



# LASSEN COUNTY

## Health and Social Services Department

- HSS Administration**  
1345 Paul Bunyan Road, Ste B  
Susanville, CA 96130  
(530) 251 - 8128
- Public Guardian/Administrator**  
1345 Paul Bunyan Road, Ste B  
Susanville, CA 96130  
(530) 251 - 8337
- Housing & Grants**  
1445 Paul Bunyan Road, Ste B  
Susanville, CA 96130  
(530) 251 - 8309
- Behavioral Health**  
555 Hospital Lane  
Susanville, CA 96130  
(530) 251 - 8108
- Public Health**  
1445 Paul Bunyan Road, Ste B  
Susanville, CA 96130  
(530) 251 - 8183
- Community Social Services**  
1400 Chestnut Street, Ste A  
Susanville, CA 96130
- LassenWORKS**  
1616 Chestnut Street  
Susanville, CA 96130  
(530) 251 - 8152
- Child & Family Services**  
1600 Chestnut Street  
Susanville, CA 96130  
(530) 251 - 8277
- Adult Services**  
1400 Chestnut Street, Ste B  
Susanville, CA 96130  
(530) 251 - 8158
- Family Solutions/Wraparound**  
1400 Chestnut Street, Ste C  
Susanville, California 96130  
(530) 251 - 8340

**Mailing Address:**  
PO Box 1180  
Susanville, California 96130

**Date:** June 16, 2026

**To:** Gary Bridges, Chairman  
Lassen County Board of Supervisors

**From:** Natalie Ruegger, Director  
Lassen County Public Health

**Subject:** Agreement between Lassen County and Paperless Knowledge, Inc. for the provision of electronic document management and records services for the term of July, 1 2026, through June, 30, 2031.

**Background:**

Lassen County Public Health Department respectfully requests approval of an agreement between Lassen County Public Health and Paperless Knowledge, Inc. to provide electronic document management and workflow solutions to support departmental operations and improve records management efficiency.

Paperless Knowledge, Inc. provides software and support services that allow for secure electronic storage, retrieval, organization, and management of documents. The implementation and continued use of these services will assist the department in streamlining administrative processes, improving access to records, enhancing data security, and reducing reliance on paper-based systems.

Approval of this agreement will allow the Public Health Department to continue utilizing technology solutions that increase efficiency, support regulatory compliance, and improve service delivery to the residents of Lassen County.

**Fiscal Impact:**

The Maximum Amount of the agreement will not exceed \$100,000 and will be paid from the Public Health Fund/Budget 110/0731.

**Action Requested:**

- 1) Approve the agreement with Paperless Knowledge, Inc.; and 2) authorize the County Administrative Officer to execute the agreement.



## Application Service Provider Agreement

1. This Application Service Provider Agreement ("Agreement") is made as of this 1<sup>st</sup> day of July, 2026 ("Effective Date"), by and between **Paperless Knowledge, Inc.**, a California Corporation ("Licensor"), with principal offices at 16960 Ocean Drive, Building 1, Fort Bragg, California 95437 and **County of Lassen**, a governmental entity of the State of California, with principal mailing address at 1445 Paul Bunyan Road, Susanville, CA 96310 ("County"). Licensor and County agree as follows:

### 2. Background and Purpose.

2.1. Licensor has developed and owns software known as Integrated Enterprise Business Application ("IEBA"), formerly known as Maxime Financial Management System ("FMS"). The county wishes to obtain a non-exclusive license to use the software for its business through individual (non-shared) authenticated user login access.

2.2. Licensor and County desire to enter into this Agreement on the terms and conditions contained herein.

2.2.1. Scope of Services. The Licensor agrees to provide all of the services described in Section 7 below and Addendum A, attached hereto and by this reference made a part hereof.

2.2.2. Additional Services. The County may desire services to be performed which are relevant to this contract or services but have not been included in the scope of services listed in Section 7 or Addendum A. Licensor agrees to perform said services upon the written request of County. These additional services could include, but are not limited to, any of the following:

2.2.3. County Furnished Services. County agrees to:

2.2.3.1. Facilitate access to and make provisions for Licensor to enter upon County owned and public lands as required to perform their work.

2.2.3.2. Make available to Licensor those services, supplies, equipment and staff that are normally provided for the services required by the type of services rendered by Licensor and as set forth in Section 7 and Addendum A.

2.2.3.3. Make available all pertinent data and records for review.

### Software and Documentation.

2.3. Licensor has developed and owns all right, title and interest in software known as IEBA Software, including all modifications, derivative works, upgrades, and



updates ("Software"). Licensor has created documentation for use in connection with the Software ("Documentation") and Licensor owns all right, title, interest, and intellectual property rights to the Documentation.

### 3. License.

- 3.1. License of Software. Subject to County's compliance with the terms of this Agreement, Licensor hereby grants to County a non-exclusive, non-transferable, royalty-free license to use the Software via individual (non-shared) authenticated user login through Licensor's website ("Website") for County's own internal business use during the term of this Agreement ("Software License"). This Agreement and the license granted hereunder may not be assigned, sublicensed, distributed or transferred by County without the prior written consent of Licensor, which consent shall be at Licensor's sole discretion.
- 3.2. License to Documentation. Subject to County's compliance with the terms of this Agreement, Licensor hereby grants to County a non-exclusive, non-transferable, royalty free license to use and copy the documentation created by Licensor for use in connection with the Software ("Documentation License").
- 3.3. Upgrades. During the term of this Agreement, if Licensor upgrades the version of the Software, (other than upgrades specifically requested by County) County shall not be charged an upgrade fee. Notwithstanding the foregoing, in the event Licensor offers additional optional software modules in the future that complement the Software, County may, but shall not be obligated to, elect to license the additional and optional software modules for an additional license fee.
- 3.4. Reservation of Rights. Except for such non-exclusive license and other rights expressly granted herein, no right, title or interest to the Software, Website or Documentation is granted to County and Licensor shall retain all right, title and interest to the Software, Website and Documentation.
- 3.5. Restrictions.
  - 3.5.1. Reverse Engineering. County shall not modify the Software or Documentation or disassemble, decompile, reverse engineer, or otherwise attempt to derive the source code from the Software.
  - 3.5.2. Export. County acknowledges and agrees that it shall not knowingly and willfully export, or re-export the Software and Documentation in violation of the laws and regulations of any applicable jurisdiction. County further agrees to defend, indemnify, and hold Licensor harmless for any losses, costs, claims or other liabilities arising out of County's breach of this Section.
  - 3.5.3. No Commercial Use. County shall not use the Software for any commercial use beyond the use outlined in this contract.

### 3.6. Privacy.

- 3.6.1. Ownership of Data. County's data entered and processed by the Software shall remain the property of County. Licensor shall not examine or use such data except for the purpose of providing technical support and billing. In the event of contract termination, Licensor shall provide County with raw data entered and processed by the Software in a non-proprietary format.
- 3.6.2. Timely Transition. Licensor warrants that in the event of any expiration or termination of this Agreement, Licensor will take all actions necessary to accomplish a complete and timely transition to the County, or to any replacement provider, of the Services being terminated (a "Disentanglement") without any material impact on the Services. Licensor shall cooperate with County and otherwise take all steps reasonably required to assist County in effecting a complete and timely Disentanglement. Licensor shall provide County with all information regarding the Services or as otherwise needed for Disentanglement.
- 3.6.3. No Spamming; Compliance with Applicable Laws. Licensor has a zero-tolerance policy against email spamming. As a condition of using the Software on the website, County agrees to comply with all applicable laws, including but not limited to those relating to spam, content, personal data collection and privacy.
- 3.6.4. Analysis. Licensor reserves the right to perform analysis of its websites and hosting systems. Licensor performs this analysis solely to measure effectiveness of websites, to optimize website performance and to ensure license compliance.

## 4. Fees; Hourly Rates; Payment.

- 4.1. Set-up Fee; Hosting Fees; Record Fees; User License Fees.
- 4.1.1. Set-Up Fee. In consideration for the License granted hereunder, County shall pay to Licensor a one-time, initial, non-refundable set-up fee ("**Set-up Fee**") as indicated in Addendum B to install the new database instance and set-up the client on the host server.
- 4.1.2. User License Fees. In consideration for the License granted hereunder, County shall pay to Licensor:
- 4.1.4.2. A quarterly and monthly license fees as indicated in Addendum B for each User/Login ID assigned a login within the IEBA Application ("**Time Study User License Fee**" and "**Fiscal User License Fee**").
- 4.1.4.3. User/Login ID's and/or Time Study and Fiscal Roles assigned by County during the term of this Agreement shall be considered effective from the beginning date

of the quarter during which the User/Login ID is added with a minimum users/licenses being charged in each billing cycle based on Addendum B Rates.

- 4.1.3. Costs for Set-up Fee, Hosting Fees, Record Fees, and User License Fees are listed in the attached document to this Agreement titled Addendum B. Addendum B costs are estimates only and are based upon the anticipated number of Time Study users, Login IDs and Database size and may not represent actual costs of this Agreement which are determined as set forth in paragraphs 4.1.1 – 4.1.4.3 of this Agreement.

4.2. Hourly Rate; Onsite Service.

- 4.2.1. Hourly Rates. Services performed by Paperless Knowledge, Inc. at the County's request shall be billable at an established hourly rate. Hourly rates for requested services by type of service are indicated in Addendum B ("**Hourly Rate; Onsite Service**").

- 4.2.2. Hourly Rate Adjustments. The hourly rate shall be subject to yearly adjustments for inflation based upon the Consumer Price Index - All Items (Sacramento Metropolitan Area), as published by the Treasurer of Labor Statistics of the United States Department of labor each year. For purposes of such adjustment, the base period shall be the hourly rate in effect on the Effective Date. In no event shall the hourly rate be less than the hourly rate for the immediately prior year. The percentage of increase in the price index figure shall be determined each year on the anniversary of the Effective Date, to not exceed five (5) percent per year. The hourly rate in effect for the prior year shall be multiplied by such percentage, the product shall be added to the Hourly rate and the sum thereof shall constitute the hourly rate for the year subject to the increase. On adjustment of the hourly rate as provided in Addendum B, Licensor shall acknowledge such adjustment in a revision letter to the County.

- 4.2.3. Onsite Services. Billable costs for requested onsite training, programming, or software support services shall include travel to and from the service provider's home office at the hourly rate set forth in paragraph-4 5.2.1 for the requested onsite service, actual costs, upon prior approval by the county, for meals and lodging, and mileage to and from the site as indicated in Addendum B.

4.3. Payment.

- 4.3.1. Fees. User License Fees set forth in Addendum B of this Agreement shall be invoiced by the Licensor to the County quarterly.

4.3.1.1. Within fifteen (15) days after the beginning of each new quarter Licensor shall submit an invoice to County for the License Fees and any programming or training for the previous quarter.

4.3.1.2. County shall pay the User License Fees within Thirty (30) days of receipt of an approved invoice.

- 4.3.1.3. Notwithstanding any other provision herein, payment may be delayed, without penalty, for any period in which the State or Federal Government has delayed distribution of funds that are intended to be used by the County for funding payment to Licensor.
- 4.3.2. Taxes. The User License Fee does not include any excise, sales, use, value added or other taxes, tariffs or duties that may be applicable to the license or maintenance of the Software. When Licensor has the legal obligation to collect such taxes or duties, the appropriate amount shall be added to the User License Fee and paid by County unless County provides Licensor with a valid tax exemption certificate authorized by the appropriate taxing authority.
- 4.3.3. No Withholding. All payments by County shall be made free and clear of, and without reduction for, any withholding taxes. Any such taxes which are otherwise imposed on payments to Licensor shall be the sole responsibility of County. County shall provide Licensor with official receipts issued by the appropriate taxing authority, or such other evidence as is reasonably requested by Licensor to establish that such taxes have been paid.
- 4.3.4. No Offsets. County shall not take any credits or offsets against amounts due to Licensor without Licensor's prior written consent.
- 4.3.5. No Modification by Purchase Order. Nothing contained in any purchase order or other document submitted by County shall modify the terms contained herein.
- 4.3.6. Maximum Cost to County. Notwithstanding any other provision of this contract, in no event will the cost to County for each year of service the services to be provided as indicated in Addendum A exceed the maximum sum of \$100,000, including direct non-salary expenses, to cover any additional unforeseen costs for implementation and training that should arise.

## 5. Term; Termination.

- 5.1. Term. The term of this Agreement shall commence upon the Effective Date and shall remain in force for 5 years and effect until June 30, 2031, unless sooner terminated pursuant to the provisions of this Agreement.
- 5.2. Immediate Termination. Licensor may terminate this Agreement immediately upon the occurrence of any of the following events (i) County fails to make any payment due to Licensor hereunder which is not cured within ten (10) days after notice thereof from Licensor, (ii) County fails to cure any other breach of this Agreement by County within thirty (30) days after notice thereof from Licensor, (iii) County becomes bankrupt, has a receiver appointed for it or its property, or makes an assignment for the benefit of creditors, or (iv) County dissolves or is liquidated. (v) County may terminate this Agreement within thirty (30) days after written notice thereof from County if Licensor fails to cure any other breach of this Agreement. Any written notice to the other party shall be sent by registered mail.

- 5.3. Termination by Mutual Consent. This Agreement may be terminated upon mutual written consent of the parties, or as a remedy available at law or in equity. In the event of the termination of this Agreement, Contractor shall immediately be paid all fees earned as of the effective date of termination. Upon receipt of all fees earned the Licensor shall provide the County an export of all County non-proprietary data currently in the system on the date of termination.
- 5.4. Termination for Convenience. Either party may terminate this Agreement for convenience upon 30 calendar days' written notice to the other party. Upon termination for convenience, Contractor shall be entitled to compensation for services performed acceptably up through the effective billing cycle/quarter based on the date of termination, as set forth in Exhibit B.
- 5.5. Termination for Contractor Default. Should Contractor default in the performance of this Agreement or materially breach any of its provisions, County, at its option, may terminate this Agreement by giving written notification to Contractor. The termination date shall be the effective date of the notice. For the purposes of this subsection, default or material breach of this Agreement shall include, but not be limited to, any of the following: failure to perform required services in a timely manner, willful destruction of County property, dishonesty, or theft.
- 5.6. Effect of Termination. Termination or expiration of this Agreement shall in no way effect the rights or liabilities of either Licensor or County arising during the period prior to such termination or expiration or release County from the obligation to make any payment due and owing to Licensor, all of which obligations, County hereby agrees to fulfill and perform. The provisions of Sections 3, 4 and 5 (and any other provisions that by their terms survive) shall survive expiration or any termination of this Agreement. Upon expiration or any termination of this Agreement, (i) County shall cease use of the Software, Website and Documentation; (ii) County shall pay any accrued and outstanding amounts for services performed to the date of termination to Licensor; (iii) County shall return to Licensor all tangible materials and information of a proprietary or confidential nature disclosed to County under this Agreement, and all copies thereof (including, without limitation, all electronic copies); and (iv) Licensor shall return to County all tangible materials and information of a proprietary or confidential nature disclosed to Licensor under this Agreement, and all copies thereof (including, without limitation, all electronic copies).
- 5.7. No Damages for Termination. Neither party shall be liable to the other for damages of any kind, including incidental or consequential damages, on account of the termination of this Agreement, even if advised of the possibility of such damages. Neither party shall be liable by reason of termination of the Agreement to the other for compensation, reimbursement, or damages on account of any loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or other commitments relating to the business or goodwill of either party, notwithstanding any law to the contrary.

## 6. Support.

- 6.1. Email and Telephone Support. During the term of this Agreement, Licensor shall provide County with email (**iebasupport@pkinc.biz**) and telephone support during standard support hours of Monday - Friday, 9:00 a.m. - 4:30 p.m. (Pacific Standard Time) except for U.S. Business/State and federal holidays. If the County has more than one authorized login, County shall appoint an Authorized Support Contact who will contact the Licensor support center directly on behalf of the County. Additional support contacts may be added for an additional fee to be agreed upon between the parties.
- 6.2. Website Availability. Website access via Google Chrome shall be available for ninety-nine percent (99%) of any given quarter. Licensor shall provide nightly differential backups of County's data in the unlikely event that emergency recovery is required. In the event that the Software website access falls below ninety nine percent (99%) in any given quarter, Licensor shall credit County's account as follows: 2% of the quarter's User License Fees. The credit shall be in the form of a credit to the next quarters invoice and will not result in a refund of any User License Fee previously paid by County. County shall notify Licensor immediately if County is unable to access the Software website and shall provide Licensor with reasonable information and screenshots requested by Licensor for proper diagnosis and/or repair and for proper calculation of any applicable edit. Credit shall not be applied to County's account if the Software website is unavailable due to: (i) Scheduled Maintenance (as described below); (ii) periods of unavailability during which County's account is not in good standing or County is in violation of this Agreement; (iii) force majeure as described in Section 10.10 below; or (iv) misuse of Software by County.
- 6.3. Data Recovery
- 6.3.1. Licensor shall implement weekly backups of County's data in the licensor's facility in the unlikely event that emergency recovery is required.
- 6.3.2. In the event an emergency data recovery is needed Paperless Knowledge, Inc will provide the latest known recovery point within 40 working/business hours.
- 6.4. Scheduled Maintenance. Scheduled Maintenance shall mean any maintenance or upgrades in the data center including the software in which County's account is located. Licensor shall notify County via email at least twelve (12) hours in advance of any scheduled maintenance. Licensor shall make all reasonable attempts to perform scheduled maintenance during historically low use hours based on average use by County. Notwithstanding the foregoing, Licensor shall conduct emergency maintenance on an "as needed basis".
- 6.5. Notification by County. County shall inform Licensor three (3) business days prior to any expected heavy use by County of the Website. Such notice should be sent to Licensor's support center at **iebasupport@pkinc.biz** and failure to give proper notice shall result in a waiver of credit by County for any unavailability during said period.
- 6.6. Change in Service. Licensor reserves the right to amend the service level commitment from time to time effective upon prior written approval from County. In the

event any amendment in service results in a material reduction of the service level commitment, County may elect to terminate this Agreement without penalty by providing Licensor written notice of such termination within thirty 30 days following notice of such amendment.

## 7. Warranty.

- 7.1. Warranty. Licensor warrants that the Software shall conform to the written specifications for the Software as such written specifications exist on the Effective Date and is free from defects that will materially impair its use. In the event that County believes that Software does not conform to such written specifications, Licensor shall respond and repair such non-conformities within sixty (60) days of receiving written notification from County of such non-conformity.
- 7.2. Professional Practices. County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby warrants that all work shall be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release.
- 7.3. Limitation. EXCEPT FOR THE LIMITED WARRANTY STATED ABOVE, THE SOFTWARE IS PROVIDED "AS IS" AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, ALL IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. THE LIABILITY OF LICENSOR, IF ANY, FOR DAMAGES RELATING TO THE SOFTWARE SHALL BE LIMITED TO THE ACTUAL USER LICENSE FEES PAID BY COUNTY AND SHALL IN NO EVENT INCLUDE INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY KIND EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## 8. Insurance.

Contractor shall procure and maintain for the duration of the contract insurance against claims for security breaches, system failures, injuries to persons, damages to software, or damages to property (including computer equipment) which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, or employees. Contractor shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per



occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
3. **Cyber Liability** Insurance, with limits not less than **\$1,000,000** per occurrence or claim, **\$1,000,000** aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
4. **Technology Professional Liability Errors and Omissions Insurance** appropriate to Contractor's profession and work hereunder, with limits not less than 1,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
  - a. The Policy shall include, or be endorsed to include, **property damage liability coverage** for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the County in the care, custody, or control of Contractor.

If Contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

### Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

#### **Additional Insured Status**

**The County, is to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

#### **Primary Coverage**

For any claims related to this contract, **Contractor's insurance coverage shall be primary and non-contributory**. Coverage for commercial liability shall be at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any



insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess policies.

### ***Umbrella or Excess Policy***

Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until Contractor's primary and excess liability policies are exhausted.

### ***Notice of Cancellation***

Each insurance policy required above **shall not be canceled, except with notice to the County.**

### ***Waiver of Subrogation***

Contractor hereby grants to County a waiver of any right to subrogation which any insurer of Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

### ***Self-Insured Retentions***

Self-insured retentions must be declared to and approved by the County. The County may require Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds \$25,000 unless approved in writing by County. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. County may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named Insured.

The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. County reserves the right to request a copy of any policies and endorsements for verification once per calendar year.

### ***Acceptability of Insurers***

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A-:VII, unless otherwise acceptable to the County.

### ***Claims Made Policies***

If any of the required policies provide coverage on a claims-made basis: must purchase "extended reporting" coverage for a minimum of **three (3)** months after completion of contract



work.

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained **during the term of the contract of work**.
3. If coverage is canceled or non-renewed, and not **replaced with another claims-made policy form with a Retroactive Date** prior to the contract effective date, Contractor must purchase "extended reporting" coverage for a minimum of three (3) months after completion of contract work.

### **Verification of Coverage**

Contractor may furnish the County with electronic copies of certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. The County reserves the right to request copies of all required insurance policies, including endorsements required by these specifications, once per year. County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Noting that increases will increase county cost of the licenses.

### **Subcontractors**

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors.

### **Special Risks or Circumstances**

County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

## **9. Confidentiality.**

- 9.1. For purposes of this Agreement, "Confidential Information" shall mean any information delivered by one party to another which the receiving party ("Receiving Party") knows or has reason to know is considered confidential by the disclosing party ("Disclosing Party"). The Receiving Party agrees to take precautions to prevent any unauthorized disclosure or use of Confidential Information of the Disclosing Party consistent with precautions used to protect the Receiving Party's own confidential information, but in no event less than reasonable care. Except as provided below,

County agrees to treat the Confidential Information as confidential and shall not disclose the Confidential Information to any person or entity without the Disclosing Party's prior written consent. The Receiving Party may only disclose the Confidential Information to its employees and agents who reasonably require access to such Confidential Information to perform its obligations under this Agreement.

- 9.2. Licensor is aware that this Agreement and any documents provided to the County may be subject to the California Public Records Act and may be disclosed to members of the public upon request. It is the responsibility of the Licensor to clearly identify information in those documents that it considers to be confidential under the California Public Records Act. To the extent that the County agrees with

that designation, such information will be held in confidence whenever possible. All other information will be considered public. Should either party be faced with legal action to disclose Confidential Information that does not constitute a public record, as that term is defined in the California Public Records Act, each party will promptly notify the other of the threatened legal action and shall reasonably defend any legal action. Both Licensor and County shall comply with any binding court order regarding disclosure of the public record(s) and such compliance will not constitute any breach of this Agreement.

- 9.3. The obligations imposed by this Section shall survive any termination of this Agreement. The obligations set forth in this Section shall not apply to any particular portion of any Confidential Information to the extent that the Confidential Information: (i) now or subsequently becomes generally known or available through no act or omission of Receiving Party; (ii) was or is known at the time of receipt of same from Disclosing Party; (iii) is provided by the Disclosing Party to a third party without restriction on disclosure; (iv) is subsequently rightfully provided to Receiving Party by a third party without restriction on disclosure; or (v) is independently developed by Receiving Party and can be demonstrated from Receiving Party's business records and documentation, provided the person or persons developing same did not have access to the Confidential Information of the Disclosing Party prior to such independent development.

## **10. Relationship of the Parties.**

- 10.1. Nothing contained herein shall be construed to make County the agent of Licensor or Licensor the agent of County for any purpose and neither party shall have any right whatsoever to incur any obligations on behalf of or binding upon the other party.

## **11. Miscellaneous.**

Governing Law; Venue. The rights and obligations of the parties and the interpretation and performance of this Agreement shall be governed by the law of California, excluding its conflict of laws rules. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be currently filed and remain in a court of competent jurisdiction in the County of Mendocino, State of California or in the county of Paperless Knowledge, Inc. unless a future headquarters location is sent to the county in which the Jurisdiction shall be moved there.

- 11.1. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if the parties had all signed the same document. All counterparts shall be construed together and shall constitute one agreement.
- 11.2. Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition.

Entire Agreement. This document constitutes the entire agreement between the parties, all oral agreements being merged herein, and supersedes all prior representations. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties relating to the subject matter of this Agreement that are not fully expressed herein. If there are exhibits attached hereto, and a conflict exists between the terms of this Agreement and any exhibit, the terms of this Agreement shall control.

- 11.3. Non assignability. This Agreement may be assigned by Licensor without the prior written consent of the County. Any assignment that is contrary to the outlined provisions of this Agreement shall be null and void and be deemed a default under the Agreement, allowing the not defaulting party to exercise all remedies available under law.
- 11.4. Notices. Any notice under this Agreement shall be in writing, and any written notice or other document shall be deemed to have been duly given (i) on the date of personal service on the parties, (ii) on the third business day after mailing, if the document is mailed by registered or certified mail, (iii) one day after being sent by professional or overnight courier or messenger service guaranteeing one-day delivery, with receipt confirmed by the courier, or (iv) on the date of transmission if sent by telegram, telex, telecopy or other means of electronic transmission resulting in written copies, with receipt confirmed. Any such notice shall be delivered or addressed to the parties at the addresses set forth above or at the most recent address specified by the addressee through written notice under this provision. Failure to conform to the requirement that mailings be done by registered or certified mail shall not defeat the effectiveness of notice actually received by the addressee.
- 11.5. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.
- 11.6. Attorneys' Fees. If the services of an attorney are required by any party to secure the performance of this Agreement or otherwise upon the breach or default of another party to this Agreement, or if any judicial remedy or arbitration is necessary to enforce or interpret any provision of this Agreement or the rights and duties of any person in relation thereto, the prevailing party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such party may be entitled.
- 11.7. Amendment. The provisions of this Agreement may be modified at any time by agreement of the parties. Any such agreement hereafter made shall be ineffective to modify this Agreement in any respect unless in writing and signed by the parties against whom enforcement of the modification or discharge is sought.
- 11.8. Force Majeure. The Licensor shall not be responsible or liable to County for any damages including without limitation, incidental and consequential damages, arising out of nonperformance or delay in performance of the terms and conditions herein due to acts of God, wars, riots, strikes, pandemics, and any unforeseen catastrophic events beyond Licensor's control.
- 11.9. Funding Availability. It is mutually agreed that if the County budget of the current year and/or any subsequent years covered under this Agreement does not

appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the County shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement. County budget decisions are subject to the discretion of the Board of Supervisors.

If funding for any fiscal year is reduced or deleted by the County budget for purposes of this program, the County shall have the option to either cancel this Agreement with no liability occurring to the County, or offer an Agreement amendment to Contractor to reflect the reduced amount.

#### 11.10. COUNTERPARTS/ELECTRONIC, FACSIMILE, AND PDF SIGNATURES

This agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this agreement. The Parties further agree that the electronic signatures of the Parties included in this agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among Parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature and shall be reasonably relied upon by the Parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code. Facsimile signatures or signatures transmitted via pdf document shall be treated as originals for all purposes.

11.11. Compliance. Contractor shall comply with all federal, state and local laws, codes, ordinance and regulations applicable to Contractor's performance under this Agreement, including, but not limited to, laws related to prevailing wages. Specifically, Contractor shall not engage in unlawful employment discrimination, including, but not limited to, discrimination based upon a person's race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation, as prohibited by state or federal law.

IN WITNESS WHEREOF, the parties enter into this Agreement as of the Effective Date.

COUNTY OF LASSEN  DATE:	CONTRACTOR Paperless Knowledge, Inc DATE:
By:	By: Michael Wasco, Manager

Approved as to Form

JUN 04 2020



Lassen County Counsel



## **ADDENDUM A SERVICES TO BE PROVIDED BY CONTRACTOR**

**Paperless Knowledge, Inc. will provide access to the system modules listed below to meet Lassen County requirements:**

1. Security Module - Security is at the heart of the IEBA application, it controls what an employee can access and what functions they can perform within the application.
2. Personnel Module - The Personnel Module allows you to add, edit or delete position numbers or employees. You must have Admin permission to enter information
3. Time Study Module - This module is for time study individuals and time study administrators. Users can create, edit, submit, view, and approve a time study, depending on the permissions granted.
4. Expenditures Module - The Expenditure Module allows you to Create, Post or Pend Expenditures. While allowing access to create Reports, Allocation Profiles, Tracking Codes and Vendor profiles.

**Paperless Knowledge, Inc. will provide additional programming to meet Lassen County requirements as well as the additional custom reports requested: Cost of \$ NA is in addition to the Setup fee and will be paid in the 1<sup>st</sup> invoice upon execution of the contract.**

**SOW Programming Changes Requested:**

NONE

**Report Additions (List each report and provide report sample with explanation)**

**New Report:** NA

List of County Employees Licensor permitted to provide requested service during this contract.

NOTE: This list may change at which time County will be provided with an updated list.

Licensor Employee Name(s):

Michael Wasco

Abdoulaye Thiam



## Application Service Provider Agreement

**ADDENDUM B : Contract Pricing Initial Fees, Setup and Ongoing costs**

2026/2027 – 2027/2028 - 2028/2029 Fiscal Years (First 3 years)			
Scope #	Program/Service Description	Unit Type	Rate
4.1.1	Set-Up Fee	One-Time (Importing of Users, Departments, Programs, Activities and setting up Payroll Fields for upload) This is estimated as we need to determine the level of import needed. \$2,500 is the minimum setup.	\$0.00
4.1.2	Initial Programming Fee	One-Time	\$0.00
4.1.3	Initial Programming Fee	One-Time	\$0.00
4.2.1	User TS License Fee (Quarterly/User)	Quarterly Per TS login user + 2 Paperless Knowledge, Inc. Admins Billed Quarterly (100 user minimum waived)	\$31.50
	User Fiscal License Fee (Monthly/User)	Monthly Per Fiscal Login User (\$450 Minimum waived) Billed Quarterly	\$45.00
4.2.2	Hourly Rate; Onsite Service		
	Programming	As Needed	\$115.50
	Training/Support	As Needed	\$85.00
	Onsite Services/Mileage Fee	As Needed (NA – Only Online no Onsite)	\$0.00
	Document and Data Storage	Determined by GB of storage (\$10 minimum per month)	\$0.25

2029/2030 - 2030/2031 Fiscal Years (Years 4 and 5)			
Scope #	Program/Service Description	Unit Type	Rate
4.1.1	Set-Up Fee	One-Time (Importing of Users, Departments, Programs, Activities and setting up Payroll Fields for upload) This is estimated as we need to determine the level of import needed. \$2,000 is the minimum setup.	\$0.00
4.1.2	Initial Programming Fee	One-Time	\$0.00
4.1.3	Initial Programming Fee	One-Time	\$0.00
4.2.1	User TS License Fee (Quarterly/User)	Quarterly Per TS login user + 2 Paperless Knowledge, Inc. Admins Billed Quarterly (100 user minimum waived)	\$32.50

County

IEBA-Lassen 5-2026

	User Fiscal License Fee (Monthly/User)	Monthly Per Fiscal login User (\$450 Minimum waived) Billed Quarterly	\$48.00
4.2.2	<i>Hourly Rate; Onsite Service</i>		
	<i>Programming</i>	<i>As Needed</i>	\$117.50
	<i>Training/Support</i>	<i>As Needed</i>	\$87.00
	<i>Onsite Services/Mileage Fee</i>	<i>As Needed (NA – Only Online no Onsite)</i>	\$0.00
	<i>Document and Data Storage</i>	<i>Determined by GB of storage (\$10 minimum per month)</i>	\$0.26

## Application Service Provider Agreement

1. This Application Service Provider Agreement ("Agreement") is made as of this 1st day of July, 2021 ("Effective Date"), by and between **Paperless Knowledge, Inc.**, a California Corporation ("Licensor"), with principal offices at 16960 Ocean Drive, Fort Bragg, California 95437 and **Lassen County**, a governmental entity with principal mailing address at **1445 Paul Bunyan Road, Susanville, CA 96310** ("Licensee"). Licensor and Licensee agree as follows:

### 2. Background and Purpose.

2.1. Licensor has developed and owns software known as Integrated Enterprise Business Application ("IEBA"), formerly known as Maxime Financial Management System ("FMS"). Licensee wishes to obtain a non-exclusive license to use the software for its business through individual (non-shared) authenticated user login access.

2.2. Licensor and Licensee desire to enter into this Agreement on the terms and conditions contained herein.

2.2.1. Scope of Services. Licensor agrees to provide all of the services described in Section 7 below and Addendum A, attached hereto and by this reference made a part hereof.

2.2.2. Additional Services. The Licensee may desire services to be performed which are relevant to this contract or services but have not been included in the scope of services listed in Section 7 or Addendum A. Licensor agrees to perform said services upon the written request of Licensee. These additional services could include, but are not limited to, any of the following:

2.2.2.1. Serving as an expert witness for Licensee in any litigation or other proceedings involving the project or services.

2.2.3. Licensee Furnished Services. Licensee agrees to:

2.2.3.1. Facilitate access to and make provisions for Licensor to enter upon public and private lands as required to perform their work.

2.2.3.2. Make available to Licensor those services, supplies, equipment and staff that are normally provided for the services required by the type of services rendered by Licensor and as set forth in Section 7 and Addendum A.

2.2.3.3. Make available all pertinent data and records for review.

### 3. Software and Documentation.

3.1. Licensor has developed and owns all right, title and interest in software known as IEBA Software, including all modifications, derivative works, upgrades and updates ("Software"). Licensor has created documentation for use in connection with the Software ("Documentation") and Licensor

owns all right, title, interest and intellectual property rights to the Documentation.

#### 4. License.

- 4.1. License of Software. Subject to Licensee's compliance with the terms of this Agreement, Licensor hereby grants to Licensee a non-exclusive, non-transferable, royalty-free license to use the Software via individual (non-shared) authenticated user login through Licensor's website ("Website") for Licensees own internal business use during the term of this Agreement ("Software License"). This Agreement and the license granted hereunder may not be assigned, sublicensed, distributed or transferred by Licensee without the prior written consent of Licensor, which consent shall be at Licensor's sole discretion.
- 4.2. License to Documentation. Subject to Licensee's compliance with the terms of this Agreement, Licensor hereby grants to Licensee a non-exclusive, non-transferable, royalty-free license to use and copy the documentation created by Licensor for use in connection with the Software ("Documentation License").
- 4.3. Upgrades. During the term of this Agreement, if Licensor upgrades the version of the Software, (other than upgrades specifically requested by Licensee) Licensee shall not be charged an upgrade fee. Notwithstanding the foregoing, in the event Licensor offers additional optional software modules in the future that complement the Software, Licensee may, but shall not be obligated to, elect to license the additional and optional software modules for an additional license fee.
- 4.4. Reservation of Rights. Except for such non-exclusive license and other rights expressly granted herein, no right, title or interest to the Software, Website or Documentation is granted to Licensee and Licensor shall retain all right, title and interest to the Software, Website and Documentation.
- 4.5. Restrictions.
  - 4.5.1. Reverse Engineering. Licensee shall not modify the Software or Documentation or disassemble, decompile, reverse engineer or otherwise attempt to derive the source code from the Software.
  - 4.5.2. Export. Licensee acknowledges and agrees that it shall not export, or re-export the Software and Documentation in violation of the laws and regulations of any applicable jurisdiction. Licensee further agrees to defend, indemnify and hold Licensor harmless for any losses, costs, claims or other liabilities arising out of Licensee's breach of this Section.
  - 4.5.3. No Commercial Use. Licensee shall not use the Software for any commercial use.
- 4.6. Privacy.

- 4.6.1. Ownership of Data. Licensee's data entered into and processed by the Software shall remain the property of Licensee. Licensor shall not examine or use such data except for the purpose of providing technical support.
- 4.6.2. No Spamming; Compliance with Applicable Laws. Licensor has a zero-tolerance policy against email spamming. As a condition of using the Software on the website, Licensee agrees to comply with all applicable laws, including but not limited to those relating to spam, content, personal data collection and privacy.
- 4.6.3. Analysis. Licensor reserves the right to perform analysis of its websites and hosting systems. Licensor performs this analysis solely to measure effectiveness of websites, to optimize website performance and to ensure license compliance.

## 5. Fees; Hourly Rates; Payment.

### 5.1. Set-up Fee; Hosting Fees; Record Fees; User License Fees.

- 5.1.1. Set-Up Fee. In consideration for the License granted hereunder, Licensee shall pay to Licensor a one-time, initial, non-refundable set-up fee ("**Set-up Fee**") as indicated in Addendum B to install the new database instance and set-up the client on the host server.
- 5.1.2. Monthly Data Hosting Fee. In consideration for the License granted hereunder, Licensee shall pay to Licensor a monthly data hosting fee ("**Hosting Fee**") as indicated in Addendum B for hosting each database instance on the host server.
- 5.1.2.1. In consideration of the Hosting Fee the Licensor shall provide 500 megabytes of data storage for each database instance.
- 5.1.2.2. The Hosting Fee for each database instance shall increase at the rate of \$2.00 per each additional 50 megabyte required above 500 megabytes.
- 5.1.2.3. Rates/Fees can change due to technology/resource cost adjustments. Changes will be outlined in a revision letter and do not require a signature.
- 5.1.3. Record Fees. In consideration for the License granted hereunder, Licensee shall pay to Licensor a record fee ("**Record Fee**") as indicated in Addendum B for each Expenditure record and Revenue record Posted to the database by Licensee. This does not apply to Lassen County as they are not utilizing our Expenditures Module.
- 5.1.4. User License Fees. In consideration for the License granted hereunder, Licensee shall pay to Licensor:
- 5.1.4.1. A monthly license fee as indicated in Addendum B for each User/Login ID assigned by Licensee ("**User License Fee**").
- 5.1.4.2. A quarterly license fee as indicated in Addendum B for each User/Login ID assigned a

Time Study Role by Licensee ("**Time Study User License Fee**").

5.1.4.3. User/Login ID's and/or Time Study Roles assigned by Licensee during the term of this Agreement shall be considered effective from the beginning date of the quarter during which the User/Login ID is added or Time Study Role is assigned.

5.1.5. Costs for Set-up Fee, Hosting Fees, Record Fees, and User License Fees are listed in the attached document to this Agreement titled Addendum B. Addendum B costs are estimates only and are based upon the anticipated number of Time Study users, Login IDs and Database size and may not represent actual costs of this Agreement which are determined as set forth in paragraphs 5.1.1 – 5.1.4.3 of this Agreement.

## 5.2. Hourly Rate; Onsite Service.

5.2.1. Hourly Rates. Services performed by Paperless Knowledge, Inc. at the Licensee's request shall be billable at an established hourly rate. Hourly rates for requested services by type of service are indicated in Addendum B ("**Hourly Rate; Onsite Service**").

5.2.2. Hourly Rate Adjustments. The hourly rate shall be subject to yearly adjustments for inflation based upon the Consumer Price Index - All Items (Sacramento Metropolitan Area), as published by the Treasurer of Labor Statistics of the United States Department of labor each year. For purposes of such adjustment, the base period shall be the hourly rate in effect on the Effective Date. In no event shall the hourly rate be less than the hourly rate for the immediately prior year. The percentage of increase in the price index figure shall be determined each year on the anniversary of the Effective Date. The hourly rate in effect for the prior year shall be multiplied by such percentage, the product shall be added to the Hourly rate and the sum thereof shall constitute the hourly rate for the year subject to the increase. On adjustment of the hourly rate as provided in Addendum B, Licensor shall acknowledge such adjustment in a revision letter to the Licensee. If such index is discontinued, the parties shall select another similar index which reflects consumer prices, and if they fail to agree, the index shall be determined by arbitration in accordance with Section 12.11 of the Agreement.

5.2.3. Onsite Services. Billable costs for requested onsite training, programming, or software support services shall include travel to and from the service provider's home office at the hourly rate set forth in paragraph 5.2.1 for the requested onsite service, actual costs for meals and lodging, and mileage to and from the site as indicated in Addendum B.

## 5.3. Payment.

5.3.1. Fees. Monthly Hosting Fees, Per Record Fees and User License Fees set forth in Section 5 of this Agreement shall be invoiced by the Licensor to the Licensee quarterly.

5.3.1.1. Within fifteen (15) days after the beginning of each quarter Licensor shall submit an invoice to Licensee for the monthly Hosting Fees, Per Record Fees and User License Fees for the previous quarter. Invoices or applications for payment to the County shall be detailed and shall contain full documentation of all work performed and all reimbursable

expenses incurred. Labor expenditures need documentation to support time, subsistence, travel and field expenses. No expense will be reimbursed without adequate documentation.

5.3.1.2. Licensee shall pay the Hosting Fees, Per Record Fees and User License Fees within forty-five (45) days of receipt of such invoice.

5.3.1.3. Notwithstanding any other provision herein, payment may be delayed, without penalty, for any period in which the State or Federal Government has delayed distribution of funds that are intended to be used by the County for funding payment to Licensor.

5.3.2. Taxes. The User License Fee does not include any excise, sales, use, value added or other taxes, tariffs or duties that may be applicable to the license or maintenance of the Software. When Licensor has the legal obligation to collect such taxes or duties, the appropriate amount shall be added to the User License Fee and paid by Licensee unless Licensee provides Licensor with a valid tax exemption certificate authorized by the appropriate taxing authority.

5.3.3. No Withholding. All payments by Licensee shall be made free and clear of, and without reduction for, any withholding taxes. Any such taxes which are otherwise imposed on payments to Licensor shall be the sole responsibility of Licensee. Licensee shall provide Licensor with official receipts issued by the appropriate taxing authority or such other evidence as is reasonably requested by Licensor to establish that such taxes have been paid.

5.3.4. No Offsets. Licensee shall not take any credits or offsets against amounts due to Licensor without Licensor's prior written consent.

5.3.5. No Modification by Purchase Order. Nothing contained in any purchase order or other document submitted by Licensee shall modify the terms contained herein.

5.3.6. Maximum Cost to County. Notwithstanding any other provision of this contract, in no event will the cost to County for each year of service the services to be provided as indicated in Addendum A exceed the maximum sum of \$100,000, including direct non-salary expenses, to cover any additional unforeseen costs for implementation and training that should arise.

## **6. Term; Termination.**

6.1. Term. The term of this Agreement shall commence upon the Effective Date and shall remain in force and effect until June 30, 2026, unless sooner terminated pursuant to the provisions of this Agreement.

6.2. Immediate Termination. Licensor may terminate this Agreement immediately upon the occurrence of any of the following events (i) Licensee fails to make any payment due to Licensor hereunder which is not cured within ten (10) days after notice thereof from Licensor, (ii) Licensee fails to cure any other breach of this Agreement by Licensee within thirty (30) days after notice thereof from Licensor, (iii) Licensee becomes bankrupt, has a receiver appointed for it or its property, or makes an assignment for the benefit of creditors, or (iv) Licensee dissolves or is liquidated. (v) Licensee



may terminate this contract for any reason within thirty (30) days after written notice thereof from Licensee Any written notice to the other party shall be sent by via email with Tracking/Receipt enable for time stamp.

- 6.3. Effect of Termination. Termination or expiration of this Agreement shall in no way effect the rights or liabilities of either Licensor or Licensee arising during the period prior to such termination or expiration or release Licensee from the obligation to make any payment due and owing to Licensor, as of the date of termination, Licensee hereby agrees to fulfill and perform. The provisions of Sections 3 and 4 and any other provisions that by their terms survive, shall survive expiration or any termination of this Agreement. Upon expiration or any termination of this Agreement, (i) Licensee shall cease use of the Software, Website and Documentation; (ii) Licensee shall pay any accrued and outstanding amounts for services performed to the date of termination to Licensor; (iii) Licensee shall return to Licensor all tangible materials and information of a proprietary or confidential nature disclosed to Licensee under this Agreement, and all copies thereof (including, without limitation, all electronic copies); and (iv) Licensor shall return to Licensee all tangible materials and information of a proprietary or confidential nature disclosed to Licensor under this Agreement, and all copies thereof (including, without limitation, all electronic copies).
- 6.4. No Damages for Termination. Neither party shall be liable to the other for damages of any kind, including incidental or consequential damages, on account of the termination of this Agreement in accordance with this Section 6, even if advised of the possibility of such damages. Neither party shall be liable by reason of termination of the Agreement to the other for compensation, reimbursement or damages on account of any loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or other commitments relating to the business or goodwill of either party, notwithstanding any law to the contrary.

## 7. Support.

- 7.1. Email and Telephone Support. During the term of this Agreement, Licensor shall provide Licensee with email ([iebasupport@pkinc.biz](mailto:iebasupport@pkinc.biz)) and telephone support during standard support hours of Monday - Friday, 8:30 a.m. - 4:30 p.m. (Pacific Standard Time) except for standard U.S. Business/State holidays. If Licensee has more than one authorized login, Licensee shall appoint an Authorized Support Contact who will contact the Licensor support center directly on behalf of the Licensee. Additional support contacts may be added for an additional fee to be agreed upon between the parties.
- 7.2. Website Availability. Website access shall be available for ninety nine percent (99%) of any given quarter. Licensor shall provide nightly differential backups of Licensees' data in the unlikely event that emergency recovery is required. In the event that the Software website access falls below ninety nine percent (99%) in any given quarter, Licensor shall credit Licensee's account as follows: 10% of the quarter's User License Fees. The credit shall be in the form of a credit to the next quarters invoice. And will not result in a refund of any User License Fee previously paid by Licensee. Licensee shall notify Licensor immediately if Licensee is unable to access the Software website and shall provide Licensor with reasonable information requested by Licensor for proper diagnosis

and/or repair and for proper calculation of any applicable edit. Credit shall not be applied to Licensee's account if the Software website is unavailable due to: (i) Scheduled Maintenance (as described below); (ii) periods of unavailability during which Licensee's account is not in good standing or Licensee is in violation of this Agreement; (iii) force majeure as described in Section 10.10 below; or (iv) misuse of Software by Licensee.

### 7.3. Data Recovery

7.3.1. Licensor shall provide differential nightly backups of Licensees' data in the licensor's facility in the unlikely event that emergency recovery is required.

7.3.2. Monthly downloads of Licensee's data (backups) are provided if requested in writing, at the rate as indicated in Addendum B.

7.3.3. In the event an emergency data recovery is needed Paperless Knowledge, Inc will provide the latest known recovery point within 40 working/business hours.

7.4. Scheduled Maintenance. Scheduled Maintenance shall mean any maintenance or upgrades in the data center including the software in which Licensee's account is located. Licensor shall notify Licensee via email at least twenty-four (24) hours in advance of any scheduled maintenance. Licensor shall make all reasonable attempts to perform scheduled maintenance during historically low use hours based on average use by licensees. Notwithstanding the foregoing, Licensor shall conduct emergency maintenance on an "as needed basis".

7.5. Notification by Licensee. Licensee shall inform Licensor three (3) business days prior to any expected heavy use by Licensee of the Website. Such notice should be sent to Licensor's support center at **iebasupport@pkinc.biz** and failure to give proper notice shall result in a waiver of credit by Licensee for any unavailability during said period.

7.6. Change in Service. Licensor reserves the right to amend the service level commitment from time to time effective upon prior written notice to Licensee. In the event any amendment in service results in a material reduction of the service level commitment, Licensee may elect to terminate this Agreement without penalty by providing Licensor written notice of such termination within thirty (30) days following notice of such amendment.

## 8. Warranty.

8.1. Warranty. Licensor warrants that the Software shall conform to the written specifications for the Software as such written specifications exist on the Effective Date. In the event that Licensee believes that Software does not conform to such written specifications, Licensor shall respond and repair such non-conformities within sixty (60) days of receiving written notification from Licensee of such non-conformity.

8.2. Limitation. EXCEPT FOR THE LIMITED WARRANTY STATED ABOVE, THE SOFTWARE IS PROVIDED "AS IS" AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, ALL IMPLIED WARRANTIES,

INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. THE LIABILITY OF LICENSOR, IF ANY, FOR DAMAGES RELATING TO THE SOFTWARE SHALL BE LIMITED TO THE ACTUAL USER LICENSE FEES PAID BY LICENSEE AND SHALL IN NO EVENT INCLUDE INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY KIND EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## **9. Insurance.**

9.1. Unless otherwise stated, Licensor shall maintain during the term of this Agreement and during the performance of any services hereunder the following insurance coverage at its own expense:

9.1.1. Workers' Compensation and Unemployment compensation insurance in compliance with any applicable state labor code, act, law, or statute where Licensor operates.

9.1.2. Commercial/Comprehensive General Liability insurance of not less than \$1,000,000 combined single limit per occurrence or aggregate for bodily injury, personal injury and property damage as a result of one occurrence including coverage for Premises-Operations, Products/Completed Operations, Contractual Liability, and Broad Form Property Damage including completed Operations.

9.1.3. Contractor shall provide proof of personal Automobile Liability insurance of each employee traveling in relation to training or support of this contract of not less than \$300,000 combined single limit per occurrence or aggregate of equivalent for bodily injury and property damage as a result of any one occurrence including coverage for Owned, Hired, and Non- Owned Automobiles. Each personal insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity. Please see Addendum "A" which lists all employees permitted to service the Licensee onsite during this contract.

9.2. Licensor shall be named as an *Additional Insured* on the policies listed in Section 9.1.2 and should read as follows:

Lassen County

9.3. Copies of the above-named insurances (or signed exemptions forms), evidencing such insurances will be provided to the County within 30 days of signing this contract.

## **10. Confidentiality.**

10.1. For purposes of this Agreement, "Confidential Information" shall mean any information delivered by one party to another which the receiving party ("Receiving Party") knows or has reason to know is considered confidential by the disclosing party ("Disclosing Party"). The Receiving Party agrees to take precautions to prevent any unauthorized disclosure or use of Confidential Information of

the Disclosing Party consistent with precautions used to protect the Receiving Party's own confidential information, but in no event less than reasonable care. Except as provided below, Licensee agrees to treat the Confidential Information as confidential and shall not disclose the Confidential Information to any person or entity without the Disclosing Party's prior written consent. The Receiving Party may only disclose the Confidential Information to its employees and agents who reasonably require access to such Confidential Information to perform its obligations under this Agreement.

10.2. Licensor acknowledges the status of the Licensee as a public entity and that existing law and any amendments thereto may require the Licensee to disclose the terms and conditions of this Agreement itself and any other documents related to the performance of this Agreement, pursuant to the California Public Records Act and any other applicable statutes pertaining to the disclosure of documents reflecting the expenditure of public funds. Should either party be faced with legal action to disclose Confidential Information that does not constitute a public record, as that term is defined in the California Public Records Act, each party will promptly notify the other of the threatened legal action and shall reasonably defend any legal action. Both Licensor and Licensee shall comply with any binding court order regarding disclosure of the public record(s) and such compliance will not constitute any breach of this Agreement.

10.3. The obligations imposed by this Section shall survive any termination of this Agreement. The obligations set forth in this Section shall not apply to any particular portion of any Confidential Information to the extent that the Confidential Information: (i) now or subsequently becomes generally known or available through no act or omission of Receiving Party; (ii) was or is known at the time of receipt of same from Disclosing Party; (iii) is provided by the Disclosing Party to a third party without restriction on disclosure; (iv) is subsequently rightfully provided to Receiving Party by a third party without restriction on disclosure; or (v) is independently developed by Receiving Party and can be demonstrated from Receiving Party's business records and documentation, provided the person or persons developing same did not have access to the Confidential Information of the Disclosing Party prior to such independent development.

## **11. Relationship of the Parties.**

11.1. Nothing contained herein shall be construed to make Licensee the agent of Licensor or Licensor the agent of Licensee for any purpose and neither party shall have any right whatsoever to incur any obligations on behalf of or binding upon the other party.

## **12. Miscellaneous.**

12.1. Governing Law; Venue. The rights and obligations of the parties and the interpretation and performance of this Agreement shall be governed by the law of California, excluding its conflict of laws rules. Any litigation, suit or other proceeding regarding the rights or obligations of the parties hereunder shall be conducted before an appropriate court or arbitrator in Mendocino County, California, and the parties specifically consent to Fort Bragg, California as the exclusive location for any such proceeding.

- 12.2. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if the parties had all signed the same document. All counterparts shall be construed together and shall constitute one agreement.
- 12.3. Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition.
- 12.4. Entire Agreement. This document constitutes the entire agreement between the parties, all oral agreements being merged herein, and supersedes all prior representations. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties relating to the subject matter of this Agreement that are not fully expressed herein.
- 12.5. Non assignability. This Agreement may not be assigned by Licensor without the prior written consent of the Licensee. Any assignment that is contrary to the outlined provisions of this Agreement shall be null and void and be deemed a default under the Agreement, allowing the not defaulting party to exercise all remedies available under law.
- 12.6. Notices. Any notice under this Agreement shall be in writing, and any written notice or other document shall be deemed to have been duly given (i) on the date of personal service on the parties, (ii) on the third business day after mailing, if the document is mailed by registered or certified mail, (iii) one day after being sent by professional or overnight courier or messenger service guaranteeing one-day delivery, with receipt confirmed by the courier, or (iv) on the date of transmission if sent by telegram, telex, telecopy or other means of electronic transmission resulting in written copies, with receipt confirmed. Any such notice shall be delivered or addressed to the parties at the addresses set forth above or at the most recent address specified by the addressee through written notice under this provision. Failure to conform to the requirement that mailings be done by registered or certified mail shall not defeat the effectiveness of notice actually received by the addressee.
- 12.7. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.
- 12.8. Attorneys' Fees. If the services of an attorney are required by any party to secure the performance of this Agreement or otherwise upon the breach or default of another party to this Agreement, or if any judicial remedy or arbitration is necessary to enforce or interpret any provision of this Agreement or the rights and duties of any person in relation thereto, the prevailing party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such party may be entitled.

12.9. Amendment. The provisions of this Agreement may be modified at any time by agreement of the parties. Any such agreement hereafter made shall be ineffective to modify this Agreement in any respect unless in writing and signed by the parties against whom enforcement of the modification or discharge is sought.

12.10. Force Majeure. The Licensor shall not be responsible or liable to Licensee for any damages including without limitation, incidental and consequential damages, arising out of nonperformance or delay in performance of the terms and conditions herein due to acts of God, wars, riots, strikes, unavailability of suitable and sufficient components or materials, die or capacity or technical or weld failures and any unforeseen events beyond Licensor's control.

12.11. Arbitration. Any dispute or issue arising under the terms of this Agreement (or breach hereof) that cannot be resolved by good faith negotiations between or among the parties is not mandatory but may be submitted for final and binding arbitration in Sacramento, California pursuant to the Arbitration Rules of the American Arbitration Association. The number of arbitrators shall be one. The arbitration shall proceed with due dispatch, and a decision shall be rendered within thirty (30) days after conclusion of the arbitral proceeding. The arbitration decision shall be in such written form that a judgment may be entered on it in any court of competent jurisdiction. This Agreement to arbitrate is specifically enforceable, and the award rendered by the arbitrator is final and binding on the parties to this Agreement and may be made the basis for entry of a judgment.

**IN WITNESS WHEREOF, the parties enter into this Agreement as of the Effective Date.**

Paperless Knowledge, Inc.

County of Lassen

By: Michael Wasco

BY: [Signature]  
COUNTY OF LASSEN

Name: Michael Wasco

BY: [Signature]

Title: Contract/Project Manager

BY: \_\_\_\_\_

**Approved as to Form**

DEC 21 2021

[Signature]

**Lassen County Counsel**



## **ADDENDUM A SERVICES TO BE PROVIDED BY CONTRACTOR**

**Paperless Knowledge, Inc. will provide access to the system modules listed below to meet Lassen County requirements:**

1. Security/Admin Module - Security is at the heart of the IEBA application, it controls what an employee can access and what functions they can perform within the application.
2. Personnel Module - The Personnel Module allows you to add, edit or delete position numbers or employees. You must have Admin permissions to enter information
3. Time Study Module - This module is for time study individuals and time study administrators. Users can create, edit, submit, view, and approve a time study, depending on the permissions granted.

List of Employees Licensor permitted to service the Licensee onsite during this contract.

NOTE: This list may change at which time Licensee will be provided an updated list.

Licensor Employee Name(s):

Michael Wasco

## ADDENDUM B COMPENSATION OR FEES TO BE PAID TO CONTRACTOR

2021-2022 Fiscal Year			
Scope #	Program/Service Description	Unit Type	Rate
4.1.1	Set-Up Fee	One-Time	\$0.00
4.4.2	Hosting Fee	Monthly	139.43
4.1.3	Record Fee	Each	\$0.99
4.1.4.1	User License Fee (Quarterly/User)	Quarterly Per User + 2 <i>Paperless Knowledge, Inc. Admins</i>	\$29.32
4.1.4.2	Time Study User License Fee	Quarterly Per User	Included In User License
4.2.2	<i>Hourly Rate; Onsite Service</i>		
	<i>Programming</i>	<i>As Needed</i>	\$112.55
	<i>Training</i>	<i>As Needed</i>	\$74.75
	<i>Software Support</i>	<i>As Needed</i>	\$78.78
	<i>Onsite Services/Mileage Fee</i>	<i>As Needed (NA – Only Online)</i>	\$0.00

2022-2026 Fiscal Year			
Scope #	Program/Service Description	Unit Type	Rate
4.1.1	Set-Up Fee	One-Time	\$0.00
4.4.2	Hosting Fee	Monthly	\$141.00
4.1.3	Record Fee	Each	\$0.99
4.1.4.1	User License Fee (Quarterly/User)	Quarterly Per User + 2 <i>Paperless Knowledge, Inc. Admins</i>	\$31.00
4.1.4.2	Time Study User License Fee	Quarterly Per User	Included In User License Fee
4.2.2	<i>Hourly Rate; Onsite Service</i>		
	<i>Programming</i>	<i>As Needed</i>	\$114.50
	<i>Training</i>	<i>As Needed</i>	\$75.00
	<i>Software Support</i>	<i>As Needed</i>	\$80.00
	<i>Onsite Services/Mileage Fee</i>	<i>As Needed (NA – Only Online)</i>	\$0.00