

AGREEMENT TO FURNISH CONSULTING SERVICES FOR THE PURPOSE OF IMPLEMENTING FIELD OPERATIONS SOFTWARE FOR THE MUNICIPAL UTILITIES DEPARTMENT

This Agreement is made and entered into this 2nd day of October, 2007 by and between the City of Redlands, a municipal corporation (hereinafter "City") and Trimble Navigation Limited (operating through its Spacient business unit), (hereinafter "Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 - ENGAGEMENT OF CONSULTANT

1.1 City hereby engages Consultant to perform consulting services (the "Services") for implementing field operations software for City's Municipal Utilities Department.

1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing similar types of services.

ARTICLE 2 - SERVICES OF CONSULTANT

2.1 The specific Services which Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Services," which is attached hereto and incorporated herein by this reference.

2.2 Consultant shall comply with all applicable Federal, State and local laws and regulations in its performance of this Agreement including, but not limited to, the Americans with Disabilities Act and the Fair Employment and Housing Act.

ARTICLE 3 - RESPONSIBILITIES OF CITY

3.1 City shall use its reasonable efforts to make available to Consultant information, personnel, facilities, data and equipment in City's possession that is relevant to the performance of the Services, including, without limitation, such items required to be provided by the City as set forth on Exhibit A.

3.2 City will make provision for Consultant to enter upon City-owned property during regular City business hours as reasonably required by Consultant to perform the Services.

3.3 City designates its Municipal Utilities Department's Customer Service Manager to act as its representative with respect to the Services to be performed under this Agreement.

ARTICLE 4 - PERIOD OF SERVICE

4.1 Consultant shall perform the Services in a prompt and diligent manner and in accordance with the schedule set forth in Exhibit "B," entitled "Project Schedule."

ARTICLE 5 - PAYMENTS TO CONSULTANT

5.1 The total compensation for Consultant's performance of the Services shall not exceed the amount of \$74,782. City shall pay Consultant on a time and materials basis based upon the hourly rates shown in Exhibit "C," entitled "Fee Schedule ."

5.2 Consultant shall bill City within ten days following the close of each month by submitting an invoice indicating the portion of the Services performed, who performed the Services, and the detailed cost of all Services including backup documentation. Payments by City to Consultant shall be made within thirty (30) days after receipt by warrant payable to Consultant.

5.3 All notices shall be made in writing and may be given by personal delivery or by mail. Notices sent by mail shall be addressed as follows:

City

Janet Miller
Customer Service Manager
Municipal Utilities Department
P.O. Box 3005
Redlands, CA 92373

Consultant

Christopher T. Stern, P.E.
Trimble Navigation Ltd – Spacient
5001 Airport Plaza Dr., Ste 210
Long Beach, CA 90815

With a copy to:

Trimble Navigation Limited
ATTN: General Counsel, Important
Legal Notice
935 Stewart Drive
Sunnyvale, CA 94085

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section.

ARTICLE 6 – INSURANCE, INDEMNIFICATION, AND LIABILITY

6.1 Consultant's Insurance to be Primary

All insurance required by this Agreement shall be maintained by Consultant for the duration of this Agreement and shall be primary with respect to City and non-contributing to any insurance or self-insurance maintained by City. Consultant shall not commence the Services unless and until all required insurance listed below is obtained by Consultant. Consultant shall provide City with Certificates of Insurance and endorsements evidencing such insurance prior to commencement of Services. All insurance policies shall include a provision prohibiting cancellation of the policy except upon thirty (30) days prior written notice to City.

6.2 Workers' Compensation and Employer's Liability

- A. Consultant shall secure and maintain Workers' Compensation and Employer's Liability insurance throughout the duration of this Agreement in amounts which meet statutory requirements.
- B. Consultant expressly waives all rights to subrogation against City, its elected officials, employees and volunteers for losses arising from work performed by Consultant for City by expressly waiving Consultant's immunity for injuries to Consultant's employees and agrees that the obligation to indemnify, defend and hold harmless provided for in this Agreement extends to any claim brought by or on behalf of any employee of Consultant. This waiver is mutually negotiated by the Parties. This waiver shall not apply to any damage resulting from the negligence of City, its agents and employees. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of City, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of Consultant, its officers, agents and employees.

6.3 Comprehensive General Liability Insurance.

Consultant shall secure and maintain in force throughout its performance of this Agreement comprehensive general liability insurance. Minimum coverage of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. Consultant shall obtain an endorsement that City shall be named as an additional insured.

6.4 Professional Liability Insurance.

Consultant shall secure and maintain insurance appropriate to the Consultant's profession covering liabilities arising from the Consultant's acts, errors or omissions for Services rendered to the City throughout the duration of this Agreement in the amount of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate.

6.5 Business Auto Liability Insurance.

Consultant shall have business auto liability coverage, with minimum limits of one million dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Consultant-owned vehicles used in connection with the Services, hired and non-owned vehicles, and employee non-ownership vehicles. Consultant shall obtain an endorsement that City shall be named as an additional insured.

6.6 Assignment and Insurance Requirements.

Consultant is expressly prohibited from subletting or assigning any of the Services covered by this Agreement without the express written consent of City; provided, however, Consultant may assign this Agreement or subcontract all or a portion of the Services hereunder to any subsidiary of Consultant, to the parent company of Consultant, or to any subsidiary of the parent company of Consultant, with or without City's written consent. In the event of mutual agreement between parties to subcontract a portion of the Services, Consultant shall add the subcontractor as an additional insured and provide City with the insurance endorsements prior to any Services being performed by the subcontractor. Assignment does not include printing or other customary reimbursable expenses that may be provided for in this Agreement.

6.7 Hold Harmless and Indemnification.

Consultant shall defend, indemnify and hold harmless City, its elected officials, officers, employees and agents from and against any and all actions, claims, demands, lawsuits, losses and liability for damages to persons or property, including costs and attorney fees, that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with Consultant's negligent and/or intentionally wrongful acts or omissions under this Agreement; but excluding such actions, claims, demands, lawsuits and liability for damages to persons or property arising from the negligence or intentionally wrongful acts of City, its officers, employees or agents. City shall defend, indemnify and hold harmless Consultant, its affiliates, shareholders, employees, agents, successors and assigns from and against any and all actions, claims, demands, lawsuits, losses and liability for damages to persons or property, including costs and attorney fees, that may be asserted or claimed by

any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with City's negligent and/or intentionally wrongful acts or omissions.

6.8 Disclaimer of Warranty; Limitation of Liability

To the maximum extent permitted by applicable law, the services are provided on an "as is" basis, and Consultant disclaims all warranties, terms and conditions, either express or implied, by statute, common law or otherwise, including but not limited to, implied warranties, terms and conditions of merchantability and fitness for a particular purpose, title and non-infringement.

Consultant's entire liability to City for breach of this Agreement shall be limited to the amounts actually paid by City to Consultant under this agreement. To the maximum extent permitted by applicable law, in no event shall consultant or its affiliates or vendors be liable for any indirect, special, incidental, punitive or consequential damages whatsoever under any circumstance or legal theory relating in anyway to the services or any other consultant products or services, (including, without limitation, damages for loss of business profits, business interruption, loss of data or any other pecuniary loss), regardless of whether consultant has been advised or the possibility of any such loss and regardless of the course of dealing which develops or has developed. In no event will Consultant be liable for costs of procurement of substitute products.

ARTICLE 7 - GENERAL CONSIDERATIONS

7.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees including fees for the use of in-house counsel by a Party.

7.2 All documents, records, drawings, designs and specifications, cost estimates, electronic data files, databases, photographic prints and negatives, and other Project documents developed by Consultant pursuant to this Agreement shall become the property of City and shall be delivered to City upon completion of the Services, or upon the request of City, for use by the City hereunder. Any reuse of such documents and any use of incomplete documents will be at City's sole risk. Notwithstanding the foregoing, Consultant shall not transfer to City any intellectual property (i.e., patent, copyright, or trademark) rights in and to such items, nor in any of the deliverables developed and delivered by Consultant in connection with the Services. Consultant shall retain all right, title and interest in and to such developed works. Further, Consultant shall retain all right, title and interest in and to any and all intellectual property owned by Consultant prior to the date hereof, including, without limitation, any patent, trademarks, software, designs, concepts, know-how, and developments ("Preexisting Technology"). To the extent reasonably required by City to avail itself of the Services, Consultant grants to

City a limited, non-exclusive, non-transferable, right and license (without right to sublicense) to use the Preexisting Technology, solely for internal purposes. .

7.3 Consultant is for all purposes an independent contractor. Consultant shall supply all tools and instrumentalities required to perform the Services. All personnel employed by Consultant are for its account only, and in no event shall Consultant or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of or on behalf of City. The work performed under this Agreement shall not be deemed to be "work for hire."

7.4 Unless earlier terminated, as provided for below, this Agreement shall terminate upon completion and acceptance of the Services by City.

7.5 This Agreement may be terminated by the City, without cause, by providing thirty (30) days prior written notice to Consultant of City's intent to terminate.

7.6 This Agreement may be terminated by Consultant in the event City fails to timely pay any amount properly due and invoiced under this Agreement, and such failure remains uncured for a period of ten (10) days after the date of written notice thereof from Consultant.

7.7 If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but no amount shall be allowed for anticipated profit or unperformed Services, and any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant.

7.7 Upon receipt of a termination notice, Consultant shall immediately discontinue all Services, Consultant shall be compensated on a pro-rata basis for Services performed up to the effective date of termination, and within five (5) days of the date of the date Consultant has received payment in full for all Services performed, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of any data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services.

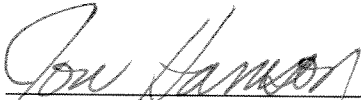
7.8 Consultant shall maintain books and accounts of all payroll costs and expenses incurred in performing the Services. Such books shall be available at all reasonable times for examination by City at the office of Consultant, the date and time of such examination to be mutually agreed by the parties; provided, however, City shall not audit such books more frequently than once in any six month period, City shall be responsible for its own costs associated with an audit performed hereunder, and the City shall maintain as confidential any information disclosed in connection with an audit performed hereunder.

7.9 This Agreement, including the attachments incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations verbal and written proposals or agreements with regard to the subject matter hereof between City and Consultant are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by City Council of City and signed by City and Consultant.

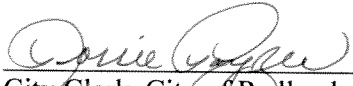
7.10 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS


By: Jon Harrison, Mayor

ATTEST:


City Clerk, City of Redlands

TRIMBLE NAVIGATION LIMITED


By: CHRISTOPHER T. STERN
DIRECTOR

**AGREEMENT TO FURNISH CONSULTING SERVICES FOR THE PURPOSE
OF IMPLEMENTING FIELD OPERATIONS SOFTWARE FOR
THE MUNICIPAL UTILITIES DEPARTMENT**

**EXHIBIT "A"
SCOPE OF SERVICES**

- **Establish Business Requirements**

Conduct a series of interviews with the Customer Service management and staff in pursuit of their information needs and business processes. Prepare the Business Requirements document that includes detail information of the functionality, screen layouts and business processes. The document shall be presented to management for review and feedback and final approval of the formal business requirements.

- **Develop the system**

The development of the two systems shall be separated into two phases. The first phase is to develop the web portal that shall host the two systems, and the Roll-Off Management System. The second phase is to develop the Route Management System. Each phase is followed by migrating the historical data, testing, deployment and training end users.

- **Migrate historical data**

This involves analyzing the current database structure and data followed by developing a migration plan. The migration plan includes translating the current data format and structure to the newly developed database format and design. This process shall migrate the historic records (provided no corrupt data is present in the existing systems data).

- **Test and QA/QC**

This process involves developing test cases to test the business process and system functionality; furthermore QA/QC shall be performed on the migrated data from the previous systems.

- **System Deployment**

The deployment shall be separated into two phases; the first phase includes setting the Web Server, SQL Server, and deploying the Roll-Off Management System. The second phase includes deploying the Route Management System and any updates on the Roll-Off system.

- **Training**

Develop training material and user manuals to assist end users. The Trimble Team shall schedule a training session after each deployment to demonstrate the functionality and business process and get the feedback from the users.

**AGREEMENT TO FURNISH CONSULTING SERVICES FOR THE PURPOSE
OF IMPLEMENTING FIELD OPERATIONS SOFTWARE FOR THE
MUNICIPAL UTILITIES DEPARTMENT**

EXHIBIT "B" PROJECT SCHEDULE

The Scope of Services in Attachment A shall be completed within 4-5 months from the date of the Notice-To-Proceed from the City subject to the City providing the required data in a timely manner.

**AGREEMENT TO FURNISH CONSULTING SERVICES FOR THE PURPOSE
OF IMPLEMENTING FIELD OPERATIONS SOFTWARE FOR THE
MUNICIPAL UTILITIES DEPARTMENT**

EXHIBIT "C" PROJECT COST

Trimble Navigation Limited will provide work associated with this Project for a total amount not to exceed \$74,782.

**AGREEMENT TO FURNISH CONSULTING SERVICES FOR THE PURPOSE
OF IMPLEMENTING FIELD OPERATIONS SOFTWARE FOR THE
MUNICIPAL UTILITIES DEPARTMENT**

EXHIBIT "D" FEE SCHEDULE

Trimble Navigation Limited will invoice the City at the conclusion of each major task during the 4-5 month planned project duration.

Project Manager \$151 / hour
Principal Consultant \$189 / hour
Business Analyst \$120 / hour
Systems Analyst \$120 / hour
System Architect \$132 / hour
Programmer \$108 / hour
Administrative Support \$63 / hour
Travel Expenses Actual Cost