

**EXHIBIT 1**



Cartegraph Systems, Inc.

Software and Services Quotation Q1306014-2

Prepared for City of Denton, TX

February 27, 2014

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## Software and Services Quotation

Cartegraph is pleased to present this Quotation for the implementation of world class technology solutions in your organization. This Quotation is prepared for City of Denton, hereinafter referred to as “**Customer**” or “**Licensee**,” whose address is noted below, by Cartegraph Systems, Inc., 3600 Digital Drive, Dubuque, Iowa 52003, hereinafter referred to as “**Cartegraph**.”

**Customer** address:

City of Denton  
601 East Hickory Street  
Denton , TX 76205

**Licensee** address:

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## Scope of Project

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### Software Products

#### Cartegraph OMS

**Cartegraph** will provide and deliver licenses to use the Software Products and in the quantities listed in the *Investment Summary*. Software Products are developed and supported products available from **Cartegraph**.

Cartegraph OMS provides the following benefits for the term of your subscription:

1. **Use of Cartegraph software including all enhancements and updates.**
2. **Comprehensive telephone and online technical support.** **Customer** will receive unlimited toll-free support via phone, fax or e-mail through the **Cartegraph** Help Desk for technical issues relating to the use of the licensed software. Telephone support will be available Monday through Friday between the hours of 7:30 a.m.– 5:30 p.m. Central time by dialing 877- 647-3050. You can also submit questions/issues via fax at 563-556-8149, or by email to [support@cartegraph.com](mailto:support@cartegraph.com).
3. **Problem resolution using remote software tools, as applicable.** **Cartegraph** utilizes a variety of methods/tools for remote diagnostics of client systems:
  - a. WebEx Meeting technology enables users to collaborate online with **Cartegraph**'s Technical Support staff in real time between individuals or groups.
  - b. WebEx Support technology enables users to click a link on the **Cartegraph** web site, allowing direct connection with **Cartegraph**'s Technical Support staff.
  - c. **Cartegraph** staff can also VPN in to client networks with appropriate authorization.
  - d. Clients can email their Application Log and trace files so that **Cartegraph** staff can review how the system was being used before an issue arose.
  - e. **Cartegraph**'s password-protected FTP site can also be used for client data communication.
4. **Notification of the availability of free software enhancements and upgrades.**
5. **Support assistance with software upgrades.** **Cartegraph** Help Desk support staff will answer your questions and guide you through the process to upgrade your software to the latest release.
6. **Access to a password-protected, clients-only web site.** The Client Support Center at [www.cartegraph.com](http://www.cartegraph.com) includes online access for reporting and tracking your cases, product troubleshooting information, software downloads, training opportunities, and access to knowledgebase articles.
7. **Free web-based training opportunities.** An ongoing schedule of *WEBed* training sessions on topics such as Forms & Filters, Data Entry Options, Getting Started with Work Management, Reporting Options and more is available at the clients-only Client Support Center web site at no additional charge.
8. **Free attendance at regional User Group meetings.** **Cartegraph** holds User Group meetings throughout North America each year and Software Subscription Plan clients can attend free of charge. These events bring current users together to share their experiences and provide additional training opportunities.
9. **Special registration discounts to other Cartegraph conferences and workshops.**

## Project Services

### Implementation Services (Fee for Service)

The Fee for Service Implementation Services as listed in the *Investment Summary* are specific **Cartegraph** services which will be delivered to the **Customer** based on the descriptions below and any descriptions that may be found in this Proposal's Exhibits. **Cartegraph** will coordinate with the **Customer** on service delivery expectations and timeframes.

**Implementation Services: Implementation of our Operations Management System (OMS) - Advanced On-Premise Edition includes the following:**

- Installation support
- System navigation training
- System dashboard training
- Security roles training and support
- Implementation and training on the Request Management portion of the system
- Implementation and training on the Work Management portion of the system
- Implementation and training on Cartegraph for iPad
- Training on system reports and on-screen analytics
- Access to the Cartegraph App Catalog when available
- Use of either Google or ESRI mapping within the system
- Implementation of the Citizen Request portal for smartphones and web
- Dedicated Cartegraph Project Manager to facilitate the resource scheduling, timing and other project tasks

#### Phase 1:

- Complete a 3-day operational consultation focused on gathering the client's business requirements for discussion of the findings and recommendations regarding workflow and asset management
- Implementation and training on the following Asset Applications - Pavement, Sign, Bridge, Markings, Supports, Cemetery, Grease Traps, and Right of Way
- Create up to eight custom reports
- Training and consultation done via web and during two 3-day customer onsites

#### Phase 2:

- Implementation and training on the following Asset Applications - Signals and Storm Outlets
- Training and consultation done via web and during two 2-day customer onsites
- For the duration of the project, the client will appoint a project coordinator to be responsible for the following aspects of the project:
  - Approve the Project Status Report
  - Authorize the project work
  - Acceptance of deliverables defined in the Project Status Report
  - Ensure the project is in compliance with and satisfies the requirements of the Project Status Report
  - Consult with the Cartegraph Project Manager on a continuing basis
  - Provide leadership on all issues related to the client, such as policy, organization, staff, technical architecture, data, and current systems.
  - Monitor progress of the project, including the review of Cartegraph regular status reports and managing internal resources.

## 1. Customer Responsibilities

**Customer** accepts responsibility for all aspects of project planning, management and execution not specifically described under Scope of Project. Ongoing management of the day-to-day allocation of **Customer** resources, and management of **Customer** project tasks is the responsibility of **Customer**. **Customer** will provide overall guidance and direction for the project and will direct the project accordingly. Further, and with regard to the **Cartegraph** obligations listed under the *Scope of Project* section, **Customer** understands that it is vital to the success of the project that **Customer** provides assistance in the following matters:

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1. For those services listed under *Project Services*, **Cartegraph** personnel will conduct information gathering and evaluation sessions with various **Customer** users and management. While **Cartegraph** respects the time and workload of **Customer** staff, dedicated time on the part of the appropriate **Customer** resources is necessary to complete these exercises.
  2. The installation process requires the periodic assistance of **Customer** personnel and suitable access to hardware and systems (e.g., security clearance). **Customer** is encouraged to supervise the installation process while systems are accessible to **Cartegraph**. It is assumed all hardware, both Personal Computers and Network and Database servers, will be installed and operating in a manner that delivery and execution of **Cartegraph** Project Services will not be impeded.
  3. **Customer** understands that the successful performance of Project Services depends upon **Customer** fulfilling its responsibilities. The Project assumes that **Customer** will provide all personnel required to achieve a successful implementation.
  4. **Customer** shall install and network its own hardware and communications and this will not affect the timing or the delivery of **Cartegraph** services.
  5. **Customer** will provide Internet access and IT staff support as required. For those services that are web-based, **Cartegraph** utilizes WebEx Meeting technology.
  6. **Customer** shall ensure that their workstation platform and database meet **Cartegraph** published system requirements.  
  
**Cartegraph** software will be supported within new versions of these workstation platforms and databases within a reasonable period of time from their release from their manufacturer. **Cartegraph** will discontinue support of its software within older versions of these workstation platforms and databases as their support is discontinued by their manufacturers.
  7. **Customer** agrees to work with **Cartegraph** to schedule Project Services in a timely manner. All undelivered Project Services shall expire 365 days from the signing of this Proposal.
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## Investment Summary

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**Cartegraph's** proposed fees for this project are included in the summary below.

**Date:** February 27, 2014      **Quotation Expiration Date:** December 31, 2014      **Quotation No.:** Q1306014-2

	Purchase Type	Qty.	Unit Price	Total Price
<b>YEAR 1</b>				
<b>SOFTWARE PRODUCTS</b>				
Cartegraph OMS – Advanced Edition	Per-user Subscription License, On-premise Deployment	8	\$3,000.00	\$24,000.00
Cartegraph iPad Mobile User License	Per-user Subscription License, On-Premise	20	\$750.00	\$15,000.00
<b>PROJECT SERVICES</b>				
<b>Implementation Services (Fee for Service)</b>				
Implementation Services	Fixed Fee Service	1	\$55,000.00	\$55,000.00
<i>ESTIMATED EXPENSES</i>				\$9,200.00
<b>YEAR 1 SUB-TOTAL</b>				<b>\$103,200.00</b>
<b>YEAR 2</b>				
<b>SOFTWARE PRODUCTS</b>				
Cartegraph OMS – Advanced Edition	Per-user Subscription License, On-premise Deployment	8	\$3,000.00	\$24,000.00
Cartegraph iPad Mobile User License	Per-user Subscription License, On-Premise	20	\$750.00	\$15,000.00
<b>YEAR 2 SUB-TOTAL</b>				<b>\$39,000.00</b>
<b>YEAR 3</b>				
<b>SOFTWARE PRODUCTS</b>				
Cartegraph OMS – Advanced Edition	Per-user Subscription License, On-premise Deployment	8	\$3,000.00	\$24,000.00
Cartegraph iPad Mobile User License	Per-user Subscription License, On-Premise	20	\$750.00	\$15,000.00
<b>YEAR 3 SUB-TOTAL</b>				<b>\$39,000.00</b>
<b>TOTAL COST (3-YEAR TERM)</b>				<b>\$181,200.00</b>

**Please note:** This quote is being provided for estimation purposes only and is non-binding to either party. The above quoted services are estimates only and may or may not be adequate to meet all the implementation needs of the organization. In the event it becomes apparent to **Cartegraph** that service efforts detailed in the quote will be exceeded due to further definition in the scope of the project, **Cartegraph** will notify **Customer**.

In either event, such services shall require advanced written quotation from **Cartegraph** and approval from **Customer**. To ensure adequate services, further project scope definition and needs assessment is required. If the terms shown herein are acceptable, a formal agreement defining the scope of the project and/or services will be prepared for execution by both parties.

Any additional services described in the *Project Services* section earlier in this document are available to **Customer** at the rate of \$150 per hour (2-day minimum required for on-site service) plus travel expenses.

## Software Subscription, Maintenance and Support Services Terms/Renewal

The initial term of Subscription, Maintenance or Support Services, if included, will commence upon execution of this proposal (unless listed differently in the *Investment Summary* above) and will continue for the term listed in the *Investment Summary* above. At the end of the term listed in the *Investment Summary* the Customer may renew at prices in effect at that time by execution of a new Agreement. The price in effect at that time will increase by the cumulative consumer price index (CPI) and will not increase by more than 10% over the previous term.

Software licensed under a subscription is governed by a license manager and must be renewed prior to the expiration date of the term in order to keep the software active.

## Invoicing/Payment Terms

1. The Implementation Services fixed fees will be due in four (4) equal payments due every 2 months beginning at the date of the execution of an agreement. If the service is completed prior to the installments being paid then the entire remaining balance will become due

The Software Subscription Licenses fee will be due in annual installments 60 days prior to the anniversary of the initial term as follows:

- a. \$39,000.00 due upon signing of a proposal.
- b. \$39,000.00 due 60 days prior to 1<sup>st</sup> year anniversary of term start date.
- c. \$39,000.00 due 60 days prior to 2<sup>nd</sup> year anniversary of term start date.