

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: Communications & Information Technology and Community Services Departments - Approve a seven-year contract amendment for the purchase of annual software maintenance and support for Library Software.

Expenditure: \$44,145.45

RECOMMENDATION

Recommendation of the Information Technology Director and the Community Services Director that City Council approve a seven-year contract amendment to existing software maintenance agreement with SirsiDynix of Provo, Utah for the purchase of annual software maintenance and support for Library Software, in the amount of \$44,145.45 with a 3% fixed increase for each subsequent year.

Funding

Funding is available in the Communications and Information Technology operating budget for FY 2009-2010.

BACKGROUND/ANALYSIS

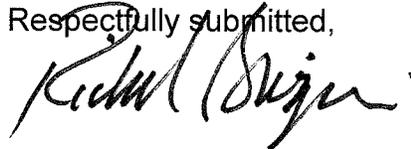
City Council authorized the purchase of Library checkout and online catalog software with SirsiDynix (formerly Data Research Associates, Inc.) on June 12, 1990. The Library software has evolved from running on the VAX mini-computers to today's internet web-enabled online system. The SirsiDynix Library software provides online catalog services to find library materials, checkout services, online and phone renewals, links to other libraries, and many other services.

The amendment to the existing software maintenance agreement will cover a seven-year period with guaranteed pricing for seven years. There will be no price increase for the first year which covers July 1, 2009, through June 30, 2010. Price increases will be limited to a fixed 3% per year for years two through seven of the

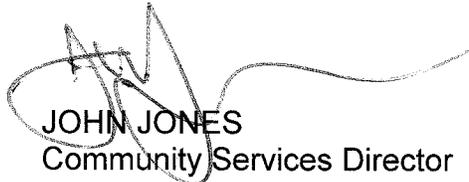
seven-year contract. Without the fixed contract, maintenance costs are scheduled to increase 6.10% each year. Projected savings by entering into the amended seven-year agreement are \$56,091.30 over the seven year period. Annual maintenance costs will begin at \$44,145.45 the first year and end at \$52,711.98 in the seventh year.

SirsiDynix maintenance and support provide the City with fixes to errors, updates, and enhancements contained in new releases. The services provided under maintenance and support are proprietary to SirsiDynix; therefore, the City cannot receive updates and enhancements from any other source. Services provided under maintenance are critical to keeping the system running smoothly with minimal downtime. Due to the business support functions of the Library software, it is recommended that the City Council approve a seven-year contract amendment for the purchase of annual software maintenance and support from SirsiDynix.

Respectfully submitted,



RICHARD SHIGAKI
Information Technology Director



JOHN JONES
Community Services Director

CONCUR:



LeRoy J. Jackson
City Manager

Attachment A: Amendment to SIRSI Contract
Attachment B: Contract C2000-199



AMENDMENT TO
TAOS MIGRATION SOFTWARE LICENSE AGREEMENT
WITH
CITY OF TORRANCE (TORRANCE PUBLIC LIBRARY)

This amendment ("Amendment") is made by and between City of Torrance with address at: 3301 Torrance Boulevard, Torrance, California 90503 ("Customer"), and Sirsi Corporation dba SirsiDynix ("SirsiDynix"), with offices at 400 W. Dynix Drive, Provo, Utah 84604, and shall be effective as of July 1, 2009 ("Effective Date").

Whereas the parties have entered a Taos Migration Software License Agreement with an effective date of August 15, 2000 and amended as of Addendums dated May 21, 2002 and February 14, 2003 (the "Agreement");

Whereas the parties hereto wish to amend certain terms of the Agreement, now therefore, for good and valuable consideration the receipt of which is hereby acknowledged, SirsiDynix and Customer agree as follows:

1. Definitions.

For purposes of this Amendment and attached Quote, the following terms shall have the meaning set forth herein:

"Content" means any information, data, text, software, music, sound, photographs, graphics, video messages or other material to which Customer is provided on-line access to through SirsiDynix on a subscription basis.

"License Metrics" means the limitation on the usage of each of the Software or SaaS Services as designated and/or defined in the applicable Quote by a term such as the number of titles, circulation, users, students, seats, reports, and the like.

"Maintenance" means the technical support and provision of Updates for the level of support services ordered, all of which are provided under SirsiDynix's Support Policies in effect at the time the Services are provided. A current version of such Support Policies can be found at

http://clientcare.sirsidynix.com/index.php?goto=Knowledge&pid=1&docs&kcat_id=58.

"Quote" means the document executed by the parties specifically referencing this Schedule, which contains Customer's order specific information, including description of Software and Maintenance ordered, License Metrics and associated fees and payment terms.

"SaaS Services" means the provision of (i) Software as a service (SaaS) hosted by SirsiDynix from a server farm that is comprised of application, data and remote access servers used to store and run the Software and Customer Data, and/or (ii) web access to Content and (iii) associated Maintenance.

"Software" means the SirsiDynix Software and Third Party Software.

"System" means the total complement of hardware and Software furnished and maintained by SirsiDynix.

"Third Party Software and Products" means content and software including Documentation and Updates, owned by an entity other than SirsiDynix which are to be provided to Customer by SirsiDynix on a pass-through or OEM basis pursuant to the terms of the EULA.

All other capitalized terms used herein have the meaning set forth in the Agreement, unless expressly stated otherwise in this Amendment.

2. Amendments.

The parties agree to amend the Agreement as follows:

The following clauses:

4. Termination from Addendums dated May 21, 2002 and February 14, 2003:

This Addendum and the services herein may be terminated by Sirsi upon serving thirty (30) days prior written notice.

is deleted and replaced with the following:

Term and Renewal. Maintenance and/or SaaS services (collectively "Services") commences on July 1, 2009 of this Amendment and subject to State Statutes, continues through the term set forth in the Quote ("Initial Term"). Following the end of the Initial Term, Services shall automatically renew for the same length as the Initial Term ("Renewal Term"), unless Customer gives written notice 60 days prior to the end of the Initial Term or any Renewal Term, of its intention to terminate Services. Written notice shall be given to legal@sirsidynix.com or by registered mail to SirsiDynix Legal, 400 W. Dynix Drive, Provo, Utah 84604. The pricing for the first twelve months of any Renewal Term shall be provided in writing by SirsiDynix no less than 90 days prior to the end of the Initial Term or any Renewal Term. Renewal pricing may increase.

Subject to timely payment of the applicable fees, Maintenance is provided for all Software, unless otherwise noted in the Quote, provided however that with respect to Third Party Software, SirsiDynix's obligation is limited to using commercially reasonable efforts to obtain Maintenance from the third party owner of such Software.

Third Party Software and Products. SirsiDynix may add and/or substitute functionally equivalent products for any Third Party Products in the event of product unavailability, end-of-life, or changes to software requirements. Use of the Third Party Software and Products subject to all terms and conditions of the applicable Third Party EULA and SirsiDynix makes no warranty with respect to such. Customer's sole remedy with respect to such shall be pursuant to the original licensor's warranty, if any, to SirsiDynix, to the extent permitted by the original licensor. Third Party Software and Products are made available by SirsiDynix on an "AS IS, AS AVAILABLE" BASIS.

Use. Software and/or Services purchased may be accessed by or used to manage no more than the number of License Metrics

CUSTOMER INITIAL AND DATE _____

specified in the Quote. Additional License Metrics may be purchased under an additional Quote at the pricing as defined in the Quote in effect at the time the additional License Metrics are added, prorated for the remainder of the then-current Term. The Services for added License Metrics shall terminate on the same date as the pre-existing Services. Fees are based on Software and/or Services and License Metrics purchased and not actual usage.

Early Termination.ⁱ

Customer acknowledges that, based on Customer's willingness to enter into this Amendment for a 7 year Service term, SirsiDynix has provided Customer with Services at rates that represent a substantial discount from the rates that SirsiDynix would otherwise charge, along with certain other free or substantially discounted products or services, as identified in the Quote for the Initial Term or Renewal Term(s) of the Services (each referred to individually as a "Term"), based on the assumption that Customer will remain a client for the whole of such Term. Customer therefore agrees that it is reasonable for Customer to pay a fee to SirsiDynix in the event of termination of a Service ("Terminated

Service") by Customer, other than due to breach by SirsiDynix, prior to the expiration the then-current Term. Such fee shall be equal to the sum of (i) 8% of the total Terminated Service fees related to the Term which is terminated early and (ii) the amount discounts on Software, Content or professional services (excluding the Terminated Service) extended to Customer during the Term which is terminated early. Customer agrees that damages suffered by SirsiDynix in the event of early termination are difficult or impossible to determine and that the above amount is intended to be a reasonable approximation of such damages and not a penalty. Customer agrees that it will pay such amounts within thirty (30) days of any early termination of the Services. Customer shall notify SirsiDynix in writing of its intent to terminate such Services not less than ninety (90) days prior to the date of termination and Customer is not eligible for any pro-rata credit or refund for unused partial year Services fees paid.

- 3. **Unless expressly amended in this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.**

If the foregoing correctly sets forth your understanding of your agreement with respect to the matters treated above, please indicate your acceptance and approval below and return either a PDF or a fax of the signed document to legal@sirsidyndix.com or 801-223-5561; with original to follow to the Legal Department at 400 West Dynix Drive, Provo UT 84604 USA.

This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of such counterparts shall constitute one and the same instrument. PDF documents and facsimile transactions shall be considered and have the same effect as originals.

The Effective Date of this Amendment shall be _____

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives as identified below.

CITY OF TORRANCE
a Municipal Corporation

SIRSI CORPORATION
SirsiDynix

Frank Scotto, Mayor

ATTEST:

Sue Herbers
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____



LONG TERM MAINTENANCE OR SAAS SERVICES
QUOTE for
City of Torrance (Torrance Public Library)

Dated: July 1, 2009

Initial Term of Maintenance or SaaS Services: Seven (7) years
Initial Term Pricing for SirsiDynix Products/Services: 1st year at 0% and 3% thereafter until Renewal

Fees for the Initial Term are due annually in advance on July 1

The above quoted Initial Term price is for SirsiDynix products or services only. Third Party/integrated product/service fees may, at the discretion of the Third Party, increase more than the above noted Initial Term pricing and shall be increased accordingly by SirsiDynix. SirsiDynix reserves the right to adjust Initial Term pricing in regards to Third Party/integrated products/services.

All other capitalized terms used herein have the meaning set forth in the Agreement, unless expressly stated otherwise in this quote.

CITY OF TORRANCE
a Municipal Corporation

SIRSI CORPORATION
SirsiDynix

Frank Scotto, Mayor

ATTEST:

Sue Herbers
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____

**TAOS MIGRATION
SOFTWARE LICENSE AGREEMENT**

THIS LICENSE AGREEMENT ("Agreement"), is made and entered into this 15 day of August, 2000, by and between **DATA RESEARCH ASSOCIATES, INC.**, a Missouri corporation, located at 1276 North Warson Road, St. Louis, Missouri 63132 ("DRA") and **CITY OF TORRANCE**, located at 3301 Torrance Boulevard, Torrance, California 90503 ("Licensee").

WHEREAS, Licensee has previously purchased licenses for various library automation software modules owned by DRA; and

WHEREAS, Licensee desires and DRA is willing to exchange such software licenses for DRA's new generation library automation software, as further described herein;

In consideration of the mutual covenants herein, and for other good and valuable consideration, the undersigned parties hereby agree to the following terms and conditions:

1. Definitions.

- a. "Licensed Software" is the applications software modules owned by DRA, and licensed to Licensee pursuant to the provisions of this Agreement, including computer programs, Documentation, and any subsequent updates provided.
 - Software License Agreement dated July 11, 1990, as amended; and
 - Agreement for Software Support Update and Maintenance Service, dated July 11, 1990, as amended;
- b. "Central Processor" is the hardware component or "Server Machine(s)" of the system located at the Licensee's central site which executes instructions and programs of the operating systems software, Licensed Software and Third Party Software, and that is comprised of one or more central processing units (CPU's).
- c. "Documentation" refers to DRA's manuals, handbooks, and user information, regardless of format, relating to the operation and functionality of the Licensed Software and Third Party Software.
- d. "Simultaneous Sessions" refers to the number of simultaneous invocations of the Licensed Software and Third Party Software.
- e. "Third Party Software" refers to software sublicensed and/or distributed by DRA, but developed and owned by a third party.

shall be deemed completed in their entirety, and superceded by this Agreement. Upon implementation of the Taos Licensed Software, Licensee shall delete all copies of the former library automation system software licensed by DRA from its system, and certify that all copies of such software and related documentation have been destroyed.

3. License. The Taos Licensed Software, Third Party Software, and any Documentation itemized in Appendix A herein shall be provided to Licensee subject to payment of the license fees listed in Appendix A herein, and in accordance with the terms and conditions of this Agreement. The Licensed Software, Third Party Software, and Documentation, including any updates provided, may be duplicated only as provided herein, and with inclusion of all copyright notices. The licenses granted in this Agreement shall continue unless terminated as provided herein.

The rights acquired by Licensee hereunder are expressly subject to a non-transferable, non-exclusive, limited license to use the Licensed Software and Third Party Software only as specified in this Agreement. This limited license includes the right to use and modify certain proprietary source code files for Licensee's own design purposes, for its use in accordance with the provisions herein. DRA is

2. Migration. The purpose of this Agreement is to set forth the understandings of the parties concerning the migration by Licensee from its current library automation software licensed by DRA, to the new generation software licensed by DRA known as "Taos". The parties agree that except as may be otherwise specified herein, effective thirty (30) days following implementation by Licensee of the initial Taos software module in production mode, all obligations of the parties under prior agreements, including but not limited to the:

not responsible for any consequences of modifications made by Licensee.

Licensee acknowledges that no title to or ownership of the Licensed Software or Third Party Software or any modifications thereof is transferred to Licensee, and that the Licensed Software and Third Party Software remains the proprietary property of DRA or others from whom DRA has attained distribution rights, and is protected by federal copyright law. Licensee covenants to respect the confidential and trade secret nature of that Licensed Software and Third Party Software, by restricting use and access as described herein. Licensee promises not to reverse engineer or otherwise recreate the form of expression or underlying ideas, (collectively "Recreate") contained in any portion of the Licensed Software or Third Party Software. Licensee covenants not to suffer or permit others to Recreate the Licensed Software or Third Party Software.

Except as otherwise stated herein, the license fees set forth in Appendix A are conditioned upon Licensee's use of the Licensed Software and Third Party Software on no more than one hundred and thirty (130) Simultaneous Sessions. In the event that Licensee desires to use the Licensed Software and Third Party Software on more than one hundred and thirty (130) Simultaneous Sessions, Licensee shall provide written notice to DRA of such intent. In such event, DRA may charge Licensee additional license fees.

DRA reserves the right to audit use of the Licensed Software for the purpose of verifying compliance with the software license provisions herein. Failure by DRA to audit Licensed Software use, or to enforce any provisions herein, shall not be construed as a waiver of such right by DRA to enforce such provisions at any time in the future.

U.S. GOVERNMENT RESTRICTED RIGHTS

The Licensed Software, Third Party Software, and Documentation are provided with "RESTRICTED RIGHTS". Use, duplication, or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c)(1)(ii) of DFARS 252.227-7013, or FAR 52.227-19, or in FAR 52.227-14 Alt. III, as applicable.

4. Duplication/Nondisclosure/Use. The Licensed Software and Third Party Software (including any subsequent improvements or updates and

Documentation, and any parts thereof) may only be used on the Central Processor(s) on which it is first installed, plus one (01) NT Server(s), and may only be copied, in whole or in part, for use on such Central Processor(s). In the event that an equipment malfunction occurs in the designated Central Processor(s), the Licensed Software and Third Party Software (or copies thereof) may be used on another single Central Processor on a temporary basis during such malfunction.

The Licensed Software and Third Party Software for workstations ("Client" software) is licensed for use by Licensee on the number of workstations stated in Appendix A herein for Client licenses. Licensee agrees to monitor such software use, and maintain a listing of the workstations on which the Client software is installed. In the event workstations are no longer going to be used by Licensee, Licensee agrees to delete all Licensed Software and Third Party Software from such machines.

Licensee may not give away, rent, lease, or otherwise sell, sublicense, distribute or transfer the Third Party Software, Licensed Software or any modifications thereto without the prior written consent of DRA. Licensee understands and agrees that the unauthorized disclosure of the Third Party Software or Licensed Software and any modifications thereto by Licensee would irreparably damage DRA, and Licensee agrees to protect the confidentiality of the Third Party Software and Licensed Software to the same extent it would protect its own property. Licensee agrees to exercise diligence in preventing dissemination to unauthorized personnel. Licensee agrees to use all reasonable efforts to ensure that its employees and contractors abide by the terms and conditions of this Agreement. Licensee shall only use such Licensed Software and Third Party Software to process its own business records.

Licensee may not remove any copyright, trademark, or other proprietary notices from the Third Party Software or Licensed Software or the media. Licensee agrees to conspicuously display DRA's copyright notice on the logon/start-up screen of the Licensed Software. Licensee shall use the following notice, or such other reasonable notice as DRA shall from time to time require: Copyright © 1997-2000 Data Research Associates, Inc. All rights reserved.

Except in the event of termination as hereinafter specified, the Licensed Software licenses granted hereunder shall last forever.

5. **Transfer of License.** DRA agrees to permit the transfer of the Licensed Software and Third Party Software to a different Central Processor(s) purchased or leased by Licensee, provided that Licensee shall first obtain the consent of DRA. Such Central Processor(s) shall become the only Central Processor(s) licensed to use the Licensed Software and Third Party Software, and Licensee shall certify that all copies of the Licensed Software and Third Party Software on the original system have been destroyed.
6. **Delivery.** Delivery will be made F.O.B. point of shipment, with shipping charges to be paid by Licensee. DRA will select the carrier, but in so doing, accepts no liability for such selection. Insurance will be provided on the Licensed Software and Third Party Software while in transit, and the amounts therefor will be reimbursed by Licensee. The schedule for delivery shall be mutually agreed upon by the parties.
7. **Location.** DRA will install the Licensed Software hereunder for use only on the above-referenced Central Processor located in Licensee's facilities at 3301 Torrance Boulevard, Torrance, California 90503. Installation cost shall be in accordance with Appendix A herein, plus reasonable travel expenses.
8. **Payment/Taxes.** Payment to DRA by Licensee shall be made in accordance with the following schedule:
 - Fifty percent (50%) of the software license fees upon delivery of the Licensed Software.
 - Fifty percent (50%) of the software license fees ninety (90) days following installation of the Licensed Software.
 - One hundred percent (100%) of the Third Party Software license fees, Documentation, installation, conversion, training costs, additional products and services and reimbursable expenses as billed.

Licensee will pay the amounts due hereunder within thirty (30) days of receipt of an invoice therefor. In the event that an undisputed invoice is not paid within thirty (30) days, a finance

charge of eighteen percent (18%) per annum will be charged on the unpaid balance.

Prices are exclusive of all sales, use and like taxes. If applicable, Licensee shall certify, and provide appropriate documentation thereof, that it is exempt from all known federal, state or local sales, use or like taxes. Any tax DRA may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the Licensee and such sums shall be due and payable to DRA upon receipt of an invoice therefor. Any personal property taxes levied after delivery shall be paid by Licensee.

9. **Training.** DRA agrees to provide Licensee with the services of qualified personnel for the period of days indicated in Appendix A herein, to train Licensee's staff in the use of the Licensed Software according to mutually-agreeable training plans at the cost stated in Appendix A. A maximum of eight (8) persons will be trained in a given session. Licensee will reimburse DRA for reasonable travel, lodging, and meal expenses incurred for such training, in accordance with DRA's corporate employee travel expense policies.
10. **Additional Products and Services.** Licensee agrees to purchase the additional products and services itemized in Appendix A, for the costs stated therein.
11. **Warranties/Maintenance/Support.** The Licensed Software purchased hereunder identified as "New DRA Licensed Software" and the Third Party Software listed in Appendix A herein is warranted to perform in accordance with the applicable Documentation for ninety (90) days from installation thereof. Licensee's sole recourse in the event the Licensed Software or Third Party Software does not conform to the applicable Documentation, is repair or replacement of the product, which shall be determined by DRA. Following expiration of the warranty period, DRA will provide maintenance, support and consultation services in the use of the Licensed Software and Third Party Software in accordance with a valid Software Support Agreement negotiated separately herefrom.

DRA will provide maintenance, support and consultation services in the use of the Licensed Software migrated from a previous DRA system, in accordance with a valid Software Support Agreement negotiated separately herefrom.

EXCEPT AS PROVIDED HEREIN, DRA MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE PRODUCT(S), THEIR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

12. Licensee Representations. Licensee is furnishing the hardware on which the Licensed Software and Third Party Software will be used. Licensee represents that its operations staff is competent and fully trained in the operation of the hardware and its operating system software.
13. Testing/Acceptance. Licensee is responsible for performance of any tests it deems necessary prior to use of the Licensed Software with any live data. Licensee understands and acknowledges that the Taos Licensed Software modules are in various stages of the development process, and depending upon the timing of system implementation, a particular software module may not include all of the features at initial installation which might be available at a later date. Regardless of the functionality present, Licensee's acceptance of a Licensed Software module shall occur upon use of such product by Licensee in its normal daily business.
14. Copyright/Right to Grant License. The Licensed Software and Third Party Software is protected by copyright and trademark laws and international treaties. Title, ownership rights, and intellectual property rights in the Licensed Software and Third Party Software remain in DRA and/or its suppliers. Use of the Licensed Software, Third Party Software, and associated Documentation is subject to the applicable copyright laws and the express rights and restrictions of this Agreement. Any rights not expressly granted herein are reserved. DRA hereby warrants that at the time of delivery of the Licensed Software and Third Party Software, it has the right to grant the license(s) hereunder.
15. Patent/Copyright Infringement Indemnity. If notified promptly in writing of any actions (and all prior claims relating to such action) which may be brought against Licensee based on a claim that Licensee's use of the Licensed Software infringes a United States patent or

copyright, DRA will defend such action at its expense, provided that DRA shall have sole control of the investigation, defense and settlement of any such action.

16. Termination/Return of Licensed Software. Either party shall have the right to terminate this Agreement if the other party:

- (a) Assigns this Agreement or any of its rights hereunder without obtaining the prior written consent of the other party;
- (b) Neglects or fails to perform or observe any of its existing or future obligations under this Agreement;
- (c) Makes an assignment for the benefit of creditors, or a receiver, trustee in bankruptcy or similar officer is appointed to take charge of all or party of its property; and/or
- (d) Is adjudged as bankrupt;

and any of the above condition(s) is not remedied within thirty (30) days after written notice thereof has been given to the other party.

In the event of cancellation and/or termination as set forth above, Licensee shall pay DRA for the services rendered by DRA's employees as of the effective date of cancellation and/or termination based on the then prevailing hourly billing rates for such DRA employees. Licensee shall also reimburse DRA for its out-of-pocket expenses, such as supplies and travel. Licensee agrees to immediately return to DRA all copies of all proprietary materials, including, but not limited to the Licensed Software, Third Party Software and Documentation. Any Licensed Software and Third Party Software licenses granted shall terminate, and the rights, obligations and liabilities of each party shall cease. If Licensee refuses to so return the same, DRA shall have the right to pursue all legal and equitable remedies available, including but not limited to repossession of the software electronically. Licensee's intentional interference with DRA's ability to exercise its rights hereunder shall subject Licensee to such costs as may be incurred in DRA's enforcement of such rights, including but not limited to, reasonable attorneys' fees and court costs.

17. Limitation of Liability. LICENSEE'S RIGHT TO RECOVER DAMAGES TO PROPERTY CAUSED BY DRA'S FAULT OR NEGLIGENCE SHALL BE LIMITED TO THE AMOUNT PAID BY LICENSEE FOR THE PRODUCTS PURCHASED

PURSUANT TO THIS AGREEMENT. DRA WILL NOT BE LIABLE IN ANY EVENT FOR DAMAGES RESULTING FROM LOSS OF DATA, LOSS OF PROFITS, LOSS OF USE OF PRODUCTS, OR FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT, INCLUDING NEGLIGENCE. ANY ACTION AGAINST DRA MUST BE BROUGHT WITHIN EIGHTEEN (18) MONTHS AFTER THE CAUSE OF ACTION ARISES.

18. **Ownership of Library Data.** All bibliographic, item, fine, patron, and other records entered into the database of Licensee or supplied to DRA by Licensee are and shall remain the sole property of Licensee. DRA shall not without Licensee's written consent, copy or use such records except to carry out contracted work and will not transfer such records to any other party not involved in the performance of this Agreement, and will return submitted records to Licensee upon completion of the work hereunder. Licensee shall have the right, without the consent of DRA, to extract such data in industry-standard formats, and at no cost to Licensee. Licensee acknowledges that the storage compilation, format and layout constitute proprietary and trade secret information of DRA and are protected by federal copyright law. DRA agrees to assist Licensee, if requested, in making such extracts, subject to reasonable compensation therefor.
19. **Notices.** Any notices hereunder shall be in writing and delivered in person, by facsimile, overnight express or by registered or certified mail, return receipt requested, with proper postage prepaid, properly addressed as set forth below. Notice shall be effective upon delivery. Facsimile notices shall also be delivered by U.S. mail, postage prepaid, or another means listed above, but shall still be effective upon facsimile transmission.

FOR DRA:

Michael J. Mellinger, President and CEO
Data Research Associates, Inc.
1276 North Warson Road
St. Louis, Missouri 63132
FAX: 314-993-8927

FOR LICENSEE:

Norm Reeder, Library Services Manager
Torrance Public Library
3301 Torrance Boulevard
Torrance, California 90503
FAX: 310-618-5952

20. **Governing Law.** This Agreement is governed by and is to be construed in the United States, under the laws of the state of the principal place of business of Licensee. In the event that Licensee is located outside of the United States, this Agreement shall be construed in accordance with the laws of the State of California.
21. **Force Majeure.** DRA shall not be liable for any damages resulting from any delay in delivery or failure to give notice of delay which directly or indirectly results from the elements, acts of God, delays in transportation, delays in delivery by DRA's vendors, commercial impracticability, or any other cause beyond the reasonable control of DRA. The delivery schedule shall be extended by a period of time equal to the time lost because of any such delay. DRA shall not be liable for damages resulting from delays by Licensee.
22. **Waivers.** No waiver of right, obligation, or default shall be implied, but must be in writing, signed by the party against whom the waiver is sought to be enforced. One or more waivers of any right, obligation, or default shall not be construed as a waiver of any subsequent right, obligation, or default.
23. **Severability.** If any provision of this Agreement is determined to be unenforceable or invalid, the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.
24. **Press Releases.** DRA shall have the right to include Licensee's name in its published list of customers, without prior approval of Licensee. With regard to other publicity matters wherein Licensee's name is mentioned in relation to products or services furnished by DRA, DRA agrees to submit to Licensee for approval all such proposed advertising, sales promotion or other copy, and to refrain from publishing or using any such publicity without Licensee's prior written consent, which consent shall not be unreasonably withheld. DRA further agrees not to refer to award of this contract in commercial advertising in such a manner as to state or imply

that the products or services provided hereunder are endorsed or preferred by Licensee, unless Licensee agrees otherwise in writing.

DRA reserves the right, without prior consent of Licensee, to issue any comments or corrections to any press release in which DRA is mentioned in conjunction with this agreement or any services performed pursuant hereto.

Licensee further agrees to permit DRA to issue any press releases it believes are required by the Securities and Exchange Commission, its stock exchange, or any other regulatory body in order to comply with stock exchange disclosure requirements.

- 25. Non-DRA Software and Hardware. Licensee shall have the right to install on the system additional software and/or hardware which has not been licensed, sublicensed, distributed or sold by DRA to Licensee. However, DRA shall

CITY OF TORRANCE
A Municipal Corporation

By: Dee Hardison
Dee Hardison
Mayor
Email: _____

have no responsibility for maintenance, or support of software or hardware not provided by DRA, or for any adverse affects resulting from use or interaction of such products with DRA products. DRA shall incur no additional expense as a result of Licensee's use of such products.

- 26. Entire Agreement. This Agreement is the result of negotiation of the parties and has been agreed to after careful negotiation and discussion. This Agreement constitutes the entire agreement between the parties and supersedes all previous communications and representations or agreements, either written or oral, with respect to the subject matter hereof; and no modification hereof shall be binding on either party unless acknowledged in writing by the duly authorized representative of either party. In the event of a conflict between the terms of this Agreement, and the terms of any Purchase Order issued by Licensee, the provisions of this Agreement shall control.

DATA RESEARCH ASSOCIATES, INC.

By: Michael J. Mellinger
Michael J. Mellinger
President and CEO
Email: Mike@dra.com

ATTEST:

Sue Harbers
Sue Harbers
City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: Ronald T. Pohl
Ronald T. Pohl
Assistant City Attorney

Appendix A

Products and Services to be Purchased

DRA QUOTATION
QTE0018132

June 26, 2000

	Unit Price Monthly	Purchase	Price Maintenance
Software			
1 DRA Cataloging Software License for 130 Users	0.00	0.00	385.00
1 DRA Circulation Software License for 130 Users	0.00	0.00	332.00
1 DRA Public Access Software License for 130 Users	0.00	0.00	250.00
1 DRA Acquisitions Software License for 130 Users	0.00	0.00	250.00
1 DRA Serials Software License for 130 Users	0.00	0.00	250.00
1 DRA Journal Citation Software License, 130 Users	0.00	0.00	140.00
1 DRA Telephone Renewal Software License, 130 Users	0.00	0.00	30.00
1 DRA Telephone Notice Software License, 130 Users	0.00	0.00	40.00
1 DRA Z39.50 Client/Server Software Lic., 130 Users	0.00	0.00	520.00
1 DRA WEB2 Sftwr Lic., Included w/DRAI No Chrg 130U	0.00	0.00	0.00
1 DRA Staff Training/Software Testing Files	0.00	0.00	5.00
1 DRA Transfer of DRA Software License	500.00	500.00	0.00
1 Report Writer Software License for 130 Users	0.00	0.00	275.00
1 Safari GUI Info Tools Upgrade for 130 Users	8,800.00	8,800.00	110.00
1 ODI OODBMS Software 130 Users, Current Customer	15,026.00	15,026.00	313.00
1 Iona Orbix Server License	0.00	0.00	63.00
130 Iona Orbix Runtime License	10.00	1,300.00	0.00
1 DRA System Operator Manual	90.00	90.00	0.00

1	UDMS Windows NT Documentation	200.00	200.00	- 0.00
	<u>New DRA Licensed Software</u>			
1	DRA Marc Format for Holdings Soft. Lic. 130 Users	16,622.00	16,622.00	166.00
1	DRA MARC Enhanced Holdings Documentation Kit	75.00	75.00	0.00
	<i>Subtotal Software</i>		42,613.00	3,129.00
DRA Services				
1	DRA Taos Training Package	4,500.00	4,500.00	0.00
1	DRA Taos Services Package	11,000.00	11,000.00	0.00
1	DRA Pre-Installation Consulting Services (2 days)			
1	DRA Customization of Server Operating System			
1	DRA Installation of Applications Software			
1	Safari GUI Info Tools Report Writer Training 2 days	2,000.00	2,000.00	0.00
1	DRA Taos Serials Training	1,000.00	1,000.00	0.00
1	DRA Taos Acquisitions Training	2,000.00	2,000.00	0.00
	<i>Subtotal DRA Services</i>		20,500.00	0.00
	<i>Subtotal:</i>		\$63,113.00	\$3,129.00
	<i>Total:</i>		\$63,113.00	\$3,129.00

This quotation is subject to DRA General Terms and Conditions.

DATA RESEARCH ASSOCIATES, INC.

AND

CITY OF TORRANCE

AGREEMENT FOR SOFTWARE SUPPORT, MAINTENANCE AND UPDATE SERVICE

THIS AGREEMENT, made this 15 day of August, 2000, by and between DATA RESEARCH ASSOCIATES, INC., a Missouri Corporation, with principal offices located at 1276 North Warson Road, St. Louis, Missouri 63132 ("DRA"), and CITY OF TORRANCE, located at 3301 Torrance Boulevard, Torrance, California 90503 ("Customer"), is for the following purposes: (a) securing software update service and maintenance on the software described in Appendix A to this Agreement; and (b) providing consulting and support services to assist and advise Customer in the operation of the computer system which is the subject of that certain Agreement between the parties dated _____ ("Agreement").

1. Term.

This Agreement shall commence when signed by both parties, and shall be effective for an initial term of twelve (12) months and shall automatically renew thereafter unless terminated by ninety (90) days' written notice by either party.

2. Scope of Services.

During the term of this Agreement, DRA agrees to provide the following services:

- A. Software Update and Maintenance Service. To the extent DRA makes generally available to its customers updates to the software listed in Appendix A during the term of this Agreement, DRA shall provide such updates, including appropriate documentation, to Customer at no charge other than that for the media and transportation expense. All such updates and documentation shall be subject to all provisions of the original license for the software. DRA shall remedy any nonconformance of the software in Appendix A with its applicable User's Manual as soon as is reasonably possible after receipt by DRA of written notice from Customer of such nonconformance. Such corrections shall be made at no charge to the Customer other than travel, media and transportation expense. However, Customer shall reimburse DRA on a time-and-materials basis for any claim which upon investigation DRA in good faith determines is not due to nonconformance of the software to the User's Manual. Customer shall also reimburse DRA for time, materials, and travel expenses in connection with any work requested and performed which is not directly related to software maintenance. In consideration for such services, Customer shall pay DRA the monthly fees listed in Appendix A, payable in twelve (12) equal monthly installments commencing thirty (30) days from the expiration of the applicable warranty periods.
- B. Telephone assistance to Customer for communications with systems support personnel to procure assistance in identification, verification and resolution of problems, and on-site visits where deemed required;
- C. Written responses to Customer Software Service Requests ("SSR's"); and
- D. Improvements and enhancements to software reference manuals generally made available to customers during the term hereof.

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3. Eligibility for Service.

Software is eligible hereunder upon expiration of the applicable software warranty period. The system on which the software resides must be unmodified and properly maintained at the latest revision level. The system must contain at least the minimum equipment configuration and prerequisite software as specified in the original license agreement between the parties. Maintenance eligibility is also contingent upon proper use of the products by Customer. If services are requested and performed to remedy a malfunction which is due to the following conditions, such services shall be deemed not to be due to nonconformance of the software to the applicable User's Manual and shall be billable on a time, materials and travel expense basis:

- (a) adjustment, repair or parts replacement is required because of accident, unusual physical, electrical or electro-magnetic stress, neglect, misuse, failure of electric power, air conditioning, humidity control, transportation, failure of rotating media not furnished by DRA, operation with media not meeting or not maintained in accordance with Manufacturer's specifications or causes other than ordinary use;
- (b) products have been modified by Customer;
- (c) products as specified by Manufacturer or DRA in the documentation or User's Manual are missing;
- (d) products have been dismantled or reinstalled by Customer without the supervision of or prior written approval of DRA;
- (e) Manufacturer's serial numbers or warranty date decals have been removed or altered; or
- (f) Customer deviates from the software operating procedures established by DRA in the applicable documentation.

4. Authorization for Service.

Customer shall provide DRA with the names of up to four (4) people who are authorized to log service calls with the DRA Service Desk and Help Desk. It is expected that the staff who are so authorized have been fully trained in the use of the DRA system. The training requirement may be fulfilled by the named individuals attending DRA training classes, or by being trained by someone who was trained by DRA personnel.

In the event Customer requires additional people to be authorized to log service calls, authorization for additional staff can be purchased for an additional \$50.00 per month, per named individual. These individuals must also be certified as fully trained in the use of the DRA system.

5. Responsibilities of Customer.

Customer acknowledges and agrees that all software and/or changes, improvements or updates thereto provided to Customer by DRA are subject to the terms and conditions of the software product license contained in the above-referenced Agreement between the parties. Customer shall provide DRA with access to Customer personnel and equipment during normal business hours for the purpose of performing services under this Agreement. This access shall include the ability to dial-in to the computer on which the software is operated and an account on the system at the highest privilege level. Such dial-in shall be at least 28.8 Kbps. Customer shall maintain a current backup copy of all programs and data.

6. Most Advantageous Accounting.
In the event that DRA determines that a service request may be legitimately performed under multiple portions of this Agreement, such services will be performed pursuant to that portion providing the lowest actual cost to Customer.
7. Charges.
Customer shall pay the total monthly charge thirty (30) days from the date of receipt of an invoice therefor. If payment is not made within thirty (30) days, an interest charge shall be assessed for each additional day the invoice remains unpaid at the rate of eighteen percent (18%) per annum. Charges are exclusive of, and Customer is responsible for, all sales, use and like taxes (unless exempt therefrom as documented by applicable exemption certificate).
8. Travel Expense.
Customer shall reimburse DRA for reasonable travel expense for those services for which such reimbursement is provided herein. Such expenses may include but are not limited to: meals, private hotel or motel room, taxi or carfare, coach airfare, and tips. DRA will invoice Customer for such expenses as occurred, and Customer agrees to pay such invoices within thirty (30) days of receipt thereof.
9. Price Changes.
DRA may, at any time after the initial 12-month term of this agreement, change the price of services provided hereunder by giving ninety (90) days written notice to Customer.
10. Assignment.
Neither party shall assign this Agreement or any of its rights or obligations hereunder without the prior written approval of the other party, and any attempt by such party to do so without such approval shall be void.
11. Force Majeure.
DRA shall not be liable for any damages resulting from any delay in delivery or failure to give notice of delay which directly or indirectly results from the elements, acts of God, delays in transportation, delays in delivery by DRA's vendors, or any other cause beyond reasonable control of DRA.
12. Waivers.
No waiver of any right, obligation, or default shall be implied, but must be in writing, signed by the party against whom the waiver is sought to be enforced. One or more waivers of any right, obligation, or default shall not be construed as a waiver of any subsequent right, obligation, or default.
13. Exclusion of Implied Warranties/Limitation of Liability.
EXCEPT FOR THE EXPRESS WARRANTIES STATED HEREIN, DRA DISCLAIMS ALL WARRANTIES, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

CUSTOMER'S RIGHT TO RECOVER PROPERTY DAMAGES CAUSED BY DRA'S FAULT OR NEGLIGENCE SHALL BE LIMITED TO ONE MILLION DOLLARS (\$1,000,000.00). DRA WILL NOT BE LIABLE FOR DAMAGES RESULTING FROM LOSS OF DATA, LOSS OF PROFITS, LOSS OF USE OF PRODUCTS OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THIS LIMITATION OF DRA'S LIABILITY WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT INCLUDING NEGLIGENCE. ANY ACTION AGAINST DRA MUST BE BROUGHT WITHIN EIGHTEEN (18) MONTHS AFTER THE CAUSE OF THE ACTION ACCRUES.

14. Notices.

Any notices required or permitted under this Agreement shall be in writing and delivered in person, by facsimile, overnight express, or by registered or certified mail, return receipt requested, with proper postage prepaid, properly addressed as set forth below. Notice shall be effective upon delivery. Facsimile notices shall also be delivered by another means listed above, but shall still be effective upon facsimile transmission. The following persons are duly authorized to receive and accept such notice:

FOR DRA:

Michael J. Mellinger, President and CEO
Data Research Associates, Inc.
1276 North Warson Road
St. Louis, Missouri 63132
FAX: 314-993-8927

FOR CUSTOMER:

Norm Reeder, Library Services Manager
Torrance Public Library
3301 Torrance Boulevard
Torrance, California 90503
FAX: 310-618-5952

15. Severability.

If any provision of this Agreement is determined to be unenforceable or invalid, the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.

16. Governing Law.

This Agreement shall be governed by the laws of California both as to interpretation and performance.

17. Attorneys' Fees.

Should either party be required to file a legal action to enforce any provision of this Agreement, the prevailing party shall be paid its reasonable attorneys' fees and costs by the other party.

18. Ownership of Library Data.

All bibliographic, item, fine, patron, and other records entered into the database of Customer or supplied to DRA by Customer are and shall remain the sole property of Customer. DRA shall not, without Customer's written consent, copy or use such records except to carry out contracted work, and will not transfer such records to any other party not involved in the performance of this Agreement, and will return submitted records to Customer upon completion of the work hereunder. Customer shall have the right, without the consent of DRA, to extract such data in industry-standard formats, using standard DRA utilities and at no cost to Customer. Customer acknowledges that the storage compilation, format and layout constitute proprietary and trade secret information of DRA and are protected by federal copyright law. DRA agrees to assist Customer, if requested, in making such extracts, subject to reasonable compensation therefor.

19. Modifications to Agreement.

The provisions of this Agreement may only be modified in writing, and are binding only if executed by a representative of DRA and Customer authorized to execute legally binding agreements on each party's behalf.

20. Entire Agreement.

This Agreement is the result of negotiation of the parties and has been agreed to by both parties after careful and prolonged discussion. The provisions hereof supersede all prior agreements between the parties regarding software update and maintenance service and consulting and systems support service, and no change, termination or attempted waiver of any of the provisions hereof shall be binding unless in writing and signed by a duly authorized representative of each party. All other terms and conditions of the Agreement between the parties, and any amendments thereto, pertaining to matters other than the subject matter of this Agreement, shall not be changed hereby. In the event of a conflict between the terms of this Agreement, and the terms of any Purchase Order issued by Customer, the provisions of this Agreement shall control.

IN WITNESS WHEREOF, the undersigned parties hereto have executed this Agreement in duplicate copies, each of which shall be deemed an original, as of the day and year first above written.

CITY OF TORRANCE
A Municipal Corporation

DATA RESEARCH ASSOCIATES, INC.

By: Dee Hardison
Dee Hardison
Mayor
Email: _____

By: Michael J. Mellinger
Michael J. Mellinger
President and CEO
Email: Mike@dra.com

ATTEST:

Sue Herbers
Sue Herbers
City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: Ronald T. Pohl
Ronald T. Pohl
Assistant City Attorney

APPENDIX A

The following software shall be included under the terms of this Agreement:

<u>Software</u>	<u>Warranty Expiration</u>	<u>Monthly Fee</u>
MAR-130U	No Warranty Applies	\$385.00
CIR-130U	No Warranty Applies	\$332.00
PAC-130U	No Warranty Applies	\$250.00
ACQ-130U	No Warranty Applies	\$250.00
SER-130U	No Warranty Applies	\$250.00
JOURCIT-130U	No Warranty Applies	\$140.00
TEL-REN-130U	No Warranty Applies	\$30.00
TEL-NOT-130U	No Warranty Applies	\$40.00
DRAI-130U	No Warranty Applies	\$520.00
MFHL-130U	Ninety (90) days following installation	\$166.00
TRAIN-FILES	No Warranty Applies	\$5.00
REPGEN-130U	No Warranty Applies	\$275.00
Safari GUI Tools	Ninety (90) days following installation	\$110.00
ODI OODBMS-130U	Ninety (90) days following installation	\$313.00
ORBIX	No Warranty Applies	\$63.00

ADDENDUM TO SUPPORT AGREEMENT

WHEREAS, DATA RESEARCH ASSOCIATES, INC. ("DRA") and CITY OF TORRANCE ("Licensee") are parties to an Agreement for Software Support, Maintenance and Update Service, dated August 15, 2000, as amended ("Support Agreement"); and

WHEREAS, effective as of August 29, 2001, DRA was purchased by Sirsi Corporation, a Delaware corporation, located at 101 Washington Street SE, Huntsville, Alabama 35801 ("SIRSI"), and is now a wholly owned subsidiary of SIRSI; and

WHEREAS, the parties desire to amend the Support Agreement under the terms and conditions specified herein;

THEREFORE, in consideration of the mutual covenants herein, and for other good and valuable consideration, the undersigned parties hereby agree to the following modifications to the Support Agreement:

1. All references in the Support Agreement to "DRA" shall instead refer to "SIRSI".
2. The SIRSI Unicorn Licensed Software products as set forth in Appendix A attached hereto and incorporated herein shall be provided to Licensee by SIRSI in lieu of the products and services stated in the Appendix A of the Support Agreement. Therefore all references in the Support Agreement to "Taos" shall instead refer to "UNICORN".
3. Paragraph 7 of the Support Agreement, Notices, shall be amended to modify the contact name and address include to information for SIRSI instead of DRA, as follows:

FOR SIRSI:
 Sirsi Corporation
 101 Washington Street SE
 Huntsville, Alabama 35801-4827
 Attn: Finance and Administration/Contracts
 FAX: (256) 704-7007

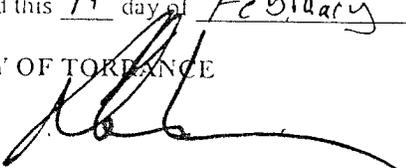
4. Effective on the date of Licensee's new fiscal year, fees due under the Support Agreement as set forth on Appendix A, shall be due annually in advance.
5. The attached "Addendum to Agreement for Software Support, Maintenance and Update Service Agreement for Critical Care Services", is attached to and made part of the Support Agreement.

Except as herein amended, the Support Agreement is unchanged, and the applicable portions shall remain in full force and effect.

Dated this 14 day of February, 2003

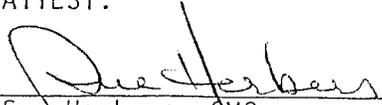
CITY OF TORRANCE

SIRSI CORPORATION

By: 
 Title: DAN WALKER, City Mayor
 Email: _____

By: 
 Title: MANAGER of Operations
 Email: stevenm@sirsi.com

ATTEST:


 Sue Herbers, CMC
 City Clerk

Approved as to form:
 JOHN L. FELLOWS III
 City Attorney

By: 

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APPENDIX A

TORRANCE PUBLIC LIBRARY

	<i>Monthly Maintenance</i>
SOFTWARE	
UnicornOASIS Model "F" Software for 130 Users, 350,000 titles	
Circulation Module including Off-line Backup Circulation	\$332
Cataloging Module, including Authority Control	\$385
Web-based OPAC Module, (iBistro)	\$250
Z39.50 Support (Client & Server)	\$520
Acquisitions Software	\$250
Serials Software	\$250
Journal Citation Software	\$140
Sirsi Telephone Notification / Renewal Software (requires separate purchase of NT server, Dialogic boards and Text to Speech software)	\$ 70
Sirsi Reporting Module and MARC Import/Export utilities	\$385
Complete Electronic System Documentation (includes updates and rights for internal distribution)	Included
Standard Sirsi System Software	\$547
Software Total:	\$3,129

ACCS Number 2002.166

**Addendum
to
Agreement for Software Support, Maintenance and
Update Service Agreement
for
Critical Care Services**

THIS Addendum is incorporated into and made a part of the Agreement for Software Support, Maintenance and Update Service for SIRSI Corporation's provision of Critical Care Services (defined herein).

1. Definition

"Critical Care Down System Errors" means a call is placed during Critical Care Hours due to the Software being completely inoperable, or the Software is unable to search the library catalog or, is unable to perform these circulation functions: (i) charging or discharging materials; (ii) adding, editing, or clearing patron charges or fines; or, (iii) placing or assigning holds.

The Critical Care Services are not to be utilized for other support error requests, including but not limited to, assistance in the installation of upgrades or updates, or for support of client Software or printing Software errors.

2. Coverage

A telephone pager number and a critical care number will be provided to the Library. The Addendum Critical Care number ("ACCS") must be provided to the on-call specialist when a Down System Error after Service Hours call is placed.

During Critical Care Hours, SIRSI shall make its best efforts to acknowledge such Down System Error after Service Hours calls within one (1) hour from the time that the call was placed to the telephone pager number. SIRSI's on-call specialist shall:

- 1 assist in the determination of the problem and offer technical guidance,
- 2 if a determination can not be made by the on-call specialist the Critical Care call will be logged by the SIRSI specialist as a Down System Error to be addressed during Service Hours as detailed in the Software Services Agreement.

The LIBRARY agrees to reimburse SIRSI on a time-and-material basis for any Down System Error claim(s) under this Addendum which, upon investigation, is determined not to be a Critical Care Down System Errors as defined above.

3. Hours.

After Service Hours for Down System Error calls ("Critical Care Hours") are Monday through Friday from 7:00 p.m. to 7:00 a.m. Central Time and 24 hours Saturday, Sunday and SIRSI recognized holidays.

4. Termination.

This Addendum and the services herein may be terminated by SIRSI upon serving thirty (30) days prior written notice.

RUN-TIME LIBRARY USE LICENSE AGREEMENT

THIS AGREEMENT, is made and entered into this 15 day of August, 2000, by and between DATA RESEARCH ASSOCIATES, INC., a Missouri Corporation, with principal offices at 1276 North Warson Road, St. Louis, Missouri 63132 ("DRA") and CITY OF TORRANCE, located at 3301 Torrance Boulevard, Torrance, California 90503 ("Customer").

WHEREAS, Customer has been granted a license to use library automation software ("Licensed Applications Software") from DRA pursuant to that certain Agreement dated _____; and

WHEREAS, Customer has been granted a license for the use of certain third party software products ("Report Generator") in conjunction with the Licensed Applications Software pursuant to a software license agreement of even-date herewith;

NOW, THEREFORE, for and in consideration of the mutual promises made by each party to the other, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties enter into this Agreement concerning use of any proprietary property, including, but not limited to source code products, run-time libraries and/or documentation which may become available to Customer for use of the Report Generator in conjunction with the DRA Licensed Applications Software, under the following terms and conditions:

1. Scope.

Except as provided for herein, this Agreement in no way modifies the respective responsibilities of Customer, DRA, or any third party licensor under the above-referenced Agreements. Use of source code products, including run-time library and documentation under the provisions of this Agreement is in addition to the licensing provisions of the above-referenced Agreements, which shall remain in full force and effect.

2. Proprietary Property.

Use by Customer of the Report Generator and documentation in conjunction with the DRA Licensed Applications Software, may provide Customer with access to file layouts, processes, routines and source code products which are proprietary property and trade secrets of DRA. Customer acknowledges that the documentation, storage compilation, formats, layouts, processes, routines and source code products, constitute proprietary property and trade secret information of DRA, and are protected by federal copyright law and are subject to the license provisions of the original license agreements. Customer agrees that in the event such proprietary information becomes available to them through the use of the licensed software products and/or documentation, that such information will only be used in accordance with the license provisions and confidentiality provisions herein.

3. Description of Source Code.

Source code products may include text files used by the MACRO, BASIC, C or other language compilers to produce object modules for linkage into applications programs. The source code tape may contain source code, batch files for compiling and linking software, and any documentation available in machine-readable form to assist in compiling and linking the code. Customer acknowledges that compilation and linking the source code require compilers not supplied to Customer as part of this Agreement but which are available at extra cost from DRA or the manufacturer. Customer acknowledges that compilation, linking, editing, and/or modifying the source code will require technical expertise in using the operating system, relevant compilers, and software, and that DRA is under no obligation to assist or supply such expertise.

Run-Time Library includes prewritten, commonly-used routines to perform specific report preparation, writing, and supporting tasks.

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Source code products may also include description files which contain detailed file layouts and contents. Customer acknowledges that the use of the description files in conjunction with additional software modules available from a third party licensor, may result in data file modification and/or generate support issues requiring expertise, for which DRA is under no obligation to assist or supply such expertise.

4. Confidentiality.

Customer agrees that, irrespective of the reason for its use of the source code products, such source code products are strictly confidential and may be disclosed only to agents and employees of Customer, who shall be advised of these provisions, and who shall agree to execute nondisclosure agreements, if requested. Customer agrees that the source code products and all modifications and changes to the source code products, are the proprietary property of DRA, and Customer may not sell, assign, lease, or otherwise provide said source code products or any part thereof, or any programs compiled, process or routines using any part of said source code products, or any knowledge gained from the use of the source code products, to any other person or entity, regardless of modification, without the express written consent of DRA, its successors and assigns.

Customer covenants not to reverse engineer or otherwise recreate the form of expression or underlying ideas, (collectively "Recreate") contained in any portion of the DRA Licensed Applications Software or source code products, nor permit others to do so.

5. Termination.

Customer acknowledges and agrees that violation by Customer, its agents or employees, of any of the licensing terms contained in this Agreement or in any other agreement between the parties, shall constitute default, and shall entitle DRA the right to immediately repossess all copies of the source code tapes, software, documentation, and any modifications thereof, and to rescind all software licenses granted to Customer, in addition to all other legal and equitable remedies provided by law. DRA shall also have the right to terminate this agreement in the event that Customer fails to maintain in effect a valid Agreement for Software Support, Maintenance and Update Service.

6. Disclaimer and Limitation of Liability.

CUSTOMER ACKNOWLEDGES THAT IN THE CALCULATION OF STORAGE REQUIREMENTS UNDER OTHER AGREEMENTS BETWEEN THE PARTIES, DRA HAS NOT INCLUDED THE SPACE REQUIRED FOR THE PRODUCTS LICENSED HEREIN. THEREFORE, THIS SOFTWARE MUST BE NON-OPERATIONAL DURING ANY CONTRACTUAL PERFORMANCE TESTS, AND MAY NOT BE CONSIDERED IN ANY MEMORY OR DISK SPACE WARRANTY CLAIMS UNDER ANY OTHER AGREEMENTS BETWEEN THE PARTIES.

EXCEPT AS PROVIDED HEREIN, DRA MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE PRODUCT(S), THEIR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

CUSTOMER SHALL HAVE THE SOLE RESPONSIBILITY FOR ADEQUATE PROTECTION OF ITS DATA USED IN CONNECTION WITH THE PRODUCTS. CUSTOMER'S RIGHT TO RECOVER DAMAGES CAUSED BY DRA'S FAULT OR NEGLIGENCE SHALL BE LIMITED TO TEN THOUSAND DOLLARS (\$10,000.00). DRA WILL NOT BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF PROFITS, USE OF PRODUCTS OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THIS LIMITATION OF LIABILITY WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT, INCLUDING NEGLIGENCE.

7. Notices.

Any notices required or permitted under this Agreement shall be in writing and delivered in person, by facsimile, overnight express, or by registered or certified mail, return receipt requested, with proper postage prepaid, and properly addressed as set forth below or as shall be hereafter changed by written notice. Notice shall be effective upon delivery. Facsimile notices shall also be delivered by another means listed above, but shall still be effective upon facsimile transmission.

The parties hereto affirm that the persons below listed are duly authorized to receive and accept such notice:

FOR DRA:

Michael J. Mellinger, President and CEO
Data Research Associates, Inc.
1276 North Warson Road
St. Louis, Missouri 63132
FAX: (314) 993-8927

FOR CUSTOMER:

Norm Reeder, Library Services Manager
Torrance Public Library
3301 Torrance Boulevard
Torrance, California 90503
FAX: 310-618-5952

8. Governing Law.

This Agreement shall be governed by the laws of the State of California both as to interpretation and performance.

Except as hereinabove modified, the terms and conditions of the above-referenced Agreements and any appendices and amendments thereto, remain in full force and effect.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement, in duplicate copies, each of which shall constitute an original, as of the day and year first above written.

CITY OF TORRANCE
A Municipal Corporation

By: Dee Hardison
Dee Hardison
Major

Email: _____

DATA RESEARCH ASSOCIATES, INC.

By: Michael J. Mellinger
Michael J. Mellinger
President and CEO
Email: Mike@dra.com

ATTEST:

Sue Herbers
Sue Herbers
City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: Ronald T. Pohl
Ronald T. Pohl
Assistant City Attorney