

CITY OF NAPLES, FLORIDA

AGREEMENT (PROFESSIONAL SERVICES)

Bid/Proposal No. N/A

Contract No. _____

Project Name Time and Attendance Software for Fire and Police Departments

THIS AGREEMENT (the "Agreement") is made and entered into this 2nd of May, 2012, by and between the City of Naples, a Florida municipal corporation, (the "CITY" or "Customer") and **Kronos Incorporated, a Massachusetts corporation, 297 Billerica Road, Chelmsford, Massachusetts 01824**, (the "CONTRACTOR" or "Kronos").

WITNESSETH:

WHEREAS, the CITY desires to obtain the services of the CONTRACTOR concerning certain services specified in this Agreement (referred to as the "Project"); and

WHEREAS, the CONTRACTOR has submitted a proposal for provision of those services; and

WHEREAS, the CONTRACTOR represents that it has expertise in the type of professional services that will be required for the Project.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties hereto agree as follows:

ARTICLE ONE CONTRACTOR'S RESPONSIBILITY

1.1. The Services to be performed by CONTRACTOR are generally described as **installation and configuration of software to meet the City's time and attendance need for the police and fire departments**, and may be more fully described in the Scope of Services, attached as **EXHIBIT A** and made a part of this Agreement.

1.2. The CONTRACTOR agrees to obtain and maintain throughout the period of this Agreement all such licenses as are required to do business in the State of Florida, the City of Naples, and in Collier County, Florida, including, but not limited to, all licenses required by the respective state boards and other governmental agencies responsible for regulating and licensing the professional services to be provided and performed by the CONTRACTOR pursuant to this Agreement.

1.3. The CONTRACTOR agrees that, when the services to be provided hereunder relate to a professional service which, under Florida Statutes, requires a license, certificate of authorization or other form of legal entitlement to practice such services, it shall employ or retain only qualified personnel to provide such services. The parties hereby agree that the services to be provided by the CONTRACTOR under this Agreement do not have to be provided by licensed professional but will be provided in accordance with Exhibit A.

1.4. CONTRACTOR agrees to employ and designate, in writing, after receiving its Notice to Proceed a

qualified person to serve as the CONTRACTOR's project manager (the "Project Manager"). The Project Manager shall be authorized and responsible to act on behalf of the CONTRACTOR with respect to directing, coordinating and administering all aspects of the services to be provided and performed under this Agreement.

1.5. The CONTRACTOR has represented to the CITY that it has expertise in the type of professional services that will be required for the Project. The CONTRACTOR agrees that all services to be provided by CONTRACTOR pursuant to this Agreement shall be subject to the CITY's review and approval and shall be in accordance with the generally accepted standards of professional practice in the State of Florida, as may be applied to the type of services to be rendered, as well as in accordance with all published laws, statutes, ordinances, codes, rules, regulations and requirements of any governmental agencies which regulate or have jurisdiction over the Project or the services to be provided and performed by CONTRACTOR. In the event of any conflicts in these requirements, the CONTRACTOR shall notify the CITY of such conflict and utilize its best professional judgment to advise CITY regarding resolution of the conflict.

1.6. The CONTRACTOR agrees not to divulge, furnish or make available to any third person, firm or organization, without CITY's prior written consent, or unless incident to the proper performance of the CONTRACTOR's obligations hereunder, or in the course of judicial or legislative proceedings where such information has been properly subpoenaed, any non-public information concerning the services to be rendered by CONTRACTOR hereunder, and CONTRACTOR shall require all of its employees, agents, subconsultants and subcontractors to comply with the provisions of this paragraph. However, the CONTRACTOR shall comply with the Florida Public Records laws.

1.7 The CONTRACTOR agrees not to employ or offer to employ any Elected Officer or City Managerial Employee of the CITY who in any way deals with, coordinates on, or assists with, the professional services provided in this Agreement, for a period of 2 years after termination of all provisions of this Agreement. For purposes of this paragraph, the term "Elected Officer" shall mean any member of the City Council. For purposes of this paragraph, the term "City Managerial Employee" shall mean the City Manager, the Assistant City Manager, the City Clerk, and any City department head or director. If the CONTRACTOR violates the provisions of this paragraph, the CONTRACTOR shall be required to pay damages to the CITY in an amount equal to any and all compensation which is received by the former Elected Officer or City Managerial Employee of the CITY from or on behalf of the contracting person or entity, or an amount equal to the former Elected Officer's or City Managerial Employee's last 2 years of gross compensation from the CITY, whichever is greater.

1.8 The CONTRACTOR agrees not to provide services other party other CITY on the same subject matter, same project, or scope of services as set forth in this Agreement without approval from the City Council of the CITY.

1.9. Except as otherwise provided in this Agreement, the CONTRACTOR agrees not to disclose or use any information not available to members of the general public and gained by reason of the CONTRACTOR's contractual relationship with the CITY for the special gain or benefit of the CONTRACTOR or for the special gain or benefit of any other person or entity.

ARTICLE TWO CITY'S RESPONSIBILITIES

2.1. The CITY shall designate in writing a project coordinator to act as the CITY's representative with respect to the services to be rendered under this Agreement (the "Project Coordinator"). The Project Coordinator shall have authority to transmit instructions, receive information, interpret and define the CITY's policies and decisions with respect to the CONTRACTOR's services for the Project. However, the Project Coordinator is not authorized to issue any verbal or written orders or instructions to the CONTRACTOR that would have the effect,

or be interpreted to have the effect, of modifying or changing in any way whatever:

- (a) The scope of services to be provided and performed by the CONTRACTOR;
- (b) The time the CONTRACTOR is obligated to commence and complete all such services; or
- (c) The amount of compensation the CITY is obligated or committed to pay the CONTRACTOR.

Any such modifications or changes ((a) (b) or (c)) shall only be made by or upon the authorization of the CITY's city manager as authorized by city council in the enabling legislation or in the CITY's procurement policies.

2.2. The Project Coordinator shall:

- (a) Review and make appropriate recommendations on all requests submitted by the CONTRACTOR for payment for services and work provided and performed in accordance with this Agreement;
- (b) Arrange for access to and make all provisions for the CONTRACTOR to enter the Project site to perform the services to be provided by the CONTRACTOR under this Agreement; and
- (c) Provide notice to the CONTRACTOR of any deficiencies or defects discovered by the CITY with respect to the services to be rendered by the CONTRACTOR hereunder.

2.3. The CONTRACTOR acknowledges that access to the Project Site, to be arranged by the CITY for the CONTRACTOR, may be provided during times that are not the normal business hours of the CONTRACTOR. Such access period shall be mutually agreed between the parties.

ARTICLE THREE TIME

3.1. Services to be rendered by the CONTRACTOR shall be commenced subsequent to the execution of this Agreement upon written Notice to Proceed from the CITY for all or any designated portion of the Project and shall be performed and completed by **March 30, 2013**. Time is of the essence with respect to the performance of this Agreement.

3.2. Should the CONTRACTOR be obstructed or delayed in the prosecution or completion of its services as a result of unforeseeable causes beyond the control of the CONTRACTOR, and not due to its own fault or neglect, including but not restricted to acts of God or of public enemy, acts of government, fires, floods, epidemics, quarantine regulations, strikes or lock-outs, then the CONTRACTOR shall notify the CITY in writing within 5 working days after the CONTRACTOR is made aware of such delay, stating the cause or causes thereof, or be deemed to have waived any right which the CONTRACTOR may have had to request a time extension.

3.3. No interruption, interference, inefficiency, suspension or delay in the commencement or progress of the CONTRACTOR's services from any cause whatsoever, including those for which the CITY may be responsible in whole or in part, shall relieve the CONTRACTOR of its duty to perform or give rise to any right to damages. The CONTRACTOR's sole remedy against the CITY will be the right to seek an extension of time to its schedule or change in scope. This paragraph shall expressly apply to claims for early completion, as well as claims based on late completion.

3.4. Should the CONTRACTOR fail to commence, provide, perform or complete any of the services to be provided hereunder in a timely and reasonable manner, in addition to any other rights or remedies available to the CITY hereunder, the CITY at its sole discretion and option may withhold the payments due and owing to the CONTRACTOR in relation with the Services until such time as the CONTRACTOR resumes performance of its obligations hereunder in such a manner so as to reasonably establish to the CITY's satisfaction that the CONTRACTOR's performance is or will shortly be back on schedule.

ARTICLE FOUR COMPENSATION

4.1. The total compensation to be paid the CONTRACTOR by the CITY for all Services shall be based on fixed fees of **\$63,258 and an estimated \$ \$6,692 annually plus applicable expenses that are pre-approved by the CITY** and shall be paid in the manner set forth in the "Basis of Compensation", which is attached as **EXHIBIT B** and made a part of this Agreement. The City shall provide a certificate of exemption to the CONTRACTOR.

ARTICLE FIVE MAINTENANCE OF RECORDS

5.1. The CONTRACTOR will keep adequate records and supporting documentation which concern or reflect its services hereunder. The records and documentation will be retained by the CONTRACTOR for a minimum of five 5 years from the date of termination of this Agreement or the date the Project is completed, whichever is later. The CITY, or any duly authorized agents or representatives of the CITY, shall have the right to audit, inspect and copy all such records and documentation as often as necessary during the period of this Agreement and during the 5 year period noted above; provided, however, such activity shall be conducted only during normal business hours and be conducted with a prior written request. If the CONTRACTOR desires to destroy records prior to the minimum period, it shall first obtain permission from the CITY in accordance with the Florida Public Records laws.

ARTICLE SIX INDEMNIFICATION

6.1. The CONTRACTOR agrees to indemnify and hold harmless the City from liabilities, damages, losses and costs, including, but not limited to, reasonable attorneys' fees, for personal injury or tangible property damage to the extent caused by the negligence willful misconduct of the CONTRACTOR and persons employer or utilized by the CONTRACTOR in the performance of the Contract, The CITY agrees to provide a prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim. It is further provided that the CITY will reasonably cooperate with the CONTRACTOR in connection with the foregoing and provides the CONTRACTOR with all information in the CITY's possession related to such claim and further assistance as reasonably requested by the CONTRACTOR.

6.2. CONTRACTOR agrees to indemnify City and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of United States or Canadian patents or copyrights asserted against City by virtue of CITY's use of the Software as delivered and maintained by CONTRACTOR, provided that: i) CONTRACTOR is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, ii) CITY reasonably cooperates with CONTRACTOR in connection with the foregoing and provides CONTRACTOR with all information in CITY's possession related to such claim and any further assistance as reasonably requested by CONTRACTOR. CONTRACTOR will have no obligation to indemnify

CITY to the extent any such claim is based on the use of the Software with software or equipment not supplied by CONTRACTOR. Should any or all of the Software as delivered and maintained by CONTRACTOR become, or in CONTRACTOR'S reasonable opinion be likely to become, the subject of any such claim, CONTRACTOR may at its option: i) procure for CITY the right to continue to use the affected Software as contemplated hereunder; ii) replace or modify the affected Software to make its use non-infringing; or iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to CITY. In such event of termination, CITY shall be entitled to a pro-rata refund of all fees paid to CONTRACTOR for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order.

ARTICLE SEVEN INSURANCE

7.1. CONTRACTOR shall obtain and carry, at all times during its performance under this Agreement, insurance of the types and in the amounts set forth in the document titled General Insurance Requirements, which is attached as **EXHIBIT C** and made a part of this Agreement.

ARTICLE EIGHT SERVICES BY CONTRACTOR'S OWN STAFF

8.1. The services to be performed hereunder shall be performed by the CONTRACTOR's own staff, unless otherwise authorized in writing by the CITY. The employment of, contract with, or use of the services of any other person or firm by the CONTRACTOR, as independent contractor or otherwise, shall be subject to the prior written approval of the CITY. No provision of this Agreement shall, however, be construed as constituting an agreement between the CITY and any such other person or firm. Nor shall anything contained in this Agreement be deemed to give any such party or any third party any claim or right of action against the CITY beyond such as may otherwise exist without regard to this Agreement.

ARTICLE NINE WAIVER OF CLAIMS

9.1. The CONTRACTOR's acceptance of final payment shall constitute a full waiver of any and all claims relating to the payment obligation under this Services Agreement, except for insurance company subrogation claims, by it against the CITY arising out of this Agreement or otherwise related to the Project, except those previously made in writing and identified by the CONTRACTOR as unsettled at the time of the final payment. Neither the acceptance of the CONTRACTOR's services nor payment by the CITY shall be deemed to be a waiver of any of the CITY's rights against the CONTRACTOR.

ARTICLE TEN TERMINATION OR SUSPENSION

10.1. The CONTRACTOR shall be considered in material default of this Agreement and such default will be considered cause for the CITY to terminate this Agreement, in whole or in part, as further set forth in this section, for any of the following reasons: (a) failure to begin work under the Agreement within the times agreed between the parties, or (b) failure to properly and timely perform the services to be provided hereunder or as directed by the CITY, or (c) the bankruptcy or insolvency or a general assignment for the benefit of creditors by the CONTRACTOR or by any of the CONTRACTOR's principals, officers or directors, or (d) failure to obey laws, ordinances, regulations, or (e) failure to perform or abide by the terms or spirit of this Agreement, or (f) for any other just cause. The CITY may so terminate this Agreement, in whole or in part, by giving the

15.1. Unless otherwise specified, this Agreement shall be governed by the laws, rules, and regulations of the State of Florida, and by the laws, rules and regulations of the United States when providing services funded by the United States government. Any suit or action brought by either party to this Agreement against the other party relating to or arising out of this Agreement must be brought in the appropriate Florida state court in Collier County, Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for the day and year first written above.

ATTEST:

By: Patricia L. Rambosk
Patricia L. Rambosk, City Clerk

Approved as to form
and legal sufficiency:

By: Robert D. Pritt
Robert D. Pritt, City Attorney

Paula Stevens
Witness

CITY:

CITY OF NAPLES, FLORIDA,
A Municipal Corporation

By: A. William Moss
A. William Moss, City Manager

CONTRACTOR:

Kronos Incorporated
A Massachusetts Corporation

By: John O'Brien
John O'Brien, Senior Vice President of Sales



Statement of Work

***For the Deployment and Advanced Configuration of
TeleStaff***

Prepared for Naples Fire and Police

Customer Contact:
Contact Phone:
Contact E-Mail:

Fire Chief Steve McInerny
(239) 213-4309
smcinerny@naplesgov.com

Created:	April 25, 2012	Expires:	
Prepared By:	Donna Jones Donna.jones@kronos.com	Filename:	Naples Fire and Police SOW.docx

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TABLE OF CONTENTS

1	<u>EXECUTIVE SUMMARY</u>	1
	1.1 DOCUMENT PURPOSE	1
	1.2 PROJECT OVERVIEW	1
	1.2.1 ROLES AND RESPONSIBILITIES	2
	1.2.2 ENGAGEMENT PRINCIPAL	3
	1.2.3 PROJECT ASSUMPTIONS	3
	1.3 PROPOSED SOLUTION	3
	1.3.1 TOTAL ESTIMATED INVESTMENT	3
	1.4 TRAVEL REQUIREMENTS	4
	1.5 RESOURCE REQUIREMENTS	4
	1.6 APPROVALS	5
2	<u>DETAILED PROJECT SCOPE AND ASSUMPTIONS</u>	6
	2.1 CONFIGURATION FACTORS	6
	2.1.1 ASSESSMENT – DEPLOYMENT	9
	2.1.2 PLANNING – DEPLOYMENT	9
	2.1.3 SOLUTION BUILD – DEPLOYMENT	10
	2.1.4 TEST & CERTIFY – DEPLOYMENT	10
	2.1.5 DEPLOY & SUPPORT – DEPLOYMENT	10
	2.1.6 ASSESSMENT- ADVANCED	10
	2.1.7 SOLUTION BUILD - ADVANCED	11
	2.1.8 TEST & CERTIFY- ADVANCED	11
	2.1.9 DEPLOY & SUPPORT - ADVANCED	11

1 EXECUTIVE SUMMARY

1.1 DOCUMENT PURPOSE

TeleStaff Solutions Group (TSG) is pleased to be considered a Workforce Management business partner with Naples Fire and Police. The purpose of this document is to provide an outline of the work required and the professional services estimated for the TeleStaff solution.

This document defines TSG's current understanding of the engagement's objectives, scope, assumptions, risks and constraints and is based upon information gathered during conversations with Naples Fire and Police during the sales cycle, with the key assumption that the TSG and Naples Fire and Police will jointly staff the project team during the project lifecycle.

This Statement of Work provides a documented basis for making future decisions and for confirming or developing a common understanding of project scope among the stakeholders. Any change to the assumptions in this document or the discovery of increased complexity during the engagement will be considered a change in the scope of the professional services, and will be managed through TSG's standard Change Control procedures.

1.2 PROJECT OVERVIEW

All prices shall be stated as firm fixed amounts, except where requested on a different basis.

Comprised of two distinct phases, the TeleStaff implementation process leverages proven methods developed by TSG. Naples Fire and Police is configured and live with TeleStaff during the first phase, ensuring an accelerated return on investment.

The TeleStaff implementation experience brings together Naples Fire and Police staffing experts with the Kronos TeleStaff Solutions Group experts to configure, test and ensure that the scheduling business/union rules required to ensure fair and consistent staffing are correctly setup within TeleStaff. The advantage of this type of project synergy ensures that scheduling rules are defined, setup, and tested in strict accordance to Naples Fire and Police's needs; while promoting product knowledge and confidence that leads to project success.

These proven processes include a project manager working in partnership with Naples Fire and Police's project team as well as detailed project plans, training, and technical support services. Additionally, TeleStaff's project methodology employs project assumptions, a master project schedule, and risk management processes.

- The Deployment phase addresses the immediate scheduling needs of the organization by implementing critical TeleStaff functions and modules such as rosters, personal calendars, person tracking functions, web access, interfaces, and telephony.
- The Advanced phase is designed for customers in a production environment who have had time to assess specific scheduling needs in a live production environment. This plan is a highly tailored implementation project that focuses on adding intelligent staffing options to Naples Fire and Police's production database.
- An experienced TeleStaff project manager is assigned to train and guide the Naples Fire and Police project team through implementation.
- A project plan for each phase is developed and strictly followed by the entire implementation team. A project plan with input from the project sponsor, project lead, and TSG PM. The project plan includes the following sections: Assessment, Planning, Solution Build, Test and Certify, and Deploy and Support.
- Configuration of TeleStaff to meet specific departmental staffing processes and business requirements.

EXHIBIT A

A TSG PM is assigned to support Naples Fire and Police during the deployment of TeleStaff and guide the project to a timely and successful resolution. The TeleStaff deployment process is aimed at implementing features and functionality in a logical, yet accelerated sequence to help Naples Fire and Police to strategically and quickly maximize TeleStaff's time and cost savings benefits organization-wide. Schedulers and other users will enjoy the benefits associated with centralized staffing, processing requests, reporting, conducting emergency recall, and data feeds to the timekeeping downstream system with the deployment of the roster and calendar.

After deployment of TeleStaff in a production environment, Naples Fire and Police transitions to the Advanced phase. During this phase Naples Fire and Police assesses specific scheduling needs in a live production environment. A TSG PM guides Naples Fire and Police through a highly tailored implementation project that focuses on adding intelligent staffing options to the production database. Schedulers and other users will enjoy the benefits of intelligent staffing, including the development of hiring lists based on user-defined fairness criteria.

1.2.1 ROLES AND RESPONSIBILITIES

This section details key assumptions that TSG used to develop the project approach, schedule, and project plan.

TSG assumes the Project Sponsor:

- Has ultimate responsibility for the success of the project
- Assists in the preparation and maintenance of the project plan
- Selects the project lead and ensures that this is a dedicated resource for the duration of the project
- Selects the project team and assigns resources as needed for the duration of the project
- Assigns resources to ensure on-going administration and maintenance of TeleStaff once the implementation project is completed
- Has high-level decision-making authority
- Is the escalation path for deficiencies, concerns, or questions from the TSG PM, project lead, project team, and user community
- Implements change management

TSG assumes the project lead:

- Ensures accountability for on-time deliverables as per the project plan
- Owns the daily project management task and is responsible for managing the project and keeping it on track
- Coordinates the project team and ensures tasks are completed on time
- Allocates resources to the project team per the project plan (subject matter experts)
- Works closely with the TeleStaff project manager – daily or weekly as required per project phase
- Escalates to the sponsor on a timely basis, as necessary
- Attends configuration training

TSG assumes the project lead has sufficient time available to lead the project, possesses excellent staffing knowledge, supports the implementation of TeleStaff, and has decision-making authority. TSG also assumes that Naples Fire and Police has considered a contingency plan for the project lead.

Aside from the project lead assignment, the availability of resources has the greatest impact on the success of the project. Naples Fire and Police must ensure the availability of various Subject Matter

EXHIBIT A

Experts (SME) in staffing, IT, HR, payroll, etc., as necessary to configure TeleStaff and test the configuration.

1.2.2 ENGAGEMENT PRINCIPAL

The Engagement Principal is a TSG Project Manager (PM) who performs project oversight on the TeleStaff implementation and is responsible for the overall quality and customer satisfaction of the engagement. Activities include some or all of the following:

- Establishes and maintains formal communications with project sponsor.
- Advises customer on recommended solution implementation strategy.
- Oversees engagement planning and performance.

1.2.3 PROJECT ASSUMPTIONS

1. Naples Fire and Police management is committed to the standardization of staffing and pay rules that may be required.
2. Naples Fire and Police will configure staffing rules as defined and approved by the project sponsor.
3. Naples Fire and Police management is committed to the success of the project through provision of resources and support as needed.
4. Naples Fire and Police management will have a change management plan in place to help the project team successfully manage change and to minimize resistance to change from the users.
5. Decisions will be made in a timely manner according to the project plan.
6. Naples Fire and Police IT department is aware of the TeleStaff project and supports the implementation plan. IT will provide the necessary support to install and maintain the TeleStaff system.

1.3 PROPOSED SOLUTION

1.3.1 TOTAL ESTIMATED INVESTMENT

Item	Estimated Investment
Software (TeleStaff, Auctions, 8 Sybase, 4-Port Dongle)	\$19,743.00
1 st Year's Maintenance	\$0.00
Professional Services Base Deployment 9990041-PRO	\$22,515.00
Professional Services Advanced Configuration 9990042-PRO	\$19,500.00
Professional Services Auctions Configuration 9990045-PRO	\$1,500.00
Estimated Investment For This Implementation	\$63,258.00
TeleStaff and Auctions Annual Maintenance	\$4,460.00
Web Access Annual Maintenance	\$2,232.00
Sum of yearly fees	\$6,692.00

Both Parties acknowledge, if customer requires professional services from Kronos for additional Deployment, Advanced Configuration, or Solution Development services related to the Software purchased on this Order Form, the professional services will be billable on a time and materials basis at an hourly rate of \$95.00, \$125.00, or \$215 respectively. Such hourly rate shall be valid for 12 months from the date of this Order Form.

Professional Services included in this Statement of Work will be invoiced upon signing of the Sales Order, and due per the payment term notes.

EXHIBIT A

1.4 TRAVEL REQUIREMENTS

Billable travel expenses will be charged pursuant to the terms and conditions contained within the TELESTAFF SOLUTIONS GROUP SALES, SOFTWARE LICENSE AND SERVICE AGREEMENT. In certain instances specialized resources may be used that require the payment of airfare, lodging and related travel expenses. Also, if any portion of remote services are changed to on-site services, and agreed to by Naples Fire and Police and TeleStaff Solutions Group, an appropriate change in travel hours will occur. Customers shall be made aware of any such instance(s) during the sales or Change Order process.

The total estimated Travel hours for this engagement are: 0

1.5 RESOURCE REQUIREMENTS

This project involves shared risk by both TSG and Naples Fire and Police. TSG's experience has shown that the project team needs to be aware of their level of involvement in the implementation. Common risks in any project surround customer resource availability due to competing priorities from daily tasks and other responsibilities.

In some organizations, the resource available in one organizational role may cover more than one project role. If any of the customer-specified roles are not available in your organization, please contact your TSG representative to explore staff augmentation options. Proper staffing is critical as this may impact the professional services required, or the implementation approach recommended, to complete a successful project for your organization.

Risk Assessment and Management

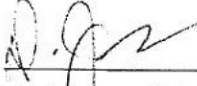
Description	Mitigation Steps
Project not staffed with adequate resources.	Prepare detailed workplan identifying resources needed to complete project.
CORE team lacks requisite skills and/or commitment to understand system and train others on how to use it.	Coordinate project start-up with staff availability. Ensure key staff are included in CORE team. Transfer out team members who display lack of understanding or who are unable/unwilling to transfer knowledge. Ensure CORE team longevity for duration of project. TeleStaff PM trains the trainers to train others.
Promotion schedule and organizational restructures move key project members off the project.	Obtain commitment from Naples Fire and Police management to assign resources that will remain with the project team. Keep project timeline to a minimum per the project plan.
Lack of communication and sponsorship from project sponsor.	Visible ownership of project from sponsor and frequent, positive communications throughout organization championing project.
Project conflicts with other priorities placed on project team members.	Ensure project priority and timeline are clearly defined. Keep project timeline to a minimum per the project plan.
End-user resistance to change.	Frequent updates on progress through communication channels. Ongoing inside sales from project sponsor and other key managers in organization, throughout duration of project.
Key processing and procedural changes required are not accepted and implemented.	Sponsor owns change management and implements it throughout project lifecycle. Sponsor ensures that change management tasks do not delay project timeline.

EXHIBIT A

Description	Mitigation Steps
Compliance to project schedule is critical to maintain support and ensure fully budgeted project.	Prioritize requirements. Maintain firm control over scope. Clearly define deliverables and due dates. Ensure project leads are educated on project management techniques. Keep project timeline to a minimum per the project plan.

1.6 APPROVALS

SUBMITTED AND APPROVED BY TELESTAFF SOLUTIONS GROUP

By:  Date: 7-13-12


This Statement of Work is subject to Naples Fire and Police agreement with TeleStaff Solutions Group governing Professional and Educational Services. By signing below, Naples Fire and Police's authorized representative agrees to purchase the services described herein.

Very truly yours,

Kronos Incorporated

ACCEPTED AND AGREED

Naples Fire and Police

By:  Date: 7/16/12

Title: City Manager

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2 DETAILED PROJECT SCOPE AND ASSUMPTIONS

The following solution details have been discovered through analysis with Naples Fire and Police throughout the sales cycle, and form the scope by which this project will be managed. Additional assumptions have been made where necessary in order to estimate the Professional Services hours and tasks required for Naples Fire and Police's solution.

Solution analysis and design may be performed during the assessment and planning phases of the project in order for both parties to mutually agree on the solution design. If the solution or assumptions defined in this document change, TSG and Naples Fire and Police will review and adjust the project scope and budget accordingly through standard TSG change control procedures.

Where applicable throughout this section, if **NOT** specifically stated as "TeleStaff Solutions Group to Implement" Naples Fire and Police is responsible for the implementation or configuration.

The proposed solution estimates will be reviewed weekly by the TeleStaff Solutions Group Project Manager and Naples Fire and Police Project Lead. If the Estimate to Complete (ETC) is deemed larger than the estimated hours remaining due to scope increases or delays, a Change Request will be required.

2.1 CONFIGURATION FACTORS

Configuration Factors for TeleStaff	
Number of employees licensed for TeleStaff:	170 Fire – 65 Police - 105
List the databases to be configured:	Fire and Police
List the deployment groups to be configured in each database:	Fire – Suppression and Administration Police – Sworn, Administration, Communications Center, and Special Ops
Authorities:	Yes
Work Codes:	Yes
Shifts, Shift Groups, Shift Masks, Shift Rotations:	Yes
Emergency Deployment:	No
Ranks, Specialties, Groups:	Yes
Pay Information:	Yes
Formula ID:	Yes
Probation:	Yes
Special Days:	Yes
Deployable units, special events:	Yes
Roster:	Yes
Calendar:	Yes
People Filters:	Yes
Audit Trails:	Yes
Web Access:	Yes

EXHIBIT A

Configuration Factors for TeleStaff	
Standard Accruals:	Yes
List deployment groups to be configured for Automated Accruals:	None
Standard Payroll Export:	Yes
Number of Payroll Export Customizations:	None
Canned Reports:	Yes
Standard 30 Day Custom Roster Report:	No
Custom Report Module:	No
Number of Custom Reports:	None
Number of custom 3 rd party integration:	None
Configuration of Components to include Line Manager, Contact Manager, Task Manager, Import Manager, Fax Manager:	Yes
Number of Gateway Manager message types:	None
Electronic Time Card:	No
Train the trainer for configuration team:	Yes
Staffer/scheduler training:	No
End user training:	No
Additional project management time for Deployment:	No
Configuration Factors for TeleStaff – Advanced Phase	
List the databases to be configured:	Fire and Police
List the deployment groups to be configured in each database:	Fire – Suppression Police – Sworn, Communications Center, and Special Ops
Roster Counts/Minimum Counts:	Yes
Vacancy Strategies:	Yes
Pick Lists:	Yes
Configure rules for over time back filling:	Yes
Configure rules for special event or off duty deployment rules:	Yes
Train the trainer for configuration team:	Yes
Number of employees licensed for Auctions:	55 Fire Suppression
List the groups to be configured for vacation bidding:	1
List the vacation bid groups with distinct rules:	Fire Suppression
List the groups to be configured for position bidding:	None
List the position bid groups with distinct rules:	None
List the groups to be configured for roster/vacancy bidding:	None

EXHIBIT A

Configuration Factors for TeleStaff	
List the number of roster/vacancy bid groups with distinct rules:	None
List the groups to be configured for assignment builder:	None
List the number of assignment builder groups with distinct rules:	None
Staffer/scheduler/end user training:	No
Additional project management time for Advanced Configuration	No

General Assumptions

The following solution details have been discovered through analysis with Naples Fire and Police throughout the sales cycle, and form the scope by which this project will be managed. Additional assumptions have also been made, where necessary, in order to estimate the Professional Services required for Naples Fire and Police’s solution.

Scope and Assumptions
Naples Fire and Police have responsibility for all data cleansing and flat file creation to support interfaces with integrated systems.
Naples Fire and Police understand that all Deployment Groups will be rolled out at the same time and NOT one Deployment Group at a time.
Naples Fire and Police will take ownership of TeleStaff during deployment implementation and maintain it after go-live.
Naples Fire and Police are responsible for any 3 rd party tools needed to build custom reports.

Technology Assumptions

TSG does not take responsibility for hardware purchased by Naples Fire and Police. Naples Fire and Police is responsible for implementing and maintaining the technical (hardware/software/network) environment in which TeleStaff operates. As such, Naples Fire and Police is responsible for all environmental considerations including but not limited to operating TeleStaff in virtual environments. Naples Fire and Police is also responsible for configuring firewall and security settings so that TeleStaff and web access components are operational. In addition, Naples Fire and Police is responsible for installation and maintenance of VoIP, digital or analog telephone access, and procure dialogic card. TSG can provide technical information and recommendations but can not be responsible for Naples Fire and Police’s unique technology environments.

Following are the MINIMUM specifications required for a TeleStaff server designed to operate the TeleStaff software, database management system and telephony components.

NOTE: The following recommended specs are for a single server running all TeleStaff components.

EXHIBIT A

Item	Scope and Assumptions
Server Specs	<p>Recommended < 500 Staff – 64-bit OS</p> <ul style="list-style-type: none"> • Dual Core Xeon Processor(s) • 8GB RAM • RAID-5 Storage (At least 15k RPM Drives) – Minimum 250 GB • PCIe slot(s) for Dialogic Card(s) • Any Sound Device
Operating System	<p>The following Operating Systems are currently supported for the Server:</p> <ul style="list-style-type: none"> • Windows Server 2008 R2 64 bit <p>Please note:</p> <ul style="list-style-type: none"> • To utilize more than 3GB of RAM, use Windows Server Enterprise edition. • TeleStaff is not compatible with Small Business Server or Web Edition. <p>Canadian Departments: Operating System must be installed with ENGLISH (US) as the Regional Settings.</p>

2.1.1 ASSESSMENT – DEPLOYMENT

<p>TeleStaff project management support is provided by a Project Manager (PM). The PM assists Naples Fire and Police to prepare for assessment, planning, solution build, testing and supports Naples Fire and Police team with issue resolution to deployment.</p>	
TeleStaff Solutions Group Responsibilities	Customer Responsibilities
<p>TSG Account Executive schedules an introduction call to initiate discussions between Project Sponsor and TSG PM regarding the project goals, objectives, and implementation overview.</p> <p>The TSG PM schedules the project plan, technical, kick-off, and weekly status calls to review:</p> <ul style="list-style-type: none"> • Project Scope • Project Schedule • Implementation Process • Project Team Roles and Responsibilities • Implementation Process • Configuration Training • Testing and Training Strategy 	<p>Identify a project sponsor and project lead.</p> <p>Sponsor participates in an introduction call.</p> <p>Secure customer project team resources.</p> <p>Participate in the kick-off, project plan and technical call.</p> <p>Review implementation and training guides.</p> <p>Review technical requirements.</p> <p>Deliver organizational and daily roster data.</p>

2.1.2 PLANNING – DEPLOYMENT

<p>TSG assists Naples Fire and Police to ensure all applicable requirements and solution design documents for the TeleStaff configuration are understood and completed.</p>	
TeleStaff Solutions Group Responsibilities	Customer Responsibilities
<p>TSG Global Support hosts web conference to install and configure TeleStaff server, dialogic board and dongle. If applicable, phone lines, Web Access, and TeleStaff components are installed at this time.</p> <p>PM instructs project team on how to collect, organize, and format pertinent personnel and organizational data for the creation of the database.</p> <p>PM creates database from completed spreadsheet.</p> <p>Database review call</p>	<p>Complete study of implementation and training guides.</p> <p>Arrange for acquisition and setup of hardware.</p> <p>Collect department and personnel information to complete data spreadsheet.</p> <p>Participate in database review call.</p> <p>Make modifications to database as recommended by PM.</p> <p>Install database on TeleStaff server.</p> <p>Create testing and education plans.</p> <p>Participate in status calls.</p>

EXHIBIT A

2.1.3 SOLUTION BUILD – DEPLOYMENT

TSG assists project team in building the solution according to Naples Fire and Police’s business process and rules.	
TeleStaff Solutions Group Responsibilities	Customer Responsibilities
PM instructs project team on configuration of TeleStaff via multiple web conference calls. Identify data fields in TeleStaff for standard Payroll Export. Build Payroll Export. Train the trainer to review basic staffer usage for the core team.	Attend configuration training and train the trainer web conferences. Customer applies the acquired configuration knowledge and completes solution build tasks in their environment. Identify fields for Payroll Export. Meet with Payroll vendor to establish file format and types. Participate in status calls.

2.1.4 TEST & CERTIFY – DEPLOYMENT

TSG supports Naples Fire and Police project team testing of the configuration, resolves all critical open issues, and plans deployment.	
TeleStaff Solutions Group Responsibilities	Customer Responsibilities
Support project team testing efforts via web conferences.	Finalize Test Plan with appropriate resources to test the configuration. Make configuration changes based on testing results. Certify configuration meets business requirements. Test and validate the data transfer from TeleStaff to standard Payroll Export.

2.1.5 DEPLOY & SUPPORT – DEPLOYMENT

TSG helps Naples Fire and Police transition from a project oriented, pre-production environment to a successful and live production operation supported by TSG Technical Support Group.	
TeleStaff Solutions Group Responsibilities	Customer Responsibilities
Web conference to review how to set up training environment. Web conference to prepare database for production. TSG PM provides initial production support. After production environment is stable, Naples Fire and Police is transition to TSG Global Support.	Develop training materials and roll out plan. Set up training environment. Conduct user training classes. Attend web conference to prepare database for production. Import accrual data, if applicable. Use TeleStaff in parallel for staffing with work codes, schedules, and rosters. Use TeleStaff in parallel with downstream systems feeds, if applicable. Use TeleStaff in production environment.

2.1.6 ASSESSMENT- ADVANCED

Once Naples Fire and Police is complete with the Deployment phase and in production with TeleStaff, they proceed to the Advanced phase. The TSG PM assists Naples Fire and Police to prepare for assessment, planning, solution build, testing and supports Naples Fire and Police team with issue resolution to deployment of intelligent staffing functionality.	
TeleStaff Solutions Group Responsibilities	Customer Responsibilities
TSG PM schedules a call to initiate discussions between Project Sponsor and TSG PM regarding the project goals, objectives, and implementation	Identify a project sponsor and project lead. Sponsor participates in an introduction call.

EXHIBIT A

<p>overview. The TSG PM schedules the project plan and weekly status calls to review:</p> <ul style="list-style-type: none"> • Project Scope • Project Schedule • Implementation Process • Project Team Roles and Responsibilities • Implementation Process • Staffing Process Diagrams • Auctions Questionnaire • Configuration Training • Testing and Training Strategy 	<p>Secure customer project team resources. Participate in the project plan call. Review implementation and training guides. Review technical requirements. Deliver hiring strategy and minimum staffing documentation for solution build and testing scripts. Deliver documented Auctions questionnaire</p>
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2.1.7 SOLUTION BUILD - ADVANCED

<p>TSG assists project team in building the solution according to Naples Fire and Police's business process and rules.</p>	
<p>TeleStaff Solutions Group Responsibilities</p>	<p>Customer Responsibilities</p>
<p>PM leads project team on configuration of intelligent staffing functionality of TeleStaff at TSG training facility in Irvine, CA. Train the trainer to review intelligent staffing functionality and usage for the project team. PM instructs project team on configuration of TeleStaff Auctions vacation for Fire Suppression via web conference calls. Identify and build rule required for Auction configuration.</p>	<p>Attend 5 day configuration training at TSG training facility in Irvine, CA. Configure intelligent staffing functionality via remote connection to department's production server or on a copy of the production database. Customer applies the acquired configuration knowledge and completes solution build tasks in their environment.</p>

2.1.8 TEST & CERTIFY- ADVANCED

<p>TSG supports Naples Fire and Police project team testing of the configuration, resolves all critical open issues, and plans deployment of new functionality.</p>	
<p>TeleStaff Solutions Group Responsibilities</p>	<p>Customer Responsibilities</p>
<p>Support project team testing efforts via web conferences.</p>	<p>Finalize Test Plan with appropriate resources to test the configuration. Make configuration changes based on testing results. Certify configuration meets business requirements.</p>

2.1.9 DEPLOY & SUPPORT - ADVANCED

<p>TSG helps Naples Fire and Police transition intelligent staffing functionality to the production environment.</p>	
<p>TeleStaff Solutions Group Responsibilities</p>	<p>Customer Responsibilities</p>
<p>Web conference to prepare database for production of intelligent staffing functionality. After testing of intelligent staffing functionality is stable, Naples Fire and Police is transition to TSG Global Support.</p>	<p>Develop training materials and roll out plan. Set up training environment. Conduct staffer training classes. Import legacy data, if applicable. Use TeleStaff in production environment for overtime backfilling of vacancies, and special duty assignments</p>

EXHIBIT A-1

KRONOS SALES, SOFTWARE LICENSE AND SERVICES AGREEMENT

Rev KR-022811.1

City of Naples ("Customer") and Kronos Incorporated agree that the terms and conditions set forth in this Agreement shall apply to all Kronos Equipment, Software, Professional and Educational Services, Support, and such other Kronos offerings, as specified on an order form (an "Order Form") signed by the parties which expressly references this Agreement (or is signed contemporaneously hereto).

Kronos and Customer hereby agree that the terms and conditions of this Agreement apply to any Order Form executed by Kronos and Customer which expressly references this Agreement (including any Order Form signed contemporaneously with this Agreement regardless of the appearance of any express reference to this Agreement). Either party may discontinue use of this Agreement for future orders upon thirty (30) days prior written notice to the other party, provided however that any Order Form signed by the parties prior to the effective date of such notice shall remain in effect unless otherwise specifically terminated in accordance with the terms of this Agreement. Kronos may require additional terms and conditions for the sale or license of products or services not contemplated by this Agreement (including without limitation those that may be related to international services) provided that no such additional terms and conditions shall be binding upon Customer without Customer's prior written consent. Notwithstanding, Kronos will not be obligated to accept or approve an order for any products or services for which such additional terms and conditions are required. All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the items ordered.

This Agreement is included as an Exhibit A-1 to the City of Naples, Florida Agreement (Professional Services) for execution purposes but the parties agree both agreements addresses two different subject matters which are governed these two different agreements. The Software and the related Support Services ordered by the Customer and listed on Order Form 285072 (incorporated as Exhibit B to this to the City of Naples, Florida Agreement (the "Services Agreement") are being provided under this Kronos Sales Software License and Support Services incorporated with the Services Agreement as Exhibit A-1. The Services Agreement relates solely to the implementation and training services described in the Statement of Work and that are provided in relation with the standard Software being licensed under this Agreement. Kronos will be responsible for any subcontractor performing work covered by this Agreement.

1. PAYMENT AND DELIVERY

Unless otherwise set forth in this Agreement, payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery"). Kronos will invoice Customer for products upon Delivery. Unless otherwise set forth on the Order Form, Professional and Educational Services are provided on a time and materials basis, invoiced monthly as rendered. Customer agrees to pay all applicable taxes levied or based on the products, services or other charges hereunder, including state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on net income. Customer agrees to pay a late charge of one percent (1%) per month, (but not in excess of the rate allowed by law), on any overdue amounts not the subject of a good faith dispute. If full payment is not made within 90 days of final payment due date, Customer is responsible for all expenses, including legal fees, incurred by Kronos for collection.

2. GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer which remains uncured for a period of thirty (30) days after such written notice from Kronos. Upon such termination of this license by Kronos, Customer will have no further right to use the Software and will return the Software media to Kronos and destroy all copies of the Software (and related documentation) in Customer's possession or control. This license is subject to all of the terms of this Agreement.

3. FEE BASED LIMITATIONS

Customer recognizes and agrees that the license to use the Software is limited, based upon the amount of the license fee paid by Customer. Limitations, which are set forth on the Order Form, may include the number of employees, simultaneous or active users, Software product modules, Software features, computer model and serial number and partition, and/or the number of telephone lines or terminals to which the Software is permitted to be connected. Customer agrees to: i) use the Software only for the number of employees, simultaneous or active users, computer model, partition and serial number, and/or terminals permitted by the applicable license fee; ii) use only the product modules and/or features permitted by the applicable license fees; and iii) use the Software only in support of Customer's own business. Customer agrees not to increase the number of employees, simultaneous or active users, partitions, terminals, products modules, features, or to upgrade the model, as applicable, unless and until Customer pays the applicable fee for such increase/upgrade. Customer may not relicense or sublicense the Software to, or otherwise permit use of the Software (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Software without the express prior written consent of Kronos.

4. OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code. The Programs include components owned by third parties. Such third party components are deemed to be Software subject to this Agreement. Customer shall not use any of the Programs (or the data models therein) except solely as part of and in connection with the Software and as described in the published documentation for such Software. Customer shall indemnify and hold harmless Kronos for all damages or liability caused by Customer's failure to comply with the foregoing restriction.

5. PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup and disaster recovery and testing purposes only, except for additional copies of the Teletime Software and the Kronos iSeries (which must be licensed separately). All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

6. UPDATES

In the event that Kronos supplies Service Packs, Point Releases and Major Releases (including legislative updates if available) of the Software (collectively referred to as "Updates"), such Updates shall be part of the Software and the provisions of this license shall apply to such Updates and to the Software as modified thereby.

7. EXPORT

Customer acknowledges that the Equipment and Software may be restricted by the United States Government or by the country in which the Equipment or Software is installed from export to certain countries and certain organizations and individuals, and agrees to comply with such laws. Customer agrees to comply with all applicable laws of all of the countries in which the Equipment and Software may be used by Customer and shall indemnify Kronos for any noncompliance which results in damages

EXHIBIT A-1

or liability for Kronos. Customer's obligations hereunder shall survive the termination or expiration of this Agreement. Customer must obtain Kronos' prior written consent before exporting the Software.

8. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. If Customer is not maintaining the Equipment under a support plan with Kronos, Kronos shall have the right to verify Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled. If Customer has downloaded firmware for the Kronos Equipment to which Customer is not entitled, Customer shall be responsible to pay Kronos for such updated firmware in accordance with Kronos' then-current support policies.

9. TRAINING POINTS

Training Points which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services. Kronos will invoice Customer for the Training Points identified in the Order Form upon execution of such Order Form with payment due upon the payment terms indicated in such Order Form.

10. ACCEPTANCE

For Customer's initial purchase of each Equipment and Software product Kronos shall provide an acceptance test period (the "Test Period") that commences upon Installation. Installation shall be defined as: a.) the Equipment, if any, is mounted; b.) the Software is installed on Customer's server(s); and c.) implementation team training, if any, is complete. During the Test Period, Customer shall determine whether the Equipment and Software meet the Kronos published electronic documentation, ("Specifications").

The Test Period shall be for 30 days. If Customer has not given Kronos a written deficiency statement specifying how the Equipment or Software fails to meet the Specifications ("Deficiency Statement") within the Test Period, the Equipment and Software shall be deemed accepted. If Customer provides a Deficiency Statement within the Test Period, Kronos shall have 30 days to correct the deficiency, and Customer shall have an additional 30 days to evaluate the Equipment and Software. If the Equipment or Software does not meet the Specifications at the end of the second 30 day period, either Customer or Kronos may terminate this Agreement. Upon any such termination, Customer shall return all Equipment and Software (and related documentation) to Kronos, and Kronos shall refund any monies paid by Customer to Kronos for the returned Equipment and Software. Neither party shall then have any further liability to the other for the products that were the subject of the Acceptance Test.

11. LIMITED WARRANTY

Kronos warrants that all Kronos Equipment and Software media shall be free from defects in materials and workmanship, for a period of ninety (90) days from Delivery. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment and/or Software media, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Specifications. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) or Software media in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the Specifications; or
- (c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

When using and applying the information generated by Kronos products, Customer is responsible for ensuring that Customer complies with the applicable requirements of federal and state law. If Customer is licensing Workforce Payroll Software or Workforce Absence Management Software: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using such Software, (ii) using such Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or such Software for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using such Software and satisfy itself that those calculations are correct.

12. INDEMNIFICATION

Kronos agrees to indemnify Customer and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of United States or Canadian patents or copyrights asserted against Customer by virtue of Customer's use of the Software as delivered and maintained by Kronos, provided that: i) Kronos is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, ii) Customer reasonably cooperates with Kronos in connection with the foregoing and provides Kronos with all information in Customer's possession related to such claim and any further assistance as reasonably requested by Kronos. Kronos will have no obligation to indemnify Customer to the extent any such claim is based on the use of the Software with software or equipment not supplied by Kronos. Should any or all of the Software as delivered and maintained by Kronos become, or in Kronos' reasonable opinion be likely to become, the subject of any such claim, Kronos may at its option: i) procure for Customer the right to continue to use the affected Software as contemplated hereunder; ii) replace or modify the affected Software to make its use non-infringing; or iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to Customer. In such event of termination, Customer shall be entitled to a pro-rata refund of all fees paid to Kronos for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order. Additionally, Kronos agrees to be liable for tangible property damage or personal injury caused solely by the negligence or willful misconduct of its employees.

13. PROFESSIONAL AND EDUCATIONAL SERVICES

(a) TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all reasonable and necessary travel incurred by Kronos in the performance of any professional and/or educational services, provided that such travel complies with the then current Kronos Travel and Expense Policies. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation, plus an administrative fee of ten percent (10%) of the amount of such travel expenses, incurred by Kronos to deliver purchased professional services and/or educational services in accordance with the Kronos Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

(b) ENGAGEMENTS

Unless otherwise indicated on the Order Form, Professional and Educational Services ("Professional Services") shall be provided on a time and material basis at the rates

EXHIBIT A-1

(g) ADDITION OF SOFTWARE

Additional Software purchased by Customer during the initial or any renewal term shall be added to this Agreement at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition, and any such addition shall be automatically renewed as provided in these terms.

(h) RESPONSIBILITIES OF CUSTOMER

Customer agrees (i) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of Kronos' standard remote access technology, if required; (ii) to maintain and operate the Software in an environment and according to procedures which conform to the Specifications; and (iii) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos. Failure to utilize Kronos' remote access technology may delay Kronos' response and/or resolution to Customer's reported Software problem. If Customer requires the use of a specific remote access technology not specified by Kronos, then Customer must purchase the Plus option to receive support and provide Kronos personnel with full, free and safe access to the remote access hardware and/or software.

(i) DEFAULT

Customer shall have the right to terminate Kronos support services in the event that Kronos is in breach of the support services warranty set forth below and such breach is not cured within fifteen (15) days after written notice specifying the nature of the breach. In the event of such termination, Kronos shall refund to Customer on a pro-rata basis those pre-paid annual support fees associated with the unused portion of the support term. Kronos reserves the right to terminate or suspend support service in the event the Customer is in default under this Agreement with Kronos and such default is not corrected within fifteen (15) days after written notice. In addition, the support services will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

(j) WARRANTY

Kronos warrants that all support services shall be performed in a professional and competent manner.

(k) KRONOS SUPPORT SERVICE POLICIES

Kronos' then-current Support Services Policies shall apply to all Support Services purchased and may be accessed at <http://www.kronos.com/Support/SupportServicesPolicies.htm> ("Support Policies"). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail.

15. KNOWLEDGEPASS EDUCATION SUBSCRIPTION:

The parties hereby agree that the following terms shall apply to Customer's purchase of the Kronos KnowledgePass Education Subscription only, if specified on the Order Form:

(a) Scope: The KnowledgePass Education Subscription is available to customers who are licensing Kronos' Workforce Central and iSeries Timekeeper Software products and who are maintaining such products under a support plan with Kronos. The KnowledgePass Education Subscription provides access via the internet to certain educational offerings provided by Kronos (the "KnowledgePass Content"), including:

- Product and upgrade information for project teams and end users
- Hands-on interactive instruction on common tasks
- Self-paced tutorials covering a range of topics
- Job aids
- Knowledge assessment and reporting tools to measure progress
- Webinars

(b) Term of Subscription: The KnowledgePass Education Subscription shall run co-terminously with Customer's Software Support, and shall renew for additional one (1) year terms provided Customer renews its KnowledgePass Education Subscription as provided below.

(c) Payment: Customer shall pay the annual subscription charge for the initial term of the KnowledgePass Education Subscription in accordance with the payment terms on the Order Form. Kronos will send Customer a renewal invoice for renewal of the KnowledgePass Education Subscription at least forty five (45) days prior to expiration of the then current term. KnowledgePass Education Subscription shall renew for an additional one (1) year term if Customer pays such invoice before the end of the initial term or any renewal term.

(d) Limitations: Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in *pdf form solely for Customer's internal use and may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

(e) Train-the-Trainer Program (TTT): Certification under the Train-the-Trainer Program is valid only for the point release of the Software for which the TTT Program is taken, and covers only the Customer employee who completes the TTT Program.

16. CONFIDENTIAL INFORMATION

"Confidential Information" is defined as information that is: i) disclosed between the parties after the date of this Agreement that is considered confidential or proprietary to the disclosing party; and ii) identified as "confidential" at the time of disclosure, or would be reasonably obvious to the receiving party to constitute confidential information because of legends or other markings, by the circumstances of disclosure or the nature of the information itself. Additionally, the terms, conditions and pricing contained in this Agreement and the Order Form, the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the receiving party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement, (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without

EXHIBIT A-1

an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence; or (e) was required to be disclosed by applicable law; provided that the receiving party notifies the disclosing party of such requirement prior to disclosure, and provided further that the receiving party makes diligent efforts to limit disclosure.

17. MARKETING ACTIVITIES

Customer agrees that Kronos may use Customer's name as part of Kronos' published customer lists. Upon Kronos' request, Customer will participate in mutually beneficial marketing and public relations activities with Kronos. All content shall be subject to the prior review and approval of Customer, such approval not to be unreasonably withheld.

18. LIMITATION OF LIABILITY

CUSTOMER'S EXCLUSIVE REMEDIES AND KRONOS' SOLE LIABILITY FOR ANY KRONOS BREACH OF THIS AGREEMENT ARE EXPRESSLY STATED HEREIN. EXCEPT AS PROVIDED IN THIS AGREEMENT, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

EXCEPT FOR KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN THIS AGREEMENT, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES', AFFILIATES', OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

19. GENERAL

(a) This Agreement shall be governed by Florida law. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of this Agreement.

(b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.

(c) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.

(d) Neither party shall be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failures or delays.

(e) All notices given under this Agreement shall be in writing and sent postage pre-paid, if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form.

(f) No action, regardless of form, may be brought by either party more than two (2) years after the cause of action has arisen.

(g) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.

(h) The parties agree that if this Agreement is delivered via fax or electronically delivered via email it shall constitute a valid and enforceable agreement.

(i) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, nor any other future product in executing this Agreement.

(j) Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19, as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road, Chelmsford, MA.

20. TERMINATION FOR BREACH

For any breach of this Agreement by Kronos which cannot be cured by repair, replacement or re-performance, Customer shall have the right to terminate this Agreement upon thirty (30) days prior written notice to Kronos, provided Kronos has not cured such breach during such thirty (30) day period. Upon such termination, Customer shall be entitled to pursue its remedies at law or in equity consistent with the terms of this Agreement.

EXHIBIT B

BASIS OF COMPENSATION

As consideration for providing the Services as set forth in the Agreement, the CITY agrees to pay, and the CONTRACTOR agrees to accept payment on a time and reimbursement cost as set forth below and in EXHIBIT A-1.

Unless otherwise set forth in this Agreement, payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery"). Kronos will invoice Customer for products upon Delivery. Unless otherwise set forth on the Order Form, Professional and Educational Services are provided on a time and materials basis, invoiced monthly as rendered. Customer agrees to pay all applicable taxes levied or based on the products, services or other charges hereunder, including state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on net income. Customer agrees to pay a late charge of one percent (1%) per month, (but not in excess of the rate allowed by law), on any overdue amounts not the subject of a good faith dispute. If full payment is not made within 90 days of final payment due date, Customer is responsible for all expenses, including legal fees, incurred by Kronos for collection.



ORDER FORM

Quote#: 285072 - 1
Expires: 30-JUN-2012
Prepared By: Adams, Ray A

Order Type: Standard US
Date: 25-JUN-2012
Page: 1/2

Payment Terms: N30
Currency: USD
Customer PO Number:

FOB: Shipping Point
Ship Method:
Freight Term: Prepay & Add

Order Notes:

The first year of TeleStaff Platinum Support is provided at no charge for the twelve (12) month period following delivery of the Software. The value of the first year annual TeleStaff Platinum Support is \$4,460. Upon expiration of the first 12 months of support, a renewal will be generated per the terms of the agreement.

The first year of Web Access is provided at no charge for the twelve (12) month period following delivery of the Software. The value of the first year annual Web Access is \$2,232 (14% of TeleStaff Selling Price). Upon expiration of the first 12 months of Web Access, a renewal will be generated per the terms of the agreement.

Notwithstanding anything to the contrary contained in the Sales, Software License and Services Agreement between Customer and Kronos, for the professional services set forth on this Order Form and further described in the Statement of Work (the "SOW"), Kronos agrees to complete the services described in the SOW for the fixed fee set forth herein ("Fixed Fee"), unless additional hours are required to complete the services described in the SOW due to a change in the scope of the project, Customer's delay in fulfilling its obligations, or as a result of a change in the complexity of the original scope of services based on information unknown at the time the parties entered into the SOW. Any such additional hours shall be agreed upon by the parties pursuant to the Change Order process described in the SOW and the Fixed Fee amount described herein shall be amended as provided in such Change Order. If Kronos has not invoiced Customer for the entire Fixed Fee amount as set forth on this Order Form (or a Change Order, if applicable) prior to completion of the services described in the SOW, upon completion of the services, Kronos will invoice Customer for any remaining fees up to the Fixed Fee amount and Customer shall pay such fees upon the payment terms agreed upon herein.

Your Kronos solution includes:

SOFTWARE

Item	License/Qty	Total Price
TELESTAFF ENTERPRISE V2	170	
TELESTAFF WEB ACCESS V2 - TSG HOSTED	170	
TELESTAFF AUCTIONS V2	55	
TELESTAFF DATABASE SYBASE LICENSE - BASE SERVER	1	
TELESTAFF DATABASE SYBASE LICENSE - CONCURRENT LICENSE	7	
	Total Price	\$18,843.00

*Includes applicable software media

EQUIPMENT

Item	Quantity	Total Price
DONGLE,4 PORT	1	\$900.00
	Total Price	\$900.00

Kronos | Time & Attendance • Scheduling • Absence Management • HR & Payroll • Hiring • Labor Analytics



Quote#: 285072 - 1

Page: 2/2

SUPPORT SERVICES

Item	Duration	Total Price
PLATINUM SUPPORT SERVICE	1 YR	\$0.00
Total Price		\$0.00

*Support values listed above are total for all applicable products in each section of this Order Form

PROFESSIONAL SERVICES / EDUCATIONAL SERVICES

Item	Quantity	Unit Price	Total Price
PROFESSIONAL SERVICES - BASE DEPLOYMENT TELESTAFF	1 Hours	\$22,515.00	\$22,515.00
PROFESSIONAL SERVICES - ADVANCED CONFIGURATION TELESTAFF	1 Hours	\$19,500.00	\$19,500.00
PROFESSIONAL SERVICES - AUCTIONS CONFIG DEPLOYMENT TELESTAFF	1 Hours	\$1,500.00	\$1,500.00
Total Price			\$43,515.00

Item	Quantity	Total Price
WEB ACCESS	1	\$0.00
Total Price		\$0.00

QUOTE SUMMARY

Description	Total Price
Subtotal	\$63,258.00
Deposit	(0.00)
Tax	\$0.00
Grand Total	\$63,258.00

EXHIBIT C

GENERAL INSURANCE REQUIREMENTS

The Contractor shall not commence work until he has obtained all the insurance required under this heading, and until such insurance has been approved by the Owner, nor shall the Contractor allow any subcontractor to commence work until all similar insurance required of the subcontractor has also been obtained and approved by the Owner.

Certificates of insurance must be issued by an authorized representative of the insurance company at the request and direction of the policyholder and must include sufficient information so as to identify the coverage and the contract for Owner's improvements for which they are issued. Certificates of insurance must be issued by a nationally recognized insurance company with a Best's Rating of no less than B+VII, satisfactory to the Owner, and duly licensed to do business in the state of said Contract.

The Contractor shall procure and maintain, during the life of this Contract, Workmen's Compensation Insurance for all of his employees to be engaged in work under this Contract, and he shall require any subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees to be engaged in such work, unless such employees are covered by the protection afforded by the Contractor's insurance. In case any employees are to be engaged in hazardous work under this Contract, and are not protected under this Workmen's Compensation statute, the Contractor shall provide, and shall cause each subcontractor to provide, adequate coverage for the protection of such employees. It is acceptable to use a State-approved Workmen's Compensation Self-Insurance fund.

The Contractor shall take out and maintain during the life of this Contract, general liability insurance which shall include Contractual Liability, Personal Injury, Broad Form Property Damage, Products, Completed Operations and XCU. Coverage to be on an occurrence basis, and to the full extent of the Contract to protect the Contractor, and the Owner, from damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from operations under this contract, whether such operations be by the Contractor. The Contractor shall also maintain automobile liability insurance including "non-owned and hired" coverage. The entire cost of this insurance shall be borne by the Contractor.

The amount of such insurance shall be no less than \$1,000,000 annual aggregate for bodily injury and property damage combined per occurrence.

The City of Naples must be named as Additional Insured on the insurance certificate and the following must also be stated on the certificate. "These coverage's are primary to all other coverage's the City possesses for this contract only." The City of Naples shall be named as the Certificate Holder. The Certificate Holder shall read as follows:

The City of Naples
735 Eighth Street South
Naples, Florida 34102

No City Division, Department, or individual name should appear on the Certificate.
No other format will be acceptable.

The Certificate must state the bid number and title.

When using the ACORD 25 – Certificate of Insurance only the most current version will be accepted.

The City of Naples requires a copy of a cancellation notice in the event the policy is cancelled. The City of Naples shall be expressly endorsed onto the policy as a cancellation notice recipient.

EXHIBIT D

CERTIFICATION OF COMPLIANCE WITH IMMIGRATION LAWS

The undersigned, is the Sr. V.P., Sales of the Kronos Incorporated ("the CONTRACTOR"), and hereby certifies to the following:

1. The CONTRACTOR is in full compliance with all provisions of the Immigration Reform and Control Act of 1986 ("IRCA"), as well as all related immigration laws, rules, regulations pertaining to proper employee work authorization in the United States.

2. The undersigned has verified that the CONTRACTOR has obtained and maintains on file, and will continue to obtain and maintain on file, all documentation required by law, including but not limited to, Form I-9, Employment Eligibility Verification, for all persons employed by or working for the CONTRACTOR in any capacity on any project for the City of Naples (CITY). All such persons have provided evidence of identity and eligibility to work to the CONTRACTOR in accordance with the IRCA and related law. The undersigned hereby affirms that no person has been or will be employed by the CONTRACTOR to work on projects for the CITY who is not authorized to work under law. The undersigned further affirms that the CONTRACTOR's files will be updated by written notice any time that additional employees work on projects for the CITY.

3. The CONTRACTOR will have its contractors, subcontractors, suppliers and vendors who are involved in projects for the CITY to sign a written acknowledgment that they too are in compliance with immigration law. It is understood that failure to do so could result in the CONTRACTOR being liable for any violation of the law by such third parties.

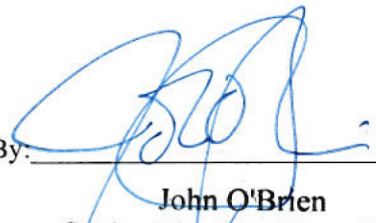
4. The CONTRACTOR will fully cooperate with and have its contractors, subcontractors, suppliers and vendors to fully cooperate with, all inquiries and investigations conducted by any governmental agency in connection with proper compliance with the laws pertaining to appropriate work authorization in the United States.

5. The undersigned, on behalf of the CONTRACTOR, acknowledges that this Certification may be relied upon by the CITY, its officers, directors, employees, and affiliates or related persons and entities.

6. If it is found that the CONTRACTOR has not complied with the laws pertaining to proper employment authorization, and any legal and administrative action ensues against the CITY, the CONTRACTOR will indemnify, defend and hold the CITY harmless along with their officers, directors, employees, and affiliated or related persons and entities.

7. The CONTRACTOR acknowledges that the CITY by their authorized representatives shall have the right, at any time, upon 24 hours notice, to examine the CONTRACTOR's books and records to confirm that the CONTRACTOR is in compliance with the terms of this certification.

Executed this 13th day of July, 2012.

By: 

John O'Brien
Senior Vice President, Sales

ACKNOWLEDGMENT

STATE OF Massachusetts

COUNTY OF Middlesex

SWORN TO AND SUBSCRIBED before me this 13th day of July, 2012.
The Affiant, John O'Brien, is [] personally known to me or [] has produced _____ as identification, which is current or has been issued within the past five years and bears a serial number of other identifying number.

Ceryl L. Ferruccio
Print Name: Ceryl L Ferruccio

NOTARY PUBLIC - STATE
OF Massachusetts
Commission Number: —
My Commission Expires: July 15, 2016
(Notary Seal)



CHERYL L. FERRUCCIO
Notary Public
Commonwealth of Massachusetts
My Commission Expires
July 15, 2016