

9/22/2006

To: The City of Costa Mesa
Dane Bora
Cable Director
Via email

Dane,

Granicus looks forward to continuing our relationship with the City of Costa Mesa, and enhancing your current Granicus solution. Upgrading your Granicus solution will afford the City these benefits.

The Enterprise license will provide the City with the following functionality:

- User/group administration with definable access controls for content and application functionality.
- Unlimited document, player and view templates.
- Ability to add an unlimited number of Outcast Encoders to your Granicus solution.

By adding the Granicus MediaVault™, you will greatly improve the quality of your internal streaming by distributing on demand streaming to staff on your internal network. The Granicus MediaVault™ can store your meetings and other content indefinitely depending on the hardware deployed. The MediaVault allows City clerk staff to use a foot pedal to control audio/video content without taking their hands off of their keyboards.

By adding the Granicus StreamReplicator™, you will greatly improve the quality of your live internal streaming by distributing live streaming on your internal network. Additionally, the Granicus StreamReplicator conserves the City's bandwidth by routing on-net requests for live streams over the City's LAN/WAN networks.

At Granicus, we recognize that a great product is only part of what keeps our clients satisfied. For that reason, Granicus provides 24/7 technical support and onsite user training. We also take full responsibility for maintaining and monitoring the technology that powers your solution, so that you can avoid the cost of developing a team of experts. When you need us we will be there to help.

If you have any questions about our services or this proposal please do not hesitate to contact me.

Most Sincerely,

Tom Spengler
CEO
Granicus, Inc.

Proposed Solution Pricing

Your upgrade was designed meet the City's increasing needs. Our pricing reflects our commitment to supply our customers with the highest value and utmost quality.

Granicus Media Manager Enterprise

Software		
Enterprise		\$5,200.00
Sales Tax	7.75%	\$403.00
Subtotal		\$5,603.00

Granicus MediaVault

Hardware		\$6,591.00
Dell Server -Power Edge 1850 Next Day Three Year Service		
Single Processor Intel Xeon, 3.0 GHz Processor		
72GB Hard Drive		
1GB SDRAM 133 MHz, 4x256MB DIMMs		
Windows 2003 Server		
480 GB Attached RAID Array		
Configuration		
Software		\$780.00
Software		
MediaVault Software		\$7,800.00
Software License Bundle Discount		(\$3,250.00)
Sales Tax	7.75%	\$863.43
Subtotal		\$12,784.43

Granicus Stream Replicator

Hardware (Use MediaVault Hardware)		\$0.00
Configuration		
Software		\$325.00
Software		
Stream Replicator Software		\$3,250.00
Sales Tax	7.75%	\$251.88
Subtotal		\$3,826.88

Professional Services & Other Hardware

Training		
Onsite (1 Day)		\$1,600.00
Installation		
Remote		\$400.00
Sales Tax	7.75%	
Subtotal		\$2,000.00

Other Products & Services

Shipping		\$100.00
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568 Howard Street, 3rd Floor, San Francisco, CA 94105 415.357.3618

First Months Additional Managed Services	\$400.00
Total Bundle Discount	(\$3,250.00)

Total Sales Tax 7.75%	\$1,518.30
Total	\$24,714.30

Additional Monthly Managed Services	\$400.00
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Granicus Managed Services

All managed services plans are billed on a monthly basis, and require the first month be paid during the initial setup of your Granicus solution. All plans include full Managed Services, complete monitoring and maintenance of your on-site hardware and 24/7 technical and user support for your complete solution. Managed Services also includes all software upgrades and bug fixes for all of the City's Granicus software components. The goal of our Managed Services program is to help the City realize the highest level of value and satisfaction from Granicus solution, without incurring additional or unexpected costs. Granicus Managed Services include the following:

Technical and User Support

Granicus offers continuous customer support and is dedicated to ensuring that the City is completely satisfied with Granicus products and services. Granicus staff is **available to the City 24hrs a day**, 365 days a year, via the contact info below.

Direct (8:00am to 6:00pm Pacific time): 415-357-3618
Toll Free (8:00am to 6:00pm Pacific time): 877-889-5495
Site: www.granicus.com
Email: support@granicus.com

Monitoring

As part of the City's Managed Services Granicus will **continually monitor, on a 24/7 basis**, all the software and hardware included in your solution. Should any malfunction appear, Granicus will immediately notify the City and proceed to resolve the issue. Granicus is committed to repair or replace any non-functioning hardware, provided directly from Granicus, within 24 hours for up to 3 years.

Software Upgrades

Granicus provides its software as a "**Lifetime License**", and all software upgrades are included as part of your Managed Services program. This includes both the rights to use the upgraded software and any services required as part of the upgrade process.

Bandwidth and Storage

Through Granicus Managed Services we will provide all of the bandwidth and storage necessary to utilize your solution. The Granicus Managed Services plan includes "**Unlimited Bandwidth**" for streaming the City's live and on-demand content over the Internet through the Granicus Media Center™.

The Granicus Managed Services base plan also includes **12 months of archiving for all public meetings** and 50 hours or 7 Gigabytes of storage for additional content at the Granicus Media Center™.

Project Implementation Timeline

Granicus is pleased to begin a promising and successful relationship with The City of Costa Mesa. To begin the process, we have outlined a timeline to ensure the efficient and organized implementation of your Granicus solution. Granicus guarantees a 30-day implementation period, which begins the day the service contract and initial fees are received.

Project Task	Date
Client delivers signed proposal and service contract to Granicus	Pre Kick-Off
Full purchase order is issued by the Client	Pre Kick-Off
Project Kick-Off	Week 1
Installation project plan completed by Granicus & Client	Week 1
Hardware built, configured and tested	Week 2
Granicus in conjunction with the Client's Webmaster will complete the website Integration	Week 2
All Onsite Installations Completed	Week 3
Training Completed	Week 4
Client completes two-day solution testing and final implementation sign off	Week 4
Go-Live: Client releases remaining project funds to Granicus	Week 4

Unless otherwise stated in a program announcement or solicitation, this signed and accepted proposal must be received by 10/15/2006.

Sign to accept proposal.
Return to representative or:

The City of Costa Mesa

Client Signature: _____

Date: _____

Granicus, Inc.
568 Howard St, 3rd Floor
San Francisco, CA 94105

Granicus, Inc.

Signature: _____

Date: _____

Professional Services Description

Configuration:

Configuration of Granicus hardware includes the assembly of all server and encoder components. Base operating systems are installed on Granicus or client supplied hardware. The hardware and software is optimized for streaming media applications. Granicus software is then installed and initial configuration and testing is performed.

Web Site Integration:

Web site integration includes incorporating the public components of the Granicus Media Management™ software into the client's website, matching the look and feel, and integrating the navigation. This service also includes the custom design of a client specific pop-up video player, or skin, and a custom agenda parser to increase indexing quality and efficiency. In addition, our MinutesMaker feature can be customized to provide automatic generation of cross-linked meeting minutes to meet your specific needs.

Onsite Installation & Training:

Onsite installation of hardware at client's location includes configuration of: analog audio and video feeds to the encoder, Internet and LAN connectivity, configuration of firewalls and proxies, all hardware with power and backup power supplies, and final system configuration with the Granicus Media Center. Once the system is up and running Granicus' engineers finish the setup by tuning the audio and video remotely. A training session concludes the onsite visit.

Once the system is installed, our engineers will remotely monitor your equipment to assure that it is continually operating to original specifications.

Granicus MediaManager™ Software

Granicus MediaManager™ consists of proprietary web-based software tools designed to efficiently organize and manage your streaming content. These tools put the control of broadcast activity, user account management, live event management, and usage reporting in your hands.

The software has been broken up into four segments to meet the unique needs for a variety of local government agencies. These three components are: 1) Media Manager™ - Basic, 2) MediaManager™ - Enterprise, and 3) MediaManager™, - MinutesMaker. Each of these components are described in detail below. MediaManager™ - Basic is the foundation technology of every solution and is required before adding the Enterprise or MinutesMaker software modules.

MediaManager™ Basic

Public Site:

Our solution includes several pages for your Internet users to access on-demand media and live broadcasts. Users will use these pre-built pages to search out specific footage, and jump to specific events within your audio/video archive. The Granicus solution also allows for a key word search based on all of the index points associated with the City's complete library of video archives. This functionality substantially increases the convenience of access to and use of meeting archives. Around these core pages you can instantly control user access using a registration and log in system. All public web pages are seamlessly integrated into your current website, so that the look and feel of your site remains consistent. The MediaManager - Basic software license allows for one custom build archiving listing page, and one video skin. By adding MediaManager™ - Enterprise you will the ability to create and customize an unlimited number of public pages by utilizing our templates and views tools. See MediaManager™ - Enterprise for more information.

Protected Administration Site:

As a client of Granicus, you will have access to a web based administrative site that will allow you to create and manage archives, schedule and index live events, link documents and minutes of meeting to the video, view real time usage reporting, and configure content distribution. You will also have access to a series of video editing tools that can be used to enhance your on-demand content once it has been broadcasted or encoded.

- **Media Acquisition tools** give you the ability to add audio and video content to your content library from a variety of sources. Utilizing the Granicus Outcast™ encoder, live events can be simultaneously broadcast and archived to the library easily and directly through the live event manager. During a broadcast you can add times stamped data, such as agenda item indices or slides, allowing you to create rich multimedia presentations. You are also given a simple media import tool that can be used to import any pre-encoded content from your desktop into your archive listing. Finally, the Granicus Outcast™ encoder, which is included with MediaManager™ - Basic, can be used to encode your analog video by replacing the live signal with that of a standard video playback device such as a standard VCR or DVD player. In this scenario, the same capture tools for managing a live broadcast can be used to make your valued offline content available online. Granicus also offers in house from encoding from VHS or DVD as part of our professional services.
- **Automatic Live Event Scheduler and Archive Publishing** - Live events, such as City Supervisors meetings, can be easily scheduled to be both broadcast live and archive through the Granicus Live Event Manager. By utilizing this tool, the City will not require staff time or technical assistance to start, stop or archive their live events. Archives are automatically transferred from the Granicus OutCast™ encoder to the Granicus

MediaCenter™ and automatically published the City's web site. These features substantially decrease the need for staff time to manage content creation and publishing to the City's web site.

- **Media Clip Administration** provides clients the tools to create, edit, delete, index, trim and merge digital video clips. Once the media is in the archive library you can utilize indexing tools that allow you to set multiple "Jump To" points into the video, providing your end user the ability to easily navigate your streaming content. Various other editing and organizational tools allow you to modify your archives and add to the searchable Meta data associated with each archive.
- **Meeting Agenda Parser** allows the City to index its video archives based on agenda item titles, by automatically pulling the agenda item titles and descriptions from the City's agenda and loading them into the Granicus MediaManager™. These agenda item titles are then loaded into the live event manager, which allows you to index your video in real time by simply clicking on an agenda item title and pressing enter when the council or board begins discussing that issue. Other solutions, if they offer indexing, force you to manually retype and load the text for each agenda item. The Agenda Parser feature assures quality indexing and substantially decreases the staff time need to create indices.
- **Searchable Indexes** - Audio and Video archives, which are viewable over the Internet, can be easily indexed with multiple jump points through the Granicus MediaManager™ software. These indexes allow users to jump directly to the specific point in the City's audio/video archive. The Granicus solution also allows for a key word search based on all of the index points associated with the City's complete library of video archives. For example a key word search on "Water" will return to the user a direct link to all of the audio/video archives, which discuss water usage in the City. This functionality substantially increases the convenience of access to meeting archives.
- **Searchable Closed Captioning** - The Granicus solution supports the use of closed captioning, and the association of the captioning with the streaming media. Captions are viewable during live and archived streaming for full ADA compliance. For archived meetings the captions can also be searched by key words allowing the user to jump to the appropriate point in the video archive. In addition captions can also be used to create a transcript for a particular agenda item through the Granicus MediaManager™ Software.
- **Document Management** enables documents to be manually loaded and linked to video archives and directly associated to the appropriate agenda items, resulting in a searchable archive that includes both the audio/video record of your meeting and the staff reports or other documents that were used during the meeting. Cross-linking documents and audio/video archives provide the most comprehensive records archive system available. To improve the efficiency of integrating and linking your meeting documents with your meeting audio / video see the Document management Integration option included with MinutesLinker™.
- **CD Download with Indexing** - Audio/Video Archives can be quickly downloaded and burned to CD by any administrator of the Granicus solution. The CD download also includes the agenda item indexing information so users of the CD can still jump directly to the agenda items they are interested in. This tool conveniently provides offline copies of your meetings for those citizens without Internet access.
- **Media Delivery** subsystems, such as the Granicus StreamReplicator™ and MediaVault™, maximize your existing infrastructure investment by allowing you to deliver content using local storage and bandwidth when appropriate. These systems function transparently as

part of the Granicus solution, and complement the robust delivery architecture at the Granicus MediaCenter™. No special training is required to operate these devices as they function autonomously and are controlled by Granicus MediaManager™ software.

- **Summary Reports** provide you with detailed usage reports concerning: streaming requests, average user bandwidth, outbound bandwidth, content popularity, and media storage usage.

MediaManager™ - Enterprise

- **User/Group Administration** provides clients with the tools to set login and registration requirements and create new user accounts. Tools are also provided to manage and utilize the account information for registered users and export valid e-mail addresses into a quick mailing list. Most importantly, the group management tools allow you to categorize your media library, automatically limiting a users access to those clips that you specifically made available to them. By creating group administrators who control certain clips and managing users accounts, you can distribute the responsibility of managing your media library.
- **Access Control** - Access control for content and groups of content allows you to define exactly who can access what content and from where. Access control can be based on IP address, username/password or both.
- **Complete Template Language** - The Granicus MediaManager™ software uses a tag-based template language to display all published content. This allows you to finely control the look and feel of your video and video-related pages, and does not restrict your layout like a header/footer based publishing system would. By utilizing the Granicus MediaManager™ - Enterprise license you can create and edit an unlimited number of publishing templates. These templates can be easily managed through our HTML editor by your webmaster.
- **Views System** - The views system is the counterpart to the template language. The Granicus MediaManager™ software allows you to publish video archives and a list of upcoming live broadcast to the web by creating views. To create a view you simply select the appropriate template and specific content you would like to have published. For example, a City may want to publish all of its City Council archives and the upcoming live broadcast of the City Council meeting on one webpage. To do this simply select the City Council archive folder and City Council event and then select the appropriate template. This will generate an HTML webpage with the appropriate look and feel and content. Link this page into your existing website and your ready to go.

Granicus MediaCenter™ - Content Management and Delivery

To deliver reliable, high-quality audio and video content over the Internet you must have a secure and scalable distribution facility able to support hundreds or thousands of concurrent users; with this as our goal we created the Granicus MediaCenter™. The Granicus MediaCenter™ enables us to store and distribute your content over the Internet to ensure your audience consistently receives a high quality stream.

How it Works

The Granicus MediaCenter™ is the core of all Granicus Internet broadcast solutions. This secure and reliable facility stores and distributes rich-media events to the public over the Internet. Live streams are encoded at your location and one stream is sent to our streaming servers at the Granicus MediaCenter™. Archive files can also be uploaded directly to our servers. Your streaming content will be available through your web site, but the Granicus MediaCenter™ handles all requests for both live and archived streams. The only streaming that will travel over your network is the one stream per source, you are sending to the Granicus MediaCenter™.

The Granicus MediaCenter™ is well equipped to handle all of your streaming needs. It has direct redundant Internet connectivity at optical wavelength speeds to a variety of major Internet backbone providers, including Qwest Communications, SBC/Pacific Bell and others.

In addition to providing standard Internet Data Center power facilities the Granicus MediaCenter™ has the significant added benefit of being a Designated Block 50 facility, allowing the facility to be exempt from rolling blackouts.

MediaCenter™ Features:

- Flexible Storage Programs
- Flexible Distribution Programs
- 24/7 System Support
- Redundant Storage
- Redundant Network Connections

Granicus Outcast™ Encoder - Feature Rich Encoding

The Granicus Outcast encoder coupled with the Granicus MediaManager™ Software makes live streaming and archiving a simple and hands off process. Most encoders simply convert an audio video signal into a digital format that can be used for streaming; the Granicus Outcast™ does much more. Using the Granicus Outcast™ with your Granicus solution allows for live event scheduling, automatic web publishing, live indexing, slides, closed captioning, and automatic archiving and file transfer to distribution servers



How it Works

The Outcast™ Encoder integrates with the web-based Granicus MediaManager™ software and transfers live broadcasts to the Granicus MediaCenter™ in real time. The Granicus MediaCenter™ then duplicates and distributes your high quality audio and video content to the audience requesting the content.

While broadcasting a live event, the on-site Granicus Outcast™ Encoder can also archive your broadcasts for on-demand viewing later. Once your broadcast is complete, the encoded event is automatically transferred to the Granicus MediaCenter™ where our suite of streaming media tools is accessible for editing, management and publishing functions.

Outcast™ Encoder Features:

- Live & Scheduled Broadcast Control
- Automatic Archiving
- Multiple Bit Rate Support
- Automated Broadcast and Archive Publishing
- Live event management: Indexing, Slides, and Closed Caption

Granicus StreamReplicator™ - Intranet Stream Delivery

To deliver a live broadcast to a large audience inside your network without exorbitant bandwidth costs, a single encoder is not enough. The Granicus StreamReplicator™ allows you to replicate and redistribute live streams efficiently within a private network using multicast technology.



How it Works

The Granicus StreamReplicator™ replicates live broadcasts to viewers within your network. It delivers broadcast quality audio and video while minimizing bandwidth use and costs. Its multicast technology allows hundreds of concurrent viewers to watch what your network sees as a single live broadcast stream.

StreamReplicator™ Features:

- Broadcasts Multicast Live Events
- Broadcasts Unicast Live Events

Granicus MediaVault™ - Large Archives at Low Cost

An audio/video archive requires storage, management and delivery. The Granicus MediaVault™ provides long-term storage and management while maximizing the use of your existing broadband connectivity. The result: long term storage and content distribution at a drastic cost savings.



How it Works

The Granicus MediaVault™ integrates with the Granicus MediaCenter™ and transfers archived video to local storage. When archived video is requested, the MediaVault™ takes the place of the Granicus MediaCenter™ and delivers content directly from your location on your network. Should demand for archived content increase beyond your capacity, content can be transferred back to the MediaCenter™ with a click of a button. As a result, the Granicus MediaVault™ provides a superior solution for creating a digital library or records retention system.

MediaVault™ Features:

- RAID 5 Redundant Storage
- Capacity for up to 18,000 Hours of Content (2.12 years)
- Serves Content on LAN/WAN
- Simple Migration Tools