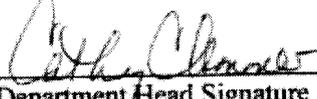


**PINE COUNTY REQUEST FOR BOARD ACTION**

|  |  |
|--|--|
| Requested Board Date:<br><br>April 2, 2013                           | Consent Agenda <i>(Please Circle)</i><br><br><u>Regular Agenda</u><br>Estimated Time: <i>(Please Circle)</i><br>Time needed<br>30 Min. 45 Min. 1 hour<br><br>10 Min. 15 Min. |
| Department Requesting Action:<br><br><b><u>Auditor/Treasurer</u></b> | <br>Department Head Signature<br><br>3-27-13<br>Date                                       |

|   |
|---|
| Item for Discussion:<br><br>Final 2012 Budget Adjustments – Sheriff's Dept. |
| Board Action Requested: (Attach additional pages if needed)                 |
| Supporting Documents: Attached None   |
|   |
|   |

**Budget Adjustments 2012**

|             | Active Budget Amount | Budget Adjustment | Final Budget        |
|-------------|----------------------|-------------------|---------------------|
| 01-201-5860 | \$ 85,000.00         | \$ 48,828.00      | \$ 148,665.00       |
| 01-201-6312 | \$ -                 | \$ 48,828.00      | \$ 48,828.00        |
|             |                      |                   | Car Repair          |
|             |                      |                   | Car Repair          |
| 01-201-5860 | \$ 85,000.00         | \$ 8,037.00       | \$ 148,665.00       |
| 01-201-6107 | \$ 60,000.00         | \$ 8,037.00       | \$ 77,666.00        |
|             |                      |                   | Casino              |
|             |                      |                   | Casino              |
| 01-201-5403 | \$ -                 | \$ 2,829.00       | \$ 2,829.00         |
| 01-201-6107 | \$ 60,000.00         | \$ 2,829.00       | \$ 77,666.00        |
|             |                      |                   | FEMA                |
|             |                      |                   | FEMA                |
| 01-201-5860 | \$ 85,000.00         | \$ 6,800.00       | \$ 148,665.00       |
| 01-201-6107 | \$ 60,000.00         | \$ 6,800.00       | \$ 77,666.00        |
|             |                      |                   | Task Force Overtime |
|             |                      |                   | Task Force Overtime |
| 01-201-5242 | \$ -                 | \$ 10,600.00      | \$ 10,600.00        |
| 01-201-6241 | \$ 20,000.00         | \$ 10,600.00      | \$ 30,600.00        |
|             |                      |                   | Training Reimb      |
|             |                      |                   | Training Reimb      |

## PINE COUNTY REQUEST FOR BOARD ACTION

|  |  |
|--|--|
| Requested Board Date:<br><br>April 2, 2013           | Consent Agenda <i>(Please Circle)</i><br><br>Regular Agenda<br>Estimated Time: <i>(Please Circle)</i><br>_____ 10 Min. <u>15 Min.</u><br>Time needed<br>30 Min. 45 Min. 1 hour   |
| Department Requesting Action:<br><br><u>Assessor</u> | <div style="display: flex; justify-content: space-between; align-items: center;">  <span style="font-size: 1.2em;">3/25/13</span> </div> Department Head Signature <span style="float: right;">Date</span> |

*Acknowledge and sign ratification statement of the following contracts: Software Services and License Agreement, Tax Maintenance and Support Agreement, CAMA Maintenance and Support Agreement between Pine County, MCCC, and Xerox for providing the Tax and CAMA programs through December 31, 2020.*

*This contract was sent for review to John Carlson, County Attorney in January 2013.*

*Please see attachment for costs and additional information*

**Board Action Requested:** (Attach additional pages if needed)

*Acknowledge and sign ratification.*

Supporting Documents: Attached None



Minnesota Counties Computer Cooperative

100 Empire Drive Suite 201  
Saint Paul, MN 55103-1845

(651) 917-6969  
Fax: (651) 917 6989  
www.mnccc.org

RATIFICATION STATEMENT

The Board of \_\_\_\_\_ has ratified the SOFTWARE SERVICE AND LICENSE AGREEMENT between MCCC and Xerox dated January 1, 2013.

The SOFTWARE SERVICE AND LICENSE AGREEMENT, LRMS Property Tax Maintenance and Support Agreement, and the LRMS CAMA Maintenance and Support Agreement contracts have been approved by the MCCC Executive Committee, CAMA User Group and Tax User Group. Please indicate which systems your county will be participating in by initialing below. The option is CAMA, Property Tax, or both.

\_\_\_\_\_(please initial) The LRMS CAMA MAINTENANCE AND SUPPORT AGREEMENT between Xerox and MCCC as approved by the CAMA User Group and MCCC Executive Committee for Maintenance & Support of CAMA in effect January 24, 2013 through December 31, 2020.

\_\_\_\_\_(please initial) The LRMS PROPERTY TAX MAINTENANCE AND SUPPORT AGREEMENT between Xerox and MCCC as approved by the Property Tax User Group and MCCC Executive Committee for Maintenance & Support of Property Tax in effect January 24, 2013 through December 31, 2020.

This Agreement commits the participating members to the financial obligations set forth in the terms of the contracts.

Signed: \_\_\_\_\_  
Board Chair

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

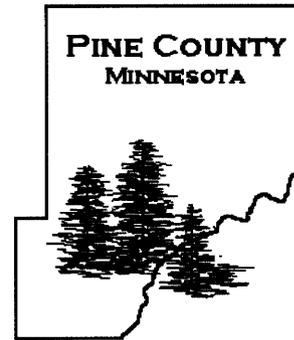
Attest: \_\_\_\_\_

Title: \_\_\_\_\_

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

# MEMO

To: Pine County Board of Commissioners  
From: Cathy Clemmer, County Auditor/Treasurer  
Kelly Schroeder, County Assessor  
Date: March 25, 2013  
Re: Pine County TAX/CAMA Systems



We are requesting the Pine County Board of Commissioners to ratify a new contract with Xerox/ACS, our current provider of our Tax and CAMA systems at the April 2, 2013 meeting. Minnesota Counties Computer Cooperative (MCCC) is the organization Pine County has been a part of for many years and manages our Tax and CAMA contracts. MCCC has been in contractual business with Xerox/ACS for over 30 years providing this software to us. The MCCC has just finished negotiating a new contract with Xerox/ACS to provide us with a new Tax and CAMA software product called LRMS, as the current product we use will no longer be supported as of 2016.

This new tax product will be installed by Hennepin County (not part of MCCC) with an expected go live date in 2014. The CAMA product will be a renewal/rewrite of their current 8.X product with rollout expected in 2015/2016. There are currently 24 counties signed to move forward with the Tax product in the cooperative and 23 counties moving forward with the CAMA product.

The cost of the contract for Pine County is \$338,867 plus project management costs (est. \$7,500). This will be payable over 3+ years as follows:

| Payment   | Amount           | Due Date                | Source               |
|---|------------------|-------------------------|----------------------|
| 7.5% due at execution of contract                           | \$25,415         | April 2013              | Compliance           |
| 7.5% due when redesign is satisfactory*                     | \$25,415         | Late 2013 or Early 2014 | Compliance or Budget |
| 7.5% due when data conversion plans are satisfactory*       | \$25,415         | 2014                    | Budget               |
| 7.5% due at acceptable of data                              | \$25,415         | 2015                    | Budget               |
| 60% due on go live  | \$203,320        | 2016                    | Budget               |
| 10% due 60 days after successful completion of installation | \$33,887         | 2016                    | Budget or Compliance |
| <b>TOTAL</b>  | <b>\$338,867</b> |                         |                      |

The two payments with asterisks' indicate items that are not payable unless satisfactory by our user group. We plan to be very active in the user group. Also, if the product is not up and running by 2016 we will get anything we have paid returned to us.

Please note, we were suppose to ratify this contract no later than March 1, 2013, however we were not comfortable with it at that time and took some time to view another product to see if that would be a better fit for us, however it was not. In 2016 our current system will no longer be supported and we will need a system, so this is the time we have to do something, as this contract will no longer be available and we will have to negotiate on our own with a company to provide these services. Also, the MCCC user group has voted to allow us to sign this contract late and waive the penalties if we sign it at our April 2, 2013 meeting.

## **LRMS PROPERTY CAMA MAINTENANCE AND SUPPORT AGREEMENT**

THIS LRMS CAMA (Computer Aided Mass Appraisal) MAINTENANCE AND SUPPORT AGREEMENT (this "Agreement") is made and entered into as of the 28th day of January, 2013 (the "Effective Date"), by and between XEROX STATE & LOCAL SOLUTIONS, INC. ("Xerox"), and the MINNESOTA COUNTIES COMPUTER COOPERATIVE ("MCCC").

WHEREAS, MCCC is a joint powers organization established and existing under Minnesota Statutes, Section 471.59 for the purpose of providing for the establishment, operation and maintenance of data processing facilities and information management systems for the use and benefit of its members;

WHEREAS, Xerox is a large system integrator engaged in the business of developing, marketing, maintaining and supporting computer programs;

WHEREAS, MCCC and an affiliate of Xerox, ACS Enterprise Solutions, LLC, formerly known as ACS Enterprise Solutions, Inc., (the "Xerox Affiliate"), have entered into a Property Tax & CAMA System Program and License Agreement dated April 14, 1988 and Addendums dated January 15, 1999 and February 2005 (jointly referred to as the "Legacy Tax & CAMA License Agreement"), and pursuant to the CAMA Maintenance and Support Agreement dated as of October 13, 2011, by and between MCCC and the Xerox Affiliate (the "Legacy Support Agreement"), the Xerox Affiliate has undertaken to support a CAMA software system conforming to certain specifications for the use and benefit of MCCC and its members (the "Legacy CAMA Software");

WHEREAS, MCCC and Xerox have entered into a Software Services and License Agreement dated as of the date hereof (the "Services Agreement") whereby Xerox has undertaken to furnish, *inter alia*, a new CAMA software system conforming to certain specifications as described in the Services Agreement for the use and benefit of MCCC and its members which ratify the Services Agreement in accordance with its terms (such system, the Land Records Management Solution CAMA System, defined herein as "LRMS CAMA System").

WHEREAS, because participating MCCC member counties will transition from the Legacy CAMA Software to the LRMS CAMA System at different times, MCCC desires to obtain for the benefit of itself and a defined set of its members certain maintenance and support services with respect to both the Legacy CAMA Software and LRMS CAMA System;

WHEREAS, Xerox proposes to furnish such maintenance and support services to MCCC, and MCCC desires to contract with Xerox to furnish the same;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants, premises and agreements contained herein, the parties agree as follows:

## **ARTICLE 1: DEFINITIONS**

As used in this Agreement, the following words and terms shall have the following respective meanings:

"Data File Change(s)" shall mean: (a) a modification or enhancement of a data file format which involves the addition of new data elements or the redefinition of existing data elements such that the length or format of that element or data file is affected; (b) deletion of existing data elements; (c) creation of a new file, modifying the usage of an existing file, or deletion of an existing file; (d) new or modified usage of a data element or the creation of new values or modification of existing values for a data element to support new or modified process logic that depends upon the content of that data element. The full scope of "Data File Changes" as described will include the required data element definition or content modifications, design preparation, development time required to modify and test all programming changes and documentation of the changes.

"Deliverable(s)" shall mean those work products and other tangible and intellectual property to be delivered by Xerox as part of its performance under this Agreement.

"Change Request(s)" shall mean changes, revisions, and/or additions to the Software which is not required as a result of changes to Minnesota state statutes or rules, regulations or requirements.

"MCCC Employees" shall mean individuals directly employed by the MCCC. This specifically excludes any vendors or contractors working on behalf of the MCCC.

"Modification(s)" shall mean changes, revisions, and/or additions to the Software, which are required as a result of changes to Minnesota State statutes, rules, regulations, or requirements relating to CAMA.

"Party" in the singular or plural usage shall mean MCCC and/or Xerox as indicated by the context.

"Software" shall mean the Legacy CAMA Software or the LRMS CAMA System, as applicable.

## **ARTICLE 2: TERM OF AGREEMENT**

The term of this Agreement shall commence on the Effective Date and will continue through December 31, 2020, unless sooner terminated as provided herein. This Agreement can be extended for additional years based on mutually agreed to pricing terms negotiated by the Parties.

## **ARTICLE 3: MAINTENANCE AND SUPPORT SERVICES TO BE PROVIDED BY XEROX**

MCCC will notify Xerox in writing of all MCCC counties that ratify this Agreement and ratify the Services Agreement with respect to the LRMS CAMA System by March 1,

2013. Once MCCC notifies Xerox of the MCCC counties that ratify this Agreement and ratify the Services Agreement with respect to the LRMS CAMA System by March 1, 2013, such ratifying counties shall comprise the "CAMA User Group." Xerox's obligations under this Agreement shall be subject to the minimum fixed price condition precedent described in Article 3 of the Services Agreement. In the event that this minimum fixed price condition precedent is not satisfied and Xerox does not waive the condition precedent, this Agreement shall automatically terminate without penalty to either party and be of no further force and effect. Post-ratification membership in the CAMA User Group is irrevocable during the Term, other than any reductions required for members terminated by Xerox as provided herein, and MCCC agrees to compensate Xerox for such counties in accordance with Exhibit B – Applicable Charge. MCCC agrees that each member of the CAMA User Group who ratifies this Agreement will be bound by the general terms and conditions specified herein, including but not limited to, the service provision terms contained in Exhibit A.

Throughout the term of this Agreement, Xerox will furnish the support services described in Exhibit A – Statement of Work with respect to the LRMS CAMA System for those members of the CAMA User Group who are live on the LRMS CAMA System (using the LRMS CAMA System as their main production CAMA system), .

Beginning on January 1, 2017, Xerox will furnish the support services described in Exhibit A – Statement of Work with respect to the Legacy CAMA Software for those members of the CAMA User Group who are not yet migrated to running live on the LRMS CAMA System (they are continuing to operate the Legacy CAMA Software as their main production CAMA system). Until all members of the CAMA User Group have migrated to running live on the LRMS CAMA System, Xerox shall provide all members of the CAMA User Group with the same Legacy CAMA Software update releases that are provided to those members of the CAMA User Group that have not migrated to running live on the LRMS CAMA System. Xerox shall not be obligated to provide any other support services with respect to the Legacy CAMA Software to an MCCC member county after such MCCC member county migrates to running live on the LRMS CAMA System.

In addition to the above commitments, Xerox has negotiated and agrees to formalize and obtain assignments of the Legacy Support Agreements for Legacy Software support and related services from the Xerox Affiliate as soon as reasonably practical. The MCCC agrees to provide its consent to such assignments.

#### **ARTICLE 4: PRICING AND PAYMENT TERMS**

Subject to the other provisions of this Agreement, MCCC will pay Xerox for each member of the CAMA User Group in accordance with the payment terms set forth in Exhibit B – Applicable Charges.

Xerox will issue invoices to MCCC in advance for the following calendar quarter in connection with support and maintenance services. Each invoice will be issued during the first week of the month immediately prior to the beginning of each quarterly period (December for the first quarter, March for the second quarter, June for the third quarter,

and September for the fourth quarter), and will set forth the quarterly flat fee for all maintenance and support charges.

Xerox will issue monthly invoices to MCCC for all other amounts due pursuant to this Agreement. This invoice will separately itemize all charges for time spent by Xerox in providing other services hereunder, including: (a) the dates upon which such other services were provided; (b) a list of the individuals providing the services, along with the amount of time spent by each individual in providing such other services on such date; (c) the member of the CAMA User Group to which such services were provided; (d) the charges for services provided on each such date to each such member; and (e) the Change Request(s) authorizing such services.

MCCC will pay all such invoices in full within forty-five (45) days from the date of issuance of the invoice, other than any portion subject to a pending bona fide dispute. Any amount not paid when due will accrue interest at the rate of one percent (1%) per month until fully paid, starting on day 60.

#### **ARTICLE 5: RESPONSIBILITIES OF MCCC**

- 5.1 Throughout the term of this Agreement, MCCC will make a “best effort” to ensure that no modifications or enhancements are made to the Software in use by any Member of the Xerox CAMA User Group except for modifications and enhancements made or consented to by Xerox pursuant to this Agreement. Notwithstanding any other provision of this Agreement, Xerox shall have no obligation to provide any services specified in this Agreement with respect to any version of the Software which has been modified or otherwise altered by anyone other than Xerox or as specifically authorized by Xerox.
- 5.2 MCCC and its CAMA User Group member counties agree: (i) to keep network and operating system environments updated to the current version recommended by Xerox and approved by MCCC (which approval will not be unreasonably withheld) for provision of the maintenance and support of the LRMS CAMA System; and (ii) with respect to CAMA User Group member counties that have not yet migrated to the LRMS CAMA System (as described in Article 3 and Exhibit B of this Agreement), install: (a) any and all future IBM iSeries Operating System Version/Release Levels and appropriate PTFs on a schedule to be agreed upon by both parties, and (b) third-party software on a schedule to be agreed upon by both parties.
- 5.3 Throughout the term of this Agreement, the CAMA User Group shall provide timely approval to assure that Xerox can develop, test, install and support all Modifications to the Software to comply fully with all Minnesota state statutes, rules, regulations, and requirements regarding property appraisal, CAMA assessment, calculation or collection or regarding the performance by county auditors, treasurers and assessors (or their functional equivalents) of their legal responsibilities to administer the CAMA system, as part of the included support services hereunder.

- 5.4 All members of the CAMA User Group will be responsible for using the Software in a manner consistent with the agreed upon design and specifications. If Xerox determines that a member of the CAMA User Group is using the Software in a manner inconsistent with its design, Xerox shall first provide written notice and a recommended cure to MCCC and the member county. If the member county does not comply with the recommendation, Xerox may at its discretion and after written notification is provided to the MCCC, discontinue support for that member for the inconsistent Software component(s).

**ARTICLE 6: XEROX WARRANTIES**

Xerox warrants that all services will be provided in a lawful, professional, good and workmanlike manner, by qualified personnel, and in accordance with generally applicable industry standards, and that all software code and other deliverables to be created and provided hereunder shall be free of infringement or other claims by third parties. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS SECTION, ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED, AS ARE ANY CLAIMS FOR INDIRECT AND/OR CONSEQUENTIAL DAMAGES.

Software that has been altered by any party other than as authorized by Xerox cannot be warranted by Xerox. MCCC will designate the single version of each application that Xerox is to support. All Xerox costs associated with learning, testing and fixing unauthorized altered software will be borne by MCCC at the hourly rates stated, provided that MCCC has pre-authorized, in writing, all such obligations. Xerox will provide estimates to MCCC of such costs so that MCCC can determine appropriate action.

**ARTICLE 7: INDEMNIFICATION & LIMITATION OF LIABILITY**

**7.1 Indemnification**

Xerox will protect, defend, indemnify, and save whole and harmless the MCCC and all of its members, officers, directors, employees, contractors or other personnel or agents from and against:

1. Any claims, including any third party claims, to the extent caused by a breach of express warranty, or by the tortious acts or omissions of Xerox, its employees, contractors or other personnel in performing this Agreement;

2. Any claims, including any third party claims relating to the willful or fraudulent misconduct of Xerox, its employees, contractors or other personnel in performing this Agreement;

3. Any claims, including any third party claims relating to an actual infringement of any United States patent, copyright, or any actual trade secret misappropriation, by Xerox, its employees, contractors or other personnel in connection with the performance of the Services.

Xerox will have a right of contribution from MCCC with respect to any claim to the extent MCCC is responsible for contributing to the alleged injury.

## **7.2 Limit on Types of Damages Recoverable**

NOTWITHSTANDING ANYTHING TO THE CONTRARY ELSEWHERE IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, AND EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OTHER THAN EXEMPLARY OR PUNITIVE DAMAGES AWARDED BY A COURT OF COMPETENT JURISDICTION AGAINST XEROX AS PART OF ANY MCCC CLAIM BASED ON THE WILLFUL OR FRAUDULENT CONDUCT OF XEROX, OR FOR ANY ADDITIONAL EXPENSES OR DAMAGES ATTRIBUTABLE TO PROCURING SUBSTITUTE SERVICES FOLLOWING AN UNCURED DEFAULT BY XEORX UNDER SECTION 8.1 BELOW.

## **7.3 Limit on Amount of Direct Damages Recoverable**

XEROX'S TOTAL CUMULATIVE, AGGREGATE LIABILITY TO MCCC FOR ANY AND ALL CLAIMS, DAMAGES, CAUSES OF ACTION, EXPENSES OF ACTION, LIABILITIES OF ANY KIND, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE GREATER OF THE FOLLOWING DOLLAR AMOUNTS: (1) APPLICABLE INSURANCE CLAIMS PROCEEDS UNDER POLICY COVERAGE REQUIRED UNDER THIS AGREEMENT, IF ANY; OR (2) THE U.S. DOLLAR EQUIVALENT OF TWO TIMES THE TOTAL VALUE OF THIS ENTIRE CONTRACT FOR PRODUCTS OR SERVICES TO BE PROVIDED TO AND ACCEPTED BY MCCC PURSUANT TO THIS AGREEMENT.

MCCC'S TOTAL CUMULATIVE, AGGREGATE LIABILITY TO XEROX FOR ANY AND ALL CLAIMS, DAMAGES, CAUSES OF ACTION, EXPENSES OF ACTION, LIABILITIES OF ANY KIND, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE U.S. DOLLAR EQUIVALENT OF THE TOTAL AMOUNT DUE XEROX FOR PRODUCTS OR SERVICES PROVIDED TO AND ACCEPTED BY MCCC PURSUANT TO THIS AGREEMENT.

## **7.4 Force Majeure**

Neither party will be liable for any failure or delay in the performance of its obligations under this Agreement, if any, to the extent such failure is caused, directly or indirectly, without fault by such party, by: fire, flood, earthquake, elements of nature or acts of God; labor disruptions or strikes; acts of war, terrorism, riots, civil disorders, rebellions or revolutions; quarantines, embargoes and other similar governmental action; or any other cause beyond the reasonable control of such party. Events meeting the criteria set forth above are referred to collectively as "Force Majeure Events."

Upon the occurrence of a Force Majeure Event, the non-performing party will be excused from any further performance or observance of the affected obligation(s) for as long as such circumstances prevail and such party continues to attempt to recommence performance or observance whenever and to whatever extent possible without delay. Any party so delayed in its performance will immediately notify the other by telephone or by the most timely means otherwise available (to be confirmed in writing within five (5) Business Days of the inception of such delay) and describe in reasonable detail the circumstances causing such delay. Any Force Majeure Event asserted by a non-performing party that remains in effect for more than 30 days will entitle the other party to terminate this Agreement for its convenience.

## **ARTICLE 8: TERMINATION FOR DEFAULT**

### **8.1 Events of Default**

Except where provided otherwise herein to the contrary, Xerox shall be deemed to be in default in its performance hereunder if Xerox fails in any respect to perform any material obligation under this Agreement and does not cure such failure within thirty (30) days, after written notice by MCCC specifying in detail the claimed failure and any requested cure for curable defaults. MCCC will be deemed in default if it fails to pay when due undisputed amounts owed to Xerox, and MCCC fails to cure such failure within thirty (30) days, after written notice by Xerox.

### **8.2 Remedies**

In the event of default by Xerox as described in paragraph 8.1, MCCC may, at its option:

1. terminate this Agreement by written notice to Xerox and have such other and further remedies as may be available to MCCC at law or in equity as a result of Xerox's failure or delay in performing hereunder;
2. maintain this Agreement in effect, cover for Xerox's failure or delay in performing hereunder, and have such other and further remedies as may be available to MCCC at law or in equity as a result of Xerox's failure or delay in performing hereunder; or
3. Maintain this Agreement in effect, await performance by Xerox, and have such other and further remedies as may be available to MCCC at law or in equity as a result of Xerox's failure or delay in performing hereunder.

In the event of default by MCCC, Xerox will have the option, but not the obligation, to terminate this Agreement and have such other and further remedies as may be available to Xerox at law or in equity as a result of MCCC's failure.

## **ARTICLE 9: RISK OF LOSS AND INSURANCE**

### **9.1 Risk of Loss Prior to Final Acceptance**

Until such time as MCCC has finally accepted each Modification and Change Request to be furnished by Xerox hereunder, including all Deliverables, Xerox will bear the entire

risk of loss of or damage to all Xerox's work in process and all of Xerox's related Deliverables. Xerox will take commercially reasonable precautions during the term of this Agreement to minimize the risks of loss or damage, including but not limited to regular backups and off site/remote access storage of work product created or modified hereunder.

## **9.2 Insurance Requirements**

Xerox shall furnish MCCC an original standard ACORD form type certificate of insurance for any type of insurance required to be carried by Xerox under this Agreement, and/or required in order to comply with any State or federal law or regulation applicable to this Agreement before work commences. Insurance companies must be authorized to do business in the State of Minnesota. The certificate of coverage must be provided to MCCC within thirty (30) days after the Effective Date or prior to commencement of any work covered by that insurance under this Agreement, whichever occurs first. Xerox shall provide at least ten (10) business day's prior written notice to MCCC of any pending or proposed cancellation and shall include MCCC as an additional insured for claims caused by the negligent acts or omissions of Xerox in relation to commercial general liability and business automobile liability, which may be met through a blanket additional insured basis.

The MCCC and User Group member counties must be listed as an Additional Insured for claims caused by the negligent acts or omissions of Xerox in relation to commercial general liability, as well as business automobile liability, which may be met through a blanket insured basis.

MCCC shall have the right to immediately terminate this Agreement with notice and pursue available legal remedies if Xerox does not provide the required ACORD certificates, or is otherwise not in compliance with the insurance requirements in this Section. At its sole option, MCCC may also obtain replacement coverage at any time and at the expense of Xerox upon discovery of any failure to maintain any coverage required under this Section. Xerox shall require its agents and subcontractors to also carry and maintain the insurance required under this Section.

Specifically, unless otherwise required by law or regulation, Xerox shall maintain and furnish satisfactory evidence of the following insurance coverage, standards, and rights:

- (a) **Workers' Compensation Insurance:** Xerox will provide Workers' Compensation insurance for all Xerox employees and, in case any work is subcontracted, Xerox will require each subcontractor to provide any applicable required Workers Compensation insurance in accordance with the statutory requirements of the state of Minnesota. Employer's Liability Coverage minimum limits shall be in each case, the greater of the minimum coverage requirements of Minnesota law, or any of the following:

Bodily Injury by Accident: \$500,000 each accident.

Bodily Injury by Disease: \$500,000 each employee.

Bodily Injury by Disease: \$500,000 policy limit.

- (b) **Commercial General Liability:** Xerox will maintain insurance protecting Xerox and MCCC from claims for damages for bodily injury, including death, as well as from claims for property damage including loss of use which may arise from operations under this Agreement, by Xerox employees providing services under this Agreement. Unless otherwise specified within this Agreement, the Xerox insurance minimum amounts will be \$1,500,000 per occurrence and \$3,000,000 general aggregate – combined single limit.

In addition, the coverage for bodily injury and property damage, products and completed operations liability, blanket contractual liability, and personal and advertising injury should be included.

- (c) Commercial Automobile Liability: If any business vehicles are used by Xerox for business purposes during this Agreement, Xerox will maintain business automobile liability insurance. Unless otherwise specified within this Agreement, the minimum insurance coverage amount will be one million and five hundred thousand dollars (\$1,500,000) per accident or occurrence combined single limit for bodily injury and property damage. In addition, the coverage for owned, hired, and non-owned vehicles should be included.
- (d) Professional Errors and Omissions Liability Insurance: Unless otherwise specified within this Agreement, Xerox insurance minimum limits will be as \$2,000,000 per claim and \$4,000,000 annual aggregate. This coverage shall include loss, due to the negligent acts, errors, or omissions of Xerox in providing the Services.
- (e) Xerox must include legal defense within the liability policy limits; and shall obtain insurance policies from an insurance company having an "AM BEST" rating of A- VIII or better.

## **ARTICLE 10: DISPUTE RESOLUTION**

### **10.1 Alternative Dispute Resolution**

Except for any disputes involving the actual or potential disclosure or other unauthorized use of any trade secret or other confidential information, which may be filed at any time and in any court of competent jurisdiction, any dispute between the parties arising out of this Agreement, its performance or its claimed breach by either party shall be referred in the first instance to the Parties' respective Project Managers for resolution. If the parties' Project Managers are unable to agree on a resolution to such dispute within five (5) working days from the date upon which it is referred to them, it shall be referred to Xerox Senior Management and the MCCC Executive Committee for resolution. If Xerox Senior Management and the MCCC Executive Committee are unable to agree on a resolution to such dispute within five (5) working days from the date upon which it is referred to them, the Parties will make a good faith effort to agree upon a further process for resolving it. If the dispute is not resolved and agreement upon a process for resolving it is not reached within ten (10) working days after the dispute is referred to the parties' respective Project Managers, the Parties shall, within ten (10) working days, commence a mediation session by notice of selection of a third party, neutral mediator and a proposed time and date for the mediation. If the other Party does not propose an alternative mediator, then the mediation shall occur before the first named mediator proposed. If the other party does propose an alternative mediator, then the two proposed shall promptly jointly select a third party, neutral to act as the sole mediator. The mediation shall take place in Minnesota and all mediator fees shall be equally shared by the Parties. If the Parties are able to reach a resolution of the dispute, the resolution so reached shall be memorialized in writing and shall, upon the mutual written consent of both Parties, become part of this Agreement. If the Parties are unable to resolve the dispute through mediation, either Party shall be free to terminate mediation and commence suit against the other with respect to the subject matter of the dispute. The running of any statute of limitations or other limitation period applicable to any particular dispute shall be tolled

for a period of thirty (30) days from the date upon which that dispute is first referred the parties' Project Managers for resolution.

**ARTICLE 11: RESTRICTION ON SUBCONTRACTING**

Xerox will not subcontract with any other person, party or entity for the performance of Xerox's obligations under this Agreement without the prior written consent of the MCCC. For the avoidance of doubt, the use of contracted labor shall not constitute subcontracting for purposes of this provision, provided that all subcontracted labor has been provided with a copy of this Agreement (with pricing redacted) and has agreed in writing to the intellectual property assignments and other undertakings for Deliverables provided hereunder, and provided further that the use of contract labor by Xerox shall in no manner alter, modify or limit its full liability and obligations under this Agreement.

**ARTICLE 12: PROVISION OF XEROX MAINTENANCE AND SUPPORT SERVICES FOR THE MCCC LRMS**

Xerox may, at its discretion, provide maintenance, support, or services to any county that is not a member of the CAMA User Group.

**ARTICLE 13: NON-DISCRIMINATION**

In carrying out the terms of this Agreement, Xerox shall not discriminate against any employee, applicant for employment or other person, supplier or contractor because of race, color, religion, gender, sexual orientation, marital status, national origin, disability or public assistance.

**ARTICLE 14: GENERAL TERMS**

**14.1 Relationship between the Parties**

Nothing in this Agreement shall be construed as creating any joint venture, partnership, employment or agency relationship between the parties for any purpose whatsoever or as constituting either party as the legal representative of the other, and neither party shall have the right or the authority to assume, create or incur any liability or obligation of any kind, express or implied, against or in the name of or on behalf of the other.

**14.2 Notices**

Any notices required or permitted with regard to core terms or conditions of this main agreement (Articles 1 through 14 hereunder) shall be in writing and shall be deemed to have been received when personally delivered in writing, as evidenced by automated, verifiable delivery receipt; or seventy-two (72) hours after it has been deposited in the United States Mail, registered or certified, postage pre-paid, properly addressed to the party to whom it is intended at the address set forth below or to such other contact or at such other address of which notice is given in accordance herewith:

If to MCCC:

MCCC  
Attn. Executive Director  
100 Empire Drive Suite 201  
St. Paul, MN 55103

If to Xerox:

Xerox  
Attn. Director – CAMA Systems  
130 Division Street  
Waite Park, MN 56387

With Copy to:

Xerox State & Local Solutions, Inc.  
Attn. Contracts  
8260 Willow Oaks Corporate Drive  
Fairfax, VA 22031

As a point of clarification, any notices necessary with regard to the normal services delivered as a result of day to day operations provided under the Statement of Work (Exhibit A) or Applicable Charges (Exhibit B) may be made in writing, by email or facsimile and will be deemed received by the other party, as long as similar correspondence from the other party regarding the notice has been acknowledged. For example, formal proposal and acceptance of any change orders or similar project operational documents may be executed between the parties via email or facsimile.

#### **14.3 Non-Waiver and Culmination of Remedies**

The failure by either Party at any time to enforce any of the provisions of this Agreement or any right or remedy available hereunder or at law or in equity, or to exercise any option herein provided, shall not constitute a waiver of such provision, right, remedy or option or in any way affect the validity of this Agreement. The waiver of any default by either Party shall not be deemed a continuing waiver, but shall apply solely to the instance to which such waiver is directed. The remedies provided under this Agreement shall be cumulative and not alternative, and the election of any one remedy for breach shall not preclude the pursuit of other remedies.

#### **14.4 Assignment**

Neither Party may assign, voluntarily or by operation of law, any of its rights or obligations under this Agreement without the prior written consent of the other Party, while consent shall not be unreasonably withheld or delayed; provided, that either may assign its rights and obligations under this Agreement to an affiliate, or to an entity which acquires all or substantially all of the assets or voting stock of that party if such affiliate or entity can demonstrate to the reasonable satisfaction of the other party that it has the ability to fulfill the obligations of the assigning party under this Agreement.

#### **14.5 Choice of Law and Venue**

This Agreement shall be governed by and interpreted, construed, and enforced in accordance with the laws of the State of Minnesota. The venue of any action arising out

of or relating to this Agreement, its performance, enforcement or breach, will be in a state or federal court situated within the State of Minnesota, and Xerox. Its sureties and guarantors hereby irrevocably consent and submit themselves to the personal jurisdiction of said courts for such purposes.

#### **14.6 Severability**

Every provision of this Agreement shall be construed, to the extent possible, so as to be valid and enforceable. If any provision of this Agreement so construed is held by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, such provision shall be deemed severed from this Agreement, and all other provisions shall remain in full force and effect, provided, however, that the Court shall have the right to reform such provision in a similar or like manner so as to render the same enforceable.

#### **14.7 Binding Effect and Benefit**

This Agreement shall be binding upon and inure to the benefit of Xerox and MCCC, and their respective successors and permitted assigns.

#### **14.8 Survival**

The termination of this Agreement for any reason shall not affect: a) the rights and obligations of the parties under Articles 7 and 8, b) the obligations of the Parties to account for and pay to another any amounts for which the Parties are obligated to one another by virtue of transactions or events which occurred prior to the effective date of termination; or c) any other liability or obligation which either party has to the other under this Agreement and which by its nature would be expected to survive termination, and all of which shall hereby expressly survive termination.

#### **14.9 Government Data Practices**

Xerox may create, modify or have other access to valuable MCCC and/or MCCC member trade secrets or other confidential data collected or maintained by the MCCC and/or MCCC members to the extent necessary to perform its obligations under this agreement. To the extent applicable, each Party shall comply with any applicable provisions of Minnesota's Government Data Practices Act, Minnesota Statutes, Chapter 13, ("MGDPA") with respect to any data provided by MCCC and/or MCCC members to Xerox, and Xerox, to the extent it creates, collects, receives, stores, uses, maintains or disseminates data in the performance of its functions under the Agreement must comply with the requirements of the MGDPA as if it were a government entity. The civil remedies of Minnesota Statutes §13.08 applied to the release of the data referred to in this clause by either Xerox or the Xerox CAMA User Group.

Xerox also agrees to indemnify, save, and hold the MCCC and/or MCCC members harmless from all claims arising out of, resulting from, or in any manner attributable to any violation, by Xerox, of any provisions of the MGDPA, including legal fees and disbursements paid or incurred to enforce this Section. In the event that Xerox subcontracts any or all of the work to be performed under this agreement, Xerox shall retain responsibility under the terms of this Section for such work.

MCCC also agrees to indemnify, save, and hold Xerox harmless from all claims arising out of, resulting from, or in any manner attributable to any violation, by MCCC, of any provisions of the MGDPA, including legal fees and disbursements paid or incurred to enforce this Section.

**14.10 Entire Agreement**

This Agreement sets forth the entire agreement and understanding between Xerox and the MCCC regarding the subject matter hereof and supersedes any prior representations, statements, proposals, negotiations, discussions, understandings, or agreements regarding the same subject matter. This Agreement may not be modified or amended except by a written amendment signed by both parties. To the extent of any inconsistency or conflict between the provisions of this Agreement and the Services Agreement, the provisions of the Services Agreement shall control.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**Xerox**

By Michael L. Moore

Print Name MICHAEL L. MOORE

Print Title SVP, MANAGING DIRECTOR

Date 1/28/13

**MCCG**

By Gary Gross

Print Name Gary Gross

Print Title CAMA Chair

Date 1-24-13

By Lisa C. Meredith

Print Name Lisa C. Meredith

Print Title MCC Executive Director

Date 1/24/2013

By Dayle E. Moore

Print Name DAYLE E. MOORE

Print Title MCCC Executive Chair

Date 1/25/2013

**Exhibit A**  
**Statement of Work for Xerox LRMS**

**1. Maintenance of Xerox Minnesota Facility**

Xerox will:

- maintain an appropriate environment for use by Xerox in performing its obligations under this Agreement;
- employ an adequate backup scheme for the Software, including object code, source code and all pertinent user documentation;
- make its computer facility available on a best efforts basis to any member of the CAMA User Group as a back-up facility in the event that the computer facility of such member of the CAMA User Group becomes temporarily inoperative. A CAMA User Group member will pay an additional fee, at mutually agreed upon competitive market rates, for the actual use of the Xerox facility.

**2. Correction of Program and Documentation Defects**

Xerox will:

- a. Provide problem determination, investigation, and program error correction for verified program errors on the then current release of the Software at no additional charge to the MCCC.
- b. Provide data repairs for members of the CAMA User Group's data files and records on a "best efforts" basis for data problems caused by the Software at no additional charge to the MCCC.
- c. Provide data repairs for members of the CAMA User Group's data files and records on a "best effort" basis for data problems not caused by the Software at the hourly rate of 75% of the Xerox then current billing rate. Xerox includes in the category "data problems not caused by the Software" any data corruption or integrity problems caused by, but not limited to the following:
  - (1) Equipment malfunction or failure.
  - (2) Failure of the member of the CAMA User Group to follow procedures and/or instructions contained in the documentation provided by Xerox .
  - (3) Failure by the member of the CAMA User Group to follow procedures and/or instructions contained in documentation provided by applicable hardware vendors or failure to follow accepted operating practices (for example, failing to routinely prepare backup data files, powering off or interrupting equipment while programs are executing, etc.).
  - (4) Use of programs, including program modifications, other than those provided or authorized by Xerox with the Software.

**3. Maintaining Compliance with Minnesota Law**

Xerox, in conjunction with the CAMA User Group and individual counties where appropriate, will define, develop, test and install all Modifications necessary to make the Software comply with Minnesota State statutes, rules, regulations and requirements. In the event that the CAMA User Group and Xerox disagree on these requirements the

Minnesota DOR (Department of Revenue) will be consulted for additional direction.

#### **4. Modifications Necessitated by Changes in Minnesota Law**

The CAMA User Group will transmit the text of any changes in Minnesota statutes or Department of Revenue rules, regulations or requirements regarding CAMA assessment, calculation or collection or regarding the performance by county auditors, treasurers or assessors (or their functional equivalents) of their legal responsibilities to administer the CAMA system to Xerox. Xerox shall notify the CAMA User Group in writing whether any changes in Minnesota state statutes, rules, regulations, or requirements relating to CAMA will require modifications to the Software and will furnish the MCCC with a proposed written Design Document specifying all such Modifications to the Software and setting forth Xerox's proposed timetable for implementation and installation of the same. After receiving each such proposed Design Document the MCCC will notify Xerox in writing whether they accept or reject such proposed Design Document or the MCCC may provide acceptance or rejection by formal action of the MCCC. The MCCC will be deemed to have rejected any such proposed Modification as to which it does not give notice of acceptance within 15 working days, and the parties will resolve any such Modifications impasse in the manner identified in Section 10 of the Agreement.

#### **5. Client Support**

Xerox will provide MCCC and the members of the CAMA User Group with Software support as follows:

- a. Xerox employees knowledgeable with respect to the Software and its operation will be available during normal business hours to respond to inquiries by MCCC and members of the CAMA User Group to provide assistance in the operation and use of the Software. The average response time for these Support calls will be under 4 business hours. The "average" resolution time will be under 16 business hours. "Normal business hours" mean the hours of 7:30 AM to 5:00 PM Central Time, Monday through Friday, excluding holidays observed by Xerox. These statistics will be measured on a rolling 3 month evaluation period. **Xerox will use its best efforts to respond to calls for assistance in as short a timeframe as reasonably possible.**
- b. Xerox will make reasonable efforts to provide the support service described in paragraph 5.a outside of normal business hours as requested by a member of the CAMA User Group in order to fulfill its legal responsibilities to administer the CAMA system.
- c. A summary of calls by County will be made available for each monthly meeting of the CAMA User Group.
- d. Xerox will be offered remote dial in capability to client systems to facilitate problem resolution (web-based connection) as required.

- e. Xerox will offer the members of the CAMA User Group the ability to enter Support calls through its WebConnect product or its successor.

## **6. Attendance at CAMA User Group and Advisory Committee Meetings and CAMA User Group Annual Meeting**

Xerox will attend each meeting of the CAMA User Group and each meeting of the Cama Advisory Committee. For purposes of this Agreement, the “Cama Advisory Committee” is a group of individuals appointed by the member counties of the CAMA User Group. Xerox will make every effort to attend meeting of subcommittees of the Cama Advisory Group when requested. Xerox’s attendance at all meetings is at Xerox’s expense and will not reduce Base Hours.

## **7. User and Software Documentation**

User and Software documentation will be kept up-to-date and released to users on a timely basis.

## **8. MCCC Change Request (CR)**

Throughout the term of this Agreement MCCC may, from time to time, request desired enhancements to the Software by submitting a written CR to Xerox. Upon submission of a CR by MCCC, the parties will work together in an effort to arrive at a mutually acceptable CR fully describing the enhancement. The process for development of CRs is:

- a. CAMA User Group member submits a CR describing the request to MCCC.
- b. MCCC forwards the CR to Xerox for assignment of a CR Number.
- c. Cama Advisory Committee authorizes Xerox to develop a Design Document and/or Quote for development of the enhancement.
- d. For larger enhancements Xerox may require approval of a Quote by the Cama Advisory Committee to compensate Xerox for the development of the Design Document.
- e. Xerox develops the Design Document and/or development Quote and submits same to Cama Advisory Committee for approval.
- f. Upon approval of the Design Document and/or Quote Xerox develops the enhancement.

## **9. Deliverables for a Change Request (CR)s**

- a. Xerox will release all Software and documentation via the Xerox website unless the nature of the release makes this impossible.
- b. Xerox will deliver an archive of the Software source code to an escrow account for the MCCC on a quarterly basis or upon request by MCCC. Such escrow agreement shall be in the form as set forth in the Services Agreement.

- c. The Design Document presented to MCCC for each CR will include an Estimated Delivery Date.

## **10. Alpha testing of Change Requests**

- a. The Design Documents prepared by Xerox for the deliverables described in 5.3 will include an Alpha Test Plan document. These test plans will describe the alpha testing environment consisting of:
  1. Associated testing documentation
  2. Testing prerequisites
  3. Other required software releases
  4. Testing file sets
  5. Specific functions to be tested
- b. As a part of the Design Review MCCC will forward to Xerox any specific testing considerations that should be added to the Alpha Test Plan.
- c. Xerox Technical and Support staff members will use the Alpha Test Plan as a roadmap for testing the deliverable.
- d. The Test Plan will be presented to Xerox Tax beta test counties at the time the programs are released for Beta testing as a guideline for Beta testing.
- e. Xerox will make every effort to use the alpha test data set supplied and maintained by the CAMA User Group.
- f. Wherever possible Xerox will perform regression testing for each deliverable during the alpha testing process.

## **11. Beta Testing of Change Requests**

### **a. Getting Beta Testers**

1. Xerox should provide MCCC the following message for each beta test release at least two weeks prior to the release being ready to beta test:
  - Name of Release
  - Items changed and what needs to be tested
  - Date Ready for Beta Release
  - Deadline for Beta Sign Off
  - Scheduled General Release Date
  - Xerox Contact
2. MCCC will distribute the message (as defined above) to the CAMA User Group and request that beta testers contact Xerox directly. Xerox should contact MCCC with a follow up email one week before the scheduled beta testing release if there are not the required three testers. MCCC will work with the Cama Advisory Committee representatives to get the remaining required testers and notify Xerox.

### **b. Beta Testing**

1. Xerox will notify the beta testers when the beta release library and supporting documentation are available on the website. The notice will also include who the Xerox contact person is.
2. Counties that are beta testing are only expected to test the circumstances

they have in their county.

3. When issues are discovered as part of testing, the beta test county will call Xerox who will create a Connect Care case and also put the call directly to the Xerox contact person.

4. Xerox will post information in sufficient detail on the open case support file so that the other beta testers or interested parties can tell when the issue is and how it was resolved. This support file will remain open until MCCC notifies Xerox that the program should be released.

5. Beta testing counties are expected to test the programs diligently as soon as they receive the beta release.

#### **d. Signoff and Release**

1. When a beta test county has successfully completed testing, they should send a signoff to MCCC.

2. When MCCC receives signoffs from each of the beta testers, they will forward a copy to Xerox. Once all beta tester signoffs have been received, MCCC will notify Xerox that the program should be released.

3. All major issues should be resolved before a beta test county signs off on the testing. Minor issues can be noted on the signoff. These issues should be forwarded to other beta testers and the Legislative Review Committee (LRC).

4. If a beta test county will be unable to meet the target completion date, as soon as this is known, the county should notify MCCC of this fact and why they are unable to provide signoff. If known, the county can provide an estimate of when testing will be completed. This may not be known if Xerox is trying to resolve outstanding issues.

5. If beta testing will not be completed by the deadline;

- If MCCC is notified that one or more beta test counties will not complete their testing by the target completion date, MCCC will notify Xerox and the CAMA User Group Chair to determine if we need a replacement tester.
- If Xerox has received no contact from one or more of the beta testers, Xerox should contact MCCC, and MCCC will contact the beta testing counties and provide Xerox with an update.
- If some signoffs have been received, but not all – MCCC will notify the CAMA User Group Chair. The CAMA User Group Chair, after consultation with the LRC will determine if the programs should be released without further testing. As always, this decision can also be made by the Cama Advisory Committee. MCCC will notify Xerox in writing to send the release based on the decision of the participating parties.

## **12. Schedule of Deliverables**

At the November meeting of the Cama Advisory Committee, ACS will deliver to the Cama Advisory Committee a Project Schedule outlining the following Functions, Deliverables, and the Target Dates for delivery:

1. Township Averages Report (currently the only item on the schedule)
2. State Law or MN Department of Revenue requirements resulting in required reports
3. Other items as agreed to by ACS and the Cama Advisory Committee

ACS and the Cama Advisory Committee will agree upon deliverable dates. No action on the part of the Cama Advisory Committee within 15 days of receipt of the report from ACS will constitute acceptance of the schedule.

## **13. Current Versions of the IBM Operating System**

For members of the CAMA User Group that have not migrated (as described in Article 3 and Exhibit B of the Agreement) to the LRMS CAMA System, Xerox agrees to install on Xerox's systems: (1) any and all future IBM iSeries Operating System Version/Release Levels and appropriate PTFs after Xerox and the CAMA User Group members agree on a schedule; and (2) third-party software after Xerox and the CAMA User Group members agree on a schedule.

## **14. Project Management**

MCCC and Xerox shall each appoint a part-time Project Manager who shall be responsible on behalf of his/her principal for serving as its principal liaison with the other Party, for generally overseeing the performance of the parties hereunder, and for performing such other functions of Project Manager as are provided elsewhere herein.

## **15. Minnesota Tax Law Modifications**

Notwithstanding any other provision of this Agreement, for those members of the CAMA Uses group that have migrated (as described in Article 3 and Exhibit B of the Agreement) to the LRMS CAMA System, Xerox also agrees to provide all Modifications to the LRMS CAMA System for the implementation of Minnesota tax law changes as part of the quarterly flat fee support services. Xerox and the MCCC Legislative Review Committee (LRC) will review and make recommendation for modifications to the LRMS CAMA System required for tax law changes to the MCCC and the Cama Advisory Committee for approval.

## **16. Exclusion of Data File Changes**

The following section applies only to members of the CAMA User Group that have not migrated (as described in Article 3 and Exhibit B of the Agreement) to the LRMS CAMA System.

- a. In each year of this Agreement, Xerox will provide up to 150 hours of technical/support time related to Data File Changes in the Legacy CAMA Software. MCCC will compensate Xerox for any Data File Change hours in excess of the 150 hour Xerox responsibility at the rates set forth in Exhibit B. Xerox shall invoice MCCC for any Data File Change hours expended in excess of the 150 hour Xerox allocation following the end of that particular Data File Change hour accounting year. If a final accounting is not available by June 1, Xerox will provide an estimated amount.
- b. Data File Change hours accounting for any given year will begin with the first Data File Change hour of the accounting year (currently the Township Averages Report) and continue through the final Data File Change hour of the accounting year (currently the Township Averages Report). Unused Data File Change hours may carry over for only one (1) year. Xerox shall provide the Cama Advisory Committee monthly, at the meeting of the Cama Advisory Committee, a report of the Data File Change hours expended during the current Data File Change hour accounting year. Unused Data File Change hours remaining at the expiration of this Agreement shall expire.
- c. The full scope of the amount of time that will be attributed to Data File Changes as described will include the required data element definition, content modifications, development time required to modify / test all programming changes and documentation alterations.
- d. Xerox will notify MCCC in the event that hours are required to perform Data File Changes.

**Exhibit B**  
**Applicable Charges**

**Flat Fee Maintenance and Support Price**

Unless otherwise agreed to in writing, the MCCC per county quarterly price to be paid to Xerox by MCCC for all services to be provided by Xerox under this Agreement, exclusive of approved Change Requests, are as follows:

**Legacy CAMA Software Support**

Beginning on January 1, 2017, for those MCCC member counties who are members of the CAMA User Group, but who, as of the beginning of the month immediately preceding the applicable calendar quarter, are not yet migrated to running live on the LRMS CAMA System (they are continuing to operate the Legacy CAMA Software as their main production CAMA system), MCCC shall pay Xerox the following quarterly maintenance & support fees. Xerox and MCCC will adjust the list of MCCC member counties in the CAMA User Group that are still operating live on the Legacy CAMA Software on a quarterly basis. Notwithstanding the foregoing, for counties who are members of the CAMA User Group that are not live on the LRMS CAMA System by December 31, 2018, MCCC shall pay the Legacy CAMA Software maintenance & support fees for such counties for each quarter in calendar years 2019 and 2020, regardless of when such county migrates to the LRMS CAMA System. However, it is further acknowledged and agreed that if a county is not converted to LRMS prior to 12/31/2018, for no fault of their own in being prepared and ready to do so, but Xerox is unable to accommodate them due to schedule, resources, or other such reasons that Xerox controls, then the County will be eligible to participate in the lower LRMS rates shown below beginning the next quarter after they go-live on LRMS.

| <u>2017</u>                      | <u>2018</u>                      | <u>2019</u>                      | <u>2020</u>                      |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| quarterly<br>price per<br>county | quarterly<br>price per<br>county | quarterly<br>price per<br>county | quarterly<br>price per<br>county |
| <u>\$3,195</u>                   | <u>\$3,291</u>                   | <u>\$3,423</u>                   | <u>\$3,594</u>                   |

**LRMS CAMA System Support**

Beginning on January 1, 2014, for those MCCC member counties who are members of the CAMA User Group and, as of the beginning of the month immediately preceding the applicable calendar quarter, are live on the LRMS CAMA System (using the LRMS CAMA System as their main production CAMA system), MCCC shall pay Xerox the following quarterly maintenance & support fees. Xerox and MCCC will adjust the list of counties that are live on the LRMS CAMA System on a quarterly basis.

| <u>2014</u>                      | <u>2015</u>                      | <u>2016</u>                      | <u>2017</u>                      | <u>2018</u>                      | <u>2019</u>                      | <u>2020</u>                      |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| quarterly<br>price per<br>county |
| <u>\$2,910</u>                   | <u>\$2,940</u>                   | <u>\$2,970</u>                   | <u>\$3,000</u>                   | <u>\$3,030</u>                   | <u>\$3,060</u>                   | <u>\$3,090</u>                   |

**Change Requests and Other Services**

MCCC will pay Xerox at the following rates for all time spent by Xerox in performing other enhancements to the LRMS CAMA System requested in writing by MCCC, including preparation of design documents, or in providing other services requested by MCCC during the term of this Agreement. This time will be calculated and billed as incurred in quarter hour increments. Any travel and expenses incurred in performing these Change Requests or Other Services will be billed at competitive market rates.

2017 – \$155.00 per hour  
2018 – \$156.00 per hour  
2019 – \$157.00 per hour  
2020 – \$158.00 per hour

## LRMS PROPERTY TAX MAINTENANCE AND SUPPORT AGREEMENT

THIS LRMS PROPERTY TAX MAINTENANCE AND SUPPORT AGREEMENT (this "Agreement") is made and entered into as of the 28th day of January, 2013 (the "Effective Date"), by and between XEROX STATE & LOCAL SOLUTIONS, INC. ("Xerox"), and the MINNESOTA COUNTIES COMPUTER COOPERATIVE ("MCCC").

WHEREAS, MCCC is a joint powers organization established and existing under Minnesota Statutes, Section 471.59 for the purpose of providing for the establishment, operation and maintenance of data processing facilities and information management systems for the use and benefit of its members;

WHEREAS, Xerox is a large system integrator engaged in the business of developing, marketing, maintaining and supporting computer programs;

WHEREAS, MCCC and an affiliate of Xerox, ACS Enterprise Solutions, LLC, formerly known as ACS Enterprise Solutions, Inc., (the "Xerox Affiliate"), have entered into a Property Tax System Program and License Agreement dated April 14, 1988 and Addendums dated January 15, 1999 and February 2005 (jointly referred to as the "Legacy Tax License Agreement"), and pursuant to the Maintenance and Support Agreement dated as of October 13, 2011, by and between MCCC and the Xerox Affiliate (the "Legacy Support Agreement"), the Xerox Affiliate has undertaken to support a property tax software system conforming to certain specifications for the use and benefit of MCCC and its members (the "Legacy Property Tax Software");

WHEREAS, MCCC and Xerox have entered into a Software Services and License Agreement dated as of the date hereof (the "Services Agreement") whereby Xerox has undertaken to furnish, *inter alia*, a new property tax software system conforming to certain specifications as described in the Services Agreement for the use and benefit of MCCC and its members which ratify the Services Agreement in accordance with its terms (such system, the Land Records Management Solution Property Tax System, defined herein as "LRMS Property Tax System").

WHEREAS, because participating MCCC member counties will transition from the Legacy Property Tax Software to the LRMS Property Tax System at different times, MCCC desires to obtain for the benefit of itself and a defined set of its members certain maintenance and support services with respect to both the Legacy Property Tax Software and LRMS Property Tax System;

WHEREAS, Xerox proposes to furnish such maintenance and support services to MCCC, and MCCC desires to contract with Xerox to furnish the same;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants, premises and agreements contained herein, the parties agree as follows:

## **ARTICLE 1: DEFINITIONS**

As used in this Agreement, the following words and terms shall have the following respective meanings:

"Data File Change(s)" shall mean: (a) a modification or enhancement of a data file format which involves the addition of new data elements or the redefinition of existing data elements such that the length or format of that element or data file is affected; (b) deletion of existing data elements; (c) creation of a new file, modifying the usage of an existing file, or deletion of an existing file; (d) new or modified usage of a data element or the creation of new values or modification of existing values for a data element to support new or modified process logic that depends upon the content of that data element. The full scope of "Data File Changes" as described will include the required data element definition or content modifications, design preparation, development time required to modify and test all programming changes and documentation of the changes.

"Deliverable(s)" shall mean those work products and other tangible and intellectual property to be delivered by Xerox as part of its performance under this Agreement.

"Change Request(s)" shall mean changes, revisions, and/or additions to the Software which is not required as a result of changes to Minnesota state statutes or rules, regulations or requirements.

"MCCC Employees" shall mean individuals directly employed by the MCCC. This specifically excludes any vendors or contractors working on behalf of the MCCC.

"Modification(s)" shall mean changes, revisions, and/or additions to the Software, which are required as a result of changes to Minnesota State statutes, rules, regulations, or requirements relating to property taxes.

"Party" in the singular or plural usage shall mean MCCC and/or Xerox as indicated by the context.

"Software" shall mean the Legacy Property Tax Software or the LRMS Property Tax System, as applicable.

## **ARTICLE 2: TERM OF AGREEMENT**

The term of this Agreement shall commence on the Effective Date and will continue through December 31, 2020, unless sooner terminated as provided herein. This Agreement can be extended for additional years based on mutually agreed to pricing terms negotiated by the Parties.

## **ARTICLE 3: MAINTENANCE AND SUPPORT SERVICES TO BE PROVIDED BY XEROX**

MCCC will notify Xerox in writing of all MCCC counties that ratify this Agreement and ratify the Services Agreement with respect to the LRMS Property Tax System by March

1, 2013. Once MCCC notifies Xerox of the MCCC counties that ratify this Agreement and ratify the Services Agreement with respect to the LRMS Property Tax System by March 1, 2013, such ratifying counties shall comprise the "Property Tax User Group." Xerox's obligations under this Agreement shall be subject to the minimum fixed price condition precedent described in Article 3 of the Services Agreement. In the event that this minimum fixed price condition precedent is not satisfied and Xerox does not waive the condition precedent, this Agreement shall automatically terminate without penalty to either party and be of no further force and effect. Post-ratification membership in the Property Tax User Group is irrevocable during the Term, other than any reductions required for members terminated by Xerox as provided herein, and MCCC agrees to compensate Xerox for such counties in accordance with Exhibit B – Applicable Charge. MCCC agrees that each member of the Property Tax User Group who ratifies this Agreement will be bound by the general terms and conditions specified herein, including but not limited to, the service provision terms contained in Exhibit A.

Throughout the term of this Agreement, Xerox will furnish the support services described in Exhibit A – Statement of Work with respect to the LRMS Property Tax System for those members of the Property Tax User Group who are live on the LRMS Property Tax System (using the LRMS Property Tax System as their main production property tax system), .

Beginning on January 1, 2017, Xerox will furnish the support services described in Exhibit A – Statement of Work with respect to the Legacy Property Tax Software for those members of the Property Tax User Group who are not yet migrated to running live on the LRMS Property Tax System (they are continuing to operate the Legacy Property Tax Software as their main production property tax system). Until all members of the Property Tax User Group have migrated to running live on the LRMS Property Tax System, Xerox shall provide all members of the Property Tax User Group with the same Legacy Property Tax Software update releases that are provided to those members of the Property Tax User Group that have not migrated to running live on the LRMS Property Tax System. Xerox shall not be obligated to provide any other support services with respect to the Legacy Property Tax Software to an MCCC member county after such MCCC member county migrates to running live on the LRMS Property Tax System.

In addition to the above commitments, Xerox has negotiated and agrees to formalize and obtain assignments of the Legacy Support Agreements for Legacy Software support and related services from the Xerox Affiliate as soon as reasonably practical. The MCCC agrees to provide its consent to such assignments.

#### **ARTICLE 4: PRICING AND PAYMENT TERMS**

Subject to the other provisions of this Agreement, MCCC will pay Xerox for each member of the Property Tax User Group in accordance with the payment terms set forth in Exhibit B – Applicable Charges.

Xerox will issue invoices to MCCC in advance for the following calendar quarter in connection with support and maintenance services. Each invoice will be issued during the first week of the month immediately prior to the beginning of each quarterly period

(December for the first quarter, March for the second quarter, June for the third quarter, and September for the fourth quarter), and will set forth the quarterly flat fee for all maintenance and support charges.

Xerox will issue monthly invoices to MCCC for all other amounts due pursuant to this Agreement. This invoice will separately itemize all charges for time spent by Xerox in providing other services hereunder, including: (a) the dates upon which such other services were provided; (b) a list of the individuals providing the services, along with the amount of time spent by each individual in providing such other services on such date; (c) the member of the Property Tax User Group to which such services were provided; (d) the charges for services provided on each such date to each such member; and (e) the Change Request(s) authorizing such services.

MCCC will pay all such invoices in full within forty-five (45) days from the date of issuance of the invoice, other than any portion subject to a pending bona fide dispute. Any amount not paid when due will accrue interest at the rate of one percent (1%) per month until fully paid, starting on day 60.

#### **ARTICLE 5:     RESPONSIBILITIES OF MCCC**

- 5.1 Throughout the term of this Agreement, MCCC will make a “best effort” to ensure that no modifications or enhancements are made to the Software in use by any Member of the Xerox Property Tax User Group except for modifications and enhancements made or consented to by Xerox pursuant to this Agreement. Notwithstanding any other provision of this Agreement, Xerox shall have no obligation to provide any services specified in this Agreement with respect to any version of the Software which has been modified or otherwise altered by anyone other than Xerox or as specifically authorized by Xerox.
- 5.2 MCCC and its Property Tax User Group member counties agree: (i) to keep network and operating system environments updated to the current version recommended by Xerox and approved by MCCC (which approval will not be unreasonably withheld) for provision of the maintenance and support of the LRMS Property Tax System; and (ii) with respect to Property Tax User Group member counties that have not yet migrated to the LRMS Property Tax System (as described in Article 3 and Exhibit B of this Agreement), install: (a) any and all future IBM iSeries Operating System Version/Release Levels and appropriate PTFs on a schedule to be agreed upon by both parties, and (b) third-party software on a schedule to be agreed upon by both parties.
- 5.3 Throughout the term of this Agreement, the Property Tax User Group shall provide timely approval to assure that Xerox can develop, test, install and support all Modifications to the Software to comply fully with all Minnesota state statutes, rules, regulations, and requirements regarding property appraisal, property tax assessment, calculation or collection or regarding the performance by county auditors, treasurers and assessors (or their functional equivalents) of their legal responsibilities to administer the property tax system, as part of the included support services hereunder.

- 5.4 All members of the Property Tax User Group will be responsible for using the Software in a manner consistent with the agreed upon design and specifications. If Xerox determines that a member of the Property Tax User Group is using the Software in a manner inconsistent with its design, Xerox shall first provide written notice and a recommended cure to MCCC and the member county. If the member county does not comply with the recommendation, Xerox may at its discretion and after written notification is provided to the MCCC, discontinue support for that member for the inconsistent Software component(s).

**ARTICLE 6: XEROX WARRANTIES**

Xerox warrants that all services will be provided in a lawful, professional, good and workmanlike manner, by qualified personnel, and in accordance with generally applicable industry standards, and that all software code and other deliverables to be created and provided hereunder shall be free of infringement or other claims by third parties. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS SECTION, ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED, AS ARE ANY CLAIMS FOR INDIRECT AND/OR CONSEQUENTIAL DAMAGES.

Software that has been altered by any party other than as authorized by Xerox cannot be warranted by Xerox. MCCC will designate the single version of each application that Xerox is to support. All Xerox costs associated with learning, testing and fixing unauthorized altered software will be borne by MCCC at the hourly rates stated, provided that MCCC has pre-authorized, in writing, all such obligations. Xerox will provide estimates to MCCC of such costs so that MCCC can determine appropriate action.

**ARTICLE 7: INDEMNIFICATION & LIMITATION OF LIABILITY**

**7.1 Indemnification**

Xerox will protect, defend, indemnify, and save whole and harmless the MCCC and all of its members, officers, directors, employees, contractors or other personnel or agents from and against:

1. Any claims, including any third party claims, to the extent caused by a breach of express warranty, or by the tortious acts or omissions of Xerox, its employees, contractors or other personnel in performing this Agreement;

2. Any claims, including any third party claims relating to the willful or fraudulent misconduct of Xerox, its employees, contractors or other personnel in performing this Agreement;

3. Any claims, including any third party claims relating to an actual infringement of any United States patent, copyright, or any actual trade secret misappropriation, by Xerox, its employees, contractors or other personnel in connection

with the performance of the Services.

Xerox will have a right of contribution from MCCC with respect to any claim to the extent MCCC is responsible for contributing to the alleged injury.

## **7.2 Limit on Types of Damages Recoverable**

NOTWITHSTANDING ANYTHING TO THE CONTRARY ELSEWHERE IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, AND EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OTHER THAN EXEMPLARY OR PUNITIVE DAMAGES AWARDED BY A COURT OF COMPETENT JURISDICTION AGAINST XEROX AS PART OF ANY MCCC CLAIM BASED ON THE WILLFUL OR FRAUDULENT CONDUCT OF XEROX, OR FOR ANY ADDITIONAL EXPENSES OR DAMAGES ATTRIBUTABLE TO PROCURING SUBSTITUTE SERVICES FOLLOWING AN UNCURED DEFAULT BY XEROX UNDER SECTION 8.1 BELOW.

## **7.3 Limit on Amount of Direct Damages Recoverable**

XEROX'S TOTAL CUMULATIVE, AGGREGATE LIABILITY TO MCCC FOR ANY AND ALL CLAIMS, DAMAGES, CAUSES OF ACTION, EXPENSES OF ACTION, LIABILITIES OF ANY KIND, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE GREATER OF THE FOLLOWING DOLLAR AMOUNTS: (1) APPLICABLE INSURANCE CLAIMS PROCEEDS UNDER POLICY COVERAGE REQUIRED UNDER THIS AGREEMENT, IF ANY; OR (2) THE U.S. DOLLAR EQUIVALENT OF TWO TIMES THE TOTAL VALUE OF THIS ENTIRE CONTRACT FOR PRODUCTS OR SERVICES TO BE PROVIDED TO AND ACCEPTED BY MCCC PURSUANT TO THIS AGREEMENT.

MCCC'S TOTAL CUMULATIVE, AGGREGATE LIABILITY TO XEROX FOR ANY AND ALL CLAIMS, DAMAGES, CAUSES OF ACTION, EXPENSES OF ACTION, LIABILITIES OF ANY KIND, WHETHER IN CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE U.S. DOLLAR EQUIVALENT OF THE TOTAL AMOUNT DUE XEROX FOR PRODUCTS OR SERVICES PROVIDED TO AND ACCEPTED BY MCCC PURSUANT TO THIS AGREEMENT.

## **7.4 Force Majeure**

Neither party will be liable for any failure or delay in the performance of its obligations under this Agreement, if any, to the extent such failure is caused, directly or indirectly, without fault by such party, by: fire, flood, earthquake, elements of nature or acts of God; labor disruptions or strikes; acts of war, terrorism, riots, civil disorders, rebellions or revolutions; quarantines, embargoes and other similar governmental action; or any other cause beyond the reasonable control of such party. Events meeting the criteria set forth above are referred to collectively as "Force Majeure Events."

Upon the occurrence of a Force Majeure Event, the non-performing party will be excused from any further performance or observance of the affected obligation(s) for as long as such circumstances prevail and such party continues to attempt to recommence performance or observance whenever and to whatever extent possible without delay. Any party so delayed in its performance will immediately notify the other by telephone or by the most timely means otherwise available (to be confirmed in writing within five (5) Business Days of the inception of such delay) and describe in reasonable detail the circumstances causing such delay. Any Force Majeure Event asserted by a non-performing party that remains in effect for more than 30 days will entitle the other party to terminate this Agreement for its convenience.

## **ARTICLE 8: TERMINATION FOR DEFAULT**

### **8.1 Events of Default**

Except where provided otherwise herein to the contrary, Xerox shall be deemed to be in default in its performance hereunder if Xerox fails in any respect to perform any material obligation under this Agreement and does not cure such failure within thirty (30) days, after written notice by MCCC specifying in detail the claimed failure and any requested cure for curable defaults. MCCC will be deemed in default if it fails to pay when due undisputed amounts owed to Xerox, and MCCC fails to cure such failure within thirty (30) days, after written notice by Xerox.

### **8.2 Remedies**

In the event of default by Xerox as described in paragraph 8.1, MCCC may, at its option:

1. terminate this Agreement by written notice to Xerox and have such other and further remedies as may be available to MCCC at law or in equity as a result of Xerox's failure or delay in performing hereunder;
2. maintain this Agreement in effect, cover for Xerox's failure or delay in performing hereunder, and have such other and further remedies as may be available to MCCC at law or in equity as a result of Xerox's failure or delay in performing hereunder; or
3. Maintain this Agreement in effect, await performance by Xerox, and have such other and further remedies as may be available to MCCC at law or in equity as a result of Xerox's failure or delay in performing hereunder.

In the event of default by MCCC, Xerox will have the option, but not the obligation, to terminate this Agreement and have such other and further remedies as may be available to Xerox at law or in equity as a result of MCCC's failure.

## **ARTICLE 9: RISK OF LOSS AND INSURANCE**

### **9.1 Risk of Loss Prior to Final Acceptance**

Until such time as MCCC has finally accepted each Modification and Change Request to be furnished by Xerox hereunder, including all Deliverables, Xerox will bear the entire risk of loss of or damage to all Xerox's work in process and all of Xerox's related Deliverables. Xerox will take commercially reasonable precautions during the term of this Agreement to minimize the risks of loss or damage, including but not limited to regular backups and off site/remote access storage of work product created or modified hereunder.

### **9.2 Insurance Requirements**

Xerox shall furnish MCCC an original standard ACORD form type certificate of insurance for any type of insurance required to be carried by Xerox under this Agreement, and/or required in

order to comply with any State or federal law or regulation applicable to this Agreement before work commences. Insurance companies must be authorized to do business in the State of Minnesota. The certificate of coverage must be provided to MCCC within thirty (30) days after the Effective Date or prior to commencement of any work covered by that insurance under this Agreement, whichever occurs first. Xerox shall provide at least ten (10) business day's prior written notice to MCCC of any pending or proposed cancellation and shall include MCCC as an additional insured for claims caused by the negligent acts or omissions of Xerox in relation to commercial general liability and business automobile liability, which may be met through a blanket additional insured basis.

The MCCC and User Group member counties must be listed as an Additional Insured for claims caused by the negligent acts or omissions of Xerox in relation to commercial general liability, as well as business automobile liability, which may be met through a blanket insured basis.

MCCC shall have the right to immediately terminate this Agreement with notice and pursue available legal remedies if Xerox does not provide the required ACORD certificates, or is otherwise not in compliance with the insurance requirements in this Section. At its sole option, MCCC may also obtain replacement coverage at any time and at the expense of Xerox upon discovery of any failure to maintain any coverage required under this Section. Xerox shall require its agents and subcontractors to also carry and maintain the insurance required under this Section.

Specifically, unless otherwise required by law or regulation, Xerox shall maintain and furnish satisfactory evidence of the following insurance coverage, standards, and rights:

- (a) **Workers' Compensation Insurance:** Xerox will provide Workers' Compensation insurance for all Xerox employees and, in case any work is subcontracted, Xerox will require each subcontractor to provide any applicable required Workers Compensation insurance in accordance with the statutory requirements of the state of Minnesota. Employer's Liability Coverage minimum limits shall be in each case, the greater of the minimum coverage requirements of Minnesota law, or any of the following:

Bodily Injury by Accident: \$500,000 each accident.

Bodily Injury by Disease: \$500,000 each employee.

Bodily Injury by Disease: \$500,000 policy limit.

- (b) **Commercial General Liability:** Xerox will maintain insurance protecting Xerox and MCCC from claims for damages for bodily injury, including death, as well as from claims for property damage including loss of use which may arise from operations under this Agreement, by Xerox employees providing services under this Agreement. Unless otherwise specified within this Agreement, the Xerox insurance minimum amounts will be \$1,500,000 per occurrence and \$3,000,000 general aggregate – combined single limit. In addition, the coverage for bodily injury and property damage, products and completed operations liability, blanket contractual liability, and personal and advertising injury should be included.

- (c) **Commercial Automobile Liability:** If any business vehicles are used by Xerox for business purposes during this Agreement, Xerox will maintain business automobile liability insurance. Unless otherwise specified within this Agreement, the minimum insurance coverage amount will be one million and five hundred thousand dollars (\$1,500,000) per accident or occurrence combined single limit for bodily injury and property damage. In addition, the coverage for owned, hired, and non-owned vehicles should be included.

- (d) Professional Errors and Omissions Liability Insurance: Unless otherwise specified within this Agreement, Xerox insurance minimum limits will be as \$2,000,000 per claim and \$4,000,000 annual aggregate. This coverage shall include loss, due to the negligent acts, errors, or omissions of Xerox in providing the Services.
- (e) Xerox must include legal defense within the liability policy limits; and shall obtain insurance policies from an insurance company having an "AM BEST" rating of A- VIII or better.

## **ARTICLE 10: DISPUTE RESOLUTION**

### **10.1 Alternative Dispute Resolution**

Except for any disputes involving the actual or potential disclosure or other unauthorized use of any trade secret or other confidential information, which may be filed at any time and in any court of competent jurisdiction, any dispute between the parties arising out of this Agreement, its performance or its claimed breach by either party shall be referred in the first instance to the Parties' respective Project Managers for resolution. If the parties' Project Managers are unable to agree on a resolution to such dispute within five (5) working days from the date upon which it is referred to them, it shall be referred to Xerox Senior Management and the MCCC Executive Committee for resolution. If Xerox Senior Management and the MCCC Executive Committee are unable to agree on a resolution to such dispute within five (5) working days from the date upon which it is referred to them, the Parties will make a good faith effort to agree upon a further process for resolving it. If the dispute is not resolved and agreement upon a process for resolving it is not reached within ten (10) working days after the dispute is referred to the parties' respective Project Managers, the Parties shall, within ten (10) working days, commence a mediation session by notice of selection of a third party, neutral mediator and a proposed time and date for the mediation. If the other Party does not propose an alternative mediator, then the mediation shall occur before the first named mediator proposed. If the other party does propose an alternative mediator, then the two proposed shall promptly jointly select a third party, neutral to act as the sole mediator. The mediation shall take place in Minnesota and all mediator fees shall be equally shared by the Parties. If the Parties are able to reach a resolution of the dispute, the resolution so reached shall be memorialized in writing and shall, upon the mutual written consent of both Parties, become part of this Agreement. If the Parties are unable to resolve the dispute through mediation, either Party shall be free to terminate mediation and commence suit against the other with respect to the subject matter of the dispute. The running of any statute of limitations or other limitation period applicable to any particular dispute shall be tolled for a period of thirty (30) days from the date upon which that dispute is first referred the parties' Project Managers for resolution.

## **ARTICLE 11: RESTRICTION ON SUBCONTRACTING**

Xerox will not subcontract with any other person, party or entity for the performance of Xerox's obligations under this Agreement without the prior written consent of the MCCC. For the avoidance of doubt, the use of contracted labor shall not constitute

subcontracting for purposes of this provision, provided that all subcontracted labor has been provided with a copy of this Agreement (with pricing redacted) and has agreed in writing to the intellectual property assignments and other undertakings for Deliverables provided hereunder, and provided further that the use of contract labor by Xerox shall in no manner alter, modify or limit its full liability and obligations under this Agreement.

**ARTICLE 12: PROVISION OF XEROX MAINTENANCE AND SUPPORT SERVICES FOR THE MCCC LRMS**

Xerox may, at its discretion, provide maintenance, support, or services to any county that is not a member of the Property Tax User Group.

**ARTICLE 13: NON-DISCRIMINATION**

In carrying out the terms of this Agreement, Xerox shall not discriminate against any employee, applicant for employment or other person, supplier or contractor because of race, color, religion, gender, sexual orientation, marital status, national origin, disability or public assistance.

**ARTICLE 14: GENERAL TERMS**

**14.1 Relationship between the Parties**

Nothing in this Agreement shall be construed as creating any joint venture, partnership, employment or agency relationship between the parties for any purpose whatsoever or as constituting either party as the legal representative of the other, and neither party shall have the right or the authority to assume, create or incur any liability or obligation of any kind, express or implied, against or in the name of or on behalf of the other.

**14.2 Notices**

Any notices required or permitted with regard to core terms or conditions of this main agreement (Articles 1 through 14 hereunder) shall be in writing and shall be deemed to have been received when personally delivered in writing, as evidenced by automated, verifiable delivery receipt; or seventy-two (72) hours after it has been deposited in the United States Mail, registered or certified, postage pre-paid, properly addressed to the party to whom it is intended at the address set forth below or to such other contact or at such other address of which notice is given in accordance herewith:

If to MCCC:

MCCC  
Attn. Executive Director  
100 Empire Drive Suite 201  
St. Paul, MN 55103

If to Xerox:

Xerox  
Attn. Director – Property Tax Systems  
130 Division Street  
Waite Park, MN 56387

With Copy to:

Xerox State & Local Solutions, Inc.  
Attn. Contracts  
8260 Willow Oaks Corporate Drive  
Fairfax, VA 22031

As a point of clarification, any notices necessary with regard to the normal services delivered as a result of day to day operations provided under the Statement of Work (Exhibit A) or Applicable Charges (Exhibit B) may be made in writing, by email or facsimile and will be deemed received by the other party, as long as similar correspondence from the other party regarding the notice has been acknowledged. For example, formal proposal and acceptance of any change orders or similar project operational documents may be executed between the parties via email or facsimile.

#### **14.3 Non-Waiver and Culmination of Remedies**

The failure by either Party at any time to enforce any of the provisions of this Agreement or any right or remedy available hereunder or at law or in equity, or to exercise any option herein provided, shall not constitute a waiver of such provision, right, remedy or option or in any way affect the validity of this Agreement. The waiver of any default by either Party shall not be deemed a continuing waiver, but shall apply solely to the instance to which such waiver is directed. The remedies provided under this Agreement shall be cumulative and not alternative, and the election of any one remedy for breach shall not preclude the pursuit of other remedies.

#### **14.4 Assignment**

Neither Party may assign, voluntarily or by operation of law, any of its rights or obligations under this Agreement without the prior written consent of the other Party, while consent shall not be unreasonably withheld or delayed; provided, that either may assign its rights and obligations under this Agreement to an affiliate, or to an entity which acquires all or substantially all of the assets or voting stock of that party if such affiliate or entity can demonstrate to the reasonable satisfaction of the other party that it has the ability to fulfill the obligations of the assigning party under this Agreement.

#### **14.5 Choice of Law and Venue**

This Agreement shall be governed by and interpreted, construed, and enforced in accordance with the laws of the State of Minnesota. The venue of any action arising out

of or relating to this Agreement, its performance, enforcement or breach, will be in a state or federal court situated within the State of Minnesota, and Xerox. Its sureties and guarantors hereby irrevocably consent and submit themselves to the personal jurisdiction of said courts for such purposes.

#### **14.6 Severability**

Every provision of this Agreement shall be construed, to the extent possible, so as to be valid and enforceable. If any provision of this Agreement so construed is held by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, such provision shall be deemed severed from this Agreement, and all other provisions shall remain in full force and effect, provided, however, that the Court shall have the right to reform such provision in a similar or like manner so as to render the same enforceable.

#### **14.7 Binding Effect and Benefit**

This Agreement shall be binding upon and inure to the benefit of Xerox and MCCC, and their respective successors and permitted assigns.

#### **14.8 Survival**

The termination of this Agreement for any reason shall not affect: a) the rights and obligations of the parties under Articles 7 and 8, b) the obligations of the Parties to account for and pay to another any amounts for which the Parties are obligated to one another by virtue of transactions or events which occurred prior to the effective date of termination; or c) any other liability or obligation which either party has to the other under this Agreement and which by its nature would be expected to survive termination, and all of which shall hereby expressly survive termination.

#### **14.9 Government Data Practices**

Xerox may create, modify or have other access to valuable MCCC and/or MCCC member trade secrets or other confidential data collected or maintained by the MCCC and/or MCCC members to the extent necessary to perform its obligations under this agreement. To the extent applicable, each Party shall comply with any applicable provisions of Minnesota's Government Data Practices Act, Minnesota Statutes, Chapter 13, ("MGDPA") with respect to any data provided by MCCC and/or MCCC members to Xerox, and Xerox, to the extent it creates, collects, receives, stores, uses, maintains or disseminates data in the performance of its functions under the Agreement must comply with the requirements of the MGDPA as if it were a government entity. The civil remedies of Minnesota Statutes §13.08 applied to the release of the data referred to in this clause by either Xerox or the Xerox Property Tax User Group.

Xerox also agrees to indemnify, save, and hold the MCCC and/or MCCC members harmless from all claims arising out of, resulting from, or in any manner attributable to any violation, by Xerox, of any provisions of the MGDPA, including legal fees and disbursements paid or incurred to enforce this Section. In the event that Xerox subcontracts any or all of the work to be performed under this agreement, Xerox shall retain responsibility under the terms of this Section for such work.

MCCC also agrees to indemnify, save, and hold Xerox harmless from all claims arising out of, resulting from, or in any manner attributable to any violation, by MCCC, of any provisions of the MGDPA, including legal fees and disbursements paid or incurred to enforce this Section.

**14.10 Entire Agreement**

This Agreement sets forth the entire agreement and understanding between Xerox and the MCCC regarding the subject matter hereof and supersedes any prior representations, statements, proposals, negotiations, discussions, understandings, or agreements regarding the same subject matter. This Agreement may not be modified or amended except by a written amendment signed by both parties. To the extent of any inconsistency or conflict between the provisions of this Agreement and the Services Agreement, the provisions of the Services Agreement shall control.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**Xerox**

By Michael L. Moore

Print Name MICHAEL L. MOORE

Print Title SVP MANAGING DIRECTOR

Date 1/28/13

**MCCC**

By Denise J. McCalla

Print Name Denise J McCalla

Print Title TAX User Group Chair

Date 1-24-13

By Lisa C. Meredith

Print Name Lisa C. Meredith

Print Title MCCC Executive Director

Date 1/24/2013

By Dayle E. Moore

Print Name DAYLE E. MOORE

Print Title MCCC Executive Chair

Date 1/25/2013

**Exhibit A**  
**Statement of Work for Xerox LRMS**

**1. Maintenance of Xerox Minnesota Facility**

Xerox will:

- maintain an appropriate environment for use by Xerox in performing its obligations under this Agreement;
- employ an adequate backup scheme for the Software, including object code, source code and all pertinent user documentation;
- make its computer facility available on a best efforts basis to any member of the Property Tax User Group as a back-up facility in the event that the computer facility of such member of the Property Tax User Group becomes temporarily inoperative. A Property Tax User Group member will pay an additional fee, at mutually agreed upon competitive market rates, for the actual use of the Xerox facility.

**2. Correction of Program and Documentation Defects**

Xerox will:

- a. Provide problem determination, investigation, and program error correction for verified program errors on the then current release of the Software at no additional charge to the MCCC.
- b. Provide data repairs for members of the Property Tax User Group's data files and records on a "best efforts" basis for data problems caused by the Software at no additional charge to the MCCC.
- c. Provide data repairs for members of the Property Tax User Group's data files and records on a "best effort" basis for data problems not caused by the Software at the hourly rate of 75% of the Xerox then current billing rate. Xerox includes in the category "data problems not caused by the Software" any data corruption or integrity problems caused by, but not limited to the following:
  - (1) Equipment malfunction or failure.
  - (2) Failure of the member of the Property Tax User Group to follow procedures and/or instructions contained in the documentation provided by Xerox .
  - (3) Failure by the member of the Property Tax User Group to follow procedures and/or instructions contained in documentation provided by applicable hardware vendors or failure to follow accepted operating practices (for example, failing to routinely prepare backup data files, powering off or interrupting equipment while programs are executing, etc.).
  - (4) Use of programs, including program modifications, other than those provided or authorized by Xerox with the Software.

**3. Maintaining Compliance with Minnesota Law**

Xerox, in conjunction with the Property Tax User Group and individual counties where appropriate, will define, develop, test and install all Modifications necessary to make the Software comply with Minnesota State statutes, rules, regulations and requirements. In the event that the Property Tax User Group and Xerox disagree on these requirements

the Minnesota DOR (Department of Revenue) will be consulted for additional direction.

#### **4. Modifications Necessitated by Changes in Minnesota Law**

The Property Tax User Group will transmit the text of any changes in Minnesota statutes or Department of Revenue rules, regulations or requirements regarding property tax assessment, calculation or collection or regarding the performance by county auditors, treasurers or assessors (or their functional equivalents) of their legal responsibilities to administer the property tax system to Xerox. Xerox shall notify the Property Tax User Group in writing whether any changes in Minnesota state statutes, rules, regulations, or requirements relating to property taxes will require modifications to the Software and will furnish the MCCC with a proposed written Design Document specifying all such Modifications to the Software and setting forth Xerox's proposed timetable for implementation and installation of the same. After receiving each such proposed Design Document the MCCC will notify Xerox in writing whether they accept or reject such proposed Design Document or the MCCC may provide acceptance or rejection by formal action of the MCCC. The MCCC will be deemed to have rejected any such proposed Modification as to which it does not give notice of acceptance within 15 working days, and the parties will resolve any such Modifications impasse in the manner identified in Section 10 of the Agreement.

#### **5. Client Support**

Xerox will provide MCCC and the members of the Property Tax User Group with Software support as follows:

- a. Xerox employees knowledgeable with respect to the Software and its operation will be available during normal business hours to respond to inquiries by MCCC and members of the Property Tax User Group to provide assistance in the operation and use of the Software. The average response time for these Support calls will be under 4 business hours. The "average" resolution time will be under 16 business hours. "Normal business hours" mean the hours of 7:30 AM to 5:00 PM Central Time, Monday through Friday, excluding holidays observed by Xerox. These statistics will be measured on a rolling 3 month evaluation period. **Xerox will use its best efforts to respond to calls for assistance in as short a timeframe as reasonably possible.**
- b. Xerox will make reasonable efforts to provide the support service described in paragraph 5.a outside of normal business hours as requested by a member of the Property Tax User Group in order to fulfill its legal responsibilities to administer the property tax system.
- c. A summary of calls by County will be made available for each monthly meeting of the Property Tax User Group.
- d. Xerox will be offered remote dial in capability to client systems to facilitate problem resolution (web-based connection) as required.

- e. Xerox will offer the members of the Property Tax User Group the ability to enter Support calls through its WebConnect product or its successor.

#### **6. Attendance at Property Tax User Group and Advisory Committee Meetings and Property Tax User Group Annual Meeting**

Xerox will attend each meeting of the Property Tax User Group and each meeting of the Tax Advisory Committee. For purposes of this Agreement, the “Tax Advisory Committee” is a group of individuals appointed by the member counties of the Property Tax User Group. Xerox will make every effort to attend meeting of subcommittees of the Tax Advisory Group when requested. Xerox’s attendance at all meetings is at Xerox’s expense and will not reduce Base Hours.

#### **7. User and Software Documentation**

User and Software documentation will be kept up-to-date and released to users on a timely basis.

#### **8. MCCC Change Request (CR)**

Throughout the term of this Agreement MCCC may, from time to time, request desired enhancements to the Software by submitting a written CR to Xerox. Upon submission of a CR by MCCC, the parties will work together in an effort to arrive at a mutually acceptable CR fully describing the enhancement. The process for development of CRs is:

- a. Property Tax User Group member submits a CR describing the request to MCCC.
- b. MCCC forwards the CR to Xerox for assignment of a CR Number.
- c. Tax Advisory Committee authorizes Xerox to develop a Design Document and/or Quote for development of the enhancement.
- d. For larger enhancements Xerox may require approval of a Quote by the Tax Advisory Committee to compensate Xerox for the development of the Design Document.
- e. Xerox develops the Design Document and/or development Quote and submits same to Tax Advisory Committee for approval.
- f. Upon approval of the Design Document and/or Quote Xerox develops the enhancement.

#### **9. Deliverables for a Change Request (CR)s**

- a. Xerox will release all Software and documentation via the Xerox website unless the nature of the release makes this impossible.
- b. Xerox will deliver an archive of the Software source code to an escrow account for the MCCC on a quarterly basis or upon request by MCCC. Such escrow agreement shall be in the form as set forth in the Services Agreement.

- c. The Design Document presented to MCCC for each CR will include an Estimated Delivery Date.

## **10. Alpha testing of Change Requests**

- a. The Design Documents prepared by Xerox for the deliverables described in 5.3 will include an Alpha Test Plan document. These test plans will describe the alpha testing environment consisting of:
  1. Associated testing documentation
  2. Testing prerequisites
  3. Other required software releases
  4. Testing file sets
  5. Specific functions to be tested
- b. As a part of the Design Review MCCC will forward to Xerox any specific testing considerations that should be added to the Alpha Test Plan.
- c. Xerox Technical and Support staff members will use the Alpha Test Plan as a roadmap for testing the deliverable.
- d. The Test Plan will be presented to Xerox Tax beta test counties at the time the programs are released for Beta testing as a guideline for Beta testing.
- e. Xerox will make every effort to use the alpha test data set supplied and maintained by the Property Tax User Group.
- f. Wherever possible Xerox will perform regression testing for each deliverable during the alpha testing process.

## **11. Beta Testing of Change Requests**

### **a. Getting Beta Testers**

1. Xerox should provide MCCC the following message for each beta test release at least two weeks prior to the release being ready to beta test:
  - Name of Release
  - Items changed and what needs to be tested
  - Date Ready for Beta Release
  - Deadline for Beta Sign Off
  - Scheduled General Release Date
  - Xerox Contact
2. MCCC will distribute the message (as defined above) to the Property Tax User Group and request that beta testers contact Xerox directly. Xerox should contact MCCC with a follow up email one week before the scheduled beta testing release if there are not the required three testers. MCCC will work with the Tax Advisory Committee representatives to get the remaining required testers and notify Xerox.

### **b. Beta Testing**

1. Xerox will notify the beta testers when the beta release library and supporting documentation are available on the website. The notice will also include who the Xerox contact person is.
2. Counties that are beta testing are only expected to test the circumstances

they have in their county.

3. When issues are discovered as part of testing, the beta test county will call Xerox who will create a Connect Care case and also put the call directly to the Xerox contact person.
4. Xerox will post information in sufficient detail on the open case support file so that the other beta testers or interested parties can tell when the issue is and how it was resolved. This support file will remain open until MCCC notifies Xerox that the program should be released.
5. Beta testing counties are expected to test the programs diligently as soon as they receive the beta release.

### **c. Signoff and Release**

1. When a beta test county has successfully completed testing, they should send a signoff to MCCC.
2. When MCCC receives signoffs from each of the beta testers, they will forward a copy to Xerox. Once all beta tester signoffs have been received, MCCC will notify Xerox that the program should be released.
3. All major issues should be resolved before a beta test county signs off on the testing. Minor issues can be noted on the signoff. These issues should be forwarded to other beta testers and the Legislative Review Committee (LRC).
4. If a beta test county will be unable to meet the target completion date, as soon as this is known, the county should notify MCCC of this fact and why they are unable to provide signoff. If known, the county can provide an estimate of when testing will be completed. This may not be known if Xerox is trying to resolve outstanding issues.
5. If beta testing will not be completed by the deadline;
  - If MCCC is notified that one or more beta test counties will not complete their testing by the target completion date, MCCC will notify Xerox and the Property Tax User Group Chair to determine if we need a replacement tester.
  - If Xerox has received no contact from one or more of the beta testers, Xerox should contact MCCC, and MCCC will contact the beta testing counties and provide Xerox with an update.
  - If some signoffs have been received, but not all – MCCC will notify the Property Tax User Group Chair. The Property Tax User Group Chair, after consultation with the LRC will determine if the programs should be released without further testing. As always, this decision can also be made by the Tax Advisory Committee. MCCC will notify Xerox in writing to send the release based on the decision of the participating parties.

### **12. Schedule of Deliverables**

At the beginning of each tax cycle (approximately the third Thursday in October), Xerox will develop a Project Schedule outlining the following Functions, Deliverables and Target Dates:

Valuation Notices, Spring Mini Abstract, LMV Calculation, Tax Capacity Calculation, Exempt Abstract, Assessment Abstract, Fall Mini Abstract, Homestead Application File, Market Value Sales Ratio, Rate Calc (proposed), Tax Calc (proposed), Notice of

Proposed, New Year/Year End Sequence, Delinquent Judgment List, Newspaper List, Rate Calc (certified), Tax Calc (certified), Tax Statement Prep and Print, Import Process and Total Settlement, Collection Entry, Distribution and Post to Levy Book, Abstract of Tax, TIF Supplement, Mobile Home Abstract

**Deliverables and Target Dates**

Definition

**Requirements definition to Xerox**

**DOR / MCCC provide definition of change requirements to Xerox**

**Delivery of design to MCCC**

**Xerox delivers design document to MCCC**

**Agreement on design**

**Xerox / MCCC agree on the design document**

**Release to alpha testing**

**Programs are released for alpha testing**

**Release to beta testing**

**Programs are released for beta testing**

**Beta sign off**

**Beta testers sign off**

**Release for test install**

**General release goes to county to test install process**

**Test install sign off**

**The installation process is signed off**

**General Release**

**General release of programs related to the process**

- a. This Schedule is delivered to the Tax Advisory Committee for review and comment at the beginning of the tax cycle. Xerox and Tax Advisory Committee will agree upon deliverable dates. No action on the part of the MCCC within 15 working days will constitute acceptance of the Schedule.

**13. Current Versions of the IBM Operating System**

For members of the Property Tax User Group that have not migrated (as described in Article 3 and Exhibit B of the Agreement) to the LRMS Property Tax System, Xerox agrees to install on Xerox's systems: (1) any and all future IBM iSeries Operating System Version/Release Levels and appropriate PTFs after Xerox and the Property Tax User Group members agree on a schedule; and (2) third-party software after Xerox and the Property Tax User Group members agree on a schedule.

#### **14. Project Management**

MCCC and Xerox shall each appoint a part-time Project Manager who shall be responsible on behalf of his/her principal for serving as its principal liaison with the other Party, for generally overseeing the performance of the parties hereunder, and for performing such other functions of Project Manager as are provided elsewhere herein.

#### **15. Minnesota Tax Law Modifications**

Notwithstanding any other provision of this Agreement, for those members of the Property Tax Uses group that have migrated (as described in Article 3 and Exhibit B of the Agreement) to the LRMS Property Tax System, Xerox also agrees to provide all Modifications to the LRMS Property Tax System for the implementation of Minnesota tax law changes as part of the quarterly flat fee support services. Xerox and the MCCC Legislative Review Committee (LRC) will review and make recommendation for modifications to the LRMS Property Tax System required for tax law changes to the MCCC and the Tax Advisory Committee for approval.

#### **16. Exclusion of Data File Changes**

The following section applies only to members of the Property Tax User Group that have not migrated (as described in Article 3 and Exhibit B of the Agreement) to the LRMS Property Tax System.

- a. In each year of this Agreement, Xerox will provide up to 300 hours of technical/support time related to Data File Changes in the Legacy Property Tax Software. MCCC will compensate Xerox for any Data File Change hours in excess of the 300 hour Xerox responsibility at the rates set forth in Exhibit B. Xerox shall invoice MCCC for any Data File Change hours expended in excess of the 300 hour Xerox allocation following the end of that particular Data File Change hour accounting year. If a final accounting is not available by June 1, Xerox will provide an estimated amount.
- b. Data File Change hours accounting for any given year will begin with the first Data File Change hour of the accounting year (currently the Valuation Notice) and continue through the final Data File Change hour of the accounting year (currently the Manufactured Home Abstract). Unused Data File Change hours may carry over for only one (1) year. Xerox shall provide the Tax Advisory Committee monthly, at the meeting of the Tax Advisory Committee, a report of the Data File Change hours expended during the current Data File Change hour accounting year. Unused Data File Change hours remaining at the expiration of this Agreement shall expire.
- c. The full scope of the amount of time that will be attributed to Data File Changes as described will include the required data element definition, content modifications, development time required to modify / test all programming changes and documentation alterations.
- d. Xerox will notify MCCC in the event that hours are required to perform Data File Changes.

**Exhibit B**  
**Applicable Charges**

**Flat Fee Maintenance and Support Price**

Unless otherwise agreed to in writing, the MCCC per county quarterly price to be paid to Xerox by MCCC for all services to be provided by Xerox under this Agreement, exclusive of approved Change Requests, are as follows:

**Legacy Property Tax Software Support**

Beginning on January 1, 2017, for those MCCC member counties who are members of the Property Tax User Group, but who, as of the beginning of the month immediately preceding the applicable calendar quarter, are not yet migrated to running live on the LRMS Property Tax System (they are continuing to operate the Legacy Property Tax Software as their main production property tax system), MCCC shall pay Xerox the following quarterly maintenance & support fees. Xerox and MCCC will adjust the list of MCCC member counties in the Property Tax User Group that are still operating live on the Legacy Property Tax Software on a quarterly basis. Notwithstanding the foregoing, for counties who are members of the Property Tax User Group that are not live on the LRMS Property Tax System by December 31, 2018, MCCC shall pay the Legacy Property Tax Software maintenance & support fees for such counties for each quarter in calendar years 2019 and 2020, regardless of when such county migrates to the LRMS Property Tax System. However, it is further acknowledged and agreed that if a county is not converted to LRMS prior to 12/31/2018, for no fault of their own in being prepared and ready to do so, but Xerox is unable to accommodate them due to schedule, resources, or other such reasons that Xerox controls, then the County will be eligible to participate in the lower LRMS rates shown below beginning the next quarter after they go-live on LRMS.

| <u>2017</u>                      | <u>2018</u>                      | <u>2019</u>                      | <u>2020</u>                      |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| quarterly<br>price per<br>county | quarterly<br>price per<br>county | quarterly<br>price per<br>county | quarterly<br>price per<br>county |
| <b><u>\$8,883</u></b>            | <b><u>\$9,150</u></b>            | <b><u>\$9,516</u></b>            | <b><u>\$9,991</u></b>            |

**LRMS Property Tax System Support**

Beginning on January 1, 2014, for those MCCC member counties who are members of the Property Tax User Group and, as of the beginning of the month immediately preceding the applicable calendar quarter, are live on the LRMS Property Tax System (using the LRMS Property Tax System as their main production property tax system), MCCC shall pay Xerox the following quarterly maintenance & support fees. Xerox and MCCC will adjust the list of counties that are live on the LRMS Property Tax System on a quarterly basis.

| <u>2014</u>                      | <u>2015</u>                      | <u>2016</u>                      | <u>2017</u>                      | <u>2018</u>                      | <u>2019</u>                      | <u>2020</u>                      |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| quarterly<br>price per<br>county |
| <b><u>\$7,875</u></b>            | <b><u>\$7,954</u></b>            | <b><u>\$8,034</u></b>            | <b><u>\$8,114</u></b>            | <b><u>\$8,195</u></b>            | <b><u>\$8,277</u></b>            | <b><u>\$8,360</u></b>            |

### **Change Requests and Other Services**

MCCC will pay Xerox at the following rates for all time spent by Xerox in performing other enhancements to the LRMS Property Tax System requested in writing by MCCC, including preparation of design documents, or in providing other services requested by MCCC during the term of this Agreement. This time will be calculated and billed as incurred in quarter hour increments. Any travel and expenses incurred in performing these Change Requests or Other Services will be billed at competitive market rates.

2017 – \$155.00 per hour

2018 – \$156.00 per hour

2019 – \$157.00 per hour

2020 – \$158.00 per hour