

CITY OF BLAINE
REQUEST FOR COUNCIL ACTION
MEETING DATE: December 11, 2006

SUBJECT: Interlocal Agreement with Whatcom County

SUBMITTING DEPT: City Clerk

PREPARED BY: Sheri Sanchez, City Clerk

AGENDA LOCATION: Comments / Communications ☐, Consent ☐,
Public Meeting (Hearing) ☐, Unfinished Business ☐, Council Action Item ☒,
Committee Reports ☐

ATTACHMENTS: Proposed interlocal agreement, Whatcom County Contract with VP Consulting, Quote from VC Consulting

ANALYSIS / SUMMARY: The City of Blaine has been researching document imaging and management systems. After preliminary research, and based on the City's needs, two systems were selected for additional review, including IKON Application Extender and Laserfiche. Additional research included off-site demonstrations (Edmonds PD, City of Lynnwood, and Whatcom County) and webinars, which included review and input by personnel from several departments. Another consideration was the Secretary of State Archives Local Records Grant. The State currently uses Laserfiche, as does Whatcom County. Based on pricing, available user support, functionality, and the City's existing system (allowing for expandability) the City has chosen Laserfiche for the Document Management system. By doing an interlocal agreement with Whatcom County, the City will be able to take advantage of the state bidding requirements conditions that Whatcom County has already met.

The preliminary cost is \$23,637.12, with a possible reduction based on equipment leasing and existing hardware.

RECOMMENDATION: The City Council approve staff recommendation for the City Manager to enter into an interlocal agreement with Whatcom County.

☒ Waive 2nd Reading: (Including conditions of approval if applicable)

FISCAL ANALYSIS: This amount will be paid from the existing MIST budget.

REVIEWED BY:

City Manager _____ Finance Director _____ City Clerk _____

COUNCIL ACTION: Approved ☐, Denied ☐, Tabled / Deferred ☐,
Assigned to: _____

DATE OF NEXT COUNCIL ACTION: _____

**INTERLOCAL AGREEMENT
BETWEEN
THE CITY OF BLAINE AND WHATCOM COUNTY**

THIS INTERLOCAL COOPERATIVE AGREEMENT (hereinafter called "Agreement") is entered into by and between the City of Blaine, Washington, herein after referred to as the "City," and Whatcom County, Washington, herein after referred to as the "County," on this 11th day of December, 2006, for the purpose of cooperative governmental purchasing, to the mutual advantage of each jurisdiction. The City and County are hereinafter collectively referred to as "Party" or "Parties."

WHEREAS, the Interlocal Cooperation Act, as amended and codified in Chapter 39.34 of the Revised Code of Washington, provides for interlocal cooperation between governmental agencies, and

WHEREAS, the Parties desire to utilize each other's procurement agreements when it is in their mutual interest; and

WHEREAS, each Party fully complies with all applicable bidding and other procedures with regard to acquisitions and public works projects; and

WHEREAS, it is in the best interest of each Party hereto to enter into the Interlocal Agreement,

NOW, THEREFORE, THE CITY OF BLAINE AND WHATCOM COUNTY AGREE AS FOLLOWS:

1. Purpose: The purpose of this Agreement is to acknowledge the Parties' mutual interest for the purchase or acquisition of goods and services from bid awards made by the other, and where a price is extended by either Party's bidder to other governmental agencies.
2. Relationship of the Parties: The Parties agree that they are each independent entities operating pursuant to the terms and conditions of this Agreement. No agent, employee, servant or representative of any party shall be deemed to be an employee, agent, servant or representative of any other party for any purpose. Each Party will be solely and entirely responsible for its acts and for the acts of its agents, employees, and servants during the term of this Agreement.
3. Administration: No separate legal or administrative entity is created pursuant to this Agreement. No obligation, except as stated herein, shall be created between the Parties, or between the Parties and any applicable bidder or contractor.
4. Scope: Provided applicable bid procedures have been followed (or are unnecessary), each Party may purchase supplies or equipment from the contractor/vendor who won the specified bid, at agreed-upon prices, should the contractor be willing.
5. Bids, Purchases and Compensation: Each of the Parties shall contract directly with the bidder, contractor, vendor, supplier, or service provider, and pay directly in accordance with its own

payment procedures for its own purchases. Each jurisdiction warrants that it complies in all ways with applicable bid laws and procedures, and agrees to hold the other harmless as to any claims or suits brought against the jurisdiction conducting the bidding, with regard to alleged or actual bidding irregularities.

Any purchase made pursuant to this Agreement is not a purchase from either of the Parties to purchase any particular good or service, nor create to either of the Parties any assurance, warranty, or other obligation from the other Party with respect to purchasing or supplying any good or service.

6. Right to Contract Preserved: Each Party reserves the right to contract independently for the acquisition of goods or services without notice to the other Party, and shall not bind or otherwise obligate the other Party to participate in the activity.
7. Modification: No changes or modifications of this Agreement shall be valid or binding upon either Party to this Agreement unless such changes or modifications are in writing and executed by both Parties.
8. Extent of Agreement: This Agreement contains all of the terms and conditions agreed upon by the Parties. The Parties agree that there are no other understandings, oral or otherwise, regarding the subject matter of the Agreement.
9. Indemnification: Each Party agrees to protect, defend, appear, save harmless and indemnify the other Party from and against all claims, suits and actions, arising from the intentional or negligent acts of omissions of such Party, its agents or employees in the performance of this Agreement. Each Party will indemnify and hold the other Party harmless as to any claim arising out of its participation in this Agreement
10. Non-Discrimination in Employment and Client Services: The Parties hereby mutually agree that during the performance of this Agreement, that no person shall be excluded from professional service on the grounds of race, creed, color, national origin, sex, marital status, age, religion, or on the presence of any sensory, mental or physical handicap. No Party shall discriminate against any employee or applicant for employment for the above reasons; PROVIDED, the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the work involved.
11. Venue Stipulation: This Agreement has been and shall be construed as having been made and delivered within the State of Washington, and it is mutually understood and agreed by the Parties hereto that this Agreement shall be governed by the laws of Washington, both as to interpretation and performance. Any action in law, suit in equity, or judicial proceeding, for the enforcement of this Agreement, or any of the provisions contained herein, shall be instituted and maintained only in the Whatcom County Superior Court, Bellingham, Washington.
12. Duration: This Agreement shall continue in force, until cancelled by either Party, which cancellation may be effected upon receipt by one of the Parties of the written notice of cancellation of the other Party.

JN WITNESS WHEREOF, the following Parties hereby enter into this Agreement and acknowledge that

we understand and mutually agree with the above terms, and have executed this Agreement as of the date written, and have received a copy of this Agreement.

CITY OF BLAINE

WHATCOM COUNTY

Gary Tomsic, City Manager

Pete Kremen, County Executive

CONTRACTOR ORIGINAL

CONTRACT FOR SERVICES AGREEMENT
Document Imaging System

Whatcom County Contract No.

200403010

VP Consulting, Inc., hereinafter called Contractor, and Whatcom County, hereinafter referred to as County, agree and contract as set forth in this Agreement, including:

General Conditions, pp. 3 to 7,
Exhibit A (Scope of Work), pp. 8 to 9,
Exhibit B (Compensation), pp. 10 to 12,
Exhibit C (License Agreements), pp. 13 to 22,
Exhibit D (Maintenance, Limitations, Warranties, pp. 23 to .

Copies of these items are attached hereto and incorporated herein by this reference as if fully set forth herein.

The term of this Agreement shall commence on the 23rd day of March, 20 04, and shall, unless terminated or renewed as elsewhere provided in the Agreement, terminate on the 31st day of March, 20 05.

The general purpose or objective of this Agreement is to install a County-wide electronic document imaging system, as more fully and definitively described in Exhibit A hereto. The language of Exhibit A controls in case of any conflict between it and that provided here.

The maximum consideration for the initial term of this agreement or for any renewal term shall not exceed \$ 257,000. The Contract Number, set forth above, shall be included on all billings or correspondence in connection therewith.

Contractor acknowledges and by signing this contract agrees that the Indemnification provisions set forth in Paragraphs 11.1, 21.1, 30.1, 31.2, 32.1, 34.2, and 34.3, if included, are totally and fully part of this contract and have been mutually negotiated by the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement this 26th day of March, 20 04.

CONTRACTOR:

VP Consulting, Inc.

Vicki Pattle
Vicki Pattle, President

STATE OF OREGON)
COUNTY OF Lane) ss.

On this 19 day of March, 20 04, before me personally appeared Vicki Pattle to me known to be the President (title) of VPC (Company) and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.



Tina Clifford
NOTARY PUBLIC in and for the State of Oregon,
Residing at Eugene OR,
My commission expires 12-13-05.

WHATCOM COUNTY:
Recommended for Approval:

Department Director _____ Date _____

Approved as to form:

Randy Watts 3/11/04
Prosecuting Attorney Date

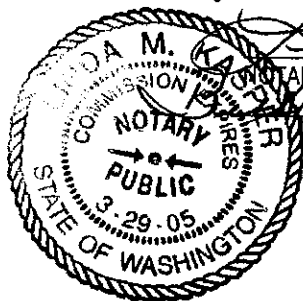
Approved:

Accepted for Whatcom County:

By: [Signature]
Pete Kremen, Whatcom County Executive

STATE OF WASHINGTON)
COUNTY OF WHATCOM) ss

On this 24 day of Mar., 2004, before me personally appeared Pete Kremen, to me known to be the Executive of Whatcom County, who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.



Linda M. Kasper
My commission expires 3/29/05

CONTRACTOR INFORMATION:

Contractor Information	
Contractor	VP Consulting, Inc
Attention:	Vicki Pattle, President
Address:	2350 Oakmont Way, Eugene, OR Suite 108
Telephone:	541-687-0594
Facsimile:	541-342-2667
Email:	vickip@vpai.com

GENERAL CONDITIONS

Series 00-09: Provisions Related to Scope and Nature of Services

0.1 Scope of Services:

The Contractor agrees to provide to the County services and any materials as set forth in the project narrative identified as Exhibit "A", during the agreement period. No material, labor, or facilities will be furnished by the County, unless otherwise provided for in the Agreement.

Series 10-19: Provisions Related to Term and Termination

10.1 Term:

Services provided by Contractor prior to or after the term of this contract shall be performed at the expense of Contractor and are not compensable under this contract unless both parties hereto agree to such provision in writing. The term of this Agreement may be extended by mutual agreement of the parties; provided, however, that the Agreement is in writing and signed by both parties.

10.2 Extension:

The duration of this Agreement may be extended by mutual written consent of the parties, for a period of up to one year at a time, and for a total of no longer than three years.

11.1 Termination for Default:

If the Contractor defaults by failing to perform any of the obligations of the contract or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Contractor in the U.S. mail, first class postage prepaid, terminate the contract, and at the County's option, obtain performance of the work elsewhere. Termination shall be effective upon Contractor's receipt of the written notice, or within three (3) days of the mailing of the notice, whichever occurs first. If the contract is terminated for default, the Contractor shall not be entitled to receive any further payments under the contract until all work called for has been fully performed. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the County in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

11.2 Termination for Reduction in Funding: Not Applicable

11.3 Termination for Public Convenience: Not Applicable

Series 20-29: Provisions Related to Consideration and Payments

20.1 Accounting and Payment for Contractor Services:

Payment to the Contractor for services rendered under this Agreement shall be as set forth in Exhibit "B." Where Exhibit "B" requires payments by the County, payment shall be based upon written claims supported, unless otherwise provided in Exhibit "B," by documentation of units of work actually performed and amounts earned, including, where appropriate, the actual number of days worked each month, total number of hours for the month, and the total dollar payment requested, so as to comply with municipal auditing requirements.

Unless specifically stated in Exhibit "B" or approved in writing in advance by the official executing this Agreement for the County or his designee (hereinafter referred to as the "Administrative Officer") the County will not reimburse the Contractor for any costs or expenses incurred by the Contractor in the performance of this contract. Where required, the County shall, upon receipt of appropriate documentation, compensate the Contractor, no more often than monthly, in accordance with the County's customary procedures, pursuant to the fee schedule set forth in Exhibit "B."

21.1 Taxes:

The Contractor understands and acknowledges that the County will not withhold Federal or State income taxes. Where required by State or Federal law, the Contractor authorizes the County to withhold for any taxes other than income taxes (i.e., Medicare). All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accordance with the applicable IRS regulations. It is the responsibility of the Contractor to make the necessary estimated tax payments throughout

the year, if any, and the Contractor is solely liable for any tax obligation arising from the Contractor's performance of this Agreement. The Contractor hereby agrees to indemnify the County against any demand to pay taxes arising from the Contractor's failure to pay taxes on compensation earned pursuant to this Agreement.

The County will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes, including, but not limited to, Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the County does not hold title. The County is exempt from Federal Excise Tax.

22.1 Withholding Payment: Not Applicable

23.1 Labor Standards: Not Applicable

Series 30-39: Provisions Related to Administration of Agreement

30.1 Independent Contractor:

The Contractor's services shall be furnished by the Contractor as an independent contractor, and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, but all payments made hereunder and all services performed shall be made and performed pursuant to this Agreement by the Contractor as an independent contractor.

The Contractor acknowledges that the entire compensation for this Agreement is specified in Exhibit "B" and the Contractor is not entitled to any benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, or any other rights or privileges afforded to employees of the County. The Contractor represents that he/she/it maintains a separate place of business, serves clients other than the County, will report all income and expense accrued under this contract to the Internal Revenue Service, and has a tax account with the State of Washington Department of Revenue for payment of all sales and use and Business and Occupation taxes collected by the State of Washington.

Contractor will defend, indemnify and hold harmless the County, its officers, agents or employees from any loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees or costs incurred by reason of claims or demands because of breach of the provisions of this paragraph.

30.2 Assignment and Subcontracting:

The performance of all activities contemplated by this agreement shall be accomplished by the Contractor. No portion of this contract may be assigned or subcontracted to any other individual, firm or entity without the express and prior written approval of the County.

30.3 No Guarantee of Employment:

The performance of all or part of this contract by the Contractor shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Contractor or any employee of the Contractor or any subcontractor or any employee of any subcontractor by the County at the present time or in the future.

31.1 Ownership of Items Produced:

All writings, programs, data, public records or other materials prepared by the Contractor and/or its consultants or subcontractors, in connection with performance of this Agreement, shall be the sole and absolute property of the County.

31.2 Patent/Copyright Infringement: Not Applicable

32.1 Confidentiality:

The Contractor, its employees, subcontractors, and their employees shall maintain the confidentiality of all information provided by the County or acquired by the Contractor in performance of this Agreement, except upon the prior written consent of the County or an order entered by a court after having acquired jurisdiction over the County. Contractor shall immediately give to the County notice of any judicial proceeding seeking disclosure of such information. Contractor shall indemnify and hold harmless the County, its officials, agents or employees from all loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees and costs resulting from Contractor's breach of this provision.

33.1 Right to Review:

This contract is subject to review by any Federal, State or County auditor. The County or its designee shall have the right to review and monitor the financial and service components of this program by whatever means are deemed expedient by the Administrative Officer or by the County Auditor's Office. Such review may occur with or without notice and may include, but is not limited to, on-site inspection by County agents or employees, inspection of all records or other materials which the County deems pertinent to the Agreement and its performance, and any and all communications with or evaluations by service recipients under this Agreement. The Contractor shall

preserve and maintain all financial records and records relating to the performance of work under this Agreement for three (3) years after contract termination, and shall make them available for such review, within Whatcom County, State of Washington, upon request. Contractor also agrees to notify the Administrative Officer in advance of any inspections, audits, or program review by any individual, agency, or governmental unit whose purpose is to review the services provided within the terms of this Agreement. If no advance notice is given to the Contractor, then the Contractor agrees to notify the Administrative Officer as soon as it is practical.

34.1 Proof of Insurance:

The Contractor shall carry for the duration of this Agreement general liability and property damage insurance with the following minimums:

Property Damage per occurrence - \$500,000.00

General Liability & Property Damage for bodily injury- \$1,000,000.00

34.2 Industrial Insurance Waiver: Not Applicable

34.3 Defense & Indemnity Agreement:

The Contractor agrees to defend, indemnify and save harmless the County, its appointed and elective officers and employees, from and against all loss or expense, including, but not limited to, judgments, settlements, attorneys' fees and costs by reason of any and all claims and demands upon the County, its elected or appointed officials or employees for damages because of personal or bodily injury, including death at any time resulting there from, sustained by any person or persons and on account of damage to property, including loss of use thereof, whether such injury to persons or damage to property is due to the negligence of the Contractor, its subcontractors, its successor or assigns, or its agents, servants, or employees, the County, its appointed or elected officers, employees or their agents, except only such injury or damage as shall have been occasioned by the sole negligence of the County or its appointed or elected officials or employees.

It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein.

35.1 Non-Discrimination in Employment:

The County's policy is to provide equal opportunity in all terms, conditions and privileges of employment for all qualified applicants and employees without regard to race, color, creed, religion, national origin, sex, age, marital status, disability, or veteran status. The Contractor shall comply with all laws prohibiting discrimination against any employee or applicant for employment on the grounds of race, color, creed, religion, national origin, sex, age, marital status, disability, or veteran status, except where such constitutes a bona fide occupational qualification.

Furthermore, in those cases in which the Contractor is governed by such laws, the Contractor shall take affirmative action to insure that applicants are employed, and treated during employment, without regard to their race, color, creed, religion, national origin, sex, age, marital status, disability, or veteran status, except where such constitutes a bona fide occupational qualification. Such action shall include, but not be limited to: advertising, hiring, promotions, layoffs or terminations, rate of pay or other forms of compensation benefits, selection for training including apprenticeship, and participation in recreational and educational activities. In all solicitations or advertisements for employees placed by them or on their behalf, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color religion, sex or national origin.

The foregoing provisions shall also be binding upon any subcontractor, provided that the foregoing provision shall not apply to contracts or subcontractors for standard commercial supplies or raw materials, or to sole proprietorships with no employees.

35.2 Non-Discrimination in Client Services: Not Applicable

36.1 Waiver of Noncompetition: Not Applicable

36.2 Conflict of Interest:

If at any time prior to commencement of, or during the term of this Agreement, Contractor or any of its employees involved in the performance of this Agreement shall have or develop an interest in the subject matter of this Agreement that is potentially in conflict with the County's interest, then Contractor shall immediately notify the County of the same. The notification of the County shall be made with sufficient specificity to enable the County to make an informed judgment as to whether or not the County's interest may be compromised in any manner by the existence of the conflict, actual or potential. Thereafter, the County may require the Contractor to take reasonable steps to remove the conflict of interest. The County may also terminate this contract according to the provisions herein for termination.

37.1 Administration of Contract:

Contract for Services Agreement
VP Consulting, Inc. – Document Imaging System

This Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Washington, and political subdivisions of the State of Washington. The Contractor also agrees to comply with applicable federal, state, county or municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals.

The County hereby appoints, and the Contractor hereby accepts, the Whatcom County Executive, and his or her designee, as the County's representative, hereinafter referred to as the Administrative Officer, for the purposes of administering the provisions of this Agreement, including the County's right to receive and act on all reports and documents, and any auditing performed by the County related to this Agreement. The Administrative Officer for purposes of this agreement is:

Dewey Desler, Deputy Administrator
Whatcom County Executive's Office
311 Grand Ave. STE 108
Bellingham, WA 98225

37.2 Notice: Not Applicable

Series 40-49: Provisions Related to Interpretation of Agreement and Resolution of Disputes

40.1 Modifications:

Either party may request changes in the Agreement. Any and all agreed modifications, to be valid and binding upon either party, shall be in writing and signed by both of the parties.

40.2 Contractor Commitments, Warranties and Representations: Not Applicable

41.1 Severability:

If any term or condition of this contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this contract are declared severable.

41.2 Waiver:

Waiver of any breach or condition of this contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this contract shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. The failure of the County to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

42.1 Disputes:

a. General:

Differences between the Contractor and the County, arising under and by virtue of the Contract Documents, shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, rulings, instructions, and decisions of the Administrative Officer shall be final and conclusive.

b. Notice of Potential Claims:

The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the Administrative Officer or the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.

c. Detailed Claim:

The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

- d. Arbitration: Not Applicable
- 43.1 Venue and Choice of Law:
In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the courts of the State of Washington in and for the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.
- 44.1 Survival:
The provisions of paragraphs 11.1, 11.2, 11.3, 21.1, 22.1, 30.1, 31.1, 31.2, 32.1, 33.1, 34.2, 34.3, 36.1, 40.2, 41.2, 42.1, and 43.1, if utilized, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.
- 45.1 Entire Agreement:
This written Agreement, comprised of the writings signed or otherwise identified and attached hereto, represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings between the parties.

EXHIBIT "A"
(SCOPE OF WORK)

Scope Of Work: Implement an electronic document imaging system using the LaserFiche document imaging software and tools as defined in the RFP and the deliverables listed below.

Deliverables:

1. Install system software and test
2. Install and test all required software for LaserFiche imaging system on a Whatcom county provided server. Server-side installation shall include implementation of data storage and SQL DB tables and connectivity to data storage.
 - a. Define initial security and user access to the system. Ensure license management is in place.
3. Design templates and department document imaging structure
 - a. Consult with each department as per Whatcom County request to provide services.
 - b. Determine record retention needs and efficient business processes as per Whatcom County Policies and Procedures.
 - c. Define folder structure.
 - d. Define folder security.
 - e. Determine and implement capture processes including but not limited to scan, print and file transfer.
 - f. Determine and implement manual / automated indexing processes.
 - g. Determine and implement retrieval and publishing processes (IE CD Burning).
4. Implement Workflow
 - a. Define and implement a workflow process as described by Whatcom County.
5. Train system administrators and users
 - a. Train users from each department ensuring all users are adequately trained to capture, index and retrieve images.
 - b. Train system administrators in the following:
 - i. Installation of LaserFiche Client Software
 - ii. Adding users and groups, setting user feature rights, maintaining groups, and;
 - iii. Maintaining LaserFiche United security with assigned and inherited access rights to folders and/or documents.
 - iv. Developing templates.
6. Web enable system
 - a. Install LaserFiche Web component software on a Whatcom County provided IIS Server.
 - b. Ensure system is web enabled and accessible via the Internet.
 - c. Ensure that LaserFiche United security is enabled and protects the county from data loss.
 - d. Firewall security and maintenance is the responsibility of Whatcom County.
7. Determine and define the implementation of a Hierarchical Storage Management (HSM) process (archival, purging) for system.
 - a. Determine and define an HSM process that archives and purges images as appropriate from the system.

- b. Whatcom County will be responsible for determining and interpreting the rules and laws of the State of Washington regarding the archival of documents and how documents are classified in accordance of those rules and laws.

EXHIBIT "B"
(COMPENSATION)

The purchase price for the software products being purchased shall be based on the Pricing Schedule below:

	LASERFICHE PRODUCTS/ SOFTWARE		LSAP (LASERFICHE SOFTWARE ASSURANCE PLAN)		NOTES
	Model No.	Retail Price	**Model No.	Retail Price	
SERVERS					
LaserFiche Records Management Edition					
RME Server for MS SQL	S35	\$21,000	S35B	\$4,200	1, 2
RME Enterprise Server for MS SQL	S45	\$35,000	S45B	\$7,000	
Additional Database - RME Server for MS SQL	SA35	\$4,000	SA35B	\$800	
LaserFiche United (For Microsoft SQL)					
Standard Server for MS SQL (Single database)	S30	\$7,000	S3B	\$1,320	
Additional Database for MS SQL	SA3	\$3,000	SA3B	\$600	
Enterprise Server for MS SQL (15 databases)	S40	\$21,000	S4B	\$4,200	
LaserFiche Team (For MSDE; MSDE included)					
Group Server (Single database)	S10	\$2,250	S1B	\$450	
Group Server Additional Database	SA1	\$2,000	SA1B	\$400	
RECORDS MANAGEMENT MODULES					
Records Management Edition	RM2	\$6,000	RM2B	\$1,200	3
STANDALONE					
Desktop	A10	\$595	A10B	\$190	
Notebook (No scanning and OCR)	A20	\$895	A20B	\$290	
Minutefile	A30	\$1,495	A30B	\$390	
Executive	A40	\$2,495	A40B	\$690	
Plus (includes Executive & Plus plug-in)	A50	\$5,995	A50B	\$2,290	
Intuition (Quantity of 25 or more)	A60	\$495	A60B	\$100	
Intuition (Quantity of 100 or more)		\$315			
USER LICENSES					
Full User	F	\$550	FB	\$110	
Retrieval User	R	\$220	RB	\$44	
Email Plug-in	PM	\$80	PMB	\$16	4
Plus Plug-in	97840	\$3,795	97840UB	\$1,590	
Snapshot	PS	\$100	PSB	\$20	5
WEB TOOLS					
Web Access	WA1	\$7,995	WA1B	\$1,590	6
Web Access Enterprise	WA2	\$15,995	WA2B	\$3,190	
WebLink	97830	\$7,995	97830UB	\$1,590	7
WebLink Enterprise	97831	\$15,995	97831UB	\$3,190	
WORKFLOW AND PROCESS AUTOMATION					
LaserFiche Workflow Suite					
Audit Trail Module - Advanced	97871	\$7,995	97871UB	\$2,390	
Audit Trail Module - Basic	97870	\$4,995	97870UB	\$1,490	
Workflow (includes Advanced Audit Trail)	WFS	\$15,000	WFSB	\$3,000	8
Workflow Additional User	WFA	\$300	WFAB	\$60	9

	LASERFICHE PRODUCTS/ SOFTWARE		LSAP (LASERFICHE SOFTWARE ASSURANCE PLAN)		NOTES
	Model No.	Retail Price	**Model No.	Retail Price	
LaserFiche Agenda Manager					
Agenda Manager (Includes 5 Profiles)	AM	\$15,000	AMB	\$3,000	
Agenda Manager Additional Profile	AMA	\$2,500	AMAB	\$500	
Agenda Manager Additional Profile - 5 Pack	AMA-5	\$10,000	AMA-5B	\$2,000	
Additional Profile - 10 Pack	AMA-10	\$15,000	AMA-10B	\$3,000	
Agenda Manager Special Bundle (includes 1 AGM, 1 S10, 5 F, 10 R, 5 PS)	AMC	\$20,000	AMCB	\$4,000	10
CAPTURE TOOLS					
LaserFiche Quick Fields	QF	\$495	QFB	\$100	
Annotation/Bates Numbering	QF-6	\$495	QF-6B	\$100	
Bar Code	QF-4	\$1,495	QF-4B	\$300	
Document Classification	QF-9	\$4,995	QF-9B	\$1,000	
Forms Combo (includes QF-3, QF-8, QF-9)	QF-C1	\$9,995	QF-C1B	\$2,000	11
Forms Processing (includes QF-10, QF-11)	QF-8	\$7,995	QF-8B	\$1,600	
Forms Registration	QF-10	\$2,495	QF-10B	\$500	
Optical Mark Recognition	QF-11	\$2,495	QF-11B	\$500	
Pattern Matching	QF-12	\$495	QF-12B	\$100	
Real Time Look Up	QF-5	\$495	QF-5B	\$100	
ScanConnect	QF-1	\$295	No LSAP purchase necessary.		
ScanConnect 5 Pack	QF-1-5	\$660			
ScanConnect 10 Pack	QF-1-10	\$915			
Universal Capture	QF-2	\$1,495	QF-2B	\$300	
Zone OCR	QF-3	\$2,495	QF-3B	\$500	
Import Agent	PI	\$1,495	PIB	\$390	
Remote Scanning 5 user	97801	\$2,495	97801UB	\$490	
Remote Scanning 10 user	97802	\$3,495	97802UB	\$690	
Remote Scanning 25 user	97803	\$5,495	97803UB	\$1,090	
Remote Scanning 50 user	97805	\$7,995	97805UB	\$1,590	
Remote Scanning 100 user and up	97806	\$9,995	97806UB	\$1,990	
Universal Capture Plug-in	97810	\$1,495	97810UB	\$300	
INTEGRATION PRODUCTS AND UTILITIES					
Integrator's Toolkit - Complete	97858	\$2,500	97858UB	\$750	12
Integration Express	IX	\$2,495	IXP	\$749	
Integration Express-GIS (First Data Layer)	IXGIS	\$2,500	IXGISP	\$750	
Integration Express-GIS (Additional Data Layer)	IXGISA	\$1,500	IXGISAP	\$450	
COMPUTER OUTPUT ARCHIVAL & RETRIEVAL TOOLS					
LaserFiche COLD					
COLD Server and Viewer	9301	\$9,995	9301UB	\$2,790	
COLD Plus Pack	9311	\$11,995	9311UB	\$3,590	
COLD Plus Plug-in	93810	\$3,295	93810UB	\$990	
COLDLink	9320	\$2,495	9320UB	\$490	13

	LASERFICHE PRODUCTS/ SOFTWARE		LSAP (LASERFICHE SOFTWARE ASSURANCE PLAN)		NOTES
	Model No.	Retail Price	**Model No.	Retail Price	
VPCI - Custom Administrative Module		\$750		\$150	
VPCI - Professional Services (Installation/Training/Technical, etc.)		\$135 per hour			
VPCI - Hardware/Software Maintenance (Weekdays, 8-6)		\$135 per hour			
VPCI - Hardware/Software Maintenance (After Hours and Weekends)		\$150 per hour			
VPCI - Per Diem		\$190 per day			
VPCI - Mileage		\$365 per mile			
VPCI - Contract Administration		\$500			

NOTES:

Minimum of one year LSAP must be purchased for new system.

* VAR price at net cost is valid only for VARs with current LSAP.

** Model numbers under LaserFiche Software Assurance Plan (LSAP) ending with P indicates 'Priority LSAP'.

1. Records Management Edition includes Advanced Audit Trail. It is only available thru certified records management VARs.
2. LaserFiche Records Management edition for Microsoft SQL is DoD 5015.2 Certified.
For our certified system configurations, please visit <http://jltc.fhu.disa.mil/recmg/laserfiche/rmv7/index.html>.
3. Records management module only applies to Laserfiche 7.0.
4. Email plug-in licenses must match the total number of Full user and Retrieval user licenses.
5. Snapshot licenses must match the total number of Full user licenses.
6. Web Access allows users to make changes to the database; thus, it makes use of full user licenses.
7. WebLink is a read-only retrieval viewer and makes use of retrieval user licenses.
8. Workflow (Model # WFS) includes 10 workflow users with Full user license being sold separately.
9. Workflow user licenses must match Full user licenses.
10. Agenda Manager Bundle includes 1 Agenda Manager, 1 Group Server, 5 Full users, 10 Retrieval users, and 5 Snapshots.
11. No credit will be given for components of QF-C1 when QF-C1 is purchased.
12. Integrator's Toolkit orders must have company authorization before shipment of product.
13. COLDLINK requires both Laserfiche COLD and WebLink.

Payments: The County agrees to pay 50% of the sum of the initial software invoices, at the time the order is placed for the software and the remaining due upon receipt of the software. Additionally, the County agrees to pay 25% of the total service fee upon delivery of software.

Thereafter, payments shall be made from the County to the Contractor on a monthly basis. The County acknowledges that certain items set forth in the invoices are based on the Contractor's estimates.

Maintenance and Upgrade Fees: The sums payable by the County for maintenance are, in addition to being payable as set forth above, payable annually on the anniversary of the purchase date.

Finance Charges: In the event the County fails to make any payment when due, the County shall pay a late charge equal to 5% of the delinquent payment, together with interest thereon at the rate of 1% per month from that date thirty (30) days after the due date of any payment, until paid.

EXHIBIT "C"

License Agreements

Attached:

1. COMPULINK MANAGEMENT CENTER, INC. LICENSE AGREEMENT
2. INTEGRATORS TOOLKIT CONFIDENTIALITY AND SOFTWARE LICENSE AGREEMENT.

COMPULINK MANAGEMENT CENTER, INC. LICENSE AGREEMENT

This is a legal agreement between you, the end user, and CompuLink Management Center, Inc. ("CompuLink"). The enclosed CompuLink software program ("SOFTWARE") is licensed by CompuLink to the original customer and any subsequent transferee of the product for use only on the terms set forth here. Please read this license agreement. By opening the envelope containing the SOFTWARE, installing, copying, or otherwise using the SOFTWARE, you accept these terms. If you do not agree to these terms, DO NOT INSTALL OR USE THE SOFTWARE; you may, however, return the UNOPENED ENVELOPE containing the SOFTWARE together with all accompanying written materials, packaging and proof of purchase to your software dealer within 30 (thirty) days of the original date of purchase for a full refund.

I. GRANT OF LICENSE. This CompuLink product contains some or all of the following types of software: "SERVER SOFTWARE" that provides services on a computer called a server and "CLIENT SOFTWARE" that allows a computer or work-station to access or utilize the services provided by the Server Software; "STAND-ALONE SOFTWARE" that operates on a single computer; "PLUG-IN SOFTWARE MODULES" that can be added to the previously mentioned LaserFiche packages. CompuLink grants to you the following rights to the Server Software, Client Software, Stand-alone Software, and Plug-in Software Modules (collectively called the "SOFTWARE").

The CD or diskette(s) on which the SOFTWARE resides may contain several copies of the SERVER SOFTWARE, each of which is compatible with different operating systems. You may install the SERVER SOFTWARE for use with only one of those operating systems at any given time. You may install one copy of the SERVER SOFTWARE on a single computer (the computer running the SERVER SOFTWARE shall be referred to as the "SERVER"). You may install the CLIENT SOFTWARE only on computers or workstations equal to the number of Client Licenses that you have acquired and designated for use exclusively with the SERVER. The number of authorized licenses is shown on the Licensing Disk accompanying the SOFTWARE. If you desire to increase the number of Client computers connected to, have access to, or otherwise utilize the services of the SERVER you must purchase additional Client Licenses.

II. COPYRIGHT. The SOFTWARE is owned by CompuLink and is protected by United States copyright laws and international treaty provisions. You must treat the SOFTWARE like any other copyrighted material except you may install the SOFTWARE on a single computer provided you keep the original solely for backup or archival purposes. You may not copy the printed materials accompanying the SOFTWARE.

III. OTHER RESTRICTIONS. You may not sublicense, assign, loan, rent or lease the SOFTWARE, but you may transfer the SOFTWARE, and accompanying written materials on a permanent basis, provided you retain no copies and the recipient agrees to the terms of this agreement. You may not reverse engineer, decompile, disassemble, or create derivative works from the SOFTWARE.

IV. LIMITATION OF WARRANTY ON MEDIA. The media (not SOFTWARE) is warranted to the original purchaser against defects in material and workmanship for a period of three (3) months from the date of original purchase. Defective media will be replaced when it is returned postage prepaid with a copy of the purchase receipt to CompuLink.

V. LIMITATION OF LIABILITY. Under no circumstances and under no legal theory, tort, contract, or otherwise, shall CompuLink, its suppliers or resellers be liable to you or any other person for any indirect, special, incidental, or consequential damages whatsoever (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or any other pecuniary loss) arising out of the use or inability to use the SOFTWARE or provision of or failure to provide support services even if CompuLink has been advised of the possibility of such damages. In no event will CompuLink be liable for any damages in excess of the amount CompuLink received from you for a license to the SOFTWARE.

VI. U.S. GOVERNMENT RESTRICTED RIGHTS. Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in FAR 52.227-14 (June 1987), Alternate III(g)(3)(June 1987), FAR 52.227.19 (June 1987), or DFARS 52.227-7013 (c)(1)(ii)(June 1988), as applicable. Contractor/Manufacturer is CompuLink Management Center, Inc., 20000 Marine Avenue, Torrance, California 90503.

VII. GENERAL. If any provision of the agreement is found to be unlawful, void, or unenforceable, then that provision shall be severed from this agreement and will not affect the validity and enforceability of any of the remaining provisions.

This license agreement contains the sole and exclusive agreement between you and CompuLink relating to its subject matter. It shall not be modified or amended in any way by any purchase order or other document issued by you, but may be amended only by a writing signed by both you and CompuLink and specifically referring to it.

This agreement will be governed and construed by the Laws of the State of California, except for that body of the law dealing with conflicts of law. The headings are for convenience only and are not to be used to interpret this agreement.

Should you have any questions concerning this agreement, or if you desire to contact CompuLink for any reason, please write: CompuLink Management Center, Inc.; 20000 Mariner Ave. Torrance, CA 90503, U.S.A.

© 1993-2001 CompuLink Management Center, Inc.

INTEGRATORS TOOLKIT CONFIDENTIALITY
AND
SOFTWARE LICENSE AGREEMENT

This Integrators Toolkit Confidentiality and Software License Agreement ("License Agreement") is made between Compulink Management Center, Inc. ("Compulink") and the Purchaser of a license to use the Integrators Toolkit, whose addresses are set forth at the end of this License Agreement.

RECITALS

A. Compulink has developed certain software programs under the trademark LaserFiche, which is sold as LaserFiche ("LaserFiche Software"). Recognizing the needs of some of Compulink's customers to interface with other third party applications, databases, or to add selected external enhancements, Compulink has developed the Integrators Toolkit to assist programmers to interface LaserFiche with other applications and data bases, or to develop add-on modules to work with the LaserFiche Software (collectively "add-on products"). The Integrators Toolkit discloses very valuable trade secrets and confidential information about the LaserFiche Software to the Licensee. The LaserFiche Software and the Integrators Toolkit constitute valuable proprietary products and trade secrets of Compulink embodying substantial creative efforts and confidential information, ideas, and expressions. Compulink has invested large amounts of capital and time to develop and promote the LaserFiche Software. Compulink claims copyrights and proprietary trade secrets in the LaserFiche Software. Consequently, the Integrators Toolkit is only licensed selectively to customers whose proposed add-on product or integration project and intended use has been outlined in Appendix A to this Agreement and the project has been approved by Compulink's officers.

B. LaserFiche is a registered trademark owned by Compulink. The logo used by Compulink and the name "Compulink" are trademarks owned by Compulink.

C. Purchaser understands that the Integrators Toolkit and the LaserFiche Software are compatible with only certain types of computers and operating systems and that Purchaser is responsible for assured compatibility between his computer system and the LaserFiche Software and Integrators Toolkit.

WHEREFORE, in consideration of the premises and covenants contained this License Agreement, Compulink and Purchaser agree as follows:

1. Grant of License. Compulink grants to Purchaser, and Purchaser purchases subject to the following terms and conditions, a non-exclusive, non-transferable right to use the Integrators Toolkit on a single computer, together with other computers directly connected to and dependent upon the file server, and the right to use the accompanying written materials ("Documentation") for the limited purpose of producing an add-on product for use with a specific version of the LaserFiche Software. The particular add-on product and the version of the LaserFiche Software are described in Appendix A attached hereto. No other add-on product or any other product is included in this license. The extension of this license to other products or to other versions of the LaserFiche Software must be specifically approved by Compulink in writing and endorsed on Appendix A. Compulink reserves all rights not expressly granted to Purchaser. This license does not include the LaserFiche Software.

2. Ownership of LaserFiche Software and Integrators Toolkit. Compulink shall retain ownership of, and title to, the LaserFiche Software, Integrators Toolkit and Documentation (including all adaptations or copies). Copies of the LaserFiche Software, Integrators Toolkit and Documentation are provided to Purchaser only to allow Purchaser to exercise its rights under the License Agreement. The Purchaser is purchasing the license under the terms described in this License Agreement, and the Purchaser acquires no other rights.

3. Copies and Adaptations. Except as otherwise provided in this License Agreement, Purchaser may not make or authorize the making of copies or adaptations of the Integrators Toolkit except as an essential step in the utilization of the Integrators Toolkit, or for archival purposes only to back-up use of the Integrators Toolkit. All proprietary rights and notices must be faithfully reproduced and included on all copies and adaptations. Purchaser shall not copy the Documentation.

4. Protection of Software. During the continuance of this License Agreement, and for a minimum period of five years after the termination of this License Agreement, Purchaser shall keep in confidence and shall not disclose to any other person confidential information and trade secrets of Compulink. This obligation of confidentiality shall extend beyond five years for such additional period of time as the confidential information and trade secrets remain proprietary to Compulink. Purchaser shall inform its employees of this obligation of confidentiality, which shall apply to all employees of Purchaser even after such employees have terminated employment with Purchaser. Purchaser shall take all reasonable steps to protect the confidentiality of the trade secrets disclosed by Compulink to Purchaser. During the term of this License Agreement and for a period of five years thereafter, Purchaser shall not directly or indirectly, alone or in conjunction with any other person, (a) attempt to write or develop software in order to discover the source code and/or the trade secrets contained in the source code; or (b) utilize the Integrators Toolkit, Documentation, or Compulink's trade secrets or confidential information, either directly or indirectly, to sell, market or distribute any software product which competes with the Licensed Software; or (c) utilize the Integrators Toolkit, Documentation, or Compulink's trade secrets or confidential information, directly or

indirectly, to assist, advise or consult with any other person or company in selling, marketing or distributing any software product which competes with the Licensed Software; or (d) utilize the Integrators Toolkit, Documentation, or Compulink's trade secrets or confidential information, directly or indirectly, to convert, or to assist, advise or consult with any other person or company to convert, any end user of the Licensed Software to a software product which competes with the Licensed Software. The Purchaser shall not directly or indirectly attempt to challenge the validity of the copyrights, trademarks, and trade secrets in the LaserFiche Software and Integrators Toolkit claimed by Compulink. The software source code and the trade secrets therein are not licensed to Purchaser and all modifications, additions, or deletions are strictly prohibited.

5. Restrictions on Use. Except as expressly authorized in this License Agreement, Purchaser shall not rent, lease, sublicense, distribute, transfer, copy, reproduce, display, modify, or timeshare with any other person the Integrators Toolkit or Documentation.

6. Transfer of License. Purchaser may transfer this license to another person except with the prior written consent of Compulink, which shall not be unreasonably withheld, and only if the transferee has a bona fide business reason for the transfer and agrees in writing to be bound by this License Agreement. If Compulink approves the transfer of the license, Purchaser shall transfer all copies of the Integrators Toolkit and Documentation, including all copies or adaptations that have been made by Purchaser. All other transfers or assignments of this license shall be void.

7. Indemnification by Purchaser. Purchaser shall indemnify Compulink against, and hold it harmless from, all losses, claims, damages, suits, administrative proceedings, judgments, costs and expenses, including Compulink's attorneys' fees and expert witness expenses (collectively, "Claims"), resulting from or arising out of Purchaser's marketing, distribution, installation or support of the Licensed Software or its use or application of the Integrators Toolkit, Documentation or other derivative works or ancillary programs, including Claims based on a breach of contract, breach of warranty, misrepresentation or concealment, patent, trademark or copyright infringement, misappropriation or misuse of trade secrets or confidential proprietary information, or other act or failure to act by Purchaser or its End Users. All such indemnified expenses shall be paid to Compulink as they occur on an ongoing basis. If Compulink, in its sole discretion, deems it necessary or appropriate that Purchaser assist in the defense of any such indemnified Claim, Purchaser shall do so, and Compulink shall pay Purchaser's reasonable expenses for such participation. In such a case, Compulink shall have sole control over the defense of the Claim. Purchaser shall have the right to participate in the defense of any Claim if it has been named as an additional party or if its rights shall be prejudiced by non-participation provided that Purchaser shall be solely responsible for all of its attorneys' fees and other expenses incurred due to its defense of the Claim.

8. Term. This License Agreement shall commence and terminate as follows:

A. The term of this Agreement shall commence on the execution date shown below and continue until terminated as provided in this Agreement. Either Party may terminate this Agreement, with or without cause, for any reason or for no good reason, on giving at least 30 days' prior written notice to the other Party. Either Party may terminate this Agreement for cause immediately following a breach of this Agreement which is not cured within 15 days following written notice of breach. Either Party may terminate this Agreement without any prior written notice if (1) the other Party becomes insolvent, bankrupt, files for reorganization under Chapter 11 or any other provision of the U.S. Bankruptcy Act or comparable insolvency law applicable where such Party is located, or is financially unable to perform its present and future obligations under this Agreement; or (2) the other Party or any principal, partner, owner, officer, controlling shareholder, director or managerial or supervisory employee of the other Party commits or is convicted of a misdemeanor involving moral turpitude or a felony, or (3) a Party engages in illegal, unethical, immoral, unfair or unconscionable business practices, competition or conduct which threaten or would tend to damage the reputation or business prospects of the other Party; or (4) Purchaser violates, infringes or compromises any trademark, copyright, patent or Trade Secret of Compulink, or interferes with any relationship between Compulink and any of its other Purchasers or End Users of the Licensed Software.

B. Upon termination of this Agreement, Purchaser shall immediately cease all marketing of the Licensed Software and return to Compulink all unsold and unopened copies of the Integrators Toolkit and Documentation, and Purchaser shall remove all such programs and materials from all hard drives and other devices on which the Integrators Toolkit and Documentation may be found.

C. Upon termination of this Agreement, Compulink may service and support Purchaser's End Users, if any, directly through Compulink's LSAP plan. At the same time, Purchaser shall notify its End Users that it is no longer authorized to market or service the Licensed Software.

D. The termination of this Agreement shall not terminate Purchaser's obligations under this License Agreement, nor shall it release Purchaser from the obligation to pay any monies that it may owe Compulink or operate to discharge any liability that Purchaser incurs before termination.

9. Warranty Disclaimer. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES SET FORTH IN THIS AGREEMENT. THERE ARE NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. COMPULINK DOES NOT WARRANT THAT THE INTEGRATORS TOOLKIT WILL SATISFY THE REQUIREMENTS OF A CUSTOMER OF DEALER OR THAT THE INTEGRATORS TOOLKIT IS WITHOUT DEFECT OR ERROR, OR THAT THE INTEGRATORS TOOLKIT WILL OPERATE WITHOUT INTERRUPTION.

10. Damages. ALL DAMAGES SUFFERED BY PURCHASER FOR WHICH COMPULINK IS RESPONSIBLE, IF ANY, SHALL NOT EXCEED THE PURCHASER'S ACTUAL PURCHASE PRICE OF THE DEFECTIVE COPY OF THE INTEGRATORS TOOLKIT.

11. No Consequential Damages. COMPULINK SHALL NOT BE LIABLE TO PURCHASER FOR INCIDENTAL, SPECIAL CONSEQUENTIAL OR PUNITIVE DAMAGES, LOST PROFITS, OR BUSINESS INTERRUPTION SUFFERED FOR ANY REASON OR COMING ABOUT BY ANY CAUSE, EVEN IF COMPULINK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. COMPULINK SHALL NOT BE RESPONSIBLE FOR LOSS OF USE OF THE INTEGRATORS TOOLKIT, LOSS OF DATA, COSTS OF RECREATING LOST DATA, OR THE COST OF SUBSTITUTE EQUIPMENT OR PROGRAMS SUSTAINED BY PURCHASER OR CLAIMS BY ANY PARTY OTHER THAN PURCHASER.

12. Compatibility. The Integrators Toolkit has been developed for and is compatible with certain computers and operating systems. Compulink does not warrant the Integrators Toolkit for any computer and operating system. Purchaser shall be responsible for consulting with Compulink for information about compatibility.

13. Nonwaiver. No failure to exercise or delay in exercising any right, power, or privilege under this Agreement on the part of either party shall operate as a waiver of any right, power, or privilege hereunder. No single or partial exercise of any right, power, or privilege under this License Agreement shall preclude further exercise thereof.

14. Severability. If any part of this License Agreement is found or deemed by a court of competent jurisdiction to be invalid or unenforceable, that part shall be severed from this License Agreement and shall be deemed to have never been a part of this License Agreement and shall not affect the validity of the remainder of this License Agreement.

15. Governing Law; Jurisdiction; Venue. This License Agreement shall be deemed to have been made in, and shall be construed pursuant to the laws of, the State of California, as if all parties were resident in California and the License Agreement were to be wholly performed within the State of California. Each party hereby consents to the jurisdiction of the California Superior Court and United States District Court for the Central District of California. All judicial actions and arbitration proceedings shall be conducted only in, and each party consents to exclusive venue in, Los Angeles County, California.

16. Entire Agreement. This License Agreement is the complete and exclusive statement of the mutual understanding of the parties, and supersedes and cancels all previous written and oral agreements and communications relating to the subject matter of this License Agreement. No course of performance, course of dealing, or usage of trade shall override the written terms of this License Agreement.

17. Limitation on Actions. No action or proceeding based on this License Agreement or arising out of its performance or breach shall be instituted by Purchaser more than one year after the cause of action has accrued. Purchaser waives the benefit of any statute of limitations which specifies a period longer than one year for filing an action.

18. Counterparts. This License Agreement may be executed in one or more counterparts, each of which shall constitute one agreement.

19. Captions. The captions used on this License Agreement are for convenience only and shall not be a part of this License Agreement.

20. Drafting Agreement. Compulink and Purchaser are parties of equal bargaining strength and have had the opportunity to discuss and negotiate this License Agreement in detail. Each of Compulink and Purchaser waive any provision of law that would otherwise require this License Agreement to be construed against the party drafting this License Agreement. Each party shall be deemed to have drafted this License Agreement.

Executed on March 19, 2009 at Long Beach, CA.

COMPULINK MANAGEMENT CENTER, INC.

By: Vicki Patten

Name & Title: Vicki Patten President

Address: 3545 Long Beach Blvd
Long Beach, CA 90807
United States of America

Telephone: +1 (562) 998-1688
Fax: +1 (562) 988-1886
Email: info@laserfiche.com

PURCHASER: Whatcom County

By: Pete Kremen

Name & Title: Pete Kremen
County Executive

Address: 311 Grand Ave.
Bellingham, WA 98226

Telephone: 360-676-6717
Fax: 360-676-6775
Email: _____

APPENDIX A

DESCRIPTION OF ADD-ON PRODUCT OR INTEGRATION PROJECT
AND INTENDED USE OF TOOLKIT:

Whatcom County will be using the Integrators Toolkit to image enable several of the County's existing applications including: Permit Plan, an Oracle-based building permit system; SCOMIS, WA State's Superior Court Case Management System; and, the County's onsite septic permitting system.

EXHIBIT "D"

Maintenance, Limitations & Warranties

1. Maintenance and Upgrade Fees: It is acknowledged that Exhibit "B" includes initial fees for annual maintenance and upgrades for the software products sold to Buyer as more fully described hereinabove. With respect to such maintenance and upgrade fees, it is agreed as follows:

a. The sums payable by Buyer for maintenance and upgrades as described in Exhibit "B" are in addition to being payable as set forth above, payable annually on the anniversary of the purchase date;

b. Such sums may be subject to a price increase after payment for the initial year, provided that, the price shall only be increased by Seller in the event that Seller's costs therefor are increased by Compulink Management Center, Inc. or its successor in interest.

c. Buyer shall have no legal obligation to continue paying for the maintenance and upgrades, provided that, Seller makes no representation to Buyer regarding the usefulness and effectiveness of the software products sold hereunder should Buyer decline to renew the maintenance and upgrades described hereinabove.

2. Limitation: It is specifically acknowledged and agreed that all techniques, procedures and methodologies used and implemented by Seller in the performance of its work under this agreement are not included in the sale, and all intellectual property rights to such techniques, procedures and methodologies shall be retained by Seller, or by such third parties with whom Seller may contract with or have licenses through.

3. Warranty and Limitations: Except as otherwise set forth herein, Seller's warranty is specifically limited to successful completion of installation and operation of LaserFiche software program with respect to scanning and capturing documents of Buyer as provided in Exhibit "A", and that, except as may be available through Compulink Management Center, Inc., Seller gives no other warranties, express or implied. In the event the software is unable to perform as warranted by Seller within 30 days of completion of installation, Buyer shall be entitled to a full refund of the purchase price.

It is specifically acknowledged and agreed that Seller's warranty is limited and shall not apply to performance by the Seller under this agreement of specifications other than those specifically warranted above, such exclusions to include, but are not limited to: 1) the integration of the system to be installed by Seller with existing software of Buyer; 2); and 2) the importation of documents into the system, due to the fact Seller currently has insufficient knowledge of the documentation and data.

In addition, said warranties shall not apply:

a. To the extent of any problems encountered with the integration of external databases with the software installation;

b. To the extent of any problems encountered as a result of the failure of the Buyer to install and configure the hardware necessary to operate the software in accordance with the hardware specifications previously provided by the Seller; or

c. To the extent of any problems encountered as a result of the failure of the Buyer's computing equipment, servers, networks or operating systems.

In no event shall Seller be responsible to Buyer for incidental, special, or consequential damages arising from business interruption or lost profits suffered by Buyer or any third party arising out of the breach of any warranty provided herein.

Invoice #: Prelim

Bill To:
City of Blaine
344 H Street
Blaine, WA 98231

Ship To:
City of Blaine
344 H Street
Blaine, WA 98231

Purchased By:		P.O. #	SHIP VIA	SHIP DATE	TERMS	DATE	Page
Cynthia Kirkham					Upon Receipt	11/13/2006	1
QTY.	DESCRIPTION				PRICE	TOTAL	
1	REQUIRED Laserfiche United Software - Client to provide Microsoft SQL Server running MSSQL 2000/2005 and Microsoft Windows 2000/2003 Server.				\$7,500.00	\$7,500.00	
1	REQUIRED Laserfiche United Annual Software Maintenance, includes software upgrades during the year. Does not include labor for installation. NOTE *BUDGET ITEM, to be renewed each year.				\$1,320.00	\$1,320.00	
2	REQUIRED Laserfiche Full Featured Licenses. These licenses may be used to scan, OCR, index, create sticky notes, annotate, perform system admin function,s, or just browse, view, search and print.				\$550.00	\$1,100.00	
2	REQUIRED Laserfiche Full Featured License Annual Software Maintenance, includes software upgrades during the year. Does not include labor for for installation. NOTE * BUDGET ITEM, to be renewed each year.				\$110.00	\$220.00	
2	REQUIRED Laserfiche Retrieval Licenses - May be used on client workstations or used with WebLink for Intra or Internet access to your Laserfiche database, with security in place.				\$220.00	\$440.00	
2	REQUIRED Laserfiche Retrieval License Annual Software Maintenance includes software upgrades during the year. Does not include labor for installation. NOTE *BUDGET ITEM, to be renewed each year on anniversary date of purchase.				\$44.00	\$88.00	
2	REQUIRED Laserfiche Snapshot Utility - Allows users with Full Featured Licenses to "print" directly into your Laserfiche database, to a designated folder				\$100.00	\$200.00	
					SALE		
					TOTAL PAID TODAY		
					BALANCE		

Invoice #: Prelim

Bill To:
City of Blaine
344 H Street
Blaine, WA 98231

Ship To:
City of Blaine
344 H Street
Blaine, WA 98231

Purchased By:		P.O. #	SHIP VIA	SHIP DATE	TERMS	DATE	Page
Cynthia Kirkham					Upon Receipt	11/13/2006	2
QTY.	DESCRIPTION				PRICE	TOTAL	
2	REQUIRED Laserfiche Snapshot Utility Annual Software Maintenance, incudes software upgrades during the year. Does not include labor for installation. NOTE * BUDGET TIEM, to be renewed each year on the anniversary date of purchase.				\$20.00	\$40.00	
4	REQUIRED Laserfiche Email Module				\$80.00	\$320.00	
4	REQUIRED Laserfiche Email Module Annual Software Maintenance, includes software upgrades during the year. Does not include labor for installation. NOTE * BUDGET ITEM, to be renewed each year on the anniversary date of purchase.				\$16.00	\$64.00	
1	Fujitsu 5530C Scanner, incudes Kofax VRS with 4.0 Plus software bundled. Includes shipping costs as well. NOTE * minimum RAM requirement for the workstation where VRS runs is 2GB- per Kofax.NOTE * This scanner supports only 8.5 X 11 documents				\$5,750.00	\$5,750.00	
1	Laserfiche Technical Service - Laserfiche Software installation configuration on your MS SQL Server				\$1,800.00	\$1,800.00	
2	Laserfiche Training - System Admin training and information about Laserfiche Databade management tools. Includes 1 hour training time to train on import and attaching the CD volumes provided by Washington Archives.				\$160.00	\$320.00	
16	Consulting - Template and Folder Desgin for your City Clerks' Department				\$160.00	\$2,560.00	
1	Contract Management				\$160.00	\$160.00	
1	Consulting - Project Management, both before deployment and pre installation				\$250.00	\$250.00	
4	Training				\$160.00	\$640.00	
					SALE		
					TOTAL		
					PAID TODAY		
					BALANCE		

Invoice #: Prelim

Bill To:
City of Blaine
344 H Street
Blaine, WA 98231

Ship To:
City of Blaine
344 H Street
Blaine, WA 98231

Purchased By:		P.O. #	SHIP VIA	SHIP DATE	TERMS	DATE	Page
Cynthia Kirkham					Upon Receipt	11/13/2006	3
QTY.	DESCRIPTION				PRICE		TOTAL
392	Mileage - ESTIMATE - To be invoices at .485 per mile, or best method Per Diem - Per person, per day.				\$0.485		\$190.12
3					\$225.00		\$675.00
					SALE		\$23,637.12
					TOTAL		\$23,637.12
					PAID TODAY		\$0.00
					BALANCE		\$23,637.12