

AI-11505-IT

**40 Hour Ad Hoc
Statement of Work**

for

County of Hidalgo

Statement of Work No. 200810018-s1

October 2, 2008

Developed By

Calence, LLC

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CALENCE™

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This Statement of Work is made effective October 2, 2008 ("Effective Date") by and between Calence, LLC ("Calence") and County of Hidalgo ("COH" or "Customer") and is delivered pursuant and subject to the terms and conditions of the Contract for Products and Related Services, DIR Contract No. DIR-SDD-235 dated July 12, 2006 (the "Agreement") between Calence and State of Texas Department of Information Resources ("DIR"). This Statement of Work will be incorporated by reference into the Agreement and become a part of the Agreement upon execution by both parties. Unless otherwise indicated, capitalized terms used herein that are defined in the Agreement will have the same meanings as in the Agreement. In the event of any conflict between this Statement of Work and the Agreement, the Statement of Work will control.

Scope and Approach

Calence will perform the following Services:

Project Management

- Be the primary point of contact to Client on all project issues, needs and concerns
- Conduct an initial planning meeting prior to the start of the project
- Complete change-request documentation as required
- Schedule and coordinate the necessary resources to support the project
- Identify, escalate and document project issues as necessary

Ad Hoc Support

- Provide ad hoc consulting support,
- Provide troubleshooting for network routing and switching issues
- Document findings and recommendations

Developed Works

Developed Works, if any, will be agreed upon by both parties in writing.

All rights and title to any Developed Works shall belong to Customer. All rights and title to Copyright Materials and Trade Secret Materials shall belong to Calence, subject to the license expressly granted in this Statement of Work. All rights and title to Calence Resources shall belong to Calence, without any license with respect thereto Customer or any third party. All rights not expressly granted by Calence hereunder are reserved by Calence.

Subject to Customer's performance of its obligations under this Statement of Work, including its payment obligations, Calence hereby grants to Customer a nonexclusive, nontransferable, limited license (without the right to grant sublicenses), to use, execute, copy and create derivative works of the Copyright Materials, and to use Trade Secret Materials: (i) solely for Customer's internal business purposes; (ii) not for the benefit of, or access by, any third party other than Customer's contractors who are subject to written agreements consistent with this Statement of Work and who act solely for the benefit of Customer; and (iii) subject to all other provisions of the Agreement and this Statement of Work.

For the purposes of this Statement of Work:

- "Calence Resources" means all software, documentation, information and materials used by Calence, or by Calence's contractors on behalf of Calence, in Calence's performance under this Statement of Work.
- "Copyright Materials" means all works of authorship recorded or copied in the Developed Works, and which may include designs, plans, blueprints, manuals, diagrams, activity reports, security assessments, and other written materials.

- "Trade Secret Materials" means all non-public information that is provided to Customer under this Statement of Work, and which may include patent applications, trade secrets, technical and non-technical data, business methods and models, drawings, processes, formulas, ideas, concepts, know-how, techniques, sketches, models, inventions, processes, algorithms, formulas, and including information regarding experiments, developments, designs and specifications.

Assumptions and Requirements

The following assumptions and requirements apply for this Services engagement:

1. All software, hardware, network wiring, permits, licenses and rights of way necessary for the completion of this project will be acquired and/or installed by County of Hidalgo in a timeframe that allows Calence to complete or meet the project-specific milestones.
2. County of Hidalgo and its employees, contractors, and agents will: (a) cooperate with any reasonable request of Calence, (b) provide input throughout the project and will review progress at review meetings requested by Calence; and (c) provide Calence with access to all of COH's information, documentation and technology, necessary for Calence to perform the Services in accordance with this Statement of Work, including a list of all Client and third-party contacts necessary for Calence to do so. Such cooperation, input, and access is critical to this project, and COH's representation at all review meetings is essential.
3. County of Hidalgo will ensure that the Calence project staff is given access to all necessary facilities and workspace, and is provided all furniture, supplies and equipment (telephones, faxes, LAN connectivity, printer access, dial-out modem lines, passwords, keys, etc.) required to successfully perform, troubleshoot, and complete the Services for the duration of the Services. In addition, County of Hidalgo will ensure that the work environment is free of hazardous materials and free from asbestos, and that all Calence personnel are provided with all necessary safety equipment and training while on COH's or its customer's site.
4. County of Hidalgo is responsible for providing adequate and secure onsite storage for all deliveries.
5. County of Hidalgo is responsible for: (a) Back-up and/or data migration of existing data unless otherwise agreed to by Calence; (b) Computer system and network designs; and (c) Component selection as it relates to the performance of the computer system and/or the network.
6. All Services will be performed over a consecutive timeframe unless otherwise provided herein or agreed to by Calence in writing. Calence will schedule resources upon receipt and acceptance of a fully executed Statement of Work and a Purchase Order (to the extent required) from COH. Calence will use commercially reasonable efforts to take into account COH's schedule, but in all events the performance of the Services is subject to the availability of Calence personnel and resources, as determined by Calence.
7. Any onsite skills transfer that takes place during this project will not replace the manufacturer's formal system implementation and administration classes.
8. No formal user training is included in this Statement of Work. User training is available for an additional cost.
9. County of Hidalgo will communicate any issues or concerns with respect to the Services or Developed Works in a timely manner.
10. Work estimates assume the Services will be completed within the duration stated in the Timeframes section below. Calence is not responsible for delays or repeated tasks caused by factors outside Calence's control. These factors include availability of Client personnel, equipment and telecommunication provider services. County of Hidalgo will compensate Calence for any out-of-scope work requested by County of Hidalgo on an hourly basis at Calence's standard hourly rates (unless otherwise agreed to in writing by the parties).

11. Client agrees to hold information designated in writing as confidential or proprietary by Calence in strictest confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise disclose such information to third parties or to use such information for any purpose whatsoever, except to perform the Client's obligations hereunder and except as otherwise permitted by this Statement of Work or applicable Texas law. Nothing herein transfers to Client any title to or ownership rights in any such information; and, upon written request of Calence, Client shall promptly return or delete any such information which it has in its possession.
12. Calence has no obligation to, and will not, install, mount, affix, screw, or otherwise fasten any cable, hardware, or other product to any building or structure (inside or outside), and Calence has no obligation to, and will not, run cable above, under, behind, or through any ceiling, floor, or wall of any building or structure. To the extent that any such services are required, such services will be performed by another person or entity engaged directly by COH.
13. Any changes to the scope and/or assumptions will require joint written approval. This may extend the duration of the engagement and/or require additional resources, resulting in additional cost to COH

Timeframes

Calence will provide up to 40 work-hours of Services on an as-needed basis, subject to Calence resource availability as determined in Calence's discretion. County of Hidalgo will notify Calence, in writing, of each Service request. Each Service request will be invoiced for a minimum of either 4 hours for onsite assistance, or 2 hours for telephone assistance. In the event County of Hidalgo has not utilized the hours by March 1, 2008, any remaining hours will be forfeited.

Fees

Consulting Fees

Services will be provided for the fixed fee listed below.

	Fixed Consulting Fee
40 Hour Ad Hoc	\$5,600

Pricing Assumptions

1. Consulting Fees pricing does not include any necessary hardware/software costs, and expenses are not reimbursable.
2. Shipping and taxes, if applicable, are not included.
3. All prices are in U.S. dollars.
4. The work to be performed will be completed during normally scheduled working hours (8:00 A.M. to 5:00 P.M. local time Monday through Friday), excluding Calence observed holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, The day after Thanksgiving, Christmas Eve, Christmas Day).

Invoicing and Payment

COH will be invoiced monthly, based on the percentage of the Services completed that month, and will pay each invoice within 30 days from the date that COH receives the invoice, per Texas Government Code, chapter 2251.

Customer will be invoiced for any "product" (i.e., hardware, software, documentation, accessories, materials, supplies and parts) associated with this Statement of Work upon delivery to a common carrier. Payment for any invoice for product (as listed above) is due within 30 days from the date that COH receives the invoice, per Texas Government Code, chapter 2251.

Credit Approval

This Statement of Work is subject to credit approval by Calence. COH agrees to submit such financial information from time to time as may be reasonably requested by Calence for the establishment and/or continuation of credit terms.

Location

The engagement will be performed at COH's facilities located at 100 N. Closner Blvd., Edinburg, TX 78539.

Customer Contact Information

COH's contact for this engagement is Renan Ramirez (phone: 956.292.7010; fax: 956.318.2152; email: renan@co.hidalgo.tx.us), who will be responsible for making the arrangements necessary to accommodate Calence staff members and provide them with the COH resources required to complete the project.

Change Management

Calence reserves the right to increase the fees and other amounts due to it hereunder in the event any of the assumptions or requirements set forth in this Statement of Work are unperformed or incorrect, or if COH requests Calence to provide additional services outside the scope of Services. In any such event, Calence will have no obligation to perform the affected Services or any additional services unless both parties have agreed, in writing, to the increased fees and/or the additional scope, as applicable, in the form of an addendum to this Statement of Work.

Acceptance Date

This offer of Services will be good through November 2, 2008. Signature by COH indicates acceptance and authorization to proceed with the Services.

Invoicing Procedures

Calence will send invoices to:

County of Hidalgo
100 E. Cano 4th Floor
Edinburg, TX 78539

Attention: Accounts Payable

Accounts Payable Contact: _____

Phone: _____

Select one of the following below:

- Customer issues system-generated Purchase Orders for service engagements. Please fill in the PO Number below and attach a hard copy of the Purchase Order to this signed Statement of Work. Note: Services cannot be performed until a hard copy of the Purchase Order is received.

P.O. Number _____

- Customer does NOT issue system-generated Purchase Orders for service engagements. Accordingly, performance of and payment for any services under this Statement of Work do not require, and are not contingent upon, the issuance of any Purchase Order or other similar document. If Customer requires Calence to include an internal reference number on invoices, please fill in the reference information below.

Internal Billing Reference Number/Name: _____

IN WITNESS WHEREOF, Customer and Calence have executed this Statement of Work effective as of the Effective Date. Customer, by signing below, expressly acknowledges and affirms that Customer has carefully read and agrees to this entire Statement of Work, and that this Statement of Work is a binding agreement between Calence and Customer. Customer and the individual signing this Statement of Work on behalf of Customer represent that he/she is expressly invested with the requisite authority to execute this Statement of Work on behalf of Customer and bind Customer in this matter.

Calence, LLC

County of Hidalgo

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____