



H.T.E., INC. SOFTWARE LICENSE AND SERVICES AGREEMENT

This Agreement for Licensed Program(s) and related Support Services, subject to the limitations and conditions set forth in this Agreement, as more specifically described in the attached Supplement and Schedule(s), is entered into by and between:

H.T.E., Inc. (HTE), a Florida Corporation, with its principal place of business at: 1000 Business Center Drive, Lake Mary, Florida 32746;

AND
CITY OF NORTH RICHLAND HILLS, TEXAS
"CUSTOMER",
with its principal place of business at

7301 N.E. LOOP 820
P O BOX 820609
NORTH RICHLAND HILLS, TEXAS 76180

HTE and Customer agree that when this Agreement is signed by both parties, all terms and conditions contained in this Agreement will apply to any Licensed Program(s) and/or service(s) offered under this Agreement. HTE will furnish to the Customer by this Agreement:

1. The HTE Licensed Program(s) listed in the Supplements to this Agreement.
2. Grant of a nonexclusive, nontransferable license to use the Licensed Programs on HTE supplied or approved equipment.
3. Support service(s) as described herein.
4. Modifications, training, conversion and project management services as described herein and listed in the Supplement(s) to this Agreement.
5. The installation of the Licensed Program(s).
6. IBM and 3rd party hardware listed in the Supplements to this Agreement.

With respect to the Licensed Program(s), the Customer agrees to accept responsibility for:

1. The installation of any enhancements and/or updates to the Licensed Program(s).
2. Use of the programs to achieve the Customer's intended results.

I. DEFINITIONS

"Licensed Program(s)" shall mean a licensed data program or set of programs, or routines and subroutines, consisting of a series of instructions or statements in machine readable form and any related licensed program materials provided for use in connection with the program. Unless otherwise provided herein, the term "Licensed Program(s)" shall refer solely to HTE Licensed Program(s).

"Machine" or "CPU" or "Hardware" shall mean computer hardware designated, supplied or approved by HTE for operation of any Licensed Program(s).

"Source Code" shall mean a copy of the computer programming code in human-readable form and related system documentation, including updates, applicable enhancements, and all pertinent commentary as well as any procedural code such as job control language.

"Installation Date" shall mean the date that the Licensed Program(s) is installed/loaded on a designated machine.

"Delivery Date" shall mean the date that the Licensed Program(s) is received by the Customer, or no later than ten (10) calendar days after shipment by HTE. For services, the "Delivery Date" refers to the date services are performed.

"Acceptance" shall mean that the installed/loaded Licensed Program(s) has gone through the program testing and acceptance period as described in Section VI.

"Support Services" shall mean the maintenance and support call services provided to Customer for the HTE Licensed Program(s).

II. LICENSE

The license granted under this Agreement permits the Customer, subject to the provisions of Sections VIII, IX, X and XII of this Agreement to:

- a. Use the Licensed Program(s) on the designated Machine(s).
- b. Copy or translate the Licensed Program(s) in machine readable or printed form to provide sufficient copies to support the Customer's use of the Licensed Program(s) as authorized under this Agreement.
- c. Transfer the Licensed Program(s) to a back-up CPU to be used when the designated CPU is temporarily inoperable.
- d. Modify any Licensed Program(s) to form an updated work for the Customer's use, provided that:
 1. The Customer supplies HTE with written notification of the modification.
 2. The modification is made according to the HTE conventions of the HTE Modification Library and not to the base system.

The Licensed Program(s) should not be reverse assembled or reverse compiled in whole or in part.

Failure to modify the programs in the manner prescribed may negate the ability to maintain the Licensed Program(s) by HTE and will relieve HTE of any responsibility to provide support services unless the modification was approved by HTE. Any updated work using portions of the Licensed Program(s) that meets the above criteria will continue to be subject to all terms of this Agreement.

- e. Have access to a copy of the Licensed Program(s) Source Code, if necessary, through a telephone request to the HTE Project Manager. Source code for the majority of the Licensed Program(s) will be resident on the Customer's machine.

III. TERM

This Agreement is effective from the date on which it is signed by both parties and will remain in effect until terminated by HTE or the Customer upon one (1) month written notice. This Agreement may be terminated by the Customer only when all Licensed Program(s) have been returned to HTE or destroyed. An authorized representative of HTE, upon request, shall be afforded sufficient access to Customer's premises to verify that all use of Licensed Program(s) have been discontinued. Notice of discontinuance of any or all licenses shall not be considered notice of termination of this Agreement unless specifically stated.

License(s) granted under this Agreement may be discontinued by the Customer upon written notice, effective immediately, during the testing period described in Section VI. Any responsibility of either HTE or the Customer provided under this Agreement shall not be invalidated due to the expiration, termination or cancellation of this Agreement.

IV. HTE SUPPLIED PRODUCT(S) AND/OR SERVICES

HTE shall supply the Licensed Program(s) specified in the Supplement(s) in a machine readable form with instructions for installation by the Customer. Standard form options, if applicable, will be provided by HTE. In addition, HTE shall supply related services and/or maintenance, and may supply specialized hardware or other third party products necessary for the performance of certain special features or functions. These services and deliverables, if any, shall be identified and more specifically described in the Supplement(s), and shall constitute the complete list of deliverables provided by HTE.

HTE assumes no liability for any hardware or other third party products beyond manufacturers' warranty specified in the Supplement(s), except for those that HTE has included in its proposal to work with HTE products as proposed. Customer acknowledges that these products were selected by Customer, at HTE's recommendation to support features desired by Customer, and that they are included in the Agreement solely for that purpose. This is based on HTE's understanding of the Customer environment. HTE reserves the right to sever the third party relationship ending its Customer responsibility.

V. PRICING AND PAYMENT TERMS

All pricing and terms associated with Licensed Program(s) and any other HTE products and services are specified in the Supplement(s) to this Agreement. Unless specified to the contrary, prices quoted in the Supplement(s) to this Agreement are valid for ninety (90) days from the date of HTE's acceptance of the applicable Supplement(s). HTE may increase its prices without notice on items not provided for in the Supplement(s).

Fees for HTE Support Services are payable prior to the commencement of such Support Services. Should Customer require Support Services prior to receipt of payment and the contractual start date of such Service, Customer will be billed at the then prevailing hourly rate until payment is received.

Fees for support services for any third party products provided for under this Agreement shall be payable to and in accordance with the provisions of the third party Vendor unless otherwise specified in the Supplement(s).

Any taxes resulting from this Agreement or activities resulting from this Agreement, including but not limited to sales and/or use tax, will be the responsibility of the Customer. HTE will accept an exemption certificate from the Customer in lieu of taxes if the Customer qualifies for exempt status. Such exemption certificate will need to be provided to HTE upon contract execution.

VI. LICENSED PROGRAM TESTING AND ACCEPTANCE

Beginning on the date ten (10) days after delivery of the Licensed Program(s) by HTE, the Licensed Program(s) will be available for non-productive use for testing for a period of thirty (30) days. This testing period is to determine whether the Licensed Program(s) functions operate together and whether the Licensed Program(s) meet the Customer's specifications and/or requirements.

At any time during the testing period, upon written notice, the Customer may discontinue the Licensed Program(s) and receive full credit or refund for the amount of the license fee. If written notice of discontinuance is not received by HTE prior to the end of the testing period, or if the Customer uses the Licensed Program(s) for other than non-productive use during the testing period, the Licensed Program(s) shall be deemed to be accepted under the provisions of this Agreement.

VII. LICENSED PROGRAM SERVICES

Training on HTE Licensed Program(s), if necessary, will be provided for in the Supplement(s) and will be invoiced as incurred at the completion of each training session at the rate specified in the applicable Supplement(s). The Customer understands that the number of training sessions and the number of hours of training vary per application, and are estimated based on HTE's experience in the training of other Customers for the same applications. Additional training can be provided upon request of the Customer at the then prevailing rate per hour. Any training sessions canceled by either HTE or the Customer after scheduling by HTE may be subject to penalty charges by the other party. Such charges would be as provided for in the Supplement(s). It is acknowledged, however, that either party may cancel upon reasonable notice in the event of reasonable circumstances of delay.

Conversion, if necessary, will be provided for in the Supplement(s) and will be invoiced as incurred at the rate specified in the applicable Supplement(s) or at HTE's then prevailing rate per hour. Data must be given to HTE in an IBM compatible format on a specified magnetic media. Data must match data field definition. Input data file clean up shall be the responsibility of the Customer. Additional conversion, if necessary, will be invoiced at the prevailing rate per hour. It is understood that no two systems and file structures are exactly alike and there may be a need for some manual conversion efforts to take place along with the electronic conversion.

Modifications, if any, will be provided for in the Supplement(s) and will be controlled by the HTE System Change Request form ("SCR") which will be prepared for the Customer by the HTE Project Manager responsible for that module. HTE will proceed on the SCR when the signed SCR is returned with the Customer's authorization along with appropriate payment as provided for in the Supplement(s).

Project Management is strongly recommended by HTE, and will be provided for in the Supplement(s) and will be invoiced as incurred.

HTE will provide the Customer with the Support Services listed below for the HTE Licensed Program(s) for such period as may be listed in the Supplement(s), and commencing one hundred twenty (120) days after delivery of the Licensed Program(s). Thereafter the Services will be provided on a year-to-year basis provided the Customer exercises the option and pays HTE's annual support fee.

- a. Toll free telephone support line; twenty-four (24) hours a day, seven (7) days per week.
- b. Electronic support.
- c. Product updates and new releases of the covered Licensed Program(s).
- d. Response time to calls within approximately two (2) hours of call.
- e. Error corrections as made.

Customer shall direct all support requests for the first one hundred twenty (120) days after delivery of the Licensed Program(s) to the appropriate HTE project manager or trainer. In the event the customer is unable to reach the appropriate HTE project manager or trainer in a timely manner during the first one hundred twenty (120) days, the Customer may direct support requests to the appropriate HTE Customer Care Representative, who will respond on a timely basis and update the Customer on the HTE status of actions.

Upon commencement of the HTE Support Services, telephone support will be provided using a dedicated support telephone number, and the Customer must have Electronic Customer Support installed. Support requests relating, if applicable, to third party hardware or software will be directed to the Vendor of such products unless otherwise provided for in the Supplement(s). Unless otherwise stated herein or in the Supplement(s), HTE shall assume no responsibility for the pricing of, payment to, or provision for support services of any third party Vendors.

HTE shall not supply any support services nor be liable for any damages in the event that any portion of the Licensed Program(s) is used on equipment or with software products or software systems other than those supplied or approved by HTE. Customer shall receive written authorization from HTE before attaching to the computer system any equipment not supplied or approved by HTE. Authorization shall not be withheld unless said equipment will cause operational damage to the system, or require undue system support from HTE. City will provide to HTE a list of hardware for HTE's approval to be attached to the system.

Customer acknowledges that the systems supplied by HTE have unique operating properties and are a matched system of components which must not be altered, modified, or tampered with without specific assistance from HTE designated personnel. HTE shall not be liable for any damage or loss of function which results from violating the approved operating environment by personnel not approved by HTE.

In the event of the failure of any hardware component or other third party product supplied under this Agreement to function or operate in conformance with specifications, HTE shall have no obligation for warranty beyond that of the hardware or other third party manufacturer or that specified in the Supplement(s).

VIII. PROTECTION AND SECURITY OF PROPRIETARY MATERIALS

The Customer acknowledges that the Licensed Program(s), including the source code, design specifications and associated documentation of the Licensed Program(s), (the "HTE Proprietary Information") constitute proprietary information and trade secrets of HTE and will remain the sole property of HTE. The Customer agrees that it shall not at any time sell, assign, transfer or otherwise make available to, or allow us by, a third party any of the HTE Proprietary Information. The Customer shall hold in confidence the HTE Proprietary Information for its benefit and internal use only by its employees. The Customer further acknowledges that, in the event of a breach or threatened breach by the Customer of the provisions of this paragraph, HTE has no adequate remedy in money or damages, and accordingly shall be entitled, without bond, to an injunction against such breach or threatened breach.

IX. WARRANTY

HTE warrants that for a period of ninety (90) days after acceptance, as provided for in Section VI, the HTE Licensed Program(s) listed in the Supplement(s) will perform in substantial compliance with the reference documentation supplied by HTE, provided the Licensed Program(s) are used in the proper operating environment. HTE does not warrant that the functions contained in the Licensed Program(s) will meet the Customer's requirement or will operate in the combinations which may be selected for use by the Customer after the ninety (90) day period after the completion of the Licensed Program testing described in Section VI. Any other utility or incidental software distributed by HTE will be on an "AS IS" and "WITH ALL FAULTS" basis without warranty of any kind either expressed or implied. HTE shall be responsible only for the Licensed Program(s) and products as originally supplied and accepted by Customer, and for changes made to the Licensed Program(s) by HTE's authorized representatives. HTE will not be responsible for the consequences of attempts at changes or modifications to the products and Licensed Program(s) made by the Customer or any other unauthorized party.

HTE warrants that it has the right to license the HTE Licensed Program(s) listed in the Supplement(s) and that the HTE Licensed Program(s) does not infringe any intellectual property of any third party. HTE agrees to indemnify Customer against expenses, including any Court awarded attorneys' fees, and liability arising from any claim of infringement related to HTE Licensed Program(s) provided HTE shall have the right to control the defense or settlement of any such claim. If use of the HTE Licensed Program(s) by the Customer is enjoined by any infringement proceeding, HTE shall, if possible, obtain without unreasonable expense the right of License for the Customer to use the HTE Licensed Program(s) or if that is not possible, HTE shall refund to the Customer the license fee(s) paid under this Agreement for the particular Licensed Program(s) that is determined to be infringing.

HTE does not make any representations or warranties with respect to intellectual property rights of any third party products. Any such representations or warranties are made solely by the Vendor of such products, and shall not be construed as a warranty with respect to infringement and the like by HTE.

HTE MAKES NO WARRANTIES, OTHER THAN AS STATED HEREIN, WITH RESPECT TO THE PARTICULAR LICENSED PROGRAM(S), EITHER EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

X. COPY AND USE

Customer shall have the right to use the Licensed Program(s) in equipment or systems supplied or approved by HTE while this Agreement is in effect. Customer shall have the right to make copies of the Licensed Program(s) and the associated reference documentation for archival and/or backup purposes only. Any copies made by Customer shall be the property of HTE.

XI. LIMITATION OF LIABILITY AND REMEDIES

To the extent permitted by law, and to the extent provided for under this Agreement, for claims related to bodily injury, death and damage to real property and tangible personal property, HTE shall indemnify and hold harmless the Customer from and against all direct damages and costs of any kind, including but not limited to reasonable attorney fees, arising out of or resulting from any negligent acts, or negligent omissions of HTE, regardless of whether such claims are caused in part by any party indemnified hereunder, but not to the extent that the Customer is legally liable for such damages and costs. In no event, however, will HTE be liable for any consequential damages, including lost profits, savings or procurement costs, even if HTE has been advised of their possibility.

Except for HTE's obligations to indemnify the Customer under infringement actions, as noted in Sections IX and XII of this Agreement, and claims for personal injury or damages to real or tangible personal property caused by HTE's negligence as noted above, HTE's liability for damages to the Customer for any cause whatsoever under this Agreement, regardless of the form of action, is limited to the total amount of fees paid by Customer under this Agreement for HTE Licensed Program(s) and services, not including any fees associated with HTE project management and related out-of-pocket expenses.
possibility.

In situations involving performance or nonperformance of Licensed Program(s) furnished under this Agreement, the Customer's remedy is (1) the correction by HTE of Licensed Program defects, or (2) if, after repeated efforts, HTE is unable to make the Licensed Program(s) operate as warranted, the Customer shall be entitled to recover damages to the limits set forth in this section.

XII. PATENT AND COPYRIGHT INDEMNITY

HTE will, at its expense, defend the Customer against any claim that the HTE Licensed Program(s) supplied hereunder infringe a patent or copyright in the United States, Puerto Rico, or Canada, and HTE will pay all costs, damages and attorney's fees that a court finally awards as a result of such claim. To qualify for such defense and payment, the Customer must:

- a. Give HTE prompt written notice of any such claim, and
- b. Allow HTE to control, and fully cooperate with HTE in the defense and all related settlement negotiations.

The Customer agrees to allow HTE, at HTE's option and expense, if such claim has occurred or in HTE's judgment is likely to occur, to procure the right for the Customer to continue using the Licensed Program(s) or to replace or to modify them so that they become non-infringing. If neither of the foregoing alternatives is available on terms which are reasonable in HTE's judgment, upon written request, the Customer will return the Licensed Program(s) to HTE, and HTE shall refund to the Customer the license fee(s) paid under this Agreement for the particular Licensed Program(s) that is determined to be infringing.

HTE shall have no obligation with respect to any such claim based upon the Customer's modification of the Licensed Program(s) or their combination, operation or use with data or programs not furnished by HTE or in other than the specified operating environment. This section states HTE's entire obligation to the Customer regarding infringement.

XIII. COPYRIGHT PROTECTION

The software and any written documentation associated therewith are protected under the Copyright Laws of the United States. HTE warrants and Customer acknowledges that HTE has the following exclusive rights with regard to the Licensed Program(s):

- a. To reproduce the Licensed Program(s) in any or all forms.
- b. To adapt, transform or rearrange the Licensed Program(s).
- c. To prepare other products derivative of the Licensed Program(s).
- d. To control the distribution of the Licensed Program(s).

Customer agrees not to violate any of HTE's rights or to assist or aid others in doing so. Customer agrees to preserve all copyright and other notices in the Licensed Program(s) and written documentation.

XIV. MISCELLANEOUS AGREEMENT PROVISIONS

Applicable Law. This Agreement shall be governed by the laws of the State of Texas and venue shall be Tarrant County, Texas.

Binding Agreement. The individual signing this Agreement and any Supplement(s) to this Agreement for the Customer warrants that they have been duly authorized to bind their respective principals to all rights, duties, remedies, obligations and responsibilities incurred by way of this Agreement and that the Agreement and any Supplement to the Agreement are a valid and binding obligation of the Customer.

Assignment. This Agreement and the rights, title, and interest may not be assigned or transferred by the Customer without the prior written consent of HTE, which consent may be withheld by HTE. HTE may not assign its rights, title and interest without prior written consent of the Customer, which consent may be withheld by the Customer.

Successors Bound. The terms and conditions of this Agreement shall extend and inure to the benefit and be binding on the respective successors and assigns of Customer and HTE.

Force Majeure. HTE is not responsible for failure to have fulfilled its obligations under this Agreement due to causes beyond its control, which qualify, in this jurisdiction, as force majeure.

Severability. If any term or provision of this Agreement or the application thereof to any entity, person or circumstance shall, to any extent be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to entities, persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Notices. Any notice provided for herein shall be in writing and sent by registered or certified mail, postage prepaid, addressed to the party for which it is intended at the address set forth on the first page of the Agreement or to such other address as either party shall from time to time indicate in writing. Any such notice to be deemed to be effective upon receipt or five (5) days from the date of the mailing, whichever occurs first. Notices provided hereunder shall be addressed to:

For the Customer:
Purchasing Agent
City of North Richland Hills, Texas
7301 N.E. Loop 820
North Richland Hills, Texas 76180

For HTE:
Director of Sales Operations
H.T.E., Inc.
1000 Business Center Drive
Lake Mary, Florida 32746

Headings. Numbered topical headings, articles, paragraphs, subparagraphs or titles in this Agreement are inserted for the convenience of organization and reference and are not intended to affect the interpretation or construction of the terms thereof.

Non-Hiring Statement. During the term of this Agreement and for a period of twenty-four (24) months after the termination of this Agreement, the neither party may offer to hire or in any way employ or compensate any of the employees of the other party or persons who have been employed by the other party within the immediate past twenty-four (24) months without prior consent of such party.

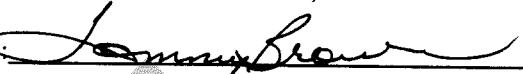
Non-waiver. Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.


Arbitration. In the event of a dispute arising under this Agreement the objecting party shall notify the other, in writing, of the nature of the dispute, and the parties shall attempt to resolve the issue under dispute. It is hereby agreed between the parties that if no such resolution is found then such dispute shall be submitted by the objecting party to non-binding arbitration in accordance with the provisions of the Tarrant Dispute Resolution Service. The parties shall endeavor to ensure that the arbitrators are knowledgeable in business information and data processing systems. One (1) arbitrator shall be chosen by each party involved, and the third arbitrator will be mutually agreed upon by both parties. If the parties cannot agree on the selection of a third arbitrator, the two (2) arbitrators previously chosen will select the third arbitrator. The decision and award of the arbitrators will be non-binding and may be registered in any court of competent jurisdiction. Any disputes submitted for arbitration must be submitted within two (2) years from the date of the occurrence or from the date on which the injured party learns of the occurrence, whichever is later.

Entire Agreement. This Agreement and any Supplement(s) and/or Amendments to this Agreement constitute the entire Agreement between the parties, and there are no representatives, conditions, warranties, or collateral agreements, expressed or implied, statutory or otherwise, with respect to this Agreement other than as contained herein, and this Agreement shall supersede all previous communications, representations or agreements, either written or oral, between the parties to this Agreement. This Agreement may not be modified, omitted or changed in any way except by written agreement signed by persons authorized to sign agreements on behalf of the Customer and of HTE.

Both parties acknowledge that they have read this Agreement and agree to be bound by the terms and conditions herein.

NORTH RICHLAND HILLS, TEXAS

By: 
Mayor / 9-25-97
Title Date

H.T.E., INC.
BY: 
Susan Falotico
VP Finance/Controller 9/19/97
Title Date

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DO NOT COPY

SUPPLEMENT TO H.T.E., INC. LICENSE & SERVICE AGREEMENT

HARDWARE PURCHASE AGREEMENT

This Hardware Agreement is a Supplement to the H.T.E., INC. LICENSE & SERVICE AGREEMENT between H.T.E., Inc. (HTE) and City of North Richland Hills, Texas (Customer).

I. HARDWARE

HTE shall sell to Customer and Customer shall buy from HTE the Hardware listed on the Schedule(s), under the terms and conditions contained herein. Customer may not cancel or modify any order for Hardware described on the Schedule(s) without the prior written consent of HTE.

II. SYSTEMS SOFTWARE

Customer shall receive a license to use the systems software (the "Systems Software") that is provided by the Manufacturer to operate the Hardware and is more fully described on the attached Schedule(s), and title to the Systems Software shall remain with the Manufacturer. Customer agrees to protect the Systems Software, which is and shall remain proprietary to the Manufacturer, in accordance with the Manufacturer's instructions.

III. INSTALLATION

Customer shall contract with the Manufacturer's Services Officer to arrange for the upgrade and installation of the Hardware listed in the Schedule(s) and shall be responsible for all necessary site preparations prior to and during the installation of the Hardware in accordance with HTE and Manufacturer's instructions. Such site preparations may include, but are not limited to, provisions of electric power requirements, the installation of all required data and power cabling, and the provision of sufficient furniture and flooring for the Hardware.

Customer shall bear any costs or penalties incurred by HTE as a result of Customer's failure to provide adequate facilities for installation as per HTE and Manufacturer's instructions or as a result of Customer's failure to accept delivery of the Hardware. However, in no event shall any delays in such site preparations by the Customer negate the payment terms as provided for in the Schedule(s) to this Hardware Agreement.

In the event that the Customer makes any changes to the Hardware order (i.e. Hardware configuration, delivery date, Customer Facility location, etc.) which results in increased prices from the Manufacturer or the imposition of late order charges/penalties by the Manufacturer, Customer shall reimburse HTE for such changes/penalties or increase in cost at the time of those charges. Additionally, any Hardware deposits received by HTE from the Customer will be retained by HTE if HTE is required to return the Hardware to the Manufacturer due to any reason that is not the fault of HTE.

Customer agrees to grant access to the Manufacturer and/or HTE as needed, to install mandatory engineering changes, order features, or model conversions to the Hardware.

In conjunction with the installation of the Hardware, HTE will provide Customer with one (1) copy of each of the Manufacturer's hardware manuals which have been provided by Manufacturer without charge to HTE.

IV. DELIVERY

Delivery dates are approximate and any delivery schedule provided is estimated only and presented in good faith by HTE. HTE will not assume any liability, consequential or otherwise, for any delay or failure to deliver all or any part of the Hardware.

Customer will pay all installation, set-up, rigging, draying, insurance and shipping charges (F.O.B. place of manufacture). It is the responsibility of Customer, upon receipt, to inspect the Hardware and to note any damage or missing items on the freight bills.

V. PRICING AND PAYMENT TERMS

All pricing and terms associated with the Hardware are specified in the attached Schedule(s). Amounts payable to HTE as specified are payable in full without setoff or deduction. In addition to the Purchase Price and all other charges required to be paid by Customer, Customer shall pay sums equal to all taxes (including, without limitation, sales, use privilege, ad valorem or excise taxes) however designated, levied or based on amounts payable to HTE hereunder or on Customer's use or possession of the Hardware pursuant to this Hardware Agreement, but exclusive of United States federal, state, and local taxes based on the net income of HTE. Customer shall not deduct from payments to HTE any amounts paid or payable to third parties for taxes, however designated.

VI. MAINTENANCE

Customer will obtain maintenance from IBM or other 3rd party for the hardware with the purpose of securing of proper maintenance that is essential to the proper functioning of the hardware. HTE makes no claims as to the reputability of any third party maintenance vendors.

VII. WARRANTIES

HTE is not the manufacturer of the Hardware, and therefore makes no warranties, express or implied, concerning the Hardware and Systems Software. No representation or other affirmation of fact, including but not limited to statements regarding capacity, suitability for use or performance of the Hardware or Systems Software shall be or be deemed to be a warranty or representation by HTE for any purpose, nor give rise to any liability or obligation of HTE whatsoever, and the provisions of any Manufacturer's agreement with HTE setting out the Manufacturer's warranty and service responsibilities together with all limitations thereon and exclusions therefrom are incorporated into and made a part of the Hardware Agreement. Upon full payment of the Purchase Price, HTE shall provide for Customer to receive any and all Manufacturer's warranties in connection with the Hardware and Systems Software and all rights to make claim for breach of warranty which are or may be available with respect to the Hardware and Systems Software and all rights to make claim to the Hardware and Systems Software, to the extent allowed by the Manufacturer. Customer understands that the warranties provided under this Hardware Agreement may commence upon availability of the Hardware for delivery, shipment from the Manufacturer, date of installation or upon a specified period following shipment from the Manufacturer (depending upon the Manufacturer).

HTE MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE HARDWARE AND SYSTEMS SOFTWARE, AND EXPRESSLY DISCLAIMS THE SAME. SPECIFICALLY, HTE DOES NOT WARRANT THE DESIGN OR CONDITION OF THE HARDWARE, ITS MERCHANTABILITY OR ITS FITNESS OR CAPACITY OR DURABILITY FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE HARDWARE OR CONFORMITY OF THE HARDWARE TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATING THERETO.

VIII. LIMITATIONS OF LIABILITY

Except for HTE's obligations to indemnify the Customer under infringement actions and claims for personal injury or damages to real or tangible personal property caused by HTE's negligence, HTE's liability for damages to the Customer for any cause whatsoever under this Hardware Agreement, regardless of the form of action, is limited to the greater of \$100,000.00 or the charges (if recurring, 12 months' actual charges apply), for the product that is the subject of the claim. HTE shall not be liable for any damages caused by delay in shipment, installation, or furnishing of Hardware, Systems Software, or services under this Hardware Agreement and, in no event shall HTE be liable for any consequential damages, including lost profits, savings or procurement costs, even if HTE has been advised of their possibility. Any claims or

matters related to any liability under this paragraph or any other provision of this Hardware Agreement shall be directed solely to the Manufacturer of the Hardware or Systems Software.

IX. TITLE- SECURITY INTEREST

The title and the risk of loss shall pass to Customer on delivery to the carrier at Customer's Computer facility unless otherwise noted in the applicable Schedule(s). HTE may, however, reserve a purchase money security interest in the Hardware, to secure any unpaid portion of the Purchase Price. A copy of this Hardware Agreement may be filed on behalf of HTE with appropriate state authorities at any time after signature by Customer as a financing statement in order to protect its security interest in the Hardware. Until such time as the Purchase Price and all other charges specified herein are paid in full, Customer shall:

- a) Maintain the Hardware in good operating condition.
- b) Keep the Hardware free from liens and encumbrances.
- c) Not permit use of the Hardware in any manner likely to be injurious to the Hardware.
- d) Not remove or permit removal from its original location or make or permit any alterations without the prior consent of HTE.
- e) Keep HTE advised of the location of the Hardware, and permit HTE to inspect the Hardware at all reasonable times.
- f) Procure and maintain fire, extended coverage, vandalism, and malicious mischief insurance to the full insurable value of the Hardware, with loss payable to HTE and Customer as their interest shall appear.

X. LEGAL FEES AND WAIVER

In the event of any legal action brought by either party for breach of this Hardware Agreement, that party shall be entitled to reimbursement of all costs, expenses, and legal fees if that party prevails, including an appeal. Failure of either party to enforce the breach of any portion of this Hardware Agreement shall not constitute a waiver of such right in respect to the same or any other breach.

XI. COMPLIANCE WITH LAWS

Customer shall comply with and conform to all local, municipal, state and federal laws relating to the operation of the Hardware.

CITY OF NORTH RICHLAND HILLS, TEXAS

By: *Janney Brewer*
Mayor 9-25-97
Title Date

H.T.E., INC.
BY: *SF*
Susan Falotico
VP Finance/Controller 9/16/97
Title Date

**SUPPLEMENT TO H.T.E., INC. SOFTWARE LICENSE AND SERVICES AGREEMENT
 BY AND BETWEEN H.T.E., INC. AND NORTH RICHLAND HILLS
 SCHEDULE A-PRICING AND PAYMENT SCHEDULE
 CONTRACT NO HTE-NRCH-9708001**

HTE GRAPHICAL LICENSED PROGRAMS	LICENSE FEES	No. Days of Training	TRAINING FEES	SUPPORT FEES
GMBA+	\$ 37,000.00	9	\$ 9,000.00	\$ 5,250.00
Extended Reporting	12,500.00	2	2,000.00	1,950.00
Purchasing/Inventory+	33,000.00	11	11,000.00	4,650.00
Bids Module		Included w/ Purchasing/Inventory		
Asset Management	14,500.00	2	2,000.00	1,900.00
Customer Information System+	52,000.00	17	17,000.00	10,000.00
Land Management	Inc w/ CIS	3	3,000.00	1,500.00
Cash Receipts	Inc w/ CIS	2	2,000.00	1,500.00
CIS Voice Response	10,000.00	6	6,000.00	1,800.00
Accounts Receivable+	17,000.00	7	7,000.00	4,950.00
AR - Loans/Special Assessments Modules	12,500.00	2	2,000.00	2,700.00
Payroll/Personnel+	27,000.00	11	11,000.00	4,500.00
Applicant Tracking+	14,500.00	2	2,000.00	1,900.00
Building Permits+	27,000.00	8	8,000.00	3,750.00
BP Field Inspection - Server	8,000.00	2	2,000.00	1,450.00
BP Field Inspection - Client	2,000.00	1	1,000.00	400.00
Building Permits - Voice Response	10,000.00	5	5,000.00	1,800.00
Code Enforcement+	12,000.00	6	6,000.00	1,500.00
CE Field Inspection - Server	8,000.00	2	2,000.00	1,450.00
CE Field Inspection - Client	2,000.00	1	1,000.00	400.00
Business Licenses+	14,000.00	4	4,000.00	2,100.00
Planning & Zoning+	25,000.00	5	5,000.00	3,750.00
Fleet Management +	32,000.00	7	7,000.00	5,250.00
Automated Fuel Interface		Included w/ Fleet Management		
Work Orders/Facility Management+	37,000.00	6	6,000.00	5,250.00
HTE-GUI - 100 Concurrent Users	35,000.00	3	3,000.00	15,000.00
End User Training		20	20,000.00	
Program Package Discount 20%	(88,400.00)			
Image Enablement (+ = Enablement)	12,000.00			1,400.00
Third Party Software				
TRACS**	7,500.00	Training & Support through TRACS Corp.		
TOTALS	\$ 373,100.00	144	\$ 144,000.00	\$ 86,100.00

ITEM	PAYMENT SCHEDULE		DUE UPON	DUE AS
	TOTAL CONTRACT	CONTRACT EXECUTION	INCURRED/ DELIVERED	DUE AS NOTED
License Fees*	\$ 373,100.00	\$ 37,310.00	\$ 186,550.00	\$ 149,240.00
Training Fees 144 days @ \$1000/day	144,000.00		144,000.00	
Support Fees***	86,100.00			86,100.00
Project Management - Level Two	40,000.00	4,000.00	20,000.00	16,000.00
Not to exceed conversion	112,000.00		112,000.00	
GRAND TOTALS	\$ 755,200.00	\$ 41,310.00	\$ 462,550.00	\$ 251,340.00

Footnotes

Milestones for payment purposes are not to exceed thirty (30) days past a mutually agreed upon Implementation Plan. Milestones can only be changed for payment purposes with the consent of HTE.

Payment of License Fees and Project Management Services are due upon:

- Contract Execution 10%
- Delivery of Code 50%
- First Training (1) 20%
- Completion of Training (1) 15%
- Productive Use (2) 5%

(1) First and last training sessions will be based on mutually agreed upon implementation plan.

(2) Productive Use of all applications but no later than date specified on the implementation plan provided there are no base system problems or errors which would prevent the system from material productive use.

20% of all License Fees are due upon the start of training for the first module that will have training from HTE. Upon the completion of training on the final module, 15% of all License Fees are due. All modules shall have the remaining 5% due upon Productive Use as defined above.

**A license to use and a support Agreement must be signed with TRACS Corporation. Training is handled by TRACS by telephone. HTE responsible to provide an interface TRACS as long as we have relationship with third party.

*****Application Support Services**

The initial term of HTE application support services shall commence one hundred twenty (120) days after contract execution and extend for a twelve (12) month term. Support fees for the initial term of support are due prior to the commencement of support in the amount of 25% of the amounts indicated above. Fees for the first year following the initial term will be due in the amount of 75% of the amounts indicated above. Fees for subsequent terms for subsequent years of support service are subject to change. Any increases will be limited to the Consumer Price Index as of March 1st for years 4 through 7 of this Agreement. HTE will provide the Customer with written notice at that time for the City's budgetary purposes.

+Image Enablement

Image Enablement for the Licensed Programs indicated (+) will require additional Customer side software, services and training. Additionally hardware may be required in order to adequately exploit this application.

Program Package Discount

The above quoted prices on License Fees reflect a 20% ("PPD"). PPD's apply only to unmodified applications purchased on a single contract payable at HTE's standard payment terms. Changes which reduce the number of applications requested or modify the payment terms may result in changes to contract prices.

Designated Machine

Use of the Licensed Program(s) provided in this Supplement on platforms other than specified below, without written permission from HTE, may be subject to an upgrade charge.

AS/400 Model: _____

CPU Number: _____

Travel and Living Expense

Actual and reasonable travel and living expenses are in addition to the prices quoted for the HTE Licensed Programs and services and will be invoiced as incurred. HTE and Customer agree that the below are based on current rates and subject to change based on future conditions. Both parties further acknowledge that the estimated quoted hours to provide management and training services can be revised as mutually agreed to.

Travel expenses can be estimated as follows: Round trip airfare \$500/trip, hotel \$55/day, car rental \$35/day and per diem \$28/day.

Training and Project Management trips	62 @ \$500	\$31,000
Training and Project Management days	167 @ \$118	<u>19,706</u>
		\$50,706

Attachments

The following are attached and made a part of this Agreement by reference:

The City of North Richland Hills Request for Proposal for Administration and Financial Information System dated December 12, 1996.

HTE's Response to Proposal for the City of North Richland Hills dated January 21, 1997.

Video tape of HTE product demonstration conducted on May 6 and 7, 1997.

Application Training

The number of training sessions and the number of hours of training vary per applications. Listed above are the number of hours for the Licensed Programs listed herein, and the standard fee per application. Additional application training can be provided upon request at the standard billing rate in effect at that time, which at the time of this Supplement is One Thousand Dollars (\$1,000) per day. The fee quoted above does not include travel and living expenses.

Project Management

A description of Project Management - Level Two is attached to this Supplement, if applicable, and will be invoiced as incurred, at the standard billing rate in effect at that time, which at the time of this Supplement is One Thousand Dollars (\$1,000) per day. A mutually agreeable work plan will be created by the HTE Project Manager and the Customer, and will be made a part of this Supplement. Additional hours of Project Management, if requested by Customer, will be invoiced as incurred at the then current HTE hourly rate. Fees quoted above for Project Management assume an Implementation Plan of not more than fourteen (14) months from execution of this Agreement.

Training and Project Management Schedules

HTE and the Customer will make every effort to schedule training and project management sessions sufficiently in advance to obtain favorable travel and living costs, which are payable by the Customer. The objective is to avoid disruption to the schedules of both parties.

Conversion

Conversion will be invoiced as incurred at the not to exceed amounts specified in the attached North Richland Hills, TX Conversion Methodology and Processes Sheet which is attached and made a part of this Agreement. Data must be given to HTE in an IBM compatible format on a specified magnetic media and must match data field definition. Input data file clean up shall be the responsibility of the customer. Additional conversion, if necessary, for items not covered by the Conversion Methodology and Processes Sheet, will be invoiced at the prevailing rate per hour. It is understood that no two systems and file structures are exactly alike and there may be a need for some manual conversion efforts to take place along with the electronic conversion.

Modifications

Modifications will be controlled by the HTE System Change Request ("SCR") form which will be prepared for the Customer by the HTE Product Manager responsible for that module. HTE will proceed on the SCR when the signed SCR is returned with the Customer's authorization along with 50% payment. The final 50% payment is due upon completion.

Century Compliant

Currently, the following HTE applications are year 2000 compliant:

GMBA	Extended Reporting	Loans Module
Work Orders/Facility Management	Accounts Receivable	Land Parcel Management
Special Assessments		

HTE commits to having all remaining applications Century 2000 compliant by December 31, 1997. In addition, HTE will call for certification for such Year 2000 compliance by an independent organization. Certification of all products is scheduled to be completed by mid-1998. HTE will advise Customer when HTE applications are certified.

Miscellaneous

HTE is responsible for paying for third party products and associated support services as specified in the Agreement.

HTE recognizes Customer is exempt from sales/use taxes through their Tax Identification Number 1756005194.

HTE acknowledges that the Customer utilizes Forms Print forms for laser printers. Standard for options, as provided for in Article IV of this Agreement, shall include the capability for the Customer to continue to use Forms Print forms while utilizing the HTE Licensed Programs

HTE Documentation is provided by electronic media. Any documentation changes required due to application enhancement will also be distributed via electronic media.

Prices quoted above will be honored through September 30, 1997.

CITY OF NORTH RICHLAND HILLS, TEXAS

By: *Tommy Brown*

Mayor 9.25.97
Title Date

H.T.E. INC.

BY: *[Signature]*
Susan D. Falotico
Vice President/Controller/
Chief Accounting Officer

Title Date

**SUPPLEMENT TO H.T.E., INC. SOFTWARE LICENSE AND SERVICES AGREEMENT
 BY AND BETWEEN H.T.E., INC. AND CITY OF NORTH RICHLAND HILLS
 SCHEDULE B - HARDWARE PRICING SUMMARY AND PAYMENT SCHEDULE
 CONTRACT NO. NRCH-9708001**

PAYMENT SCHEDULE	TOTAL	DUE UPON	DUE AS
ITEM	CONTRACT	CONTRACT	INCURRED/ DELIVERED
		EXECUTION	
AS/400 System Hardware	\$ 125,456.40	\$ 62,728.20	\$ 62,728.20
AS/400 System Software	34,743.75	17,371.88	17,371.88
HTE Integrated Voice Response	19,286.40	9,643.20	9,643.20
Cash Receipting Station	22,462.50	11,231.25	11,231.25
Cash Receipts Station Installation	450.00	225.00	225.00
System Training	3,000.00	1,500.00	1,500.00
HTE AS/400 Support Line Services*	5,000.00		5,000.00
HARDWARE TOTALS	\$ 210,399.05	\$ 102,699.53	\$ 107,699.53

Footnotes

*Fees for HTE Support Line Services are due 90 days after installation of the AS/400.

Prices

Prices quoted above are per the attached Investment Summary and are firm for 90 days from the date of this proposal. Prices are subject to change on orders, or portions of orders, that are not placed within this 90 day period.

Travel and Living Expenses

Actual and reasonable travel and living expenses are in addition to the prices quoted for the applications and will be invoiced as incurred.

Warranty and Maintenance

Unless otherwise stated Customer shall enter into separate purchase of maintenance agreements with each individual hardware supplier for the equipment. Warranty and maintenance offerings from HTE for its Program Products do not apply to any hardware supplied under this Schedule.

Cancellation Penalty

The Customer acknowledges that HTE makes every effort to schedule non-emergency Customer premise visits sufficiently in advance to obtain favorable travel and living costs, which are payable by the Customer. Any Customer premise visit canceled for the benefit of the Customer after being scheduled by HTE may be subject to a penalty charge. HTE's current penalty charge for any Customer premise visits canceled by the Customer within seven (7) days of the date scheduled by HTE is fifty percent (50%) of the original cost of such service as provided above. Fees for Customer premise visits canceled within seventy two (72) hours of the scheduled date shall be fully due and payable by the Customer. The charges and penalties quoted above do not include any direct fees or penalties incurred by HTE resulting from such cancellation, including but not limited to non-refundable travel and living expenses, which shall also be due and payable by the Customer. Notwithstanding the above, HTE will endeavor to reschedule HTE personnel during the time canceled so as to reduce any subsequent penalty to the Customer.

Prices quoted above will be honored through September 30, 1997.

HTE System Hardware / Software Investment Summary

City of North Richland Hills, Texas
9/19/97

Time 1:11 PM

Description	Extended Cost	Discount	Net Cost	Maintenance Annual ¹
AS/400 System Hardware	\$174,245.00	\$48,788.60	\$125,456.40	\$5,451.00
AS/400 System Software	\$46,325.00	\$11,581.25	\$34,743.75	N/A
HTE Integrated Voice Response	\$22,584.00	\$3,297.60	\$19,286.40	\$1,332.00
Cash Receipts	\$29,950.00	\$7,487.50	\$22,462.50	\$0.00
Cash Receipts Installation	\$450.00	\$0.00	\$450.00	N/A
System Training	\$3,000.00	\$0.00	\$3,000.00	\$0.00
HTE AS/400 Support Line Services				\$5,000.00
System Total	\$276,554.00	\$71,154.95	\$205,399.05	\$11,783.00

¹ The Maintenance Fees shown are for informational purposes only. Maintenance fees are payable directly to the Manufacturer or other party providing the maintenance services. Please do not include these maintenance fees in any purchase orders or payments sent to HTE.

*Note: System configurations and sizing are based on information contained in the RFP. HTE reserves the right to make changes to the final configuration based on further discussion and/or an on-site analysis. Prices stated are valid for 90 days from the proposal submission date. If applicable, the prices for IBM products and services are subject to change and are submitted for your information only. The terms and policies of the IBM Corporation govern any portion of this proposal relating to IBM products and services.

Description	Qty	Unit Price	Extended Price	Discount 28%	Net Cost	Annual Maintenance	Warranty Period
System Hardware							
AS/400 9406-620	1	\$156,805.00	\$156,805.00	\$43,905.40	\$112,899.60	\$4,080.00	12 months
2179 85.6 CPW Processor							
768Mb of Memory							
41.9Gb of Disk Storage/37.7Gb RAID-5 Available							
7Gb 8mm Internal Tape Drive							
10/100Mbps Ethernet Adapter 10BaseT							
Operating System/400							
3570-B01 Magstar Cartridge Tape Subsystem with AutoLoader, 10 Tape Cartridges and 1 Cleaner Cartridge	1	\$15,665.00	\$15,665.00	\$4,386.20	\$11,278.80	\$1,200.00	12 months
3489-V1Z System Console (6546-00Z Monitor)	1	\$1,250.00	\$1,250.00	\$350.00	\$900.00	\$117.00	36 months
7852-40Z IBM 33.3 ECS Modem	1	\$525.00	\$525.00	\$147.00	\$378.00	\$54.00	12 months
System Hardware Total			\$174,245.00	\$48,788.60	\$125,456.40	\$5,451.00	

System Hardware/Software Pricing

Description	Qty	Number of Users ¹	Extended Price	Discount 25%	Net Cost	Warranty Period
System Software						
5769-SS1 Operating System/400 Print Services Facility Feature	1	N/A	\$1,995.00	\$498.75	\$1,496.25	90 days
5716-AF1 Advanced Function Printing	1	N/A	\$6,365.00	\$1,591.25	\$4,773.75	90 days
5769-XW1 Client Access Windows Family/400	1	100	\$11,000.00	\$2,750.00	\$8,250.00	90 days
5716-PW1 Application Development Toolset/400	1	N/A	\$7,475.00	\$1,868.75	\$5,606.25	90 days
5716-DCT Language Dictionaries	1	N/A	\$495.00	\$123.75	\$371.25	90 days
5769-WP1 Office Vision/400	1	5	\$2,495.00	\$623.75	\$1,871.25	90 days
5716-QU1 Query/400	1	N/A	\$4,800.00	\$1,200.00	\$3,600.00	90 days
5716-ST1 DB2/400 QRYMGR & SQL	1	N/A	\$4,800.00	\$1,200.00	\$3,600.00	90 days
5716-RG1 ILE RPG/400	1	N/A	\$6,900.00	\$1,725.00	\$5,175.00	90 days
5755-AS4 AS/400 Program Group	1	N/A	\$0.00	\$0.00	\$0.00	90 days

System Software Total \$46,325.00 \$11,581.25 \$34,743.75

System Training² \$3,000.00 \$0.00 \$3,000.00

¹ The maximum chargeable number of users for this processor group is 100.

System Hardware/Software Pricing

² Installation and/or training prices do not include travel and living expenses. Actual travel and living expenses for installation and/or training trips will be re-billed to the customer.

IBM DirectTalk/2 System

Hardware

	Qty	Unit Price	Extended Price	Discount 15%	Net Cost	Annual Maintenance	Warranty Period
IBM 7585-P01 Industrial Computer, 200Mhz Pentium Processor with 5 Full ISA Slots (2 can be PCI) and a 3 year On-Site Warranty	1	\$18,384.00	\$18,384.00	\$2,757.60	\$15,626.40	\$565.00	36 months
256Kb Write-Through Cache							
32 MB Memory - 8 Line							
1.2 Gb IDE Hard Drive							
1.44 MB 3.5-inch Disk Drive							
Enhanced Keyboard							
CD ROM Drive (8X or 16X)							
IBM 7573-001 Industrial Graphics Color Display - 3 year warranty						\$155.00	36 months
Dialogic 8-line analog card set							
DirectTalk/2 Base Package							
DirectTalk/2 Line License - 8 lines							
OS/2 Warp Connect							
Communications Manager/2							

Ethernet adapter with cable

Dialogic 8-line card set

Software

Operating System Software OS/2
Communications Manager/2

DirectTalk/2 8-line license

DirectTalk/2 U.S. English language

DirectTalk/2 Host communications

* Communications Options Include:

Token-Ring, Ethernet, 5250 Emulation or Multi-protocol

	1	\$3,600.00	\$3,600.00	\$540.00	\$3,060.00	\$612.00	36 months
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Tape Backup System

Qty	Unit Price	Extended Price	Discount	Net Cost	Annual Maintenance	Warranty Period
1	\$600.00	\$600.00	\$0.00	\$600.00	N/A	12 months

MicroSolutions BackPack
Backmaster for OS/2
Tape Cartridge Maxwell 1/4" mini

HTE Applications

Qty	Unit Price	Extended Price	Discount	Net Cost	Annual Maintenance	Warranty Period
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Call Path/DirectTalk/2 program(s) (Pricing included with HTE Application Software Quote)

Installation and Training: (Pricing included with HTE Application Training Quote)

Total 8-line HTE DirectTalk/2 Solution		\$22,584.00	\$3,297.60	\$19,286.40	\$1,332.00	\$0.00
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IBM DirectTalk II Options - Hardware

Communication lines	IBM Price
Dialogic 4-line card set	\$12,888.00
Dialogic 8-line card set	\$18,384.00
Dialogic 12-line card set	\$25,956.00
Dialogic 16-line card set	\$32,052.00
Dialogic 24-line card set (analog)	\$40,092.00
Dialogic 24-line card set (digital)	\$37,896.00
Dialogic 32-line card set (analog)	\$47,484.00
Dialogic 48-line card set	\$65,241.60

16 lines on 1 card - 1 slot in PC
 2-12 line cards -D24OSC - 3 slots
 1 single card - 24T1
 2 - 16 line cards - 2 slots
 2 - 24 line cards

IBM DirectTalk II Options - Software

Voice Messaging	\$4,410.00
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HTE Cash Receipts Stations

Description	Qty	Unit Price	Extended Price	Discount 25%	Net Cost	Annual Maintenance ¹	Warranty Period
Cash Receipts Stations Hardware							
Register Tape Printer - model 53	1	\$2,250.00	\$18,000.00	\$4,500.00	\$13,500.00	N/A	12 months
SLD 2120 Cash Drawer with Locking Money Tray ²	8	\$750.00	\$3,750.00	\$937.50	\$2,812.50	N/A	12 months
OCR - Model 833 with Hand Wand or Slot Reader ³	3	\$2,500.00	\$7,500.00	\$1,875.00	\$5,625.00	N/A	12 months
Startup Kit	2	\$350.00	\$700.00	\$175.00	\$525.00	N/A	12 months
System Hardware Total			\$29,950.00	\$7,487.50	\$22,462.50	\$0.00	
System Installation/per Workstation⁴	3	\$150.00	\$450.00	\$0.00	\$450.00	N/A	

¹ Annual Maintenance for the Cash Receipt equipment, other than the PC, is available from the manufacturer. HTE would provide a maintenance quote if the City desires.

² The City will be responsible for supplying the parallel cable required to connect the PC workstation to the Cash Drawer.

³ Both OCR and Barcode are available for the Cash Receipt Station. Each is available in either a hand wand or slot reader model.

⁴ Travel and living expenses are not included. Actual expenses will be re-billed to the City.

**AS/400 Hardware/Software
Technical Support Services**

HTE SYSTEM TRAINING / INSTALLATION ASSISTANCE

HTE Technical Services group provides AS/400 installation assistance for new system installations and for AS/400 system upgrades. HTE will order, track, schedule delivery for the proposed AS/400 system. In addition, HTE will bill and invoice the customer for the proposed AS/400 system and associated peripherals.

An AS/400 consultant / System Engineer will assist with:

- * Project Planning / Management to ensure timely and accurate implementation of deliverables
- * Provide pre-site planning review
- * Perform on-site services such as:
 - * installation of IBM Cumulative system software maintenance tapes
 - * installation of HTE application software
 - * installation of proposed non-IBM and IBM customer set-up equipment
 - * define system parameters and devices to the AS/400
 - * provide system operations / administration training for up to 3 users

AS/400 Hardware/Software
Technical Support Services

HTE TECHNICAL SUPPORT LINE

HTE Technical Support Line is an HTE service to help enhance the productivity of AS/400 users and support staff. It is designed to provide customers a single focal point for AS/400 system-related issues. HTE Support Line is available 7 days a week, 24 hours a day. HTE Support is accessible either electronically or by telephone.

The HTE Technical Support Line provides assistance with:

- * Usage questions for system software such as Office Vision/400, Query/400, Rumba/400
- * Usage questions for system software integration with HTE applications
- * System operator and system administrator usage questions such as responding to messages, security, profiles
- * Device set-up and connectivity issues
- * System software and hardware upgrade planning
- * Assistance with hardware problem notification and management to third party vendors
- * System software problem handling and resolution

The HTE Technical Support Line for PC's and Networks provides assistance with:

- * General LAN/WAN questions
- * Device set-up and connectivity issues
- * System operator and system administrator usage questions such as responding to messages, security, profiles
- * Usage questions for system software integration with HTE applications
- * Assistance with hardware problem notification and management to third party vendors
- * Network Operating System assistance configurations and tuning
- * Bulletin Board assistance for fixes

**CITY OF NORTH RICHLAND HILLS, TEXAS
HTE RISC-Based AS/400
Sizing Assumptions**

IBM AS/400 Sizing Assumptions Used: 9406 - 620

Memory estimates only consider the applications as noted in the Sizing Estimate.
 High volume word processing will be done on personal computers.
 Average response time should average under four seconds.
 The number of devices below were provided to HTE by the City of North Richland Hills
 New: Terminals: 1, System Printers: 0
 Existing: PCs: 350, Printers: Unknown

End-User	Application Mix	Peak Load Use (50%)
4	Application Development	4.00
50	Using AS/400 Office/Query Functions	35.00
16	Using High Function Native Applications--Billing Calculations	14.00
30	Using Low Function Native Applications--Inquiry	22.00
100	Total Users Logged On	Total Active Users
		75

Memory Estimate:

AS/400 base memory for Model 6200		256.00 MB
High function native application users	(16.00 X 2000 KB)	32.00 MB
Low function native application users	(30.00 X 1500 KB)	45.00 MB
Office/Query users	(50.00 X 1800 KB)	90.00 MB
Application development users	(4.00 X 2000 KB)	8.00 MB
Communication lines	(4.00 X 250 KB)	1.00 MB
Number of batch jobs	(6.00 X 1000 KB)	6.00 MB
Number of print writers	(Max 1000 KB)	1.00 MB
Total number of jobs	(500.00 X 40 KB)	20.00 MB
Memory Total		459.00 MB
Utilization Factor (Memory Total/.70)		196.71 MB
Total Memory Required		655.71 MB

Total Memory Recommended 768 MB

CITY OF NORTH RICHLAND HILLS, TEXAS
HTE AS/480
Sizing Assumptions

Disk requirements for HTE applications are base on the sizing information provided by the City of North Richland Hills
 Disk utilization is not to exceed 80% excluding 12% workspace.
 HTE is assuming three years of online data history.

HTE Disk Storage Estimate:

	Programs		Three years online data history	
HTE System Software	40	MB	20	MB
Accounts Receivable	290	MB	100	MB
Applicant Tracking	17	MB	198	MB
Asset Management	130	MB	180	MB
Building Permits	56	MB	300	MB
Business Licenses	50	MB	160	MB
Cash Receipts	26	MB	60	MB
Code Enforcement	20	MB	124	MB
Customer Information System	354	MB	3750	MB
Extended Reporting	135	MB	167	MB
Fleet Management	100	MB	200	MB
GMBA	225	MB	500	MB
Land Management	168	MB	864	MB
Payroll/Personnel	165	MB	800	MB
Planning & Zoning	35	MB	123	MB
Purchasing/Inventory	180	MB	200	MB
Work Orders/Facility Management	330	MB	1000	MB
# Office Users x 10 100	5	MB	500	MB
AS/400 System Software	1500	MB	500	MB

Total Disk Required 3,826 MB 9,746 MB

Work Space and Utilization:

System & Application Programs	3,826 MB
Data/History Requirements	9,746 MB
Total System/Applications/Data/History	13,572 MB
12% Work Space+20% Utilization	6,387 MB
Total Disk Required	19,959 MB

Total Disk Recommended 37,170 MB

North Richland Hills, TX

Conversion methodology and processes

Client to identify data files from each of the existing application systems that will require data to be converted. Sample data from identified files to be extracted and sent to H.T.E. This sample data set will be used to verify data compatibility and magnetic media readability. The sample data set should be a good representation of standard and or exception type of data records from categories within in application.

In addition to verifying data compatibility the sample data set will be used to perform data analysis, identify data elements to be mapped from the old data files to the H.T.E. application data files. The H.T.E. conversion analyst will discuss mapping process with Client personnel via conference calls. After these discussions have been completed, customized conversion programs will be written to convert data from the existing application data files to the H.T.E. application data files. Testing of conversion programs will be performed by the H.T.E. Conversion Analyst. The Client will be responsible to perform data verification, system balancing of all monetary transactions, and system audits on all converted data .

All conversion work is performed to coincide with scheduled training dates. The number of training visits required varies from application to application. Converted data is used to perform training exercises during training visits, with exception to the first training visit. The first training visit is reserved to define and set up application system codes and parameters.

General:

Cost estimate is based on which level and complexity of data conversion is required.

Applications identified are...

- PR - **Payroll...** Conversion of employee demographic data, quarter to date and year to date data.
Conversion cost estimate \$8,000.
- MR - **Miscellaneous Receivable...** Conversion of Master information and balance forward is performed.
Conversion cost estimate \$5,000.
- PI - **Purchasing and Inventory...** Conversion of Item Inventory, Open Purchase Orders and Vendor Master file.
Conversion cost estimate \$8,000.
- FM - **Fleet Management...** Conversion of Equipment master file is performed. Data from the existing Fixed Assets System will be used to create the HTE Fleet Management records. Records from the existing Fixed Assets System will need to be identified.
No transaction history will be converted.
Conversion cost estimate is \$5,000.

GM - **Government Management and Budgetary Accounting...** Data from the existing Accounting Application System can be converted. Typical data entities that are converted include the chart of account, loading of beginning balances, vendor master file, original and revised budget information and general ledger transaction history.

A old account number to new account number cross reference file will be required to build chart of account information, and convert any budgets information and gl transaction history. Current year and prior two years of general ledger transaction history will be converted.

Conversion cost estimate \$20,000.

LX - **Land Management...** is a pre-requisite for the all land based applications. (customer information system and any of the community development applications) Client will need to determine where land management data will be converted from. Either from the county records or from the tax assessors existing tax billing system. A cross reference table will be required to link tax and the existing Utility Billing accounts using old account number structures to the new H.T.E. Location and Customer Id's. This may mean a manual process, if a link is not already available. If location information is converted from the existing Utility Billing system, then cost is included in the CX conversion estimate.

Conversion cost estimate is \$6,000 if data is to be converted from the County or Tax assessors records.

CX - **Customer Information System...** Standardized conversion tools and base "shell" programs are used as a starting point to fully develop customized conversion programs to successfully convert identified data elements to the H.T.E. Customer Information System. This project will include data analysis, creating a conversion specification document, and the development, testing and fine tuning customized conversion programs. The conversion specification document and program coding is handled in phases. This conversion process is handled in three phases...

- Phase 1 Location/customer, meter, service information.
- Phase 2 Meter reading history.
- Phase 3 Billing, payment, adjustment history and accounts receivable information.

Up to 3 years of meter reading, billing, payment and adjustment history may be converted.

Conversion cost estimate \$50,000.

BP - **Building Permits...** Conversion of identified data elements will need to be analyzed and discussed for customized conversion programs to be written.

Conversion cost estimate is \$5,000.

FA - **Fixed Assets...** Conversion of identified data elements will need to be analyzed and discussed for customized conversion programs to be written.

Conversion cost estimate is \$5,000.

In each case where data will need to be converted from an existing application system to the H.T.E. application system, data conversion will be performed from the existing applications current file formats.

All data files supplied as input to the conversion process must be provided on IBM compatible magnetic media. Each file must be in fixed field and record length formats.

Sequence of each conversion needs to be discussed with your assigned H.T.E Project manager. Integration requirements of application data to the GMBA system will need to be considered.

Level Two Project Management

HTE Services:

- Schedule training visits of HTE Application Specialists.
- Create a detailed work plan which includes training visits, deliverable schedules and project milestones
- Create the Project Scope Statement that defines deliverables and milestones.
- Conduct biweekly conference calls with Client Project Manager to review implementation progress and discuss issues regarding training and deliverables
- Provide a single point of contact at HTE.
- Maintain Work Plan and track budget.
- Maintain Issue Log
- Project Manager will conduct scheduled status meetings with Client Project Manager and/or Project Team. Based on the Client's requirements these meeting can be conducted on-site or through conference calls.
- Provide monthly status reports.
- Provide a copy of GEM (Global Enterprise Methodology).
- Conduct one on-site Quality control meeting every three months with a Senior Project Manager. The purpose of this meeting is to audit deliverables as contractually outlined, interview client personnel and generate a written report of findings and recommendations.

Client Responsibilities:

- Provide a dedicated Project Manager that monitors and tracks internal client deliverables and tasks and serves as the primary contact for HTE issues.
- Develop test plans and monitor testing.
- Participate in biweekly conference calls.
- Coordinate and schedule internal resources for training and client provided deliverables.