

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.66

(ID # 15681)

MEETING DATE:

Tuesday, December 14, 2021


FROM : TREASURER-TAX COLLECTOR:

SUBJECT: TREASURER-TAX COLLECTOR: Ratify and approve the Master Maintenance Agreement for Opex AS7200, Model 72 and FalconV+ with Opex Corporation without seeking competitive bids, for one year November 30, 2020 through November 29, 2021, with the option to renew for four additional one year periods effective November 30, 2021 through November 29, 2025. All Districts. [Total Cost \$256,290 up to \$25,629 in additional compensation] - 100% Treasurer-Tax Collector Budget

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Master Maintenance Agreement for Opex AS7200, Model 72 and FalconV+ with Opex Corporation, without seeking competitive bids, for one (1) year, November 30, 2020 through November 29, 2021, in the amount of \$45,162, with the option to renew for four additional one year periods effective November 30, 2021 through November 29, 2025, for a total aggregate amount of \$256,289 for all five years, and authorize the Chair of the Board to sign the Agreement on behalf of the County.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel, to: sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the Agreement; and sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total cost of the contract.

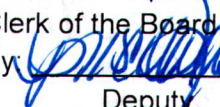
ACTION:Policy


Matthew Jennings, Treasurer-Tax Collector 11/17/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: December 14, 2021
xc: Tax Collector

Kecia R. Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 49,345	\$ 51,318	\$ 256,290	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: General Fund.			Budget Adjustment:	No
			For Fiscal Year:	20/21-25/26

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

The County of Riverside Treasurer-Tax Collector is responsible for billing and processing over 1.2 million tax bills worth more than \$4.5 billion annually. Although we utilize a lockbox vendor to process a portion of property tax payments, we scan over half a million items on an annual basis internally through remittance processing scanners.

Currently, the Treasurer-Tax Collector utilizes 3 models of OPEX manufactured scanners to process and post these property tax payments. OPEX offers comprehensive service and support, and this Master Maintenance Agreement is for Technical Support from November 30, 2020 to November 29, 2025. OPEX employs over 400 factory-trained and safety-certified service technicians in North America, while offering 24/7 customer support 365 days of the year. Additionally, the agreement will include 100% parts and all labor during our contracted coverage hours.

Department research indicates there are no other companies that provide this type of equipment with an interface to our existing remittance processing system. In addition, OPEX is the only interface supported by our current remittance processing software vendor. It would not be economically feasible to change the remittance processing system or software at this time.

The OPEX equipment is vital to our office to process tax payments and requires routine maintenance. If the equipment is not maintained, it may fail, leading to the inability to process property tax payments timely.

Impact on Residents and Businesses

Without this vital equipment, processing of tax bill would not be completed in a timely manner.

Additional Fiscal Information

The cost for the OPEX Maintenance is as follows:

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

November 30- November 29	CAC	Palm Desert	Annual Totals
2020-2021	\$ 36,505.00	\$ 8,657.04	\$ 45,162.04
2021-2022	\$ 37,050.00	\$ 12,295.00	\$ 49,345.00
2022-2023	\$ 38,532.00	\$ 12,786.80	\$ 51,318.80
2023-2024	\$40,458.60	\$ 13,426.14	\$ 53,884.74
2024-2025	\$ 42,481.53	\$ 14,097.45	\$ 56,578.98
Total	\$195,027.13	\$ 61,262.43	\$256,289.56

(Pre-Tax)

Contract History and Price Reasonableness

On May 24, 2011, (Agenda Item 3.53) the Board of Supervisors approved a Master Maintenance Agreement for OPEX AS7200i, AS 7200t, and Model 72 between the County and OPEX without seeking competitive bids (Purchasing Approved SSJ#10-059)

The Purchasing Agent issued Amendment 1 extending the term of the agreement to November 29, 2016 and increased the maximum contract amount to \$68,170. Amendment 2 and 3 was also executed under the Purchasing Agent's authority and only extended the term of the agreement to November 29, 2018 and November 29, 2023 respectively.

In March 2021, the department purchased an additional scanner, a Falcon V+ model, for the Palm Desert location. This scanner also requires a maintenance agreement. Rather than have two maintenance agreements, the department and OPEX have agreed to combine the maintenance agreements into one Maintenance Master Agreement. The original Master Maintenance Agreement dated May 24, 2011 is being replaced in its entirety including any and all amendments with this new Master Maintenance Agreement (Purchasing Approved SSJ# 22-008A) before the Board. This new agreement requires Board approval as it has a new period of performance term for an initial one (1) year in the amount of \$45,162 with the option to renew for four additional one-year periods effective November 30, 2021 through November 29, 2025, for a total contract amount of \$256,290, effective November 30, 2020 through November 29, 2025.

ATTACHMENTS:

- A) MASTER MAINTENANCE AGREEMENT**
- B) RIVERSIDE COUNTY INFORMATION TECHNOLOGY H11**
- C) SOLE SOURCE JUSTIFICATION**

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA



Suzanna Hockley, Assistant Director of Purchasing and Fleet Service

11/22/2021



Steven Atkeson 12/3/2021



Gregory K. Priamos, Director County Counsel

11/23/2021



Jim Smith, Chief Information Officer 11/22/2021

MASTER MAINTENANCE AGREEMENT

for

OPEX AS7200, MODEL 72 AND FALCONV+

between

COUNTY OF RIVERSIDE

and

OPEX CORPORATION



MASTER MAINTENANCE AGREEMENT
for
OPEX AS7200, MODEL 72 AND FALCONV+
between
COUNTY OF RIVERSIDE
and
OPEX CORPORATION

This Master Maintenance Agreement (herein referred to as "Agreement") is made and entered into effective the 30th day of November, 2020, (herein referred to as "Effective Date") by and between OPEX CORPORATION, a New Jersey corporation, located at 305 Commerce Drive, Moorestown, NJ 08057-4234, (herein referred to as "CONTRACTOR") and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). Upon the effectiveness of this Agreement, the Master Maintenance Agreement by and between the parties dated May 24, 2011 is hereby terminated and replaced in its entirety, including all subsequent amendments, by this Agreement. The parties agree as follows:

1. BASIC TERMS.

1.1 Equipment Covered. The machines specifically identified by serial number on Exhibit "A" shall be covered by this Agreement (collectively "Equipment"). CONTRACTOR shall furnish "Maintenance Service" (as defined in Paragraph 2.1 below) on Equipment at COUNTY's various Equipment "Sites" (as defined in Paragraph 2.2 below). Upon mutual agreement between the parties, and pursuant to the terms herein, Equipment may be added or deleted from the Exhibit "A" from time to time. All Maintenance Service shall be provided in consideration for the payment of CONTRACTOR's maintenance charges set forth herein, plus all sales and use taxes and such other governmental charges as may be imposed on the provision of goods and services hereunder. Service rates for this Agreement are detailed within Exhibit "B."

1.2 Effective Date; Renewals. Maintenance Service shall begin on the Effective Date listed above and shall continue through November 29, 2021 ("Initial Term"). This Agreement may be renewed from year-to-year for up to five (5) additional one year terms upon the mutual agreement of both parties memorialized in a written amendment to this Agreement (each a "Renewal Term"). In the event that Equipment is added to this Agreement at times other than on the Effective Date or on any anniversary of the Effective Date, the annual cost of the Maintenance Service for the Equipment added to this Agreement will be prorated to coincide with the date of the next Renewal Effective Date or on any anniversary of the Effective Date.

1.3 Price Increase. CONTRACTOR agrees that for the Initial Term (November 30, 2020 – November 29, 2021), for both Sites listed below in Exhibit "B", CONTRACTOR's actual, published Maintenance Service pricing will apply. Such pricing is listed below in Exhibit "B". For the first Renewal Term, November 30, 2021 – November 29, 2022, COUNTY shall pay the pricing listed below in Exhibit "B", which is CONTRACTOR's actual, published Maintenance Service Pricing. For the second Renewal Term, November 30, 2022 – November 29, 2023, the aggregate price increase for all Equipment shall not exceed four percent (4%), based upon the previous year's maintenance prices (assuming similar Equipment quantities and Service Hours). For the third and fourth Renewal Terms, November 30, 2023 – November 29, 2024 and November 30, 2024 – November 29, 2025, the aggregate price increase for all Equipment shall not exceed five percent (5%) per year, based upon the previous year's maintenance prices (assuming similar Equipment quantities and Service Hours). If the aggregate percentage increase based upon CONTRACTOR's published Maintenance Service prices for any Renewal Term are less than the increases allowed under this Paragraph, then COUNTY shall be charged the published Maintenance Service prices. However, this Paragraph is not applicable to "CONTRACTOR's Holidays" (as defined in Paragraph 3.5). Service provided on "CONTRACTOR's Holidays" will be subject to published rates then in effect.

1.4 Equipment Not Previously Covered. Any machine which COUNTY seeks to add to this Agreement that has not been continuously covered by a maintenance agreement with CONTRACTOR since the expiration of its warranty period, shall be subject to inspection by CONTRACTOR. After such inspection, if CONTRACTOR, in its sole discretion, determines that the machine is not operating in conformity with the "Published Specifications" (as defined in Paragraph 1.5 below), the machine shall be restored to good operating condition at COUNTY's expense, subject to CONTRACTOR's then current rates, as a condition of adding the machine to Exhibit "A."

1.5 Routine Cleaning. The day-to-day routine cleaning and minor adjustments on the Equipment, as described in both CONTRACTOR's equipment operating manuals and other supplementary material ("Published Specifications") which may be furnished by CONTRACTOR to COUNTY from time to time, shall be performed by COUNTY. CONTRACTOR will notify COUNTY in writing if the COUNTY fails to perform routine cleaning on the Equipment.

2. MAINTENANCE SERVICE.

2.1 Maintenance Service, Generally. Maintenance Service is defined as all labor and replacement parts necessitated by normal wear and tear from operation of the Equipment in accordance with CONTRACTOR's Published Specifications, in order to maintain the Equipment in good operating condition ("Maintenance Service").

2.2 Definition of COUNTY's Equipment Site(s). "Site" is defined as the one (1) floor within COUNTY's premises specified in Exhibit "A." Equipment moved to a different Site is subject to the limitations described in Paragraph 8.1(j) below.

2.3 Service Calls. Preventive Maintenance Service calls are those periodic calls initiated by CONTRACTOR to keep the Equipment operating in accordance with CONTRACTOR's Published Specifications ("PM's"). Demand Maintenance Service calls are those calls initiated by COUNTY to request that CONTRACTOR repair Equipment that is malfunctioning or not operating in accordance with the Published Specifications ("Demand Calls"). (A PM may be performed in conjunction with a Demand Call placed by COUNTY, depending upon, and at the discretion of, CONTRACTOR's service technician.) The minimum number of PM's and maximum number of Demand Calls for each piece of Equipment are outlined in the chart below.

Machine Type	Models 72	AS7200/FalconV+
Demand	unlimited	unlimited
Preventive Maintenance	12	6

2.4 Field Service Reports. CONTRACTOR shall furnish a summary of the Maintenance Service provided to the COUNTY upon completion of each Maintenance Service call ("Field Service Report"). The Field Service Report shall contain the following information: (1) date and time of arrival; (2) specific identification of Equipment serviced; (3) time of Maintenance Service; (4) description of the malfunction (if any); and (5) list of parts replaced.

2.5 Response Times. For all Equipment, CONTRACTOR shall exert all reasonable efforts to respond to Demand Call requests within four (4) hours after such call is received by CONTRACTOR, during the designated Coverage Hours. Following CONTRACTOR's receipt of COUNTY's request for a Demand Call, CONTRACTOR's personnel shall contact the COUNTY to provide his or her estimated time of arrival at the Site.

2.6 Parts. Only new standard parts or parts of equal quality shall be used in providing Maintenance Service. Title to all replacement parts provided during the course of providing Maintenance Service pursuant to this Agreement will pass to COUNTY upon installation.

3. COMPENSATION.

3.1 Maximum Compensation Amount. The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit "B", Service Pricing. For the Initial Term of this Agreement, maximum payments by COUNTY to CONTRACTOR shall not exceed \$45,162.04, including all expenses. For each Renewal Term, maximum payments by COUNTY to CONTRACTOR shall not exceed the amounts set forth in Exhibit "B". The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit "B", COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 Price Adjustments. Consistent with Section 1.3 of this Agreement, no price increases will be permitted during the Initial Term of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY.

3.3 Invoices. CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Riverside County Office of the Treasurer-Tax Collector
4080 Lemon Street, 4th Floor
Riverside, CA 92501

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number (TTARC-93952-001-05/12); quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) In accordance with California Government Code Section 926.10, COUNTY is not allowed to pay excess interest and late charges.

3.4 Termination for Lack of Funding. The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. GENERAL TERMS.

4.1 Maintenance Service Coverage Hours, Generally. All Equipment located at a particular Site must be maintained during the same Maintenance Service schedule ("Coverage Hours"). Coverage Hours shall be governed by the terms and conditions set forth below.

4.1.1 Coverage Hours for a Site. Coverage Hours shall be 7:00 am to 3:00 pm (Site local time), Monday through Friday, excluding CONTRACTOR Holidays.

4.2 Altering Coverage Hours. COUNTY shall be able to increase, decrease or shift, the Coverage Hours for a Site. However, in no event, may the Coverage Hours be decreased to less than forty (40) hours per week.

4.2.1 Increasing Coverage Hours. Upon thirty (30) days written notice, COUNTY may increase the Coverage Hours for a particular Site.

4.2.2 Decreasing Coverage Hours. Upon thirty (30) days written notice, COUNTY may decrease the Coverage Hours for a particular Site. This 30-day notice period applies to any decrease in Maintenance Service, including removing Equipment or Equipment options, reducing the number of covered shifts, or total termination of Maintenance Service for a Site. The notice period shall begin to run from the date on which CONTRACTOR receives the written notification. Upon receipt of the 30-day notice, COUNTY will be provided a credit for any unused Maintenance Service towards future Equipment or Maintenance Service, calculated from the date of the expiration of the thirty (30) day period.

4.2.3 Shifting Coverage Hours. Upon thirty (30) days written notice, the COUNTY may shift the Coverage Hours for a particular Site. Any shift in the Coverage Hours shall be agreed upon by both parties and the current rates shall be disclosed at time of request. The COUNTY is not obligated to obtain any amount of Shifting Coverage Hours from the CONTRACTOR.

4.3 CONTRACTOR Holidays. CONTRACTOR observes the following holidays: New Year's Day; Good Friday; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving; Christmas Eve Day and Christmas Day. When the holiday is on a Saturday or Sunday, the CONTRACTOR Holidays will be observed on the dates observed by the Federal government. Upon thirty (30) days written notice, the COUNTY may obtain Maintenance Service coverage on CONTRACTOR Holidays. CONTRACTOR must disclose in writing of personnel availability and coverage hour rate if different from regular coverage hours (section 4.1.1).

4.4 Invoicing. CONTRACTOR shall invoice COUNTY annually in advance for the Standard Maintenance Charge. Any additional service charges shall be invoiced quarterly in arrears. Terms of payment are net thirty (30) days from date the invoice is issued. Late payments shall bear interest at the lesser of (i) 2% per month or (ii) the highest permissible rate by law, payable monthly.

5. PROPRIETARY TECHNOLOGY AND DIAGNOSTICS; CONFIDENTIALITY.

5.1 Technology. CONTRACTOR holds intellectual property rights in the Equipment, which includes the Equipment's computer operating system, software components and mechanical components (collectively "Technology"). No licenses, either express or implied, under any patents are granted by CONTRACTOR to COUNTY hereunder, except as expressly stated herein. COUNTY agrees that it shall not copy, remove, use (except for operation of the Equipment in accordance with the Published Specifications), or disclose Technology to any third party unless required by law.

5.2 Diagnostics. In providing Maintenance Service, CONTRACTOR utilizes certain software diagnostics ("Diagnostics"). CONTRACTOR holds intellectual property rights in the Diagnostics, and the Diagnostics are for CONTRACTOR's exclusive use. Except with the express written consent of CONTRACTOR, COUNTY shall not use, copy, remove, or alter the Diagnostics. It is understood and agreed by COUNTY that upon termination of this Agreement, COUNTY shall either: (i) Return the Diagnostics to CONTRACTOR at CONTRACTOR's expense; or (ii) Purchase, according to CONTRACTOR's then current rates, a non-exclusive, non-transferable and personal limited license to use the Diagnostics.

5.3 Confidential Information. The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; checks; tax information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

6. WARRANTY; WARRANTY LIMITATIONS.

CONTRACTOR warrants that all work required to be performed hereunder shall conform to the descriptions contained in this Agreement and will be performed in a professional manner according to generally accepted industry standards. THE FOREGOING EXPRESS WARRANTY IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE AND THERE ARE NO WARRANTIES WHICH ARE NOT CONTAINED IN THIS AGREEMENT.

7. INFRINGEMENT AND GENERAL INDEMNIFICATION.

7.1 Patent, Copyright and Trademark Infringement Indemnification. CONTRACTOR will (i) indemnify, hold harmless and defend COUNTY, at CONTRACTOR's expense, from and against any claim brought against COUNTY alleging that any portion of the Equipment infringes a European Union, Canadian or United States patent, copyright, trademark, or other intellectual property right of any third party; and (ii) hold COUNTY harmless from and against all costs and damages finally awarded, provided that CONTRACTOR is given prompt written notice of such claim and is given information, reasonable assistance, and sole authority to defend or settle the claim.

7.1.1 Infringement Defense. In the defense or settlement of a claim pursuant to Paragraph 7.1 above, CONTRACTOR may: (i) obtain for COUNTY the right to continue using the Equipment; (ii) replace or modify the Equipment so that it becomes non-infringing; or (iii) if remedies (i) and (ii) are not reasonably available, grant COUNTY a depreciated refund pro-rata based upon a one hundred twenty (120) month life, measured from the original installation date of the Equipment.

7.1.2. Infringement Indemnification Limitations. CONTRACTOR shall not have any liability if the alleged infringement is solely based upon the COUNTY's use of the Equipment in combination with other products or devices not furnished or approved by CONTRACTOR.

7.2 Indemnification. CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability, action, claim, or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. CONTRACTOR shall defend the Indemnitees, at its sole cost and expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services. With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification to Indemnitees as set forth herein. CONTRACTOR's obligations hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving the COUNTY from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR's obligations to indemnify and hold harmless the Indemnitees herein from third party claims. In no event shall either party be liable to the other, whether in an action in negligence, contract or tort or based on a warranty or otherwise, for loss of profits, revenue, or loss or inaccuracy of data, or any indirect, incidental, punitive, special or consequential damages incurred by the other party or any third party, even if the party has been advised of the possibility of such damages. Additionally, the COUNTY and CONTRACTOR agree that CONTRACTOR's indemnity obligation hereunder will be reduced to the extent by which any claim, liability, loss, damage, or expense results from the negligence or misconduct of any directors, employee servant, officials and/or agent of the COUNTY, or the employees, servants, officials agents or subcontractors of another vendor of the COUNTY.

8. LIMITATIONS.

8.1 Maintenance Service Limitations. Notwithstanding anything herein to the contrary, CONTRACTOR shall have no obligation hereunder to provide Maintenance Service to Equipment which has deteriorated to such an extent that it cannot, in the reasonable discretion of CONTRACTOR, be maintained and needs to be replaced. CONTRACTOR shall provide written notice of any such deterioration and a full refund of any pre-paid maintenance or service charges to COUNTY. CONTRACTOR's obligations to provide Maintenance Service shall also terminate if COUNTY:

- (a) fails to provide CONTRACTOR with sufficient access to the Equipment, subject to COUNTY's reasonable Site policies and procedures;
- (b) negligently stores, handles operates or alters the Equipment, or uses the Equipment for purposes other than those set forth in the Published Specifications;
- (c) continues to fail to provide routine cleaning after being provided notice by CONTRACTOR pursuant to Paragraph 1.5 above;
- (d) fails to continually provide a suitable environment with all facilities and power as prescribed in the Published Specifications;
- (e) uses or operates the Equipment beyond its intended design parameters;
- (f) damages the Equipment through its use in conjunction with machinery or software not covered by this Agreement;
- (g) performs work, or allows a third party to work, on the Equipment, which is not authorized by CONTRACTOR;
- (h) alters or modifies in any way, the safety mechanisms, without the written consent of CONTRACTOR;

(i) operates the Equipment with envelopes or enclosures other than those specified in the Published Specifications; or

(j) COUNTY's relocating Equipment to a Site other than that defined in this Agreement; provided, however, that should CONTRACTOR and COUNTY agree to continue Maintenance Service on Equipment moved to another Site, COUNTY's Equipment shall be subject to inspection by CONTRACTOR, at CONTRACTOR's published rates and terms then in effect for such service, prior to CONTRACTOR resuming Maintenance Service on COUNTY's Equipment.

CONTRACTOR shall provide written notice of any such termination and a full refund of any pre-paid maintenance or service charges to COUNTY.

9. GENERAL PROVISIONS.

9.1 Governing Law. This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location.

9.2 Assignment. CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY which shall not be unreasonably withheld. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

9.3 Waiver. Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

9.4 Disallowed Amounts; Offsets. In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option, the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

9.5 Partial Maintenance Services. CONTRACTOR shall only provide Maintenance Services as provided in this Agreement and shall not provide partial Maintenance Service unless specifically stated in the Agreement.

9.6 Chattel Mortgage. CONTRACTOR shall not provide any Maintenance Service subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims or encumbrances.

9.7 Non-Exclusive Agreement. Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less, than the quantities specified in this Agreement.

9.8 Cooperation. The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information and personnel.

9.9 Compliance with Applicable Laws. CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

9.10 Air Pollution, Water Pollution, Safety and Health Ordinances. CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes or regulations, which apply to performance under this Agreement.

9.11 OSHA. CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

9.12 Rights Cumulative. All rights and remedies conferred under this Agreement or by any other instrument or law shall be cumulative and may be exercised singularly or concurrently.

9.13 Severability. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

9.14 Force Majeure. If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

10. ALTERATION OR CHANGES TO THE AGREEMENT.

10.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee are the only authorized COUNTY representatives who may at any time, by written order, make alterations to this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

10.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within thirty (30) days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

11. TERMINATION.

11.1. COUNTY may terminate this Agreement without cause upon thirty (30) calendar days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

11.2 COUNTY may, upon ten calendar (10) days written notice, terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

11.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

11.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement. After termination, CONTRACTOR shall provide a pro-rata refund of any pre-paid maintenance or service charges to COUNTY.

11.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

11.6 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

12. OWNERSHIP/USE OF CONTRACT MATERIALS.

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports or products without prior written authorization of the COUNTY.

13. CONDUCT OF CONTRACTOR.

13.1 The CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

13.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

13.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

14. INSPECTION OF MAINTENANCE SERVICE; QUALITY CONTROL/ASSURANCE.

14.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. In the event the COUNTY is requesting an inspection of CONTRACTOR'S facility located in Moorestown, NJ, the COUNTY shall provide at least fourteen (14) calendar day's advance written notice to CONTRACTOR. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If the Maintenance Service provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the Maintenance Service in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the Maintenance Service to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the Maintenance Service provided. If CONTRACTOR fails perform Maintenance Service in accordance to this Agreement after COUNTY has provided at least ten (10) calendar days' advance written notice to CONTRACTOR. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

14.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess or evaluate CONTRACTOR's performance under this Agreement at any time upon reasonable notice to CONTRACTOR.

15. INDEPENDENT CONTRACTOR.

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY

merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

16. SUBCONTRACT FOR WORK OR SERVICES.

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or Maintenance Services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

17. DISPUTES.

17.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. Both the COUNTY and the CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

17.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

18. LICENSING AND PERMITS.

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

19. USE BY OTHER POLITICAL ENTITIES.

The CONTRACTOR agrees to extend the same pricing based on similar Equipment in liked quantities, terms and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

20. NON-DISCRIMINATION.

CONTRACTOR shall not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other applicable laws or regulations.

21. RECORDS AND DOCUMENTS.

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination

of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

22. ADMINISTRATION/CONTRACT LIAISON.

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

23. NOTICES.

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Riverside County Office of the Treasurer-Tax Collector
4080 Lemon Street, 4th Floor
Riverside, CA 92501
Attn: Desiree Taylor

CONTRACTOR

OPEX Corporation
305 Commerce Drive
Moorestown, NJ 08057-4234
Attn: Legal Department

24. EDD REPORTING REQUIREMENTS.

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

25. INSURANCE.

Without limiting or diminishing the CONTRACTOR's obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

25.1 Workers' Compensation

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than **\$1,000,000** per person per accident. The policy shall be endorsed to waive subrogation in favor of the County of Riverside, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

25.2 Commercial General Liability

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than **\$1,000,000** per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

25.3 Vehicle Liability

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than **\$1,000,000** per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insured.

25.4 General Insurance Provisions - All lines

a) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the COUNTY Risk Manager. If the COUNTY's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

b) The CONTRACTOR must declare its insurance self-insured retentions for each coverage required herein. If any such self-insured retentions exceed \$500,000 per occurrence each such retention shall have the prior written consent of the COUNTY Risk Manager before the commencement of operations under this Agreement. Upon notification of self insured retention unacceptable to the COUNTY, and at the election of the COUNTY's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

c) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the COUNTY Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. ***CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.***

d) It is understood and agreed to by the parties hereto that the CONTRACTOR's insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

e) The COUNTY'S Reserved Rights--Insurance. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the COUNTY Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

f) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

g) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

h) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

26. ORDER OF PRECEDENCE.

Unless otherwise provided herein or agreed to in a signed writing, documents will apply in the following descending order of precedence: (i) main body of this Agreement; (ii) Exhibits "A" and "B;" and (ii) all other transaction documents.

27. ENTIRE AGREEMENT.

This Agreement, including any attachments or exhibits, constitutes the entire agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political subdivision of the state of California

By: Karen S. Spiegel

Name: Karen Spiegel

Title: Chair, Board of Supervisors

Date: DEC 14 2021

OPEX CORPORATION, a New Jersey corporation

By: Carly Karlburg

Name: Carly Karlburg

Title: Counsel, OPEX Corporation

Date: 11/4/2021

ATTEST:

Kecia Harper

Clerk of the Board

By: [Signature]

Deputy

APPROVED AS TO FORM:

Gregory P. Priamos

County Counsel

By: [Signature]

Danielle Maland

Deputy County Counsel

EXHIBIT "A"
EQUIPMENT SCHEDULE

- 1) The Equipment covered by this Agreement is located at the following Site(s):

Riverside County Office of the Treasurer-Tax Collector
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Riverside County Office of the Treasurer-Tax Collector
38-686 El Cerrito Road
Palm Desert, CA 92211

- 2) The Equipment covered by this Agreement includes the machines described below:

(a) Machine Description: AS7200t
Serial Number(s): A02293

(b) Machine Description: AS7200i
Serial Number(s): A02294, A02295

(c) Machine Description: Model 72
Serial Number(s): 17283, 17284, 20012

(d) Machine Description: FalconV+
Serial Number: FVP05216

EXHIBIT "B"
SERVICE PRICING

Site Location: 4080 Lemon Street
Billing Period: 11/30/2020 – 11/29/2021

<u>Product Description</u>	<u>Price Each</u>	<u>QTY</u>	<u>Extended Price</u>
Model 72	2,735.00	2	\$ 5,470.00
AS7200ti/t*	9,645.00	3	\$ 28,935.00
VRS Technology **ALF	700.00	3	\$ 2,100.00
Total Service Costs (pre-tax)			\$36,505.00

*The AS7200i/t includes the annual license fee for the base machine. The current 2021 license fee for the AS7200i/t is \$2,598.00, per unit (the AS7200i/t base machine license fee is included with the maintenance fee of \$9,645.00).

** ALF is Annual License Fee

Site Location: 4080 Lemon Street
Billing Period: 11/30/2021 – 11/29/2022

<u>Product Description</u>	<u>Price Each</u>	<u>QTY</u>	<u>Extended Price</u>
Model 72	2,775.00	2	\$ 5,550.00
AS7200ti/t*	9,790.00	3	\$ 29,370.00
VRS Technology **ALF	710.00	3	\$ 2,130.00
Total Service Costs (pre-tax)			\$37,050.00

*The AS7200i/t includes the annual license fee for the base machine. The current 2022 license fee for the AS7200i/t is \$2,598.00, per unit (the AS7200i/t base machine license fee is included with the maintenance fee of \$9,790.00).

** ALF is Annual License Fee

Future Billing Periods and Not to Exceed Totals for 4080 Lemon Street Site

<u>Billing Period</u>	<u>Price Cap</u>	<u>Not-to Exceed Total Service Costs (pre-tax)</u>
11/30/2022 – 11/29/2023	4% Price Cap from 2021 Published Rates	\$38,532.00
11/30/2023 – 11/29/2024	5% Price Cap from 2022 Published Rates	\$40,458.60
11/30/2024 – 11/29/2025	5% Price Cap from 2023 Published Rates	\$42,481.53

Site Location: 38-686 El Cerrito Road
Billing Period: 3/18/2021 – 11/29/2021

<u>Product Description</u>	<u>Price Each</u>	<u>QTY</u>	<u>Extended Price</u>
FalconV+	5,629.36	1	\$ 5,629.36
MICR+ **ALF	573.85	1	\$ 573.85
VRS Technology **ALF	429.51	1	\$ 429.51
Model 72	2,024.32	1	\$ 2,024.32
Total Service Costs (pre-tax)			\$8,657.04

** ALF is Annual License Fee

Site Location: 38-686 El Cerrito Road
Billing Period: 11/30/2021 – 11/29/2022

<u>Product Description</u>	<u>Price Each</u>	<u>QTY</u>	<u>Extended Price</u>
FalconV+*	7,995.00	1	\$ 7,995.00
MICR+ **ALF	815.00	1	\$ 815.00
VRS Technology **ALF	610.00	1	\$ 610.00
Model 72	2,875.00	1	\$ 2,875.00
Total Service Costs (pre-tax)			\$12,295.00

*The FalconV+ includes the annual license fee for the base machine. The current 2021 license fee for the FalconV+ is \$2,080, per unit (the FalconV+ base machine license fee is included with the maintenance fee of \$7,995.00).

** ALF is Annual License Fee

Future Billing Periods and Not to Exceed Totals for 38-686 El Cerrito Road

Billing Period	Price Cap	Not-to Exceed Total Service Costs (pre-tax)
11/30/2022 – 11/29/2023	4% Price Cap from 2021 Published Rates	\$12,786.80
11/30/2023 – 11/29/2024	5% Price Cap from 2022 Published Rates	\$13,426.14
11/30/2024 – 11/29/2025	5% Price Cap from 2023 Published Rates	\$14,097.45

Not to Exceed Totals for Both Sites

Billing Period	Not-to Exceed Total Service Costs (pre-tax)
11/30/2020 – 11/29/2021	\$45,162.04
11/30/2021 – 11/29/2022	\$49,345.00
11/30/2022 – 11/29/2023	\$51,318.80
11/30/2023 – 11/29/2024	\$53,884.74
11/30/2024 – 11/29/2025	\$56,578.98