and, thereafter, for automatic renewal terms on a five (5) year basis until terminated.

**F.2. TERMINATION:**

This Agreement may be terminated by CLIENT at any time, with or without cause upon thirty (30) days written notice to CRW. The Date of Termination (hereinafter "Date of Termination" or "Termination Date") shall be defined as the date which is thirty (30) days from the date on which the written notice of termination is postmarked or if sent by email, the date which is thirty (30) days from the date on which CRW is in receipt of said email. In the event of termination by CLIENT, CLIENT shall pay CRW for all services rendered up to and including the Date of Termination. Upon termination CLIENT further agrees to return all source code unopened and unused to CRW.

**G. ADDITIONAL PROVISIONS**

**G.1. CLIENT REFERENCES:**

CRW will not use CLIENT's name, logo or any other trademarks (including in any press releases, CLIENT "case studies," and the like) without CLIENT's prior written approval, email acceptable.

**G.2. INDEPENDENT CONTRACTOR:**

CLIENT and CRW acknowledge and intend that, to the maximum extent permissible by law: (a) this Agreement does not constitute an employment agreement by either party; (b) that CLIENT and CRW are independent contracting parties with respect to all services rendered under this Agreement; and (c) this Agreement shall not be construed as a partnership. CRW shall retain sole and absolute discretion and judgment in methods, techniques and procedures used in performing the services set forth herein. The fact that CLIENT or CRW may carry worker compensation insurance for their own respective benefits and for the benefit of each other shall not create an inference of employment.

**G.3. DESIGNATED CONTRACT REPRESENTATIVES:**

All communication relating to fees, termination or the general provisions of this Agreement shall be exchanged between the designated representatives of CLIENT and CRW Systems as follows:

CLIENT	CRW
TOWN OF PAYSON Ray La Haye 303 North Beeline Highway Payson, AZ 85541 Phone: (928) 474-5242 Fax: (928) 472-7490 Email: rlahaye@ci.payson.az.us	Christopher R. Wuerz, P.E. President, CRW Systems, Inc. 16980 Via Tazon, Suite 320 San Diego, CA 92127 Phone: (858) 451-3030 Facsimile: (858) 451-3870 Email: chris@crw.com

Should the designated representative or address of either Party change during the term of this Agreement, or any extension thereof, said Party shall provide written notice to the other prior to the effective date of change.

**G.4. ENTIRE AGREEMENT:**

Each party acknowledges that it is bound by the terms of this Agreement and further agrees that it is the complete and exclusive statement of the Agreement between the Parties, which supersedes and merges all

prior proposals, understanding and all other Agreements with respect to software maintenance, service and support, whether oral or written, between the Parties. Nothing contained in this Agreement is intended to benefit any third party. The contractors, subcontractors, or suppliers are not intended third party beneficiaries of this Agreement.

**G.5. DISPUTE RESOLUTION:**

This Contract shall be governed and construed in accordance with the internal laws of the State of Arizona. With the written consent of both Parties, any dispute, controversy, claim, or cause of action arising out of or related to this Contract may, but in no event need, be settled by submission to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, et seq.; and judgment upon any award rendered by the arbitrator(s), if filed in Arizona Superior Court, shall be filed in the Superior Court of Gila County, Arizona; or any such dispute, controversy, claim, or cause of action may be litigated in the Superior Court of Gila County, Arizona. The venue for any such dispute shall be Gila County, Arizona, and both Parties consent in advance to such venue and jurisdiction and waive any right to object that Gila County is an inconvenient or improper forum based upon lack of venue. Neither Party shall be entitled to recover from the other party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy, claim, or cause of action, but each party shall bear its own attorneys' fees without contribution from the other party, whether the same is resolved through arbitration, litigation in a court, or otherwise.

**G.6. BINDING ON SUCCESSORS:**

All the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives. CRW may not assign any of its responsibilities or obligations hereunder to any other person or entity without written consent of CLIENT.

**G.7. SEVERABILITY:**

If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

**G.8. DUE AUTHORITY:**

CLIENT represents and warrants that the person executing this Agreement on behalf of CLIENT is an agent of CLIENT and has full and complete authority to execute this Agreement and enter into the terms and covenants provided herein, and have been designated by CLIENT to execute this Agreement on behalf of CLIENT.

CRW represents and warrants that the person executing this Agreement on behalf of CRW is an agent of CRW and has full and complete authority to execute this Agreement and enter into the terms and covenants provided herein, and have been designated by CRW to execute this Agreement on behalf of CRW.

**G.9. Cancellation (A.R.S. §38-511):**

This Contract is subject to the provisions of A.R.S. § 38-511 which provides for cancellation of contracts by the municipality for certain conflicts of interest.

**G.10. Authorized Presence Requirements/Government Procurement (A.R.S. §41-4401):**

**G.10.1.** Contractor and any Subcontractor employed by Contractor warrants their compliance with all Federal immigration laws and regulations that relate to their employees and Arizona Revised Statutes Section 23-214(A).

**G.10.2.** A breach of the warranty under Section G.10.1 above shall be deemed a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract.

**G.10.3.** The Town retains the legal right to inspect the papers of the Contractor or Subcontractor who works on this Contract to ensure that the Contractor or Subcontractor is complying with Section G.10.1.

**G.11. Non-Appropriation/Non-Receipt:**

Nothing herein shall be construed as obligating the Town to expend, or as involving the Town in any contract or other obligation for the future payment of money in excess of appropriations authorized by law and administratively allocated for this work. Nor shall anything herein be construed as obligating the Town to expend, or as involving the Town in any contract or other obligation for the future payment of money if the Town does not have sufficient revenues for this expenditure.

**G.12. Scrutinized Business Operations:**

Pursuant to A.R.S. §35-391.06, the Parties hereby warrant and represent that they do not have, nor any of their subcontractors have, and during the term of this Contract will not have a scrutinized business operation in either Sudan or Iran.

**G.13. AGREEMENT AS OFFER:**

This Agreement shall be valid only if it is signed by both CLIENT and CRW, and a signed original has been received by both parties on or before June 1, 2009.

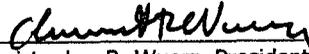
TOWN OF PAYSON

CRW SYSTEMS, INC.  
San Diego, California

Dated: \_\_\_\_\_

Dated: 4-20-09

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

By:   
Christopher R. Wuerz, President  
CRW Systems, Inc.

### APPROVAL AS TO FORM

The Town of Payson Legal Department has reviewed this contract and approved it as to form. When reviewing this contract for form, the legal De has reviewed this contract and approved it as to form. When reviewing this contract for form, the Legal Department considers whether the following situations have been addressed:

1. Identification of parties;
2. Offers and Acceptance;
3. Existence of contract consideration (we do not review to determine if consideration is adequate);
4. That certain provisions specifically required by statute are included (i.e., provisions concerning non-availability of funds and conflict of interest, A.R.S. § 38-511).

We have not reviewed the contract for other issues. Therefore, approval as to form should not be considered as approval of the appropriateness of the terms or conditions of the contract or the underlying transaction. In addition, approval as to the form should not be considered approval of the underlying policy considerations addressed by the contract.

Dated: \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

By \_\_\_\_\_  
Samuel I. Streichman, Town Attorney

## EXHIBIT A

### **COVERED SITES, SOFTWARE MODULES AND CONFIGURATION**

#### **A. COVERED SITES**

This Agreement covers the following CLIENT sites

303 North Beeline Highway  
Payson, AZ 85541

#### **B. COVERED SOFTWARE MODULES**

This Agreement covers the following TRAKIT software components at each site listed in Exhibit A, Section A:

1. TRAKIT Software Modules included: ProjectTRAK, PermitTRAK, CodeTRAK, AEC TRAK, LandTRAK, Reports.
2. eTRAKIT

#### **C. COVERED CONFIGURATION**

This Agreement covers the following configuration:

Unlimited Simultaneous User and Unlimited Observer licenses of Covered Software purchased by CLIENT and installed on Unlimited workstations. (Platform support for XP OPERATING SYSTEM)

**EXHIBIT B**

**SERVICES AND FEES**

Maintenance Services and support for the applications and configuration listed in Exhibit A will be provided for a fee and payable per the Fee Schedule below. The fee may be adjusted at the end of the five year term of this Agreement to the then current pricing. Should additions to the number of licensed users or the Covered Software occur during the term of this Agreement or any extension thereof, CRW shall adjust the fee to reflect the applicable changes and provide CLIENT with written notice of the fee change.

**FEE SCHEDULE**

<b>YEAR</b>	<b>FEES</b>	<b>DUE DATE</b>
YEAR 1	\$7,000.00	09/01/2009
YEAR 2	\$7,500.00	09/01/2010
YEAR 3	\$8,000.00	09/01/2011
YEAR 4	\$8,500.00	09/01/2012
YEAR 5	\$9,000.00	09/01/2013

**A. On-site Training**

As part of your Software Maintenance and Support Agreement **one** (1) day of on-site User training by a qualified CRW Trainer has been included per year. Training days may be bankrolled year to year, however; they must all be used by the contract expiration date 09/01/2014. A quote for additional training days may be requested at anytime.

Request for training must be submitted 30 days in advance to allow proper time to develop a training plan and for scheduling purposes. All travel related costs have been included; however, the Client will be responsible for any additional fees or charges due to cancellation or rescheduling by the client.

Client will be responsible for providing a copy of their current TRAKIT configuration & database as well as responsible for providing an adequate training room. CRW will provide a computer for each individual to be trained with a class size being limited to eight students.

## SOFTWARE MAINTENANCE & SUPPORT AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between TOWN OF PAYSON, (hereinafter "CLIENT") and CRW SYSTEMS, INC., (hereafter "CRW") (collectively referred to as "the PARTIES") for the maintenance and support services of permit and code enforcement software as further specified in Exhibit A (the "SOFTWARE") provided to CLIENT by CRW pursuant to a separate Installation & License Agreement.

IN CONSIDERATION of the covenants as set forth in this Agreement, CLIENT and CRW agree as follows:

### A. INCORPORATION OF DOCUMENTS

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- EXHIBIT A: Covered Sites, Software Modules & Configuration  
EXHIBIT B: Services and Fees

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**D.2. INDEMNITY:**

**D.2.1.** CRW agrees to indemnify and hold harmless CLIENT, its officers, officials, employees, and agents from and against liability, damages, costs, losses, claims and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors or omissions of CRW and its employees, subcontractors, subconsultants, and agents in the performance of this Agreement.

**D.2.2.** CLIENT agrees to indemnify and hold harmless CRW, its employees, subconsultants, and agents from and against liability, damages, costs, losses, claims, and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors, or omissions of the CLIENT, its officers or employees, including, but not limited to, incorrect data or information provided by CLIENT.

**E. INSURANCE & LICENSES**

**E.1 WORKER'S COMPENSATION INSURANCE:**

Throughout the term of this Agreement and any extension thereof, CRW shall maintain Workers' Compensation and Employer's Liability Insurance of a form and in an amount as required by state law.

**E.2. GENERAL LIABILITY:**

Throughout the term of this Agreement and any extension thereof, CRW shall maintain Comprehensive General Bodily Injury and Property Damage Liability Insurance, including automobile (non-owned, or hired), in the amount of One Million Dollars (\$1,000,000), combined single limits per occurrence and annual aggregate.

**E.3. LICENSES:**

CRW shall maintain all licenses required by law which are applicable and necessary to the course and conduct of their business, including, but not limited to, a business license in the State, County, and/or City in which CLIENT is located, if applicable. Said licenses shall be maintained in full force throughout the term of this Agreement and any extension thereof.

**F. TERM AND TERMINATION**

**F.1. TERM:**

The term of this Agreement shall be for five (5) years. Covered Software maintenance service and support shall commence upon the receipt of a fully executed original of this Agreement and (2) the expiration of the initial twelve (12) month maintenance service and support period set forth in the Agreement for the Installation and use of TRAKIT Software. This Agreement shall remain in effect for the original five (5) year term and, thereafter, for automatic renewal terms on a five (5) year basis until terminated.

**F.2. TERMINATION:**

This Agreement may be terminated by CLIENT at any time, with or without cause upon thirty (30) days written notice to CRW. The Date of Termination (hereinafter "Date of Termination" or "Termination Date") shall be defined as the date which is thirty (30) days from the date on which the written notice of termination is postmarked or if sent by email, the date which is thirty (30) days from the date on which CRW is in receipt of said email. In the event of termination by CLIENT, CLIENT shall pay CRW for all services rendered up to and including the Date of Termination. Upon termination CLIENT further agrees to return all source code unopened and unused to CRW.

**G. ADDITIONAL PROVISIONS**

**G.1. CLIENT REFERENCES:**

CRW will not use CLIENT's name, logo or any other trademarks (including in any press releases, CLIENT "case studies," and the like) without CLIENT's prior written approval, email acceptable.

**G.2. INDEPENDENT CONTRACTOR:**

CLIENT and CRW acknowledge and intend that, to the maximum extent permissible by law: (a) this Agreement does not constitute an employment agreement by either party; (b) that CLIENT and CRW are independent contracting parties with respect to all services rendered under this Agreement; and (c) this Agreement shall not be construed as a partnership. CRW shall retain sole and absolute discretion and judgment in methods, techniques and procedures used in performing the services set forth herein. The fact that CLIENT or CRW may carry worker compensation insurance for their own respective benefits and for the benefit of each other shall not create an inference of employment.

**G.3. DESIGNATED CONTRACT REPRESENTATIVES:**

All communication relating to fees, termination or the general provisions of this Agreement shall be exchanged between the designated representatives of CLIENT and CRW Systems as follows:

CLIENT	CRW
TOWN OF PAYSON Ray La Haye 303 North Beeline Highway Payson, AZ 85541 Phone: (928) 474-5242 Fax: (928) 472-7490 Email: rlahaye@ci.payson.az.us	Christopher R. Wuerz, P.E. President, CRW Systems, Inc. 16980 Via Tazon, Suite 320 San Diego, CA 92127 Phone: (858) 451-3030 Facsimile: (858) 451-3870 Email: chris@crw.com

Should the designated representative or address of either Party change during the term of this Agreement, or any extension thereof, said Party shall provide written notice to the other prior to the effective date of change.

**G.4. ENTIRE AGREEMENT:**

Each party acknowledges that it is bound by the terms of this Agreement and further agrees that it is the complete and exclusive statement of the Agreement between the Parties, which supersedes and merges all

prior proposals, understanding and all other Agreements with respect to software maintenance, service and support, whether oral or written, between the Parties. Nothing contained in this Agreement is intended to benefit any third party. The contractors, subcontractors, or suppliers are not intended third party beneficiaries of this Agreement.

**G.5. DISPUTE RESOLUTION:**

This Contract shall be governed and construed in accordance with the internal laws of the State of Arizona. With the written consent of both Parties, any dispute, controversy, claim, or cause of action arising out of or related to this Contract may, but in no event need, be settled by submission to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, et seq.; and judgment upon any award rendered by the arbitrator(s), if filed in Arizona Superior Court, shall be filed in the Superior Court of Gila County, Arizona; or any such dispute, controversy, claim, or cause of action may be litigated in the Superior Court of Gila County, Arizona. The venue for any such dispute shall be Gila County, Arizona, and both Parties consent in advance to such venue and jurisdiction and waive any right to object that Gila County is an inconvenient or improper forum based upon lack of venue. Neither Party shall be entitled to recover from the other party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy, claim, or cause of action, but each party shall bear its own attorneys' fees without contribution from the other party, whether the same is resolved through arbitration, litigation in a court, or otherwise.

**G.6. BINDING ON SUCCESSORS:**

All the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives. CRW may not assign any of its responsibilities or obligations hereunder to any other person or entity without written consent of CLIENT.

**G.7. SEVERABILITY:**

If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

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CLIENT represents and warrants that the person executing this Agreement on behalf of CLIENT is an agent of CLIENT and has full and complete authority to execute this Agreement and enter into the terms and covenants provided herein, and have been designated by CLIENT to execute this Agreement on behalf of CLIENT.

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**G.9. Cancellation (A.R.S. §38-511):**

This Contract is subject to the provisions of A.R.S. § 38-511 which provides for cancellation of contracts by the municipality for certain conflicts of interest.

**G.10. Authorized Presence Requirements/Government Procurement (A.R.S. §41-4401):**

**G.10.1.** Contractor and any Subcontractor employed by Contractor warrants their compliance with all Federal immigration laws and regulations that relate to their employees and Arizona Revised Statutes Section 23-214(A).

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**G.10.3.** The Town retains the legal right to inspect the papers of the Contractor or Subcontractor who works on this Contract to ensure that the Contractor or Subcontractor is complying with Section G.10.1.

**G.11. Non-Appropriation/Non-Receipt:**

Nothing herein shall be construed as obligating the Town to expend, or as involving the Town in any contract or other obligation for the future payment of money in excess of appropriations authorized by law and administratively allocated for this work. Nor shall anything herein be construed as obligating the Town to expend, or as involving the Town in any contract or other obligation for the future payment of money if the Town does not have sufficient revenues for this expenditure.

**G.12. Scrutinized Business Operations:**

Pursuant to A.R.S. §35-391.06, the Parties hereby warrant and represent that they do not have, nor any of their subcontractors have, and during the term of this Contract will not have a scrutinized business operation in either Sudan or Iran.

**G.13. AGREEMENT AS OFFER:**

This Agreement shall be valid only if it is signed by both CLIENT and CRW, and a signed original has been received by both parties on or before June 1, 2009.

TOWN OF PAYSON

CRW SYSTEMS, INC.  
San Diego, California

Dated: \_\_\_\_\_

Dated: 4-20-09

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

By: Christopher R. Wuerz  
Christopher R. Wuerz, President  
CRW Systems, Inc.

### APPROVAL AS TO FORM

The Town of Payson Legal Department has reviewed this contract and approved it as to form. When reviewing this contract for form, the legal De has reviewed this contract and approved it as to form. When reviewing this contract for form, the Legal Department considers whether the following situations have been addressed:

1. Identification of parties;
2. Offers and Acceptance;
3. Existence of contract consideration (we do not review to determine if consideration is adequate);
4. That certain provisions specifically required by statute are included (i.e., provisions concerning non-availability of funds and conflict of interest, A.R.S. § 38-511).

We have not reviewed the contract for other issues. Therefore, approval as to form should not be considered as approval of the appropriateness of the terms or conditions of the contract or the underlying transaction. In addition, approval as to the form should not be considered approval of the underlying policy considerations addressed by the contract.

Dated: \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

By \_\_\_\_\_  
Samuel I. Streichman, Town Attorney

## EXHIBIT A

### **COVERED SITES, SOFTWARE MODULES AND CONFIGURATION**

#### **A. COVERED SITES**

This Agreement covers the following CLIENT sites

303 North Beeline Highway  
Payson, AZ 85541

#### **B. COVERED SOFTWARE MODULES**

This Agreement covers the following TRAKIT software components at each site listed in Exhibit A, Section A:

1. TRAKIT Software Modules included: ProjectTRAK, PermitTRAK, CodeTRAK, AEC TRAK, LandTRAK, Reports.
2. eTRAKIT

#### **C. COVERED CONFIGURATION**

This Agreement covers the following configuration:

Unlimited Simultaneous User and Unlimited Observer licenses of Covered Software purchased by CLIENT and installed on Unlimited workstations. (Platform support for XP OPERATING SYSTEM)

**EXHIBIT B**  
**SERVICES AND FEES**

Maintenance Services and support for the applications and configuration listed in Exhibit A will be provided for a fee and payable per the Fee Schedule below. The fee may be adjusted at the end of the five year term of this Agreement to the then current pricing. Should additions to the number of licensed users or the Covered Software occur during the term of this Agreement or any extension thereof, CRW shall adjust the fee to reflect the applicable changes and provide CLIENT with written notice of the fee change.

**FEE SCHEDULE**

<b>YEAR</b>	<b>FEES</b>	<b>DUE DATE</b>
YEAR 1	\$7,000.00	09/01/2009
YEAR 2	\$7,500.00	09/01/2010
YEAR 3	\$8,000.00	09/01/2011
YEAR 4	\$8,500.00	09/01/2012
YEAR 5	\$9,000.00	09/01/2013

**A. On-site Training**

As part of your Software Maintenance and Support Agreement **one** (1) day of on-site User training by a qualified CRW Trainer has been included per year. Training days may be bankrolled year to year, however; they must all be used by the contract expiration date 09/01/2014. A quote for additional training days may be requested at anytime.

Request for training must be submitted 30 days in advance to allow proper time to develop a training plan and for scheduling purposes. All travel related costs have been included; however, the Client will be responsible for any additional fees or charges due to cancellation or rescheduling by the client.

Client will be responsible for providing a copy of their current TRAKIT configuration & database as well as responsible for providing an adequate training room. CRW will provide a computer for each individual to be trained with a class size being limited to eight students.

## SOFTWARE MAINTENANCE & SUPPORT AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between TOWN OF PAYSON, (hereinafter "CLIENT") and CRW SYSTEMS, INC., (hereafter "CRW") (collectively referred to as "the PARTIES") for the maintenance and support services of permit and code enforcement software as further specified in Exhibit A (the "SOFTWARE") provided to CLIENT by CRW pursuant to a separate Installation & License Agreement.

IN CONSIDERATION of the covenants as set forth in this Agreement, CLIENT and CRW agree as follows:

### A. INCORPORATION OF DOCUMENTS

The following documents are attached hereto and, by this reference, incorporated in this Agreement:

- EXHIBIT A: Covered Sites, Software Modules & Configuration  
EXHIBIT B: Services and Fees

### B. COVERAGE

#### B.1. SCOPE OF SERVICES:

CRW shall provide maintenance service, technical support and software updates for the SOFTWARE as further detailed in Exhibit A and herein referred to as "Covered Software". Covered software does not include hardware, hardware vendor operating systems and other system software, CLIENT-developed software, or third-party software.

#### B.2. DISCRIPTION OF SERVICES:

**B.2.1. SUPPORT SERVICES.** During the term of this Agreement, CRW shall provide the services described herein so as to maintain the Covered Software in good working order, keeping it free from material defects so that the Covered Software shall function properly and in accordance with its intended use.

**B.2.2. TECHNICAL SUPPORT.** CLIENT shall have email and Toll-free phone access to CRW Monday through Friday during their normal business hours. CRW shall use its best efforts to work with and support all CLIENT-users who may call CRW with technical questions, however, CRW reserves the right to restrict email and/or telephone access to CLIENT-designated representatives only, as further detailed in Section G.3. herein. CRW shall have contact with CLIENT's designated System Administrator by telephone or email at least once per month to discuss system performance and unanswered questions. At the request of the CLIENT a quote for onsite technical support may be provided at anytime.

**B.2.3. REMEDIAL SUPPORT.** Upon notification by CLIENT of an error, defect, malfunction or nonconformity in the Covered Software, CRW shall respond as follows:

- (a) **SEVERITY 1:** Produces an emergency situation in which the Covered Software is inoperable, produces incorrect results, or fails catastrophically.

**RESPONSE:** CRW shall provide a response by a qualified member of its staff to begin to diagnose and to correct Severity 1 problem as soon as reasonably possible, but in any event, a response via telephone will be provided within two (2) hours. CRW will continue to provide best efforts to resolve Severity 1 problems in less than forty-eight (48) hours. The resolution will be delivered to CLIENT as a work-around or as an emergency software fix. If CRW delivers an acceptable work-around, the severity classification will drop to Severity 2.

- (b) **SEVERITY 2:** Produces a detrimental situation in which performance of the Covered Software degrades substantially under reasonable loads, such that there is a severe impact on use; the

Covered Software is usable, but materially incomplete; one or more mainline functions or commands is inoperable; or the use is otherwise significantly impacted.

RESPONSE: CRW will provide a response by a qualified member of its staff to begin to diagnose and to correct a Severity 2 problem as soon as reasonably possible, but in any event a response via telephone will be provided within six (6) hours. CRW will exercise best efforts to resolve Severity 2 problems within five (5) days. The resolution shall be delivered to CLIENT in the same format as Severity 1 problems. If CRW delivers an acceptable work-around for a Severity 2 problem, the severity classification will drop to a Severity 3.

- (c) SEVERITY 3: Produces an inconvenient situation in which the Covered Software is usable, but does not provide a function in the most convenient or expeditious manner, and the user suffers little or no significant impact.

RESPONSE: CRW will provide a fix or fixes for Severity 4 problems within 15 days or at the next scheduled maintenance release, whichever occurs first.

- (d) SEVERITY 4: Produces a noticeable situation in which the use is affected in some way which is reasonably correctable by a documentation change or by a future, regular release from CRW.

RESPONSE: CRW will provide a fix or fixes for Severity 4 problems within 15 days or at the next scheduled maintenance release, whichever occurs first.

- (e) For the purpose of the response listed above, an "hour" is defined as one (1) business hour during CRW office hours, and a "day" is defined as one (1) business day during CRW office hours.

**B.2.4. EMAIL/FACSIMILE SUPPORT.** For Severity 3 & Severity 4 issues, CRW provides a written problem report. CLIENT may submit a problem report via email or fax at any time. CRW shall acknowledge receipt of all reports with a telephone call or response email to CLIENT and provide a resolution to the problem within 15 days or at the next scheduled maintenance release, whichever occurs first.

**B.2.5 MAINTENANCE SERVICES.** During the term of this Agreement CRW will maintain the Covered Software by providing CLIENT with all software upgrades, enhancements and modifications. All updates or new versions shall be provided to CLIENT via download through CRW's website. CRW anticipates at least one upgrade per quarter.

**B.2.6. SERVICES NOT INCLUDED.** Maintenance Services do not include any of the following:

- (a) Custom programming services;
- (b) On-site support, including installation of hardware or software;
- (c) Support of any software not designated as Covered Software.
- (d) Custom reports/forms or a modification to an existing reports/forms.
- (e) Training, except as specified in Exhibit B.

**B.2.7. LIMITS OF LIABILITY.** CRW assumes no responsibility for the correctness of, performance of, or any resulting incompatibilities with, current or future releases of the Covered Software if CLIENT has made changes to the system hardware/software configuration or modifications to any supplied source code of the Covered Software.

**B.2.8. ADDITIONAL SERVICES.** CLIENT may request CRW perform additional services which are not covered under the Scope of Services or Description of Services as provided in this Agreement. Should CRW agree to perform said additional services, CRW & CLIENT shall enter into a separate written agreement setting forth the scope of said additional services and the compensation to CRW for those additional services. Said separate written agreement may be made an amendment to this Agreement at CRW's discretion.

## C. COMPENSATION

**C.1. FEES:**

**C.1.1. SERVICE FEES:** Fees for Maintenance, Support & Service provided under this Agreement shall be contained in Exhibit B. Should a user and/or software package be added to Exhibit A, CRW reserves the right to adjust and/or amend Exhibit A and Exhibit B accordingly and shall provide CLIENT with notification of such adjustment.

**C.1.2. TAXES.** CLIENT shall, in addition to the other amounts payable under this Agreement, pay all sales and other taxes, national, state or otherwise, however designated which are levied or imposed by reason of transactions contemplated by this Agreement, except those which arise as a result of income, including withholding taxes or similar deductions. Without limiting the foregoing, CLIENT shall promptly pay to CRW an amount equal to any such items actually paid, or required to be collected by CRW.

**D. EXCLUSIONS OF LIABILITY**

**D.1. WARRANTY:** CRW MAKES AND CLIENT RECEIVES NO WARRANTY EXPRESS OR IMPLIED AND THERE IS EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CLIENT ACKNOWLEDGES AND AGREES THAT THE MAINTENANCE FEES AND OTHER CHARGES WHICH CRW IS CHARGING UNDER THIS AGREEMENT DO NOT INCLUDE ANY CONSIDERATION FOR ASSUMPTION BY CRW OF THE RISK OF CLIENT'S CONSEQUENTIAL OR INCIDENTAL DAMAGES OR OF UNLIMITED DIRECT DAMAGES. ACCORDINGLY, CRW SHALL HAVE NO LIABILITY WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT FOR CONSEQUENTIAL, EXEMPLARY, OR INCIDENTAL DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT IN THE CASE OF GROSS NEGLIGENCE OR WILFUL MISCONDUCT, IN NO EVENT SHALL CRW BE LIABLE HEREUNDER TO CLIENT FOR CUMULATIVE DIRECT DAMAGES IN ANY AMOUNT GREATER THAN THAT PAID BY CLIENT TO CRW UNDER THIS AGREEMENT AS A MAINTENANCE FEE FOR THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE ACCRUAL OF THE CAUSE OF ACTION.

**D.2. INDEMNITY:**

**D.2.1.** CRW agrees to indemnify and hold harmless CLIENT, its officers, officials, employees, and agents from and against liability, damages, costs, losses, claims and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors or omissions of CRW and its employees, subcontractors, subconsultants, and agents in the performance of this Agreement.

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TOWN OF PAYSON

CRW SYSTEMS, INC.  
San Diego, California

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

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

By: \_\_\_\_\_  
Christopher R. Wuerz, President  
CRW Systems, Inc.

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Dated: \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

By \_\_\_\_\_  
Samuel I. Streichman, Town Attorney

**EXHIBIT A**

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1. TRAKIT Software Modules included: ProjectTRAK, PermitTRAK, CodeTRAK, AEC TRAK, LandTRAK, Reports.
2. eTRAKIT

**C. COVERED CONFIGURATION**

This Agreement covers the following configuration:

Unlimited Simultaneous User and Unlimited Observer licenses of Covered Software purchased by CLIENT and installed on Unlimited workstations. (Platform support for XP OPERATING SYSTEM)

**EXHIBIT B**

**SERVICES AND FEES**

Maintenance Services and support for the applications and configuration listed in Exhibit A will be provided for a fee and payable per the Fee Schedule below. The fee may be adjusted at the end of the five year term of this Agreement to the then current pricing. Should additions to the number of licensed users or the Covered Software occur during the term of this Agreement or any extension thereof, CRW shall adjust the fee to reflect the applicable changes and provide CLIENT with written notice of the fee change.

**FEE SCHEDULE**

<b>YEAR</b>	<b>FEES</b>	<b>DUE DATE</b>
YEAR 1	\$7,000.00	09/01/2009
YEAR 2	\$7,500.00	09/01/2010
YEAR 3	\$8,000.00	09/01/2011
YEAR 4	\$8,500.00	09/01/2012
YEAR 5	\$9,000.00	09/01/2013

**A. On-site Training**

As part of your Software Maintenance and Support Agreement **one** (1) day of on-site User training by a qualified CRW Trainer has been included per year. Training days may be bankrolled year to year, however; they must all be used by the contract expiration date 09/01/2014. A quote for additional training days may be requested at anytime.

Request for training must be submitted 30 days in advance to allow proper time to develop a training plan and for scheduling purposes. All travel related costs have been included; however, the Client will be responsible for any additional fees or charges due to cancellation or rescheduling by the client.

Client will be responsible for providing a copy of their current TRAKIT configuration & database as well as responsible for providing an adequate training room. CRW will provide a computer for each individual to be trained with a class size being limited to eight students.