

ALPHA INTERNET SYSTEMS

525 Midvale Way
Mill Valley, CA 94941
Phone: 415/383 8107
Fax: 415/383 8720
e-mail: alphais@alphais.com
Web: <http://www.alphais.com>

REDLANDS - ALPHA INTERNET SYSTEMS, INC. CITY HALL ONLINE™ INSTALLATION AND MAINTENANCE AGREEMENT

Alpha Internet Systems, Incorporated (AIS) will provide the City of Redlands, California (Redlands) with the installation and maintenance of an Internet based, interactive, city business and services web site.

This web site shall utilize the City Hall Online™ (CHO) software program by AIS as its organizational and formatting instrumentality. Content provided by Redlands shall be inserted by AIS into CHO and installed on the Internet.

The work program shall proceed as follows:

I. TECHNICAL RECONNAISSANCE:

The AIS Project Manager shall meet with Redlands's Project Manager for the purpose of reviewing the configuration of Redlands's existing computer and e-mail systems.

II. INITIAL INSTALLATION OF CITY HALL ONLINE™

AIS will provide use of the City Hall Online™ software to Redlands and shall develop Redlands's Internet based, interactive, local government business web site as follows:

The AIS Project Manager shall collaborate with Redlands's Project Manager for three (3) calendar months for the purpose of :

- A. Establishing the basic content format for Redlands's Internet installation.
- B. Obtaining the appropriately digitized content from Redlands for AIS installation into the CHO based installation. (Refer to section IV. APPROPRIATELY DIGITIZED CONTENT)
- C. Preparing a preliminary version of the Redlands Internet installation for City Council review.
- D. Preparing the final version of the Redlands Internet installation incorporating the changes requested by the City Council.
- E. Installing the final Redlands/CHO Internet installation as a sub-directory of the AIS web site at no additional cost to Redlands, or on the server of a mutually approved service provider for Redlands's account at Redlands's option.

III. MAINTENANCE OF THE REDLANDS/CHO WEB SITE:

Upon review and approval of the Redlands/CHO web site by the City Council, AIS will undertake the maintenance of the module for twelve (12) calendar months. Such maintenance shall consist of making as-needed updates to the original content of the installation. The content of these up-dates shall be transmitted to AIS by Redlands in a digitized format appropriate for installation into CHO. (Refer to section IV. APPROPRIATELY DIGITIZED CONTENT)



IV. APPROPRIATELY DIGITIZED CONTENT:

Content for AIS insertion into the web site shall be transmitted as follows:

- A. Text shall be in either MS Word or Word Perfect
- B. Tables & multi-column content shall be in MS Excel
- C. Maps and other line-work graphics shall be in either .eps or . bmp format at 600 dpi or greater.
- D. Photographs shall be in .tif format at 600 dpi or greater.

Redlands authorized, AIS expedited, third party scanning or manual transcription of undigitized content will be reimbursed by Redlands at the rate of cost-plus a ten percent (10%) expediting fee. Redlands authorized AIS manual transcription of undigitized text will be charged at fifteen dollars (\$15.00) per hour.

V. PROGRAM DURATION:

The initial term of this Agreement shall be fifteen (15) calendar months from the execution of the Agreement by Redlands.

At Redlands's option, the site maintenance services provisions of this Agreement may be extended yearly at the prior year's compensation plus a yearly adjustment equal to the Consumer Price Index change over the prior year.

VI. DESIGNATED PROJECT MANAGERS:

- A. FOR REDLANDS: The designated Project Manager for Redlands shall be Toni Charboneau.
- B. FOR AIS: The designated Project Manager for AIS shall be Michael D'Amico.

VII. OWNERSHIP OF CHO AND THE REDLANDS CONTENT:

The CHO software package is copyrighted by, and is the sole property of, AIS. The Redlands provided content, including its translation into HTML, is the property of Redlands.

VIII. COMPENSATION:

AIS shall be compensated for services provided as follows:

- A. INSTALLATION: Three calendar months at the rate of Five Thousand Dollars (\$5,000) per month.
- B. MAINTENANCE: Twelve calendar months at the rate of One Thousand Five Hundred Dollars (\$1,500.00) per month.

The initial monthly fee shall be due and payable within ten (10) calendar days from execution of this Agreement. Billings for subsequent fees shall be submitted and paid monthly. Out-of-pocket expenses for travel and communications shall be billed at cost plus ten percent.

IX. TERMINATION:

- A. FOR CONVENIENCE: This Agreement may be terminated for convenience by Redlands on 30 days written notice to AIS. Should Redlands terminate for convenience it shall pay to AIS all financial obligations outstanding to AIS at date of termination plus a termination fee equal to ten percent (10%) of all fees earned by AIS to date of termination.

AIS may not terminate the Agreement for convenience

- B. FOR CAUSE: This Agreement may be terminated by either party for cause. Termination for cause shall be preceded by notice to the offending party of the reasons for termination and shall provide the other party thirty (30) calendar days to cure the alleged violation. Should Redlands terminate for cause, then Redlands shall only be obligated to pay its financial obligation to AIS to the date of notification less a penalty of ten percent (10%) of the amount owed.

Should AIS terminate for cause, Redlands shall be obligated to pay AIS all fees due on the date of termination plus a penalty of One Thousand Dollars (\$1,000.00).

X. INTEGRATION CLAUSE:

This Agreement contains the sole and only Agreement of the parties and correctly sets forth the rights, duties and obligations of each to the other as of this date. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect.

XI. ATTORNEY'S FEES:

Should any litigation or other legal proceeding commence between the parties concerning any provision of this Agreement or the rights and duties of any of the parties hereto, the party prevailing in such litigation shall be entitled, in addition to such other remedies as may be granted, to reasonable attorney's fees, expert witness fees, costs of suit, consultant fees, mediator fees, arbitrator fees or other fees and costs incurred in such litigation or legal proceeding.

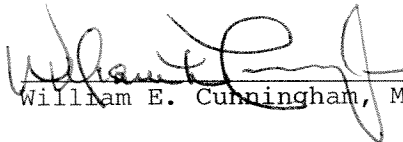
XII. NOTICE:

Any and all notices between the parties provided for or permitted under this Agreement or by law shall be in writing and shall be deemed duly served when personally delivered to a party, or in lieu of such personal service, when deposited in the United States Postal Service Mail, certified, postage prepaid, addressed to such party at the address of the principal place of business of the party or to such other place as may from time to time be specified in a notice to the other party.

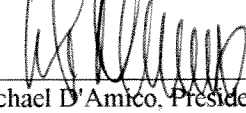
XIII. JURISDICTION:

This Agreement shall be binding on the executor, heirs, administrators, successors and assigns of the parties hereto and shall be governed by and construed in accordance with the laws of the State of California.

APPROVED FOR:
CITY OF REDLANDS

 Date: 12/16/97
William E. Cunningham, Mayor

APPROVED FOR:
ALPHA INTERNET SYSTEMS, INC.

 Date: 12/1/97
Michael D'Amico, President/CEO

ATTEST:

_____
Lorrie Poyzer, City Clerk
City of Redlands