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PURCHASE AND SOFTWARE LICENSE AGREEMENT

System Innovators, Inc., whose corporate address is 10550 Deerwood Park Blvd., Suite 700, Jacksonville, FL 32256 ("System Innovators") and the City of Peoria, AZ whose address is 8401 W Monroe, Peoria, AZ 85345 ("Customer") agree that this Purchase and Software License Agreement ("Agreement") entered into this ____ day of May, 2005 ("Effective Date") governs the sale of computer equipment and related peripherals and supplies ("Hardware"), the provision of professional consulting, programming, installation, support and training services ("Services"), and the licensing of computer software and related documentation ("Software") by System Innovators to Customer.

1. Purchase Orders. Customer purchase orders, as may be issued from time to time and accepted by System Innovators, shall be treated as Exhibits to this Agreement.

2. Acceptance. Hardware and Software shall be deemed Accepted by Customer upon (a) receipt of Hardware and/or Software and (b) delivery of a signed acceptance statement to System Innovators.

3. Covered Hardware. The hardware covered by Hardware Support Services in this Agreement ("Covered Hardware") is computer hardware and related peripheral equipment listed in Exhibit 3, Covered Hardware.

4. Covered Software. The software covered by Software Support Services in this Agreement ("Covered Software") is computer software and related documentation licensed to the Customer and listed in Exhibit 4, Covered Software.

5. Hardware Support Services. (a) System Innovators will provide the following services under this Agreement ("Hardware Support Services") for the Covered Hardware: (i) Help desk support including technical assistance by telephone, Internet, modem, fax service and/or courier; (ii) Determination of hardware failures through telephone consultation with the Customer, (iii) Shipment of replacement Hardware, when deemed necessary by System Innovators, from System Innovators to Customer's location by courier service, (iv) Preventative maintenance services deemed appropriate by System Innovators; (v) Preparation of shipping labels and instructions for Customer to return failed hardware in the same box that replacement Hardware arrives in, to System Innovators collect, (vi) Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services, and (vii) Toll free phone service for incoming telephone calls.

(b) The following services are specifically excluded from Hardware Support Services: (i) Electrical work external to the affected Hardware; (ii) Repair of damage resulting from vandalism, disaster, transportation, misuse, accident, modification, electrical damage, improper installation or repair or attempt to repair of the affected Hardware by any person not authorized by System Innovators; (iii) Furnishing expendable supplies (such as paper and ribbons); (iv) Painting or refinishing the affected Hardware; (v) Relocation or reinstallation of the affected Hardware or the addition or removal of any attachments, enhancements, or other hardware accessories; (vii) Changes or repairs to Hardware not covered under this Agreement. Such services, if requested by the Customer, may be provided by System Innovators for additional charges.

6. Software Support Services. (a) System Innovators will provide the following services under this Agreement ("Software Support Services") for the Covered Software: (i) Help desk support including technical assistance by telephone, Internet, modem, fax service and/or courier; (ii) Correction of errors or deficiencies in licensed modules of System Innovators Software; (iii) Maintenance of customized source code at System Innovators office for access by System Innovators personnel; (iv) New releases of licensed System Innovators Software modules and documentation, as available; (v) Off-site backup of customized source code; (vi) Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services; (vii) Toll-free phone service for incoming phone calls; and (viii) Postage and freight charges associated with the delivery of

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System Innovators software and documentation updates. Upon acceptance, City of Peoria shall receive copy of source code.

(b) The following services are specifically excluded from Software Support Services: (i) Programming services relating to customized enhancement of existing programs or the creation of new programs; (ii) Classroom training services; and (iii) Supporting any software not covered under this Agreement. Such services, if requested by the Customer, may be provided by System Innovators for additional charges.

7. Customer Responsibilities. Customer's responsibilities under this Agreement include: (i) Providing a suitable environment for the Hardware, as specified in the manufacturer's product literature and as specified by System Innovators in any written instructions to Customer; (ii) Installing all required communication network hardware and software; (iii) Ensuring the proper training for Customer staff involved with the Hardware, Software and Services (iv) Explaining software requirements to System Innovators personnel and providing copies of data on printed materials and/or magnetic storage media that may assist System Innovators in providing Services; (v) Informing System Innovators of changes in related hardware and software and their configuration; (vi) Backing up, removing, and protecting, as applicable, data and removable storage media contained in failing Hardware sent to System Innovators; and (vii) Removing and controlling any currency or other funds from Hardware before System Innovators provides Support Services.

8. Support Period. (a) The initial Support Period shall begin upon acceptance of this Agreement and shall end one year after the first Acceptance of Software. New Support Periods shall automatically begin at the end of each previous Support Period and end one year later unless: (i) either party gives written notice of non-renewal to the other party at least 30 days prior to the expiration of the Support Period or any renewal thereof; or (ii) the Agreement is terminated according to the terms of this Agreement.

(b) Hardware Support Services and Software Support Services (collectively, the "Support Services") will be provided during the Support Period from 8 A.M. to 8 P.M. Eastern Standard Time or Eastern Daylight Savings Time, whichever is in effect in Jacksonville, Florida, Monday through Friday, excluding nationally recognized holidays (Support Hours). System Innovators shall respond to support calls within four (4) business hours.

9. Delivery and Risk of Loss. All Hardware and Software sold or licensed to Customer is shipped at Customer's expense. Customer assumes the risk of loss for Hardware and Software upon delivery.

10. Prices. (a) System Innovators charges for Hardware, Software licenses and Services are specified in the Exhibits of this Agreement. The prices set forth in such Exhibits are exclusive of and Customer agrees to pay: (a) shipping charges where not specifically covered; (b) System Innovators time and material charges plus travel and living expenses per the Federal per diem rates shown in attachment, for additional Services requested by Customer; and (c) all taxes, including sales taxes, (however designated) paid or payable by System Innovators (exclusive of taxes based on System Innovators net income) for Hardware, Services and Software licenses provided hereunder. Customer agrees to support any claim for tax exemption for purchases hereunder by providing System Innovators with a copy of the applicable tax exemption certificate prior to delivery. The City of Peoria request that System Innovator's personnel are housed in City limits during their stay. Arizona Federal per diem rates can be viewed at <http://policyworks.gov/org/main/mt/homepage/mt/perdiem/perdiem.cfm?st=ARIZONA&yr=2005>

(b) System Innovators may increase or decrease prices for Hardware Support Services and/or Software Support Services to be effective at the beginning of any renewal of a Support Period by providing Customer written notice of such change at least 60 days prior to such renewal. Support Services price increase shall be as described in Exhibit 1, Item (9). System Innovators may change hourly rates for Services authorized by the Customer but not specifically listed in this Agreement by providing written notice of such change at least 60 days prior to performing such Services.

(c) The License for Software and Services entitles Customer to process a defined number of payments per year ("Authorized Annual Payment Quantity") through defined collection sources ("Authorized Collection Sources") on a defined number of production servers ("Authorized Number of Production Servers") as listed in Exhibit 1 of this Agreement. Customer agrees to amend this Agreement and pay additional license fees before exceeding the Authorized Annual Payment Quantity, the Authorized Collection Sources and/or the Authorized Number of Production Servers.

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11. Payment Schedule and Terms.

(a) Customer shall pay System Innovators ten percent (10%) of RevenueCollector Enterprise License fee (\$14,750) upon execution of this Agreement and as invoiced by System Innovators.

(b) Customer shall pay System Innovators twenty-five percent (25%) of the RevenueCollector Enterprise License fee (\$36,875) upon acceptance of the Implementation Document, including functional requirements and design documents, and as invoiced by System Innovators.

(c) Customer shall pay System Innovators for professional services associated with the Implementation Document (\$20,640) upon acceptance of the Implementation Document, including functional requirements and design documents, and as invoiced by System Innovators.

(d) Customer shall pay System Innovators twenty-five percent (25%) of RevenueCollector Enterprise License fee (\$36,875) upon delivery and Acceptance of customized software and as invoiced by System Innovators.

(e) Customer shall pay System Innovators for professional services associated with the development of the Sales Tax System interface (\$14,320) upon delivery and Acceptance of the interface, and as invoiced by System Innovators.

(f) Customer shall pay System Innovators for professional services associated with the development of the flat file interface for PeopleSoft G/L System (\$7,160) upon delivery and Acceptance of the interface, and as invoiced by System Innovators.

(g) Customer shall pay System Innovators for professional services associated with the development of the Utility Billing interface for the Harris NorthStar System (\$14,320) upon delivery and Acceptance of the interface, and as invoiced by System Innovators.

(h) Customer shall pay System Innovators for professional services associated with the development of a Miscellaneous Receivables interface for the Harris System (\$7,160), if requested by the Customer, upon delivery and Acceptance of the interface, and as invoiced by System Innovators.

(i) Customer shall pay System Innovators for System Training in Jacksonville, Florida (\$5,995) upon completion of the training, and as invoiced by System Innovators.

(j) Customer shall pay System Innovators for professional services associated with installation and acceptance testing (\$7,160) upon completion of the installation and testing services, and as invoiced by System Innovators.

(k) Customer shall pay System Innovators for on-site end user training (\$5,728) upon completion of the training, and as invoiced by System Innovators.

(l) Customer shall pay System Innovators for on-site production assistance (\$14,320) upon completion of the production assistance services, and as invoiced by System Innovators.

(m) Customer shall pay System Innovators for on-site retraining services (\$7,160) upon completion of the training, and as invoiced by System Innovators.

(n) Customer shall pay System Innovators forty percent (40%) of the RevenueCollector Enterprise License fee (\$59,000) upon acceptance of customized Software and completion of all deliverables including those identified and outstanding at cutover/go live, and as invoiced by System Innovators.

(o) Customer shall pay System Innovators the total price for all Hardware and third-party Software licenses specified in this Agreement, as amended, upon delivery of Hardware and third-party Software to the Customer and as invoiced by System Innovators.

(p) Customer shall pay System Innovators the total fee for Hardware Support Services and Software Support Services in advance of each Support Period as invoiced by System Innovators. The first Support

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Period for Hardware Support Services begins upon Acceptance of Hardware. The first fee based Support Period for Software Support Services begins one year after Acceptance of Software.

(q) Customer shall pay System Innovators for all other authorized charges (e.g.: travel expenses,) as provided and as invoiced by System Innovators as specified in RFP.

(r) City shall pay invoices within 30 days of receipt.

12. Title. System Innovators shall own all rights, title and interest in and to the Software (including copyright, trade secret, patent, trademark and other proprietary rights) including all customizations, enhancements, modifications, improvements, derivations or other changes thereto, whether made by System Innovators, Customer, or jointly by System Innovators and Customer. Any copies of the Software, in whole or in part, which are made hereunder, shall also remain the sole property of System Innovators. Reports created by Customer may be shared with other cities or governmental entities.

13. License. System Innovators grants Customer, subject to the terms and conditions of this Agreement, a perpetual, nontransferable, non-exclusive license to use the System Innovators Software for its own internal business purposes.

14. Term. This Agreement shall commence on the Effective Date and shall remain in force until terminated according to the provisions of this Agreement.

15. Use and Copying Restrictions. (a) Customer understands that the System Innovators Software provided under this Agreement contains trade secrets and proprietary information belonging to System Innovators. Customer agrees to hold the System Innovators Software in trust and confidence and will safeguard the System Innovators Software to the same extent that Customer safeguards other trade secret information related to its business.

(b) Customer further agrees not to directly or indirectly disclose, display, provide, transfer or otherwise make available all or any part of the source code for System Innovators Software to any person or entity other than (i) System Innovators employees or (ii) Customer's employees or agents that need to work with the source code, without prior written consent of System Innovators.

(c) Customer further agrees not to sell, assign, lease, license, or in any manner encumber, pledge, convey, or transfer the Software or any interest therein.

16. Warranties. System Innovators warrants that the System Innovators Software will conform to System Innovators supplied specifications and documentation, as periodically revised, from the Effective Date to one (1) year after the first Acceptance of the System Innovators Software, provided no changes, modifications or enhancements have been made to the System Innovators Software by Customer or third parties. System Innovators also warrants that the System Innovators Software will meet Customer requirements documented in the accepted Implementation Plan, functional requirements and design documents and be fit for the purposes documented in the accepted Implementation Plan, functional requirements and design documents, from the Effective Date to one (1) year after the first Acceptance of the System Innovators Software. System Innovators will use its reasonable efforts to correct or repair any defects in the System Innovators Software; provided, however, that such defect is reported to System Innovators in writing within the warranty period. System Innovators does not warrant that the operation of the System Innovators Software will be uninterrupted or error free.

17. Termination. (a) Either party may terminate this Agreement upon written notice to the other if: (i) a material violation of this Agreement by the other party is not remedied within thirty (30) days after notice of violation; or (ii) any representation or warranty made by the other party shall prove to have been false or fraudulent in any material respect as of the date the same was made; or (iii) the other party admits in writing its inability to pay its debts generally as they become due, or executes an assignment for the benefit of creditors or similar document; or (iv) a receiver, trustee in bankruptcy or similar officer is appointed for the other party's property.

(b) Customer may terminate this Agreement for any reason by providing written notice to System Innovators documenting the reason(s). If the reason(s) for termination include System Innovators failure to honor the warranty defined in paragraph 16 above, Customer may return all Software and Hardware provided by System Innovators and System Innovators will refund to Customer all monies paid to System Innovators for the returned Software and Hardware.

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(c) Termination shall not exclude other remedies for failure of a party to perform its obligations.

(d) Upon termination of this Agreement, each party shall promptly return to the other any and all personal property of the other held by such party and shall provide a certificate to the other party to the effect that it has delivered to the other party all property belonging to the other party and has retained no duplicates or copies of any such property.

18. Patent and Copyright Indemnification. (a) System Innovators shall indemnify and hold harmless Customer from and against any claims, including reasonable legal fees and expenses, based upon infringement of any United States copyright or patent by System Innovators Software. System Innovators shall defend or settle any suit or proceeding brought against Customer by a third party arising out of, or relating to, Customer's own internal use of the Software provided that System Innovators is given prompt written notice of such claim and is given information, reasonable assistance and sole authority to defend or settle the claim.

(b) System Innovators, at its option, may obtain for Customer the right to continue using or to replace or modify the Software involved so it becomes non-infringing; or if such remedies are not reasonably available, grant Customer a credit for the full price of the Software involved and accept its return.

(c) System Innovators shall have no obligation under this Section if the alleged infringement or violation is based upon the use of the Software in combination with other hardware or software not furnished by System Innovators or if such a claim arises from Customer's modification of the Software.

19. Limitation of Actions and Liability. (a) Neither party shall be liable for any failure of or delay in performance of its obligations under this Agreement to the extent such failure or delay is due to circumstances beyond its reasonable control.

(b) The parties agree that no action may be instituted hereunder more than one (1) year after the cause of action accrued or should have been discovered by reasonable due diligence.

(c) Neither party shall be liable for special, indirect, incidental or consequential damages, whether arising from contract or negligence. In any event, System Innovators liability for damages under any theory of liability or form of action shall not exceed the total amount paid by Customer to System Innovators under this Agreement.

20. Notice. All notices under this Agreement are to be delivered by (i) registered mail, return receipt requested, to the parties at the respective addresses set forth above or to such other addresses as the party to receive the notice has designated, (ii) fax to the parties using a telephone number as the party to receive the fax has designated, provided a fax acknowledgment is received by the sending party, (iii) delivery service to the parties at the respective addresses set forth above or to such other address as the party to receive the notice has designated, or (iv) hand delivery to an individual designated by the receiving party. The notice shall be deemed delivered (i) if by registered mail, four (4) days after the notice's deposit in the mail, (ii) if by fax, on the date the notice is delivered, (iii) if by delivery service, on the day of delivery, and (iv) if by hand delivery, on the date of hand delivery.

21. Governing Law. This Agreement shall be governed by and construed under the laws of the state of the Customer.

22. Other Provisions. (a) The scope of any Services provided under this Agreement other than Support Services and any Customer obligations related to such Services will be documented and attached as an Exhibit to this Agreement.

(b) If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.

(c) The failure by any party to exercise any right provided for herein shall not be deemed a waiver of any right hereunder.

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(d) Customer may not sell, assign, transfer, lease, sub-license or otherwise convey any of its rights (or delegate any of its duties) under this Agreement, including the System Innovators Software license granted herein, without the prior written consent of System Innovators.

(e) This Agreement may not be modified, altered or amended except by written instrument duly executed by both parties.

(f) Both parties acknowledge receipt of the documents listed below and consent to their incorporation into and attachment to this Agreement as the indicated Exhibit number.

<u>Exhibit Number</u>	<u>Document Title</u>
1	Hardware, Software and Service Description and Pricing Schedule
2	Scope of Services
3	Covered Hardware
4	Covered Software
5	RFP and System Innovators Response to RFP
6	System Innovators Response to Technical Questions

AGREED:

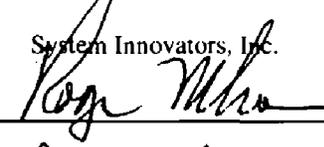
"CUSTOMER"

City of Peoria, AZ

By: 
 Name: Terrence L. Ellis
 Title: City Manager

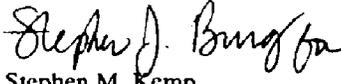
"SYSTEM INNOVATORS"

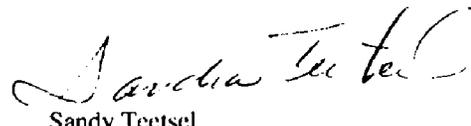
System Innovators, Inc.

By: 
 Name: ROBERT NELSON
 Title: PRESIDENT & CEO

By: 
 Name: Mary Jo Kief
 Title: City Clerk



By: 
 Name: Stephen M. Kemp
 Title: City Attorney

By: 
 Name: Sandy Teetsel
 Title: Chief Technology Officer

By: 
 Name: Herman Koebergen
 Title: Materials Manager

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EXHIBIT "1"

HARDWARE, SOFTWARE AND SERVICE DESCRIPTION AND PRICING SCHEDULE

I. LIST OF HARDWARE, SOFTWARE AND SERVICES TO BE PURCHASED BY CUSTOMER FROM SYSTEM INNOVATORS:

Qty	Component Description	Component Investment Each	Component Investment Total
RevenueCollector™ APPLICATION SOFTWARE & SERVICES			
1	RevenueCollector Enterprise License (up to 750,000 receipts annually) ⁽¹⁾	\$147,500.	\$147,500.
1	Harris NorthStar Utility Billing System Interface (Inquiry and Update) ⁽²⁾	14,320.	14,320.
1	Sales Tax System Interface (XML Inquiry and Update) ⁽²⁾	14,320.	14,320.
1	Flat file for PeopleSoft G/L System ⁽²⁾	7,160.	7,160.
1	Misc. Receivables Interface (XML Inquiry and Update)(optional) ⁽²⁾	7,160.	7,160.
1	Verisign Credit Card/Signature Debit Card Authorization Interface ⁽²⁾	0.	0.
1	Implementation Planning, Functional Requirements and Design Documents ⁽³⁾	20,640.	20,640.
	System Training in Jacksonville, Florida ⁽⁴⁾	5,995.	5,995.
1	On-site Installation Services ⁽⁵⁾	7,160.	7,160.
4	On-site End User Training (per day) ⁽⁶⁾	1,432.	5,728.
10	On-site Production Assistance (per day) ⁽⁷⁾	1,432.	14,320.
5	On-site Retraining (per day) ⁽⁷⁾	1,432.	7,160.
15	Travel & Accommodations ⁽⁸⁾	500.	7,500.
1	RevenueCollector Software Support First Year ⁽⁹⁾	Included.	0.
RevenueCollector Application Software & Services Investment:			\$258,963.

Footnotes To Investment Schedule

(1) The Enterprise License includes the right to use RevenueCollector and **CASHIER for Windows®** on any number of workstations to collect payments using the collection sources identified below. The investment for an Enterprise License is based on the quantity of payments processed through RevenueCollector on an annual basis, servers installed, interfaces to other computer systems and collection sources (WEB, IVR, over the counter, etc). The investment shown allows up to 750,000 receipts per year and the following collection sources.

- A) Over the counter (**CASHIER for Windows**)
- B) IVR
- C) Remittance Processor File Import
- D) Web

(2) The following server based interfaces are included in this proposal. A total of 240 hours of customization services have been estimated and included in this proposal to interface the following systems. These are NOT TO EXCEED estimates and only the actual hours and costs are billed.

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Harris NorthStar Utility Billing System Interface (80 Software Engineering hours)

RevenueCollector will interface with the Utility Billing system via xml and perform real time inquiry and update for accounts being paid. This interface assumes Harris will provide the xml necessary to access the tables associated with the chosen system. This is a NOT TO EXCEED estimate and only the actual hours required will be billed.

Sales Tax System Interface (80 Software Engineering hours)

RevenueCollector will interface with the Tax Mantra system via xml and perform real time inquiry and update for accounts being paid. This interface assumes the CIS vendor will provide the xml necessary to access the associated Tax Mantra tables. This is a NOT TO EXCEED estimate and only the actual hours required will be billed.

Summary PeopleSoft G/L File (40 Software Engineering hours)

RevenueCollector will be customized to generate a summary G/L file with Header, Detail and Trailer records at the end of each processing day. This file will conform to the layout requirements of the G/L system identified by the City. This file will be imported by the City into the G/L system through the G/L systems user interface.

Miscellaneous Receivables Interface (40 Software Engineering hours)

RevenueCollector may be interfaced with a separate Miscellaneous Receivables system via xml and perform real time inquiry and update for accounts being paid. This interface assumes Harris will provide the xml necessary to access the tables associated with this system. This is a NOT TO EXCEED estimate and only the actual hours required will be billed.

Verisign Credit Card/Signature Debit Card Authorization Interface (No Charge)

RevenueCollector will be customized to interface with Verisign authorization services through web services. This interface will support credit card authorization and signature debit card authorization for Over-the-Counter, IVR and Web payments.

- (3) System Innovators staff is assigned to the project to assess requirements (32 hours), prepare the functional specifications from which the system will be designed (56 hours) and plan the implementation and manage the project (60 hours). (148 hours). These are not to exceed estimates and only the actual hours and costs are billed.
- (4) 4 days of system training at System Innovators' office- this class includes introduction to system modules for eight (8) students not including travel and accommodations, and is a continuation of the discussion of the needs of your organization for inclusion in the Implementation Document. System Training may be conducted on-site for an additional fee of \$2,000.
- (5) This includes installation of a test workstation, scanners, etc and unit and system testing of all base and custom features. A software engineer will be on-site to direct, guide and ultimately be responsible for the successful installation of RevenueCollector per the Statement of Work's Acceptance Testing.
- (6) System Innovators suggests End-User training be performed as close to the production date as possible. Each class can consist of up to 8 students for a total of 16 students. Each cashier requires one day of end-user training. This shall include 2 two-day training sessions.
- (7) System Innovators staff will be on-site up to 10 days when system goes into production to provide any support during the transition to CASHIER for Windows and RevenueCollector. System Innovators staff will also be on-site up to 5 additional days to provide retraining services as required. These are not to exceed estimates and only the actual hours and costs are billed.
- (8) This includes all System Innovators staff travel, accommodations and meal expenses for the various phases. Only actual expenses are billed. Requirements outside of this scope, including additional customized system interfaces are available at the then current hourly rate for such services plus expenses. The current rates for such services are: Consultant \$215/hour, Engineer/Training/Programmer \$179/hour
- (9) **RevenueCollector Maintenance and Support Services are provided at no additional charge during the first year following acceptance of the system (the warranty period).** Software Maintenance and Support services for the first year following the warranty period are offered for a fee of \$26,500 plus \$500 for each interface for a maintenance total of \$28,000 beginning year two. Support Services fees shall not increase more than 5% per year for years three, four and five.

PERIPHERAL HARDWARE/THIRD PARTY SOFTWARE			
8	Axiohm A721, Receipt, Slip, Journal Printer ⁽¹⁾	\$999.	7,992.
7	Scan Corporation Model 5133 OCR Reader w/short slot and mag stripe ⁽²⁾	\$2,155.	15,085.
7	Indiana Cash Drawer ⁽³⁾	\$285.	1,995.
1	Scan Corporation Model 5133 OCR Reader Manual	\$80.	80.
3	Crystal Report Pro 9.0 ⁽⁴⁾	\$395.	1,185.
8	Hardware Support for Axiohm, (first year) ⁽⁵⁾	\$270.	2,160.
7	Hardware Support for Scan Corporation OCR Reader (first year) ⁽⁵⁾	\$290.	2,030.
7	Hardware Support for Cash Drawer (first year) ⁽⁵⁾	\$75.	525.
1	Freight F.O.B. Destination (estimate)	\$75.	75.
Peripheral Hardware & Third Party Software Investment :			\$31,127.

Footnotes To Peripheral Investment Schedule

- (1) The Axiohm A721 Receipt, Journal Printer includes 1 ribbon, 1 roll of paper and a parallel interface cable.
- (2) The Scan Corporation Model 5133 OCR reader includes a standard OCR reader slot capable of reading OCR-A, OCR-B, MICR and Barcode. This unit has an integrated magnetic strip reader for reading credit cards. The serial interface cable required is included.
- (3) The Indiana Cash Drawer includes a locking cash till and cable to connect to the receipt printer.
- (4) Crystal Report Pro 9.0 is proposed for ad hoc report writing capabilities. One license is required for each user that will create ad hoc reports. Crystal Report Pro licenses are not required to run existing reports in RevenueCollector Consolidated Reporting Module.
- (5) Hardware Maintenance with the Overnight Support Program is initially provided upon delivery of the hardware, through the acceptance period and one-year following acceptance of the system (generally 15 to 18 months). This initial coverage is provided regardless of the hardware warranty on each component. Printers are covered under the 'Peripheral Replacement Program'. Under the terms of this agreement, printers and OCR readers that remain under an agreement will be refurbished automatically by System Innovators every 3 years if the printer has not previously been in for service and will be replaced every 5 years. Hardware Support fees shall not increase more than 5% per year for years two, three, four and five.

II. AUTHORIZED ANNUAL PAYMENT QUANTITY : 750,000 receipts

AUTHORIZED COLLECTION SOURCES : payments entered through any collection source(s)

AUTHORIZED NUMBER OF PRODUCTION SERVERS: 1

AUTHORIZED NUMBER OF TEST SERVERS: 1

AUTHORIZED NUMBER OF BACKUP SERVERS: 1

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III. LIST OF HARDWARE AND SOFTWARE TO BE PROVIDED BY THE CUSTOMER

RevenueCollector Transaction Server

- Dual Pentium III 933+ MHz (or equivalent) processors
- 1+ GB memory (upgradeable)*
- Four 18+ GB hot swap hard drives*
- Raid Level 5
- CD-ROM drive
- 40/80 GB DAT Tape Drive backup
- 1GB/100MB auto switching network card
- Microsoft Windows 2000 Server operating system
- Tape Backup Software
- Virus Protection Software

*Sizing depends on the number of users and transaction volumes (the minimum recommended size is shown). The database server and the transaction server can be combined in one server at installations with less than 20 collection sources and/or less than 1,000,000 payments per year.

RevenueCollector Database Server

- Dual Pentium III 933+ MHz (or equivalent) processors capable of quad processing
- 2+GB memory (upgradeable)*
- Four 36+ GB hot swap hard drives*
- CD-ROM drive
- Raid Level 5
- 80/160 GB DAT Tape Drive backup
- 1GB/100MB auto switching network card
- Microsoft Windows 2000 Server operating system
- Microsoft SQL Server 2000 database software or Oracle 8i (or higher)
- Tape Backup Software
- Virus Protection Software

CASHIER for Windows Workstations

- Pentium 1+ Ghz processor
- 128+ MB memory
- 20 GB hard drive
- 1 or more serial ports
- 1 parallel port
- 2 USB ports
- 1 PS/2 mouse port
- 17" SVGA monitor
- 10/100 MB Network Card and cable
- Microsoft Windows 2000 or XP operating system
- Virus Protection Software

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EXHIBIT "2"
SCOPE OF SERVICES

Project Overview

System Innovators will provide RevenueCollector and CASHIER *for Windows* software to the Customer for the collection of payments. System Innovators will also provide customization, installation, training and support services for this software through this Agreement.

Assumptions & Constraints

The following assumptions have been made for this project:

1. The following Customer resources will be available to work on this project:
 - Executive sponsor
 - Project manager
 - Payment processing subject matter expert
 - Host system subject matter expert for Harris Northstar, Taxmantra and Peoplesoft GL
 - Application Support Analyst for Harris Northstar, Taxmantra and Peoplesoft GL
 - Application Support Analyst for CASHIER for Windows and RevenueCollector
 - Database administrator
 - Network administrator
2. A high-speed remote VPN connection to RevenueCollector is available for testing and production support
3. The configuration of computer servers, PCs, networks and third party software is the Customer's responsibility
4. System Innovators staff will be provided with workspace for up to 2 people when performing onsite services. The workspace will be equipped with a connection and access rights to the Customer's network.
5. System Innovators staff will have console access to RevenueCollector servers when performing services onsite.
6. The Customer will provide the services described in this Statement of Work in a timely fashion to allow System Innovators to meet agreed upon schedules.
7. To enable an interface to RevenueCollector, the Customer or Customer's vendor provides an application programming interface (API) to TaxMantra, NorthStar, and PeopleSoft General Ledger systems.
8. The Customer will provide a test and production environment for CASHIER for Windows and RevenueCollector

The following constraints may affect the successful and timely completion of this project:

1. Customer staff is engaged in concurrent implementation with the NorthStar Utility Billing.
2. CASHIER for Windows and RevenueCollector must be implemented concurrently with the Harris NorthStar system and must be ready for production use by October 10, 2005
3. Harris NorthStar software, XML interface module, CASHIER for Windows and RevenueCollector must be operational by 8/1/05 to test the customized interface.
4. PeopleSoft General Ledger software, and the import module, must be operational by 8/1/05 to test the customized interface.

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System Innovators Deliverables

System Innovators will provide the following products and services:

1. Latest version of CASHIER for Windows and Revenue Collector software
2. Three-day assessment meeting at Customer facilities to identify requirements
3. Four days System Training at Customer facilities or System Innovators office in Jacksonville, Florida for up to 8 Customer representatives involved in implementing RevenueCollector
4. Implementation Document (including functional requirements, configuration settings, custom programming requirements, and implementation plan and schedule)
5. Customized interface to the Harris NorthStar utility billing system using XML transactions to provide online inquiries and updates for accounts being paid
6. Customized interface to the TaxMantra system using XML transactions to provide a summary posting of sales taxes collected each day
7. Customized interface to the PeopleSoft General ledger module to provide a posting file with the header, detail and trailer records required by PeopleSoft to import a summary of the payment collection activities for each day
8. Interface to Verisign credit card/signature debit card authorization through web services
9. Customized interface to the Harris Miscellaneous Receivables System using XML transactions to provide online inquiries and updates for receivables being paid (optional)
10. Customized versions of CASHIER for Windows and RevenueCollector to meet the Customer requirements documented in the Implementation Document
11. On-site installation of the customized versions of CASHIER for Windows and RevenueCollector in a test environment at Customer facilities.
12. Four days of end-user training for Customer employees that will use CASHIER for Windows and RevenueCollector.
13. Up to ten days of onsite production support when CASHIER for Windows and RevenueCollector go into production.
14. Up to five days of end-user retraining for Customer employees that will use CASHIER for Windows and RevenueCollector (at the request of the Customer)

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Project Management

System Innovators Responsibilities

Marge Holtsinger, Director of Client Services for System Innovators will serve as the System Innovators Project Manager for this project. He will be responsible for the following project management activities:

1. Creating the initial schedule and jointly developing a project schedule with Customer Project Manager
2. Managing all System Innovators personnel assigned to the project
3. Managing the activities assigned to System Innovators in this Statement of Work
4. Managing the joint project schedule and reporting variances
5. Coordinating conference calls and meetings with the Customer Project Manager
6. Providing written bi-weekly progress reports to the Customer Project Manager including a list of activities underway and their percentage of completion; a list of expected activities for the next two weeks; a list of outstanding, unresolved issues; proposed schedule changes and reasons for change; and proposed scope changes and reasons for change
7. Reviewing information provided by Customer Project Manager and providing feedback to the Customer Project Manager
8. Documenting Customer customization and configuration requirements in functional specifications
9. Documenting recommendations for site preparation and infrastructure changes
10. Reviewing an Acceptance test plan provided by the Customer.
11. Coordinating delivery of all hardware and software with the Customer Project Manager
12. Coordinating training, installation and testing services with the Customer Project Manager
13. Verifying acceptance of all delivered products and services
14. Coordinating the delivery of all Software warranty services and Hardware Support Services

Customer Responsibilities

Customer will assign a Customer Project Manager for this project. Thirty percent (30%) of this person's time will be dedicated to this project for the duration of the project. This person will be responsible for the following project management activities:

1. Review initial schedule, provide input into joint project schedule with System Innovators Project Manager
2. Managing the project related activities of all people assigned to this project other than System Innovators personnel
3. Managing the activities assigned to Customer in this Statement of Work
4. Managing the joint project schedule and reporting variances
5. Coordinating conference calls and meetings with the System Innovators Project Manager
6. Providing bi-weekly progress reports by phone to the System Innovators Project Manager including a list of activities underway and their percentage of completion; a list of expected activities for the next two weeks; a list of outstanding, unresolved issues; proposed schedule changes; and reasons for change and proposed scope changes and reasons for change
7. Reviewing bi-weekly progress reports created by System Innovators Project Manager and providing feedback to the System Innovators Project Manager
8. Coordinating the collection of information for Customer customization and configuration requirements
9. Reviewing and formal acceptance of the functional specifications documented by System Innovators
10. Coordinating site preparation and infrastructure changes
11. Coordinating the development of an acceptance test plan
12. Coordinating receipt of all hardware and software with the System Innovators Project Manager
13. Coordinating training, installation and testing services with Customer personnel, third party contractors and the System Innovators Project Manager
14. Coordinate formal acceptance of all delivered products and services

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15. Coordinating Customer requests for all Software warranty services and Hardware Support Services

Changes, Issue Management & Escalation

This Agreement and the documents referenced in this Agreement govern the provision of products and services associated with this project. In addition, the System Innovators Project Manager will document the functional specifications and project schedule for this project. Any changes to the Agreement, or these documents, must be approved by both parties as follows:

System Innovators Responsibilities

1. If System Innovators requests a change, the request will be documented, along with reasons for the change, and forwarded to the Customer Project Manager for approval.
2. If Customer requests a change, System Innovators will review the requested change and document their opinion of the impact on the Agreement or other approved documents.
3. The System Innovators Project Manager will coordinate all discussions related to requested changes with the Customer Project Manager.
4. The System Innovators Project Manager will use a good faith effort to negotiate changes and the wording of those changes with the Customer Project Manager.
5. If the respective Project Managers cannot agree on an appropriate change, the matter will be referred to the President of System Innovators and the City Manager who will again use a good faith effort to negotiate changes and the wording of those changes.
6. If an approved change is needed in the Agreement, the System Innovators Project Manager will prepare an Amendment for the Customer's review, negotiate the wording in good faith and sign the approved Amendment.
7. If an approved change does not require an Amendment to the Agreement, the System Innovators Project Manager will modify the functional specifications, acceptance test plan and/or project schedule in a manner approved by the Customer Project Manager.

Customer Responsibilities

1. If Customer requests a change, the request will be documented, along with reasons for the change, and forwarded to System Innovators Project Manager for approval.
2. If System Innovators requests a change, the Customer will review the requested change and document their opinion of the impact on the Agreement or other approved documents.
3. The Customer Project Manager will coordinate all discussions related to requested changes with the System Innovators Project Manager.
4. The Customer Project Manager will use a good faith effort to negotiate changes and the wording of those changes with the System Innovators Project Manager.
5. If the respective Project Managers cannot agree on an appropriate change, the matter will be referred to the President of System Innovators and the City Attorney who will again use a good faith effort to negotiate changes and the wording of those changes.
6. If an approved change is needed in the Agreement, the Customer will review, approve and sign an Amendment.
7. If an approved change does not require an Amendment to the Agreement, the Customer Project Manager will acknowledge all changes to the functional specifications, acceptance test plan and/or project schedule in writing.

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Hardware

System Innovators Responsibilities

System Innovators will provide the following products and services related to the hardware used in this project:

1. Peripheral hardware, identified in Exhibit 3 of this Agreement, delivered to Customer facilities.
2. Recommendations for server hardware to be provided by the Customer
3. Recommendations for personal computers to be provided by the Customer
4. Recommendations for computer network changes to be made by the Customer
5. Installation of provided peripheral hardware on personal computers in the test environment at the Customer facilities

Customer Responsibilities

Customer will provide the following products and services related to the hardware used in this project:

1. At least two (2) computer servers meeting the server recommendations provided by System Innovators
2. Personal computers, for all cashiering and supervisory workstations, meeting the workstation recommendations provided by System Innovators
3. Computer network connectivity between all personal computers, servers and other computers where interfaced applications reside
4. Backup hardware for the computer servers
5. Universal Power Supply (UPS) equipment for the computer servers
6. Installation and maintenance of all hardware provided by the Customer
7. Installation of peripheral hardware, provided by System Innovators, in the production environment

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Software

System Innovators Responsibilities

System Innovators will provide the following products and services related to the software used in this project:

1. CASHIER for Windows and RevenueCollector, as identified in Exhibit 1 of this Agreement, delivered to Customer facilities
2. Third party software, identified in Exhibit 1 of this Agreement, delivered to Customer facilities
3. Installation of CASHIER for Windows and RevenueCollector software on servers and personal computers in the test environment at the Customer facilities
4. Installation of third party software, provided by System Innovators, on servers and/or personal computers in the test environment at the Customer facilities

Customer Responsibilities

Customer will provide the following products and services related to the software used in this project:

1. Operating system software, meeting recommendations provided by System Innovators, for all servers and personal computers
2. Database software, meeting recommendations provided by System Innovators, for database server
3. Computer network software supporting IP communications between all personal computers, servers and other computers where interfaced applications reside
4. Backup software for the computer servers
5. Virus protection software for all computer servers and personal computers
6. Installation and maintenance of all software provided by the Customer
7. Installation of software, provided by System Innovators, in the production environment

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Training

System Innovators Responsibilities

System Innovators will provide the following services related to training:

1. One person day of services to set up a classroom for System Training at System Innovators Facility
2. 8 copies of training manuals and materials for System Training class
3. One person to conduct a 4-day System Training class at System Innovators Facility for up to 8 individuals
4. Creation of Customer specific training exercises for the End User Training
5. 8 copies of training manuals and materials for End User Training
6. One person to conduct four 1-day End User classes at Customer facility for up to 8 individuals each
7. One person to conduct up to five days of retraining services at Customer facility for up to 8 individuals each (at the request of the Customer)
8. One copy of all training materials and documentation on electronic media

Customer Responsibilities

Customer will provide the following equipment and services related to training:

1. Training room for end-user training, with 9 installed and networked personal computers, computer projector and screen and access to test or training servers
2. Peripheral hardware, listed in Exhibit 3, for 8 personal computers
3. Providing Windows training to all cashiers and other users that do not have experience with the selected computer environment
4. Sending at least 4 representatives to the System Training class conducted by System Innovators
5. Sending cashiers and supervisors to the End User training class conducted by System Innovators
6. Having end users practice the exercises taught in End User Training for 4 hours
7. Additional printed copies of reference or training materials
8. Sending cashiering and supervisors to Retraining Classes conducted by System Innovators (as needed)

Customization and Configuration

System Innovators Responsibilities

1. Design and code custom software routines within *CASHIER for Windows* to handle input devices included in the Implementation Document (i.e. OCR readers)
2. Design and code custom software routines within RevenueCollector to call custom interface routines included in the Implementation Document (i.e. Harris NorthStar, TaxMantra and PeopoleSoft GL, Harris Misc. Receivables and Verisign)
3. Design and code custom software routines within *CASHIER for Windows* to perform any field validations and special processing tasks defined in the Implementation Document
4. Input all parameters in *CASHIER for Windows* and RevenueCollector maintenance tables required to create the configuration documented in the Implementation Document

Customer Responsibilities

1. Design and code a callable XML based software module to retrieve customer account information from the Harris NorthStar utility billing system.
2. Design and code a callable XML based software module to post payment information to customer accounts in the Harris NorthStar utility billing system.
3. Design and code a callable XML based software module to post summary sales tax information to the TaxMantra system.

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4. Design and code a callable XML based software module to retrieve billing information from the Harris Miscellaneous Receivable System
5. Design and code a callable XML based software module to post payment information to receivable accounts in the Harris Miscellaneous Receivable System
6. Provide the specifications for the import file required for posting summary payment information to the PeopleSoft General Ledger module.

Installation, Testing and Parallel Operation

System Innovators Responsibilities

1. Make recommendations for site preparation
2. Unit test each modification to CASHIER for Windows and RevenueCollector
3. Perform system tests on the customized versions of CASHIER for Windows and RevenueCollector to ensure that the system performs standard functions as expected and meets all requirements documented in the functional requirements
4. Install CASHIER for Windows and RevenueCollector at Customer facility for acceptance testing of the various interfaces and their base systems.
5. Verify that all hardware and software is properly installed at Customer facility and ready for acceptance testing
6. Verify that Verisign credit card and debit card approval process is ready for acceptance testing
7. Assist Customer in performing the Acceptance Test Plan
8. Review the results of acceptance testing and correct documented deficiencies
9. Review the results of parallel operations and correct documented deficiencies
10. Verify acceptance of CASHIER for Windows and RevenueCollector once the Acceptance Plan and parallel operations have been completed and all deficiencies have been corrected

Customer Responsibilities

1. Determine the adequacy of installed electrical service for test and production systems
2. Make all required structural and furniture changes (if any) to work areas where CASHIER for Windows and RevenueCollector will be used
3. Install all required network cabling, hardware and software for a test system
4. Install all Customer provided hardware and software for test system and verify that the environment is working properly
5. Install VPN access to test system for access by System Innovators support staff
6. Install network access to Verisign for credit card and signature debit card approvals
7. Unit test each modification to Customer provided software
8. Perform system tests on customized CASHIER for Windows and RevenueCollector software to ensure that it interfaces other Customer applications properly with Harris, PeopleSoft and Tax Mantra.
9. Develop an Acceptance Test Plan to confirm the operational readiness of the System
10. Perform all tests documented in the Acceptance Test Plan
11. Document any deficiencies found during the acceptance tests
12. Perform parallel operation by processing one or more days of payment activities through existing processes as well as CASHIER for Windows and RevenueCollector
13. Document any deficiencies found during parallel operations
14. Retest CASHIER for Windows and RevenueCollector once any deficiencies are corrected and verify that functional requirements are met
15. Document acceptance of CASHIER for Windows and RevenueCollector once the Acceptance Plan and parallel operations have been completed and all deficiencies have been corrected.

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Data Conversion

No data is being converted to CASHIER for Windows or RevenueCollector so there are no data conversion requirements.

Cut Over to Production

System Innovators Responsibilities

System Innovators will provide the following services when the system is placed in production:

1. One person on site for up to ten (10) days to assist with any support issues that arise
2. Assist the Customer in monitoring the performance of CASHIER for Windows and RevenueCollector and identifying any deficiencies
3. Correction of documented deficiencies in the production versions of CASHIER for Windows and RevenueCollector

Customer Responsibilities

Customer will provide the following services when the system is placed into production:

1. Install all computer hardware and software for the production system including CASHIER for Windows and RevenueCollector
2. Install all required network cabling, hardware and software
3. Install VPN access to the production system for access by System Innovators support staff
4. Verify that all hardware, software and networks are working properly
5. Provide trained supervisors to assist new users with CASHIER for Windows and RevenueCollector
6. Establish production user names and password on CASHIER for Windows and RevenueCollector

Post Implementation

System Innovators Responsibilities

System Innovators will provide the following services after the system is implemented:

1. Provide Software Support Services during warranty period and any Software Support Periods accepted by the Customer
2. Provide Hardware Support Services for each Hardware Support Period accepted by the Customer

Customer Responsibilities

Customer will provide the following services after the system is implemented:

1. First level end user support for users of CASHIER for Windows and RevenueCollector
2. Monitor the performance of the production system and make configuration adjustments as needed
3. Document errors and deficiencies and report them to System Innovators
4. Request Software Support Services from System Innovators as soon as possible once an error or deficiency is documented
5. Test updates to CASHIER for Windows and RevenueCollector software to verify that reported errors and deficiencies have been corrected to the Customer's satisfaction
6. Roll out updated versions of CASHIER for Windows and RevenueCollector software to the production environment as soon as possible once acceptance testing is completed
7. Configuration changes as needed to CASHIER for Windows and RevenueCollector

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Project Schedule

The project will be completed according to the following schedule (as revised through agreement by both parties):

Tasks / MILESTONES	Start Date	End Date
Receive Notice to Proceed	5/24/05	
Assessment Meeting	5/24/05	5/27/05
System Training	6/21/05	6/24/05
Document Implementation Document	5/24/05	6/30/05
Review Implementation Document	7/1/05	7/15/05
IMPLEMENTATION DOCUMENT ACCEPTANCE		7/15/05
Software Customization and Configuration	7/1/05	8/12/05
Document Acceptance Test Plan	7/15/05	8/12/05
ON SITE INSTALLATION	8/15/05	8/19/05
Acceptance Testing	8/22/05	8/30/05
End-User Training	9/6/05	9/7/05
Parallel Operation	9/13/05	9/14/05
SYSTEM ACCEPTANCE		9/30/05
Cut Over to Production		10/10/05

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EXHIBIT "3"

COVERED HARDWARE

I. LIST OF HARDWARE COVERED BY HARDWARE SUPPORT SERVICES:

<u>Hardware Description</u>	<u>Qty.</u>
Axiom A721 Receipt, Slip Journal printer	8
Scan Corporation Model 5133 OCR reader w/short slot and mag stripe	7
Indiana Cash Drawer cash drawer	7

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EXHIBIT "4"

COVERED SOFTWARE

I. LIST OF SOFTWARE COVERED BY SOFTWARE SUPPORT SERVICES:

<u>Software Description</u>	<u>Qty.</u>
RevenueCollector and CASHIER for Windows software for processing up to 750,000 receipts per year through unlimited cashiering workstations, Web applications, IVRs and remittance processors	1

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EXHIBIT "5"

RFP AND SYSTEM INNOVATORS RESPONSE TO RFP

The Customer Request For Proposal and System Innovators responding proposal are included in this Agreement by reference.

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City of Peoria, Arizona Notice of Request for Proposal



Request for Proposal No: **P04-0011** Proposal Due Date: **October 22, 2003**
 Materials and/or Services: **Utility Billing System** Proposal Time: **5.00 P.M. local time**
 Contact: **Jennifer Miller**
 Project No: Location: **City of Peoria, Materials Management** Phone: **(623) 773-7115**
 Mailing Address: **8314 W. Cinnabar St., Peoria, AZ 85345**

In accordance with City of Peoria Procurement Code competitive sealed proposals for the material or services specified will be received by the City of Peoria Materials Management at the specified location until the date and time cited above. Proposals shall be in the actual possession of the City of Peoria Materials Management on or prior to the exact date and time indicated above. Late proposals will not be considered, except as provided in the City of Peoria Procurement Code. **Proposals shall be submitted in a sealed envelope with the Request for Proposal number and the offeror's name and address clearly indicated on the front of the envelope.** All proposals shall be completed in ink or typewritten. Offerors are strongly encouraged to carefully read the *entire* Request for Proposal Package

OFFER

To the City of Peoria: The undersigned on behalf of the entity, firm, company, partnership, or other legal entity listed below offers on its behalf to the City a proposal that contains all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the City. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing and are subject to the approval of the City prior to acceptance. The signature below certifies your understanding and compliance with Paragraph 1 of the City of Peoria Standard Terms and Conditions (form COP 202) contained in the Request for Proposal package issued by the City.

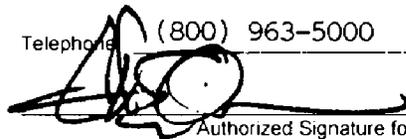
Arizona Transaction (Sales) Privilege
Tax License Number _____

For clarification of this offer contact:
Name Chuck Gillum

Federal Employer Identification
Number 59-3227491

Telephone (800) 963-5000

System Innovators, Inc.
Company Name


Authorized Signature for Offer

10550 deerwood Park Blvd, Suite 700
Address

Chuck Gillum
Printed Name

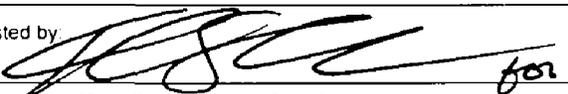
Jacksonville, FL 32256
City State Zip Code

Executive Vice President
Title

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

Your offer is accepted by the City, subject to approval of each written exception that your proposal contained. The contract consists of the following documents: 1) Request for Proposal issued by the City, 2) Your offer in Response to the City's Request for Proposal, 3) This written acceptance and contract award.

As the contractor, you are now legally bound to sell the materials and/or services listed by the attached award notice, based on the solicitation of proposals, including all terms, conditions, specifications, amendments and your offer as now accepted by the City. The Contractor shall not commence any billable work or provide any material, service or construction under this contract until the Contractor receives an executed Purchase Order or written Notice to Proceed.

Attested by: 
Mary Jo Kief, City Clerk

City of Peoria, Arizona Effective Date: May 25, 2005

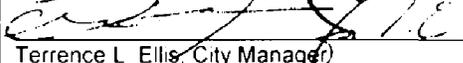
cc 166-5C

Approved as to form:

Stephen M. Kemp, City Attorney



Contract Number
L Con 05205

Contract Awarded Date May 24, 2005

Terrence L. Ellis, City Manager

Official File 6830



QUESTIONNAIRE

**Materials Management
Procurement**
8401 West Monroe Street, Room 150
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

Solicitation Number: **P04-0011**

Has your firm been certified by any jurisdiction in Arizona as a minority or woman owned business enterprise? Yes _____, No XX

If yes, please provide details and documentation of the certification.

L CON 05205



SOLICITATION AMENDMENT

Materials Management Procurement

8314 West Cinnabar Avenue
Peoria, Arizona 85345-6560
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No: P04-0011
Description: CIS Utility Billing System
Amendment No: One (1)
Solicitation Due Date: October 22, 2003
Solicitation Due Time: 5:00 p.m.

Buyer: Jennifer Miller

A signed copy of this Amendment shall be received by the City of Peoria, Materials Management no later than the Solicitation Due Date and Time.

Page 8, Mandatory Requirements, Item # 5 shall be amended as follows:

The successful contractor shall have at least one CIS system implemented that services a customer base of 60,000+ accounts, and at least 2 or more systems that are servicing 30,000+ accounts, and are in growing cities.

Page 11, Item #9, Proposal Format, 3rd sentence shall read as follows:

All submittal information must contain **data** requested in the Scope of Work.

Page 11, Item #10, Evaluation shall read as follows:

In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below.

All other provisions of this Solicitation shall remain in their entirety.

Vendor hereby acknowledges receipt and agreement with the amendment.

10.14.03

Signature

Date

Chuck Gillum - Executive Vice President

Typed Name and Title

System Innovators, Inc.

Company Name

10550 Deerwood Park Blvd, Suite 700

Address

Jacksonville, FL

32256

City

State

Zip

The above referenced Solicitation Amendment is hereby Executed

October 7, 2003

at Peoria, Arizona

Jennifer Miller, CPPB
Buyer



REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management Procurement

8401 West Monroe Street, Room 150
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

1. **PREPARATION OF PROPOSAL:**
 - a. All proposals shall be on the forms provided in this *Request For Proposal* package. It is permissible to copy these forms if required. Telegraphic (facsimile) or mailgram proposals will not be considered.
 - b. The Offer and Contract Award document (COP Form 203) shall be submitted with an original ink signature by a person authorized to sign the offer.
 - c. Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the Vendor Offer.
 - d. If price is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
 - e. Periods of time, stated as a number of days, shall be calendar days.
 - f. It is the responsibility of all Offerors to examine the entire *Request For Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.
2. **INQUIRIES:** Any question related to the *Request For Proposal* shall be directed to the Buyer whose name appears on the front. The Offeror shall not contact or ask questions of the department for which the requirement is being procured. Questions should be submitted in writing when time permits. The Buyer may require any and all questions be submitted in writing at the Buyer's sole discretion. Any correspondence related to a *Request For Proposal* should refer to the appropriate *Request For Proposal* number, page, and paragraph number. However, the Offeror shall not place the *Request For Proposal* number on the outside of any envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until after the official *Request For Proposal* due date and time.
3. **PROSPECTIVE OFFERORS CONFERENCE:** A prospective offerors conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this document. The purpose of this conference will be to clarify the contents of this *Request For Proposal* in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this *Request For Proposal* or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the *Request for Proposal*. Oral statements or instructions will not constitute an amendment to this *Request for Proposal*.
4. **LATE PROPOSALS:** Late Proposals will not be considered, except as provided by the **City of Peoria Procurement Code**. A vendor submitting a late proposal shall be so notified.
5. **WITHDRAWAL OF PROPOSAL:** At any time prior to the specified proposal due date and time, a Vendor (or designated representative) may withdraw the proposal. Telegraphic (facsimile) or mailgram proposal withdrawals will not be considered.
6. **AMENDMENT OF PROPOSAL:** Receipt of a Solicitation Amendment (COP Form 207) shall be acknowledged by signing and returning the document prior to the specified proposal due date and time.
7. **PAYMENT:** The City will make every effort to process payment for the purchase of goods or services within thirty (30) calendar days after receipt of goods or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any proposal that requires payment in less than thirty (30) calendar days shall not be considered.
8. **NEW:** All items shall be new, unless otherwise stated in the specifications.
9. **DISCOUNTS:** Payment discount periods will be computed from the date of receipt of material/service or correct invoice, whichever is later, to the date Buyer's payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the proposal price in determining the low bid. However, the Buyer shall be entitled to take advantage of any payment discount offered by the Vendor provided payment is made within the discount period.
10. **TAXES:** The City of Peoria is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.
11. **VENDOR REGISTRATION:** Prior to the award of a contract, the successful Offeror shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.
12. **AWARD OF CONTRACT:**
 - a. Unless the Offeror states otherwise, or unless provided within this *Request For Proposal*, the City reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City.
 - b. Notwithstanding any other provision of this *Request For Proposal*, The City expressly reserves the right to:
 - (1) Waive any immaterial defect or informality; or
 - (2) Reject any or all proposals, or portions thereof, or
 - (3) Reissue a *Request For Proposal*.
 - c. A response to a *Request For Proposal* is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's *Request For Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the **City Council**. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request For Proposal*, unless modified by a Solicitation Amendment (COP Form 207) or a Contract Amendment (COP Form 217).

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STANDARD TERMS AND CONDITIONS

Materials Management Procurement

8401 West Monroe Street, Room 150
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

1. **CERTIFICATION:** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Vendor certifies:
 - a. The submission of the offer did not involve collusion or other anti-competitive practices.
 - b. The Vendor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11456.
 - c. The Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the vendor may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Contractor, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
3. **APPLICABLE LAW:** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

4. **LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.
5. **CONTRACT:** The contract between the City and the Contractor shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Vendor in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor's offer. The Solicitation shall govern in all other matters not affected by the written contract.

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6. **CONTRACT AMENDMENTS:** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Contractor.
7. **CONTRACT APPLICABILITY:** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City are not applicable to this Solicitation or any resultant contract.
8. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction.
9. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.
10. **RELATIONSHIP TO PARTIES:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.
11. **INTERPRETATION-PAROL EVIDENCE:** This contract represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this contract are hereby revoked and superseded by this contract. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this contract. This contract may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both Parties. Any attempt at oral modification of this contract shall be void and of no effect.
12. **ASSIGNMENT-DELEGATION:** No right or interest in this contract shall be assigned by Contractor without prior written permission of the City and no delegation of any duty of Contractor shall be made without prior written permission of the City.
13. **SUBCONTRACTS:** No subcontract shall be entered into by the contractor with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime contractor shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime contractor shall be approved by the City and any cost savings will be reduced from the prime contractor's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.
14. **RIGHTS AND REMEDIES:** No provision in this document or in the vendor's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.
15. **INDEMNIFICATION:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and



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expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

16. **OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.
17. **FORCE MAJEURE:** Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force Majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

Force majeure shall not include the following occurrences:

- a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
- b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition.

Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.

18. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
19. **RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City.

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20. **RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.
21. **WARRANTIES:** Contractor warrants that all material, service or construction delivered under this contract shall conform to the specifications of this contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this contract. Mere receipt of shipment of the material/service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the solicitation.
22. **INSPECTION:** All material and/or services are subject to final inspection and acceptance by the City. Materials and/or services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. The may elect to do any or all:
 - a. Waive the non-conformance.
 - b. Stop the work immediately.
 - c. Bring material into compliance.This shall be accomplished by a written determination for the City.
23. **TITLE AND RISK OF LOSS:** The title and risk of loss of material and/or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.
24. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.
25. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
26. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading will operate as a tender of the materials.
27. **LIENS:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.
28. **LICENSES:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.
29. **PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Contractor or any other person except with the prior written permission of the City.
30. **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.

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31. **COST OF BID/PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
32. **PUBLIC RECORD:** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code.
33. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.
34. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the material and/or services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).
35. **FUNDING:** Any contract entered into by the City of Peoria is subject to funding availability. Fiscal years for the City of Peoria are July 1 to June 30. The City Council approves all budget requests. If a specific funding request is not approved, the contract shall be terminated.
36. **PAYMENT:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.

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MANDATORY REQUIREMENTS

Solicitation Number: **P04-0011**

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THE CITY ACKNOWLEDGES THAT A CONSIDERABLE EFFORT IS REQUIRED WHEN RESPONDING TO A SOLICITATION OF THIS NATURE. AS A RESULT, OF THE FOLLOWING LIST, OF IMPORTANT FUNCTIONAL REQUIREMENTS IS PROVIDED TO ASSIST YOU IN DETERMINING WHETHER OR NOT TO SUBMIT A RESPONSE.

PROPOSERS POSSESSING THE FOLLOWING MANDATORY LEVEL OF FUNCTIONALITY ARE ENCOURAGED TO SUBMIT A RESPONSE. PROPOSALS THAT FAIL TO MEET ANY ONE OF THE MANDATORY REQUIREMENTS WILL NOT RECEIVE ANY FURTHER CONSIDERATION.

REF #	DESCRIPTION	VENDOR CAN SUBSTANTIATE THIS REQUIREMENT BY:	COMMENTS, SECTIONS & PAGE NUMBERS	YES	NO
1.0	Software can support at least 60,000 customer accounts with a minimum of 3 services per account. (60,000 water, 60,000 wastewater, 60,000 solid waste)	Referencing your customer using a version software in production with this quantity of customer accounts			
2.0	Client has a Browser User Interface (BUI) or a Graphical User Interface (GUI)	Including several screen shots of the product to evidence its GUI nature			
3.0	Server Based Platform	Stating the software's platform requirements			
4.0	Functionality during processing, i.e. billing and calculations	Stating the capability to access and use system during all processes at all times.			
5.0	The Contractor must have successfully completed at least three (3) system implementations of this type, of similar size and complexity as to the requirements of this RFP. The systems cited must be operational as of this RFP due date.	Referencing contact information for the customer(s) where such implementation(s) were successful. Also, provide a complete client list of clients of all sizes and types.			

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INSTRUCTIONS TO OFFERORS

Solicitation Number: P04-0011

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QUESTIONS REGARDING ALL ASPECTS OF THIS REQUEST FOR PROPOSAL SHOULD BE ADDRESSED IN WRITING ONLY TO:

ALL QUESTIONS SHOULD BE EMAILED TO, jennifer@peoriaaz.com

OR FAXED TO JENNIFER MILLER @ (623) 773-7118

IMPORTANT NOTICE: THE LINK TO ACCESS THE 'FUNCTIONS AND FEATURES CHECKLIST' AND 'COST TABLES' FOR THIS SOLICITATION IS: peoriaaz.com/checklists

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Solicitation Number: **P04-0011**

1. **Purpose:** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for a **Customer Information and Utility Billing System**.
2. **Authority:** This Solicitation as well as any resultant contract is issued under the authority of the City. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.
3. **Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for one hundred eighty (180) days after the opening time and date.
4. **Cooperative Purchasing:** Any contract resulting from this solicitation shall be for the use of the City of Peoria. In addition, specific eligible political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. In order to participate in any resultant contract the contractor must be in agreement with the cooperative transaction.

Any orders placed to the successful contractor will be placed by the specific agencies participating in this purchase. Payment for purchases made under this agreement will be the sole responsibility of each participating agency. The City shall not be responsible for any disputes arising out of transactions made by others.
5. **Contract Type:** Fixed Price Term
6. **Term of Contract:** The term of any resultant contract shall commence on the date of award and shall continue for a period of five (5) years thereafter, unless terminated, cancelled or extended as otherwise provided herein. After the initial 5-year term the using department shall review the contract, and if appropriate a mutually agreeable extension of two (2) additional years may be issued.
7. **Affirmative Action Report:** It is the policy of the City of Peoria that suppliers of goods or services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability. On any contract in excess of six months, an annual report shall be provided to the City of Peoria, Materials Management Division on their activities to comply with this section.
8. **Pre-Proposal Conference:** A conference will be held at the Municipal Office Complex, Materials Management Division:

ADDRESS: 8401 W. Monroe Street
Peoria, Arizona 85345
Pine Room

DATE: September 23, 2003

TIME: 3:00 p.m. local time

The purpose of this conference will be to clarify the contents of this Request For Proposal in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this Request For Proposal or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine the appropriate action necessary, if any, and issue a written amendment to the Request For Proposal. Oral statements or instructions shall not constitute an amendment to this Request For Proposal. Question shall be submitted in writing, by e-mail, fax hand delivered or U.S. mail or delivery service to Materials Management on or before, but not later than **September 30th, 2003, by 5:00 p.m., local time.**

Final addenda, if required, will be issued by **October 8th, 2003.**

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9. **Proposal Format:** Proposals shall be submitted in one (1) original, ten (10) hard copies and one (1) electronic copy in the format contained in the Request for Proposal. Proposals shall be on 8 1/2" & 11" paper with the text on one side only. All submittal information must contain data requested in the Scope of Work.
10. **Evaluation:** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.
 - a. Functional Fit/Understanding and Approach
 - b. Technical Fit
 - c. Implementation Approach
 - d. Cost Considerations
 - e. Ongoing Support, Maintenance and Associated Costs
 - f. Company Experience/Similar Projects/Staff's Capabilities
 - g. Conformance to Request for Proposals
11. **Discussions:** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award.
12. **Proposal Opening:** Proposals shall be opened at the time and place designated on the cover page of this document. The name of each offeror and the identity of the Request For Proposals for which the proposal was submitted shall be publicly read and recorded in the presence of witnesses. Proposals, modifications and all other information received in response to this Request For Proposal shall be shown only to City Personnel having a legitimate interest in the evaluation. PRICES SHALL NOT BE READ. After contract award, the successful proposal and the evaluation documentation shall be open for public inspection.
13. **Scope of Work Deliverable:** The successful contractor shall prepare and provide a detailed Scope of Work for the project. The finalized Scope of Work shall include the agreed upon approach, method, format, and timing to complete the project.
14. **Inspection:** All work shall be subject to inspection, surveillance, and test by the City at reasonable times during the performance. The Contractor shall provide and maintain an inspection system which is acceptable to the City.
15. **Investigation of Conditions:** The Contractor warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which is performed and enters into this contract based upon the Contractor's own investigation.
16. **Compensation:** Compensation for services shall be based upon fees negotiated, including all approved costs and expenses incurred in connection with the project; including but not limited to, telephone and other communications, reproduction of documents, special consultants (as approved by the City) and computer costs.
17. **Acceptance:** Work shall be completed in a responsive and professional manner and in accordance with the specifications, schedules, or plans which are incorporated in the Scope of Work. Formal acceptance by written signature by City Representative is required for acceptance.
18. **Payments:** The City shall pay the Contractor monthly, based upon work performed and completion to date, and upon submission of invoices. All invoices shall document and itemize all work completed to date. The invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.
19. **Shipping Terms:** Prices shall be F.O.B. Destination to the delivery location designated herein. Contractor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all



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related charges shall be the responsibility of the contractor. All claims for visible or concealed damage shall be filed by the contractor. The City will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.

20. **Insurance Requirements:** The Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the City, constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by the City shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Contractor's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. The Contractor shall be solely responsible for the deductible and/or self-insured retention and the City, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The City shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Contractor's obligations under this Contract.

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

21. **Required Insurance Coverage:**

a. Commercial General Liability

Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof. The coverage shall not exclude X, C, U.

Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

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The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20101185, and shall include coverage for Contractor's operations and products and completed operations.

If required by this Contract the Contractor subletting any part of the work, services or operations awarded to the Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Contractor's work, service or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.

b. Automobile Liability

Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to the Contractor's any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 0001 1293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

c. Workers' Compensation

The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case any work is subcontracted, the Contractor will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of the Contractor.

d. Professional Liability

The Contractor retained by the City to provide the work or service required by this Contract will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Contractor, or any person employed by the Contractor, with a limit of not less than \$1,000,000 each claim.

22. Certificates of Insurance: Prior to commencing work or services under this Contract, Contractor shall furnish the City with Certificates of Insurance, or formal endorsements as required by the Contract, issued by Contractor's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect.

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made basis", coverage shall extend for two years past completion and acceptance of the Contractor's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

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SPECIAL TERMS AND CONDITIONS

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All Certificates of Insurance shall be identified with bid serial number and title. A \$25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title.

23. **Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.

24. **Independent Contractor:**

a. General

- i. The Contractor acknowledges that all services provided under this Agreement are being provided by him as an independent contractor, not as an employee or agent of the City Manager or the City of Peoria.
- ii. Both parties agree that this Agreement is nonexclusive and that Contractor is not prohibited from entering into other contracts nor prohibited from practicing his profession elsewhere.

b. Liability

- i. The City of Peoria shall not be liable for any acts of Contractor outside the scope of authority granted under this Agreement or as the result of Contractor's acts, errors, misconduct, negligence, omissions and intentional acts.
- ii. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

c. Other Benefits

The Contractor is an independent contractor, therefore, the City Manager will not provide the Contractor with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Contractor acknowledges that he is exempt from coverage of the Comprehensive Benefit and Retirement Act (COBRA). Any such fringe benefits shall be the sole responsibility of Contractor.

25. **Key Personnel:** It is essential that the Contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions.

- a. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.



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- b. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications.

26. Confidential Information:

- a. If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Materials Supervisor of this fact shall accompany the submission and the information shall be separately and clearly identified as being confidential.
- b. The information identified by the person as confidential shall not be disclosed until the Materials Supervisor makes a written determination.
- c. The Materials Supervisor shall review the statement and information and shall determine in writing whether the information shall be withheld.
- d. If the Materials Supervisor determines to disclose the information, the Materials Supervisor shall inform the bidder in writing of such determination.

- 27. Confidentiality of Records:** The contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract.

- 28. Ordering Process:** Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate contractor. The award of a contract shall be in accordance with the City of Peoria Procurement Code and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded material and/or service that cites the correct contract number is the only document required for the department to order and the contractor to deliver the material and/or service.

Any attempt to represent any material and/or service not specifically awarded as being under contract with the City of Peoria is a violation of the contract and the City of Peoria Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

- 29. Billing:** All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation.

- 30. Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.

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31. **Cancellation:** The City reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any obligation, term or condition of the contract. The City will issue written notice to the contractor for acting or failing to act as in any of the following:

- a. The contractor provides material that does not meet the specifications of the contract;
- b. The contractor fails to adequately perform the services set forth in the specifications of the contract;
- c. The contractor fails to complete the work required or to furnish the materials required within the time stipulated in the contract;
- d. The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contract.

Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the contractor to adequately address all issues of concern may result in the City resorting to any single or combination of the following remedies:

- e. Cancel any contract;
- f. Reserve all rights or claims to damage for breach of any covenants of the contract;
- g. Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliance with the specifications, the actual expense of testing shall be borne by the contractor;
- h. In case of default, the City reserves the right to purchase materials, or to complete the required work in accordance with the City Procurement Code. The City may recover any actual excess costs from the contractor by:
 - i. Deduction from an unpaid balance;
 - ii. Collection against the bid and/or performance bond, or;
 - iii. Any combination of the above or any other remedies as provided by law.

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1. **INTENT.** It is the intent of the City of Peoria to enter into a contract with a vendor to provide and install a comprehensive Customer Information System (CIS), including utility billing, cashiering and miscellaneous accounts receivable. All vendors providing these types of products and services are encouraged to respond to this solicitation. While the Vendor may submit a bid that utilizes the products and/or services from several vendors, the City of Peoria is seeking to enter into a contract with a primary vendor or single point of responsibility. However, all submittals will be considered.

This procurement is governed by the following primary directives:

- The City will replace its existing Utility Billing, Cashiering and Miscellaneous Accounts Receivable systems with a CIS product software solution. The solution may be housed within the City's data center or it may be outsourced with the Vendor providing the data center, hardware, software and services necessary to operate and support the integrated product solution.
- The Vendor is asked to provide a total software solution, or to partner with another vendor(s) to provide the total solution. The Vendor is asked to make the extent of its offering very clear in its proposal, including specifying the recommended hardware.
- The Vendor or a qualified 3rd party will support the software.
- Individual hardware, database and other product vendors will provide support for applicable hardware, software, and service components.
- The City's intent is to own the database and software licenses, unless outsourced or leased.
- All non-essential go-live enhancements and interfaces will be placed into subsequent project phases.
- The City will rely upon product configuration rather than product modifications and will modify its business processes to fit the technology workflow when possible.

2. **BACKGROUND.** Peoria, Arizona, located in the Northwest Phoenix metropolitan area, is one of the fastest growing municipalities in the United States. Transformed from a small farming community in a few short years, Peoria has become a business and medical hub for the Northwest Valley area. The City of Peoria extends over 162 square miles making it the fourth largest incorporated area in Arizona. Peoria's population rapidly grew from 12,000 in 1980 to an estimated 120,063 in 2002. It was the fifth fastest growing city (over 100,000) in the United States during the past decade.

The City of Peoria utilizes the Council-Manager form of government. The City Council sets city policy and direction, while the City Manager is responsible for the day-to-day operations of the city. Peoria's Mayor is elected to 4-year terms "at large", while each of the six Council Members is elected to 4-year terms in specific geographic districts.

CITY SERVICES. The City provides water, wastewater and solid waste services to approximately 43,000 customers. Revenue generated from Water, Wastewater and Solid Waste operations flow into Enterprise Funds. These funds are used to cover the costs associated with these operations, including the current utility billing, cashiering and miscellaneous accounts receivable systems. Water utility revenue is projected to be \$25.5 million in 2004; wastewater utility revenue is expected to be \$10.7 million; and solid waste revenue is expected to be \$7.6 million.

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Samplings of the City's Revenue Division statistics follow:

Total Overall Active Accounts	43,000
Accounts With Active Water Service	37,700
Accounts with Active Sewer Service	39,800
Active Residential Refuse Accounts	38,500
Active Commercial Refuse Accounts	440
Active Multi Residential Refuse Accounts	100
Active Sunnyboy Assessment Accounts	200
Active EPA Service Fee Accounts	39,700
Number of Irrigation Customers	50+
Service Orders Issued During FY 2003	32,700
Utility Billing Telephone Calls Received per year	85,000
Total Radio Read Meters	18,000

The City is expected to grow at the rate of approximately 2,000 new customers per year.

TECHNOLOGY ENVIRONMENT. The City has a comprehensive Strategic Technology Plan that guides its actions. Identified in the Strategic Technology Plan is the City's standard server platform of Windows 2000 or higher for the operating system and Microsoft SQL 2000 or higher for the database. While the City does have an obvious commitment towards SQL, other database platforms will be considered.

The network currently consists of both Novell and Microsoft Windows NT/2000 servers with Windows 2000 and NT4 workstations. The City is moving to standardize on the Microsoft network operating system and Windows 2003 active directory. The city is currently utilizing a Single Master Domain model for the NT4 servers and an NDS Tree structure for the Novell servers. The end users connect to the appropriate context in the NDS tree upon logon for file and print services. Certain applications provide pass through login to the NT servers for access to the SQL databases. Some applications require login authentication to the NT domain. Active Directory and Microsoft Services will be implemented to replace all Novell servers and services as part of the Microsoft migration.

The City's network currently includes a 2 GB backbone, 10/100 base T switched Ethernet voice and data, and leased T1 lines to its remote locations.

The City currently has 60 MS Windows NT 4.0 and 2000 servers and 16 Novell Netware 4.11 for file, print and GroupWise. The basic server hardware configuration is:

- Compaq Proliant
- 1 GB Memory
- 2 Processors
- 36 GB Disk Arrayed 5 configuration
- 2 Dual Ethernet NICs
- Windows 2000
- ARC Server 6.6 Tape backup system
- MS SQL 2000

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There are approximately 600 workstations in the City. The City's minimum desktop environment is as follows:

- Dell GX 150 PCs
- 512 Meg RAM
- 20 GB Hard Drive
- 1.5 GHz Pentium Processor
- CD ROM
- Windows NT or 2000
- 17" Monitor
- 3COM Network Card
- MS SQL Client

3. **SCOPE OF WORK.** The City has identified the following services, programs and products as being in scope for go-live, anticipated after go-live, or not in scope for the City. A new CIS must accommodate the offerings described in the following table:

	SCOPE OF SERVICES	SCOPE OF PROGRAMS
Considered In-Scope Now	Water Wastewater Solid Waste Other Utility Services (assessment districts)	Automated credit cards Debit cards ACH bank drafting One-time credit cards Master/Summary billing Point-of-sale cashiering Flexible due date Electronic bill presentment & payment Web based access Level or budget billing
Considered In-Scope Future	Recycling Storm Water	Automatic landlord agreements Kiosks
Considered Not-In-Scope Ever	Electricity Natural Gas Cable Television Merchandise Telephone Home Entertainment	None

In moving toward a customer-focused environment the City would ultimately require system tools which enable multiple customer touch points with the ability to record the customer contact and manage the City's relationship with the customer.

4. **CIS FUNCTIONS.** The City is seeking a customer system that provides comprehensive functionality as summarized in the following functional statements. These functions can be provided through the base package or with proposed third-party add-ons. The Vendor must specify whether the functionality is included in the base package.

4.1. **Account Management.** An account is created to reflect the establishment of a financial agreement for the provision of a product or service. The account is the primary path for accessing and viewing customer account related information. An account can be defined as a single account, a master account, or a temporary account. It reflects available and installed service offerings, product offerings, equipment offerings, and program offerings. It supports a wide array of



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account views into account transactions, consumption, payments, billings, adjustments and account specific notes.

- 4.2. **Billing Management.** Support of cycle driven, date-driven and event-driven billing schedules. The process will input time based and volume based consumption and will provide for consumption validation and estimation algorithms. The process will identify appropriate contract clauses and utilize associated rate schedules and pricing plans. The billing process will provide for flexible billing periods and accommodate proration. In addition to batch billing, the system will provide for on-line account billing for "what-if" analysis and adjusted billing.
- 4.3. **Credit & Collection Management.** The ability to accommodate a third party, guarantor and co-signer relationships. The ability to quickly view outstanding account balances, transfer of account balance across accounts and the freezing of an account for dispute resolution. A flexible collection process regarding notification and cutoff activities, and public assistance agency interface. The processing of late-payment penalties, returned checks and the creation and management of payment arrangements. The processing of bad-debt accounts, accounts in bankruptcy, accounts with deceased customer and an executor and account liens.
- 4.4. **Customer Service and Care.** The management of customer contacts received through various media including: telephone, interactive voice response, computer telephone integration, fax, email, the Internet, customer written correspondence, the bill, and various payment mechanisms. The system will allow for recording, scripting and managing the contact. It will allow for the identification and measurement of user performance, customer satisfaction and the determination of program effectiveness.
- 4.5. **Customer Management.** The capability of identifying and tracking customers in the system independent of the account. This module allows for the identification of existing customers and the input of extensive profile and demographic information. An existing customer may have a single account or multiple accounts with the ability to track specific information at the customer level across all of the customers' accounts.
- 4.6. **Financial Management.** Any activity associated with revenue is accommodated through this module. Deposit processing, payment processing, returned check processing, refund processing, adjustments and billings, and required interfaces to financial management systems including the general ledger, accounts payable, and accounts receivable.
- 4.7. **Inventory Management.** The identification, access and management of meters, equipment and product inventory. The function supports meter based billing activities, inventory-based activities and meter testing programs with applicable interfaces to external meter inventory systems, if applicable.
- 4.8. **Portfolio Management.** The ability to view all available programs, products and services (the portfolio) that the utility can provide to the customer. This module will support a wide variety of implied and special negotiated service contracts. Various rates and pricing plans can be associated with each portfolio item.
- 4.9. **Rates Management.** A flexible pricing structure to accommodate rates, charges, fees, surcharges, taxes, adjustment clauses, rate determinants and dynamic rate assignments. This module will also provide for rate development activities and keep rate histories on file for backbillings.
- 4.10. **Service Address Management.** The identification of legal parcel information and the service address for purposes of account management, which may be obtained through a GIS interface. A process to support the establishment of new service for both permanent and temporary addresses with the ability to associate current and historic information (i.e. meters, customers, equipment) with the address. Multiple service points are associated with a service address, these points may be metered or unmetered.
- 4.11. **Usage Management.** The capability of capturing consumption based upon a passage of time as well as a measured flow. The creation of a route with automatic rerouting features. The initiation of readings and an interface with the hand-held or other meter-reading devices. The validation of consumption, the processing of reads and the tracking of unauthorized usage as well as dead meters. Have the ability to do queries relating to total water usage over a time period per account and water use category (residential or non-residential), as well as the ability to identify each account as being within "SRP" or "CAP" service area.

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4.12. **Service Order Management.** The processing of requests to initiate service-based and meter-based work orders. A pending order process, the update of orders, the dispatching and closing of orders and the viewing of historical orders is accommodated.

4.13. **Cashiering.** The ability to accept and process payments (cash, check and credit card) received from a number of different sources, to include, but not necessarily limited to, over the counter, IVR, bank lockbox, and credit card point of sale terminals. Payments processed should immediately post to the account and reflect in the payment history on utility and sales tax accounts. Interface with the General Ledger, Sales Tax, Utility Billing, and Miscellaneous Accounts Receivable Systems. Provide comprehensive transaction reporting capabilities, including the ability to balance the individual cash drawers. Provide the ability to read and process bar coded documents.

4.14. **Miscellaneous Accounts Receivable.** The ability to create, control, track, and notate invoices for various one-time or multiple-time billings. Customers may or may not be the same customers as the utility customers. Payment, collection management, and financial management functions should be controlled through the same or similar modules as utility account billings. This module must be flexible, allowing for mostly one-time, non-standard billings with multiple line items, GL accounts, prices, and descriptions per invoice as well as separate penalty processing, unrelated to utility billing consumption, transactions and billing schedules. Module must provide electronic and hard copy reports for reporting and reconciliation purposes, including on-demand statements and aging by customer or transaction code type.

5. **CIS INTEGRATION.** The City is moving to implement a comprehensive CIS application architecture. This includes all basic utility billing, cashiering, miscellaneous accounts receivables and other customer service modules.

The following is a brief description of the approach to application integration for the new CIS:

- **Cashiering.** Integrate into CIS or interface to a Third Party product.
- **Credit and Collections.** Interface to Revenue Plus (Aliant).
- **Customer Interaction.** Internet and IVR (Third-Wave Technologies), in addition to basic call-in, walk-in and correspondence.
- **Customer Data Access.** Internet and Interactive IVR.
- **Refund Checks.** Integrate, or interface to Bottomline Check Print.
- **Bill Production / E-Commerce.** Integrate into CIS or interface to a Third-party. Provide a formatted file to a third-party mailer.
- **Other Systems.** Include a general Application Program Interface for other applications.
- **Meter Inventory.** Incorporate in CIS.
- **Customer Relationship Management.** Incorporate basic CRM functionality.
- **Miscellaneous Accounts Receivable.** Integrate into CIS or interface to a Third-party product.

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6. **CIS INTERFACES.** The following interfaces have been identified for the new CIS:

Description of Interface	Frequency	Interface Vendor	Type	In / Out
Bill Production and Distribution				
Bill Print	Weekly/daily	Source Corp Statement Solutions	Electronic	Out
Delinquent Letters	Weekly/daily	Source Corp Statement Solutions	Electronic	Out
Payment Processing				
Lockbox Payments	Daily	Bank One	Electronic	In
ExpressPay Payments	Weekly/daily	Bank One	Electronic	Out
Usage				
Meter Reading	Weekly/daily	Itron MVRS	Electronic	In and Out
Financial				
Accounts Receivable Entries	Daily	Peoplesoft	Electronic	Out
Cash Journal Entries	Daily	Peoplesoft	Electronic	Out
Revenue Journal Entries	Daily	Peoplesoft	Electronic	In
Check Printing	Weekly	Bottomline	Electronic	Out
Other Databases				
IVR	Daily	Third Wave	Electronic	In and Out
Collections	Daily	Revenue Plus	Electronic	Out
Service Address Data	Daily	ESRI GIS	Electronic	In
Service Address / Order Data	Daily	Hansen	Electronic	In and Out
Cashiering	Daily	To be determined	Electronic	In and Out
Sales Tax	Daily	To be determined	Electronic	Out

In the new CIS environment, the City will outsource a comprehensive bill production and distribution environment with on-line bill viewing and electronic bill presentation and payment (EBPP).

7. **SYSTEM CAPABILITIES.** Due to the importance of this procurement, the City strongly desires that the proposed solution(s) meet the following requirements. In reviewing these requirements, vendors should consider each item's relevance to the specific solution or service being proposed.

- 7.1. The Vendor must provide a comprehensive CIS solution that is currently in production for at least 3 to 5 utilities/municipalities providing similar services with a customer base of 50,000 to 150,000.
- 7.2. The Vendor must provide a product solution that will promote implementation of a functionally rich base product with minimal modifications required by the City. The City will not pursue extensive product customization. In addition, the Vendor must provide ongoing application support and regular product releases.
- 7.3. The Vendor must be a financially healthy institution capable of conducting business during the short-term development effort and the long-term maintenance and support effort as measured by financial statements, D&B report, etc. The Vendor must provide this information to the City.
- 7.4. The Vendor must provide a solution that utilizes a Browser User Interface (BUI) or a Graphical User Interface (GUI).
- 7.5. The Vendor must provide a solution that can support high transaction volumes and accommodate a minimum of 60,000 customer accounts, with a minimum of three services per account, (60,000 water, 60,000 wastewater and 60,000 solid waste) through customer references or performance benchmarks. The City bills 5 cycles per month with the largest



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cycle containing 12,000 customer accounts.

7.6. The Vendor must provide a solution which allows the City to offer programs such as bank drafting, automated credit card payments, debit card payments, point-of-sale cash payments, one-time credit card payments, customer-selected due dates, budget billing, automatic landlord agreements, interactive voice response, and web self service.

7.7. The Vendor must provide a solution that will allow the City to bill for other utility services as may be requested by the City Council.

7.8. System functional requirements are described in detail in the attached **Functions and Features Checklist**. All vendors are required to accurately complete and submit a Functions and Features Checklist which can be accessed by linking to peoriaaz.com/checklists. The vendor i.d. is 'ubvendors'. The password is 'ubdocs'. The completed checklist shall then be submitted back to the City on a compact disk, along with the entire proposal in a sealed envelope by the due date and time indicated on the solicitation package. The checklist will provide a column for vendor response to show whether items are available in the product proposed. The checklist will be used to identify gaps between the City's desired functionality and the Vendor's product and will be incorporated into the final contract.

8. **PROJECT TIMELINE.** The level of complexity, resource constraints and funding considerations all dictate a realistic phasing and timeline of activities for a Customer Information System. For planning purposes, the City has identified a maximum installation timeframe spanning 15 months for the successful completion of CIS installation activities.

The Vendor must review and confirm this timeframe or suggest other optimum timelines that more readily support the Vendor's proposed solution, implementation strategy, associated resource requirements and level funding plan.

9. **PROPOSAL AND SUBMISSION REQUIREMENTS.** The Vendor will define the capabilities of its organization to design, implement, maintain, and support the solution components as outlined within this RFP. The response should be prepared in a simple and straightforward manner, as defined below.

Vendors are expected to examine the entire RFP including all specifications, standard provisions, and instructions. Failure to do so will be at the Vendor's risk.

9.1 **Transmittal Letter.** The transmittal letter will indicate the intention of the Vendor to adhere to the provisions described in the RFP without modification. The letter of transmittal will:

- 9.1.1 Identify the submitting organization;
- 9.1.2 Identify the person, by name and title, authorized to obligate the organization contractually;
- 9.1.3 Identify the contact person responsible for this response. Specify, phone, fax, and email address;
- 9.1.4 Explicitly indicate review and acceptance of the Terms and Conditions and identify exceptions or "deal breakers";
- 9.1.5 Acknowledge that the proposal is considered firm for one hundred and eighty (180) days after the due date for receipt of proposals or receipt of the last best and final offer submitted;
- 9.1.6 Acknowledge completion of the Pricing Worksheet;
- 9.1.7 Immediately following the Transmittal Letter is to be The City of Peoria Proposal Offer sheet signed by the person authorized to contractually obligate the organization. The submission and signature of the Proposal Offer sheet shall indicate the intention of the Vendor to adhere to the provisions described in this RFP.

9.2 **Executive Summary.** The Vendor will provide an Executive Summary that presents in brief, concise terms a summary level description of the contents of the Proposal. In addition, the Vendor must clearly and specifically detail all exceptions to the exact requirements imposed by this RFP.

9.3 **Table of Contents.** Clearly identify the materials by section and page number.

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9.4 Proposal Contents.

9.4.1 Vendor Profile, Health and Experience: The Vendor will provide a profile of its organization and all other companies who will be providing products or services either through a subcontracting arrangement with the Vendor or through a separate contract to be negotiated with the City. The Vendor must be a financially healthy institution capable of conducting business during the short-term development effort and the long-term maintenance and support effort as measured by financial statements, D&B report, etc. At a minimum the Vendor will provide the following information:

Vendor Profile:

1. Year established;
2. Business organization;
3. Parent company and the Subsidiary offering the product if any;
4. Office locations;
5. Serving office for this project and project team for this project;
6. Products available;
7. Total number of employees;
8. Description of your strategic plan and industry outlook for your firm;
9. Number of signed client contracts in process;
10. Latest available gross sales and net income;

Product History:

11. Current product release number and date of release;
12. Expected date of next release and listing of proposed enhancements;
13. Previous product release documentation as provided to the existing users;
14. Description of your strategic plan regarding the proposed solution/product (i.e., product development plan for upgrades/new versions, etc.);
15. Description of any planned introduction of a new product;
16. Number of employees focused on the product offering;
17. Number of client installations, and number using current release;
18. Number of signed client contracts of proposed solution in process.

The Vendor may attach any additional literature and product brochures.

Vendor Qualifications: The Vendor should demonstrate a proven track record in providing reliable product software solutions across a series of successful project installation efforts.

The Vendor's record should reflect experience in work of a similar nature and magnitude to that being proposed. Relevant experience must be associated with projects completed not more than three (3) years prior to the date of this RFP.

The Vendor must provide a comprehensive CIS solution that is currently in production for at least 3 to 5



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utilities/municipalities providing similar services with a customer base of 50,000 to 150,000.

The Vendor should highlight their experience with combination water, wastewater and solid waste utilities. The Business Finalists selected to participate in product demonstrations will be required to submit a complete listing of all their clients.

9.4.2 CIS Product Functional Fit and Completeness. The Vendor will identify the product(s) being provided with a general description of the functions and features of the proposed solution. It is important for the Vendor to include sufficient detail to provide an understanding of the product(s) being proposed.

The Vendor is asked to include a high-level data model or entity relationship diagram representing the major data entities and relationships supported by the product as well as the system recovery entities. The City will require a comprehensive data dictionary to facilitate product maintenance and enhancements. The City will review the entity relationship diagram and the data dictionary for all short-listed vendors.

Functionality Requirements. The City requires a functionally rich system. The Vendor is asked to describe the proposed system's functionality as it relates to the CIS Functional Areas described previously and in the functionality checklist attached to this document.

9.4.3 Product Technical Fit and Currentness. The Vendor will identify the computer hardware and system software platform required to install and operate the proposed application. This section must include any operating system, support, or utility software with appropriate release levels, operation requirements, connectivity requirements, and disaster recovery program. A detailed description of the proposed system configuration, associated system components, and available options must be included. All necessary installation and training services must be included. While the City does have an obvious commitment towards SQL, other database platforms will be considered. The City of Peoria prefers a separate test environment. Describe the recommended test environment, including additional licensing and hardware requirements in your response.

If the application operates on many different platforms the Vendor must select a platform and submit it as part of the solution. This is required to fully identify the cost of the Vendor's solution. Subsequent discussions may alter the proposed platform.

It is imperative that the recommended hardware solution supports on-line response and batch performance requirements. The Vendor must include evidence in support of the hardware platform's ability to meet identified service levels.

The system must allow for linear growth within the same family of hardware without replacement. All hardware initially purchased must be upgradeable to allow for expansion and continued use. It must be configured to accommodate up to 85 on-line users with an estimated 40 concurrent users. It must be configured to accommodate a monthly batch billing and file maintenance cycles for a total of 60,000 accounts during the initial five (5) year production period. The Vendor must provide a solution that can support high transaction volumes and accommodate a minimum of 60,000 customer accounts, with a minimum of three services per account, (60,000 water, 60,000 wastewater and 60,000 solid waste) through customer references or performance benchmarks. The City bills 5 cycles per month with the largest cycle containing 12,000 customer accounts.

All proposed software supplied must be in general release, and successfully functioning in a production environment. Provide information on the general information on the general release dates of the proposed software and references to the organizations that are successfully using the product.

The system must allow for expansion and must be configured for 5 years of on-line history; 5 years of growth; RDBMS overhead; system files; and system sort and workspace.

The Vendor must propose a comprehensive system software environment which may include: Operating System Software, Application Development Tools, Performance Tools, Education Tools, System Management Tools, System Security Tools, System Recovery Tools, Utility Tools, Job Scheduling Tools, Report Distribution/Archive



SCOPE OF WORK

**Materials Management
Procurement**

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Tools, Tape Management/System Tools, and Disk Management Tools.

Performance Criteria. The Vendor will state assumptions and factors and will guarantee the system response time and batch processing time on the proposed platform through the use of a performance measurement tool as agreed to by the City and the Vendor.

The City is expecting a comprehensive solution which will respond to all on-line transactions within an average of one (1) second or less excluding network time. The vendor shall provide details on performance of billing and file maintenance life cycle times. The Vendor must clearly specify if the proposed solution cannot meet these expectations.

Database Software. As applicable, the City is requiring the solution component to utilize a relational data base technology. It expects this technology to support the definition of objects and the promotion of relationships between objects.

Given this technology, the new system must provide a mechanism by which information can be accessed, manipulated, reported on, or simply queried. Therefore, the proposed solution must provide a facility to easily support user queries and reporting.

In order to obtain a total picture of the proposed solution, the City is requesting that the product vendor obtain the appropriate software configuration and pricing from the database vendor. The Vendor must identify all RDBMS modules required to implement and operate the proposed solution component.

The Vendor will identify the relational data base management product and the associated query and reporting software being provided with a general description of the technical specifications and features of the software. Specifically, the Vendor must provide a comprehensive RDBMS environment which may include: RDBMS Software, Query / Report Writing Software, RDBMS Performance Tools, RDBMS Recovery Tools, RDBMS Utility Tools, a data dictionary, and a data entity diagram. **The City's established standard is MS SQL 2000, however the City will consider any relational database.**

Application Approach. The City is not seeking a custom developed solution or extensive product customization. Nor is the City looking for an approach with extensive configuration requirements. A proven product solution with minimal modifications is desired. A Browser User Interface (BUI) solution is preferred; however, a windows Graphical User Interface (GUI) will also be considered. The City wants to insure that the selected vendor is at least moving towards a BUI. Vendor shall identify the application programming language(s).

Server Environment. It is important for the Vendor to understand that the proposed hardware solution must be adequate to support required processing requirements and response times. To ensure that the Vendor does not undersize the hardware in an attempt to limit the cost of the proposal.

The City understands that many product vendors are not hardware resellers and require the customer to work directly with their hardware vendor of choice. In order to obtain a total picture of the proposed solution, the City is requesting the product vendor, even if their proposal is not primary vendor based, to obtain the appropriate configuration and pricing from a hardware vendor. The Vendor must identify all server hardware, software and services required to implement and operate the proposed solution component.

The City will accept a midrange, super server or PC file server operating platform. The City will not consider a PC based solution. The City's preference is a Compaq server.

Client Environment and Connectivity. The City is not interested in a stand-alone solution, but rather one that utilizes the existing network, and desktop environment. A driving concept for the City is empowerment of users through the availability, access, and control of computing power within their client environment.

The Vendor must identify in detail the client hardware and software configuration required to implement and operate the proposed solution component. The Vendor will not provide desktop or connectivity hardware or



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software. However, the Vendor will allow for installation services to assist the City in installing the required client.

The Vendor will identify the approach for connecting the proposed server hardware platform with the client desktop allowing user access to the new systems. A description of the communication, network, and desktop components required to provide this connectivity is required.

The Vendor will provide a discussion of the City's current environment in terms of the proposed solution with identification of missing components required to support the proposed solution.

The Vendor must specify all software required to be resident on the user desktop to access the application. Approximately 85 user desktops will be configured with this software.

The Vendor must specify any hardware, software, or services required to connect the in-house server to the City's network.

9.4.4 Implementation Strategy, Installation Approach, Timeframe, Organization and Staffing. The Vendor will present an installation plan addressing three major components of the proposed solution: the project timeline; project approach; and project organization.

Project Timeline. The Vendor will include an implementation schedule delineating all activities, tasks, and responsibilities of the Vendor and the City's management, users, and technical personnel.

Included should be a timeline demonstrating the sequence of events from the point of contract award through final user acceptance which will include post system implementation activities. Include Gantt charts (or similar graphic depiction) to illustrate phases, activities, tasks, comments, milestones, decision points, and deliverables.

If the Vendor is recommending a phased approach, all phases should be reflected in the timeline.

Project Approach. The proposed solution must include a comprehensive description of the Vendor's implementation strategy, including the description of the use of outside resources if applicable. The Vendor must include an implementation plan complete with all activities and resources required for successful product implementation. The vendor must clearly define the number, timing and use of City personnel throughout the implementation project. All implementation tasks must be included in the project plan and Statement of Work, with the City's responsibilities and time commitments clearly defined.

The City will provide management, technical, and user resources to be involved in the project effort based on the Vendor's implementation approach and associated activities. A primary vendor assuming responsibility for the implementation effort is preferred.

While the Vendor may submit a bid which utilizes the products and/or services from several vendors, the City is seeking to enter into a contract with a primary vendor or single point of responsibility regarding the successful completion of this installation effort. However, all submittals will be considered.

The Vendor must provide the following service components:

Project Management. The Vendor along with the City will be responsible for managing the overall implementation effort including activities conducted by other vendors and the City personnel. Activities will include, at a minimum: project supervision; work program administration and coordination activities; project time and expense management; project status reporting; change control management; and quality management.

The Vendor is required to provide a weekly written project status report to the City, with formal monthly and quarterly status reports to be conducted with the City management. The reporting period begins with the award of contract and continues through final system acceptance testing by the City.

Product Offering. The City is interested in pursuing proven product solutions that require a minimum level of modification. The City will focus on meeting critical regulatory-based requirements with product modifications as



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required and will adapt the business to the product where possible.

The Vendor must provide a product solution that will promote implementation of a functionally rich base product with minimal modifications required by the City. The City will not pursue extensive product customization. In addition, the Vendor must provide ongoing application support and regular product releases.

Any proposed product must provide a flexible structure and development environment that will allow for system enhancements in a timely and cost-effective manner. This is imperative in order for the City to keep pace with its rapidly changing business environment and customer requests for new services, products, and programs.

The Vendor must provide a solution which allows the City to offer programs such as bank drafting, automated credit card payments, debit card payments, point-of-sale cash payments, one-time credit card payments, customer-selected due dates, budget billing, automatic landlord agreements, interactive voice response, and web self service.

The Vendor must provide a solution that will allow the City to bill for other utility services as may be requested by the City Council.

The Vendor must identify all product modules required to support the proposed solution. The City is also interested in the option of installing the Vendor's latest production version even if that version is not in production at the time of the demo.

Product Configuration. The Vendor will be responsible for providing the base software and preparing it for operation and access by the project team. An estimated level of effort for functional configuration performed by City staff should be identified.

Product Engineering. The Vendor will be responsible for the identification, finalization, and documentation of the City's required modifications; the development of design specifications; modification of base product code; and unit testing of the product. This will include the work effort associated with designing and developing the bill format.

Product Data Conversion. The Vendor, with assistance from the City, will be responsible for conversion of approximately 4 GB of data. The City plans to work with the current system support personnel in mapping and extracting the existing CIS data. The Vendor will supervise this process, and provide the data conversion processes and programs, and be responsible for loading the converted data into the new database. Activities will include data mapping, development of conversion specifications, conversion programming, conversion testing, multiple mock conversions, data clean-up, manual conversion, and production conversion. The City desires to start the data conversion as early in the project as is practical.

Product Reporting. The Vendor will provide the City with a series of standardized reports as part of the base product. Include a list of the reports available with the system. Include additional time based upon vendor experience required to modify and enhance the standard product report offerings.

Product Interfaces. The Vendor will be responsible for developing design specifications addressing product modifications required for defined interfaces. Once approved by the City, the Vendor will modify base product code and successfully unit test and component test the product.

Product Documentation. The Vendor will be responsible for providing system and user documentation for the base product. The Vendor will modify the documentation as required to reflect the City's customization.

The Vendor will provide at least one master and one copy of systems documentation for hardware, operating software and applications software, as well as system administration documentation and training manuals. Electronic copies in MS Word format are required.

The Vendor will grant the right to make as many documentation copies for use by the City's employees as needed. In addition, as part of the ongoing license fee, the Vendor will provide one master and one copy of all



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documentation upgrades for all future system modifications and enhancements.

Product Training. The Vendor will be responsible for training the City's core team (7 people) in all aspects of the base product and the complete use of the new CIS. In turn, the City's core team will provide training to its secondary and casual users. All end user training will be conducted within the City's training facilities. The Vendor is expected to support and be involved in this train-the-trainer program.

The Vendor will provide a training plan identifying the minimum number of training hours required per module that will be provided as a part of the base package. The plan will identify, by module, the actual training staff, the training outline, hours, materials and costs. The training plan should describe the size (minimum and maximum) and assumed skill levels of each group and the functional responsibilities covered in each session.

Pricing for alternative training methods should also be included.

Product Testing. The Vendor will be responsible for conducting a comprehensive systems test utilizing the City's environment and its data. Though the Vendor is responsible for all testing, verification testing by the City must be allowed to take place. Product parallel testing is required.

The Vendor will develop a test plan outlining the testing approach, methods, data participants and other items required for successful product testing.

The Vendor will assume responsibility for conducting a product integration test to ensure that the delivered product modifications and product interfaces work to specifications and do not adversely impact the system as a whole.

The Vendor will assume responsibility for conducting a product volume test to insure that batch and on-line performance meets performance and service levels.

The Vendor will assume responsibility for conducting mock production conversions in preparation for production cutover.

The Vendor will provide resources for product fixes resulting from errors identified during the system testing process.

Product Installation. The City will review the final results of product testing and the mock production conversion to accept readiness of the system and approve production cutover. The Vendor along with the City will stage all aspects of the system, develop a conversion schedule and conduct all cutover activities.

Installation Services. The proposed solution must include a task-based work plan identifying activities and resources (internal and external) required for successful installation and implementation of the proposed solution component. The City will provide management, technical, and user resources to be involved in the project effort based on the Vendor's installation and implementation approach and associated activities. Complete implementation costs for all solution components must be provided.

Post Installation Support. The Vendor will provide immediate production critical support for the City during the first 90 days of operation, or a defined comprehensive cycle period. In addition, the Vendor will perform a post-installation review to identify production issues and develop an action plan and associated timeline to address these issues.

Final System Acceptance. Final system acceptance will be completed within a period of ninety (90) days following production cutover. Within that period the City may designate a thirty (30) day window to measure performance of the system in accordance with predefined performance criteria.

The project is not considered complete and the Vendor will not be released from their obligations until this final acceptance test is conducted and the system is formally accepted by the City.



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Project Expenses. All expenses will be billed to the City at cost without markup. Copies of bills for expenses are to be submitted with the invoice. The following is a list of allowable travel expenses under this contract agreement:

Transportation:

- A. Public Transportation – airline (coach class, minimum 14 days advanced purchase for fares).
- B. Car Rental – economy, gas for rental car (City assumes no liability regarding additional insurance costs).

Lodging and Meals:

- A. Meals – three meals per day, at the current federal rate per diem for Maricopa County.
- B. Lodging – not to exceed the current federal rate for Maricopa County. Vendors should stay in hotels located within the City of Peoria.

Miscellaneous:

- A. There will be no allowances for parking or personal car mileage. Travel time to and from job site is excluded from this contract. No incidentals for travel of any kind are allowed under this contract.

9.4.5 Project Organization and Staffing. The Vendor will present a project organization chart outlining the reporting structure and primary responsibilities of each position. In addition, the Vendor will identify the requirements for the City’s management, user, and technical personnel for the project.

The Vendor will provide all personnel required to successfully complete proposed project activities and will identify specific individuals for those key positions identified within the organization chart. Vendors should recognize that changes in key project personnel will not be allowed subsequent to award of contract without written consent of the City. Additionally, the City reserves the right to approve any and all personnel changes or to request personnel changes as the City deems appropriate during the course of the project.

9.4.6 Pricing and Ongoing Cost of Ownership. The Vendor will provide a detailed breakdown of all costs required for the successful implementation and ongoing operation of the proposed solution. The City encourages the Vendor to fully identify costs associated with the proposed solution. To minimize or hedge on product costs will only serve to place the City and the Vendor at a disadvantage.

The City recognizes that the implementation of a comprehensive Customer Information System Solution is a complex effort and that not all possible variables are provided for within this RFP document. Therefore, it is acknowledged that the Vendor may be required to make some assumptions about the City’s environment or about specific requirements. Any assumptions made by the Vendor in regard to this RFP shall be documented in this section.

The City is requiring that the Vendor identify deliverables and provide specific cost information as outlined within the cost tables. All vendors are required to complete the provided cost tables which can be accessed by **linking to: peoriaaz.com/checklist**. The user i.d. is ‘ubvendors’. The password is ‘ubdocs’. The completed Cost Tables shall be submitted back to the City on a compact disk, along with the entire proposal in a sealed envelope on the due date and time as specified on the solicitation package. The cost tables must be completed and submitted electronically and in hard copy and are mandatory to be considered responsive to the RFP. Vendors



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should provide fixed prices in all areas where possible and give their best estimates on all others. The Vendor must identify those costs that are not fixed. Proposed pricing shall be F.O.B. destination. **The City is not a tax-exempt entity.**

9.4.7 Ongoing Support. At a minimum, the solution must include information and pricing associated with all aspects of ongoing support and maintenance activities. This support may include: on-site, next day hardware maintenance, industry-standard software maintenance, product help desk during business hours (5 days per week, 10 hours per day during Arizona local time), product fixes, product enhancements; and regular product releases based on a defined on-going maintenance fee.

At a minimum, the proposed solution components must include information and costs associated with all aspects of on-going product support and maintenance activities for a period of 5 years. Vendor should define the warranty period and if support costs are applicable during the warranty period. The City expects the Vendor to provide on-going support including help desk, product fixes, product enhancements, and regular product releases (maximum of 2 per year) based on a defined ongoing maintenance fee. Complete maintenance, support, operational costs and response times for all solution components must be provided. All hardware related maintenance must be on-site at the City offices, and the warranty and support agreement will begin upon the City's final acceptance of the solution. The Vendor will describe the process for the City to request future product enhancements. Vendor must describe how customer requests for product enhancements to the base system are accommodated.

9.4.8 Level of Risk and Uncertainty. The Vendor will summarize how well the proposed solution has been implemented previously, citing examples relevant to the City. The Vendor will detail why the City should be confident that the project risk will be minimized.

The Vendor will provide a customer reference listing and related contact information for all relevant installation sites, including: customer name, site location, industry, customer base, user base, implementation date, product name/version number, and brief description of the engagement. (The City is interested in reference sites with implemented CIS solutions for water, wastewater and solid waste utilities.)

9.4.9 Additional Business and Technology Solutions. Although the City will focus on the selection of an integrated solution that ensures full CIS functionality and flexible and efficient data access, there is interest in exploring additional business and technology solutions. Vendors may elect to submit information detailing other systems, which may be integrated, with the CIS solution to provide enhanced levels of automation, operation and service.

The City may elect to pursue these additional business and technology areas with the Vendor Finalist for inclusion in the solution and the Vendor's Best & Final offer.

10.0 Vendor should insure that they registered as an RFP holder of this solicitation with the City of Peoria to insure receipt of amendments or clarifications related to this solicitation.

Subsequent questions, after the date for submission of questions, will not be answered. However, it is the Vendor's responsibility to continue to monitor the web site for any solicitation amendments.

11.0 Vendor Business Finalists Identified. The City will conduct an initial evaluation of the proposals. This evaluation will focus on examining the proposed solution in terms of the mandatory requirements and the proposed solution's functional fit. The City will select the best of the valid proposals which meet the City's minimum requirements and initial evaluation criteria. The Vendors proposing those solutions will become Business Finalists and will move into the next stage of evaluation.

11.1 Technical Questions. All Business Finalists will be required to answer a series of technically oriented questions, which will be provided after the initial shortlist selection and shall be returned to the City in advance of any demonstrations or interviews.



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11.2 Vendor Reference Checks. For all Business Finalists, the City's evaluation team will contact vendor customer references by telephone. The City may call any and all clients of the selected finalists and may ask to speak to any personnel of those clients. In addition, the team may arrange at this time to visit vendor customer sites or corporate offices to further confirm and evaluate the proposed solution.

11.3 Vendor Demonstrations. All Business Finalists will conduct a one day on-site demonstration of the proposed software product solution. The City expects the Vendor to demo the latest version of their product, the one currently in production. If, however, the Vendor is proposing to install a later release, that must be clearly communicated.

The first half of this demonstration will allow the Vendor to present an overview of their proposed overall solution to the City. This should include an overview of the company, and why the Business Finalist feels their offering is the best for the City. The remaining time will be used to demonstrate specific functionality specified by the City. However, the Vendor will be allowed to schedule the sequence of the demonstration of these functional areas. The City will grade each area of functionality within the Vendor's solution. The City will contact the Vendor to schedule a date, time, and location for the interview and product demonstration. The Vendor must notify the City prior to the demo of the sequence and timing of the demonstrations for each specific functional area.

The City evaluation team and key City business and technical users will attend.

11.4 Vendor Finalist(s) Identified. Based upon the proposal responses, vendor interviews, product demonstrations, reference checks, checklist responses, and other discovery work, the City will select one vendor to proceed into detailed confirmation activities.

The procurement will remain open and in the event a solution is not reached with the Vendor Finalist(s), the City will pursue confirmation activities with the second place vendor and so on until a final solution is achieved.

All vendors submitting proposals will be notified by the City's Purchasing Officer regarding the City's decision.

11.5 Corporate Office and Site Visits. To further validate the solution, the City evaluation team may visit at least one, and possibly two, customer sites and may visit the Vendor's corporate office.

11.6 Vendor finalist Confirmation. The Vendor Finalist will be expected to conduct a comprehensive 5-day detailed product design and discovery session that will address the City's requirements and supporting documentation.

The intent of this detailed product demonstration session is to move beyond the "sales pitch" resulting in an understanding of system details. This will provide the City with an opportunity to evaluate and validate the product, as well as allow for the identification of required product modifications, and assist in defining a final project scope within which the Vendor can refine cost estimates.

Additional working sessions and walkthroughs may be conducted with the Vendor to further refine the proposed solution.

11.7 Additional Follow-up. The City evaluation team will conduct other discovery work as required to further evaluate the vendor's proposal. This may consist of additional interviews, demonstrations, site visits, corporate office visits, benchmarking studies or other activities as required by the evaluation team to make an informed decision.

The City may arrange with the Vendor to conduct a usability test, which would provide users with hands-on use of the proposed system.

Additional working sessions and walkthroughs may be conducted with the Vendor to further refine the proposed solution.

11.8 Best and Final Offer. The Vendor will submit a Final Solution, which has been refined to reflect the confirmation activities and additional discovery work.

11.9 Contract Discussion. The City will conduct discussions with the Vendor to clarify or discuss proposal points, contract terms and conditions, and contract price.



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- 11.10 **Installation Plan.** The City will focus its efforts on developing an installation plan, which will address all aspects of the solution in preparation for its presentation and approval.
- 11.11 **Approval Obtained/Contract Awarded.** The recommendation and installation plan will be presented to the City Management for their consideration and approval. Based upon management concurrence, the City will award the contract and sign appropriate contract documents, if an appropriate vendor is selected.
- 11.12 **Installation Start-up.** The Vendor will initiate project organization and startup activities no later than forty-five (45) days from the contract award date.
- 11.13 **Agreements.** If service agreement, license agreements, confidentiality statements, etc. is required by the vendor, the vendor shall submit copies of all documents for review by the City

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October 14, 2003

Buyer: Jennifer Miller
City of Peoria, Arizona
Solicitation No. P04-0011
Materials Management Procurement
8314 West Cinnabar Street
Peoria, AZ 85345-6560

It is a pleasure Ms. Miller,

To have the opportunity to participate in your RFP and submit our proposal of RevenueCollector as an alternative response as a supplement to the selected Utility Billing System.

Creating, developing, and supporting payment collection solutions is our only business focus. System Innovators' RevenueCollector is the result of over 22 years of experience in solving the payment collection needs of local governments and utility companies.

Information you requested:

1. Identify Submitting Organization – **System Innovators, Inc.**
2. Identify the person by name and title authorized to obligate the organization contractually – **Roger Nelson, President & CEO or Chuck Gillum, Executive Vice President, Sales & Marketing**
3. Identify the contact person responsible for this response. Specify phone, fax and email address – **Kelley Langford, 800.963.5000 ext 231, fax 904.281.0075, klangford@systeminnovators.com**
4. Explicitly indicate review and accept the Terms and Conditions and identify exceptions – **Please see Section 8 – Exceptions of our response to the RFP for our exceptions.**
5. Acknowledge that the proposal is firm for 180 days – **Our proposal response will be honored for 180 days from the due date.**
6. Acknowledge completion of the pricing worksheet – **System Innovators has provided an alternative response for consideration as a compliment to the chosen Utility Billing System and has provide pricing for this alternative solution in Section 5.**

You will be comforted to know we have successfully installed thousands of cashiering workstations worldwide. The entire System Innovators team looks forward to adding the City of Peoria to our long and growing list of happily involved clients.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chuck Gillum', written over a circular stamp or seal.

Chuck Gillum
Executive Vice President
Sales & Marketing

10550 Deerwood Park Blvd., Suite 700

Jacksonville, Florida 32256

Tel 904 281 0090

Fax 904 281 0075

www.systeminnovators.com

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**Proposal to
City of Peoria, AZ**

October 22, 2003

10550 Deerwood Park Blvd., Suite 700
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Outline of Proposal

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Preface

This proposal is alternative response to Solicitation Number P04-0011 – CIS Utility Billing System. Our proposal is based on a preliminary understanding of the basic information needs and desired automated functions as presented to us. We are confident that the proposed hardware and software represents an excellent solution to your cashiering needs. However, the degree of success that this system will have is dependent on several factors, some of which are not under System Innovators' control. The success of this solution requires cooperation and commitment from all involved parties.

Unless required by law, the information in this proposal is not to be disclosed except for evaluation of this proposal by the recipient's employees, officers and representatives. This proposal will expire one-hundred and eighty (180) days from its date unless extended by System Innovators in writing.

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Payment Collection Software from System Innovators

System Innovators has developed a software package called RevenueCollector[®] to process payments from all collection sources. RevenueCollector combines the latest client/server technologies available today, and over two decades of experience with the cashiering needs of government agencies to create a collection system that really makes sense for the City of Peoria, Arizona.

Replacing old collection procedures with RevenueCollector provides an impressive list of advantages. First, it provides a system that can connect all collection sources (i.e. over-the-counter, self-service stations, Internet, phone, remittance processor, etc.) with all posting systems (i.e. recording systems, receivable systems, general ledgers, and treasury systems) using reusable interfaces. Second, RevenueCollector stores all payment transactions in a single consolidated database that provides extensive revenue and statistical reporting capabilities. Third, it includes CASHIER[®] for Windows™, the most comprehensive feature-packed cashiering system available today, for processing over-the-counter transactions and miscellaneous collections. Finally, RevenueCollector integrates with existing computer infrastructure using industry-standard hardware and software so existing host systems don't need to be replaced to take advantage of the power and flexibility of this system.

RevenueCollector Overview

The following overview of RevenueCollector describes the features and benefits associated with the system.

Connectivity

- To receive all payments, RevenueCollector offers interfaces to all collection sources including over-the-counter transactions, remittance processors or lockboxes, self-service payment terminals, Internet collections, Interactive Voice Response systems and more.
- To post all payments, RevenueCollector uses custom, reusable interfaces to each detailed and summary posting systems including receivables, recording systems, general ledgers and treasury systems.
- To verify account identity and facilitate payment collection options, select information can be retrieved from other information systems and sent to a collection source.
- For flexibility, payments may be transmitted to other computers and applications as they are received or in payment batches as conditions require.
- To insure uninterrupted customer service, payments can be processed automatically from both online and offline collection sources as soon as payment information is entered.

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Revenue and Statistical Reporting

- To ensure data integrity, RevenueCollector stores all payment details in a relational database that can be protected through industry standard backup and recovery procedures.
- To be compatible with existing systems, any ODBC compliant database such as Microsoft SQL Server or Oracle can be used.
- Detailed transaction reports are available to track down errors and provide hard copy backup.
- Standard revenue reports are available to summarize collections across time, locations, collection sources and individual stations.
- Standard statistical reports are available to evaluate the effectiveness of each collection source across time, location and station.
- For ease of use, Crystal Report Writer can be used to create both standard and ad-hoc reports.
- For convenience, all standard and ad-hoc reports can be viewed on any PC with access to the database or printed to a standard printer on the LAN.

Flexible Cashiering

For reliability and dependability, *CASHIER for Windows*, the leading online cashiering system for government and utilities, is incorporated into RevenueCollector.

- All types of payments can be processed in any combination with any type of media tendered.
- Costly and time-consuming errors are minimized because all information for each payment is displayed on one screen for editing and verification prior to recording.
- To verify account information, select information may be automatically retrieved from a customer or accounting application.
- For faster and more accurate input, scanners can be utilized to read bar code, magnetic stripe, MICR and OCR scan lines.
- To validate bills and endorse checks, a variety of journal/validation printers are supported.
- For increased security, cash drawer access is controlled by the system.
- To maximize customer payment options, *CASHIER for Windows* can process and authorize credit and debit cards.
- For a complete and detailed audit trail, the validation of bills and other input documents is recorded on an electronic audit tape along with a chronological electronic record of all activities.

- To handle varied receipt printing needs, up to 99 different receipt formats can be maintained by a system administrator.
- To support a flexible processing environment, payments can be suspended and completed at a later time by a different person.
- For quick and easy retrieval of select payment information, an electronic journal is maintained on each cashiering workstation.
- To ensure accountability for each payment, *CASHIER for Windows* automatically updates transaction numbers and receipt numbers, and stamps each transaction with the date and time recorded.
- For ease of maintenance, user-defined codes, data fields and parameters are maintained in tables that can be downloaded to all LAN connected workstations.

Industry Standards

RevenueCollector is a two or three tier client/server application that can integrate with both existing legacy systems and new state-of-the-art systems to meet payment collection needs for many years. It utilizes Microsoft Windows operating environments such as Windows NT or 2000 Advanced Server, and Windows Me/2000/XP clients. All modules are written in Microsoft Visual C++ as pure 32 bit applications.

A relational database such as Microsoft SQL Server is used to consolidate all payment activity across all collection sources. All collection sources access the database through ODBC compliant routines; so any ODBC compatible database can be used. In addition, there are some widely accepted third-party software products used with RevenueCollector such as Crystal Report Writer for report generation, and authorization services for credit and off-line debit (Visa Check) cards.

Both Ethernet and Token Ring Local Area Networks are supported using TCP/IP or IPX/SPX protocols. Access to all internal applications such as Customer Information Systems and Accounting Systems typically use the existing network infrastructure. Accesses to external systems, such as the Internet, use TCP/IP protocol exclusively. Wide Area Networks, compatible with the local protocols listed above, are also supported.

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The recommended hardware and software for RevenueCollector are listed below:

RevenueCollector Transaction Server (not included in this proposal)

- ◆ Dual Pentium III 933+ MHz (or equivalent) processors
- ◆ 1+ GB memory (upgradeable)*
- ◆ Three 18+ GB hot swap hard drives*
- ◆ Raid Level 5
- ◆ CD-ROM drive
- ◆ 40/80 GB DAT Tape Drive backup
- ◆ 100MB/1GB network cards
- ◆ Microsoft Windows 2000 Server operating system
- ◆ Tape Backup Software
- ◆ Virus Protection Software

*Sizing depends on the number of users and transaction volumes (the minimum recommended size is shown). The database server and the transaction server can be combined in one server at installations with less than 20 collection sources and/or less than 1,000,000 payments per year.

RevenueCollector Database Server (not included in this proposal)

- ◆ Dual Pentium III 933+ MHz (or equivalent) processors capable of quad processing
- ◆ 2+GB memory (upgradeable)*
- ◆ Three 18+ GB hot swap hard drives*
- ◆ CD-ROM drive
- ◆ Raid Level 5
- ◆ 40/80 GB DAT Tape Drive backup
- ◆ 100MB/1GB network card
- ◆ Microsoft Windows 2000 Server operating system
- ◆ Microsoft SQL Server 2000 database software
- ◆ Tape Backup Software
- ◆ Virus Protection Software

The recommended hardware and software for CASHIER *for Windows* are listed below:

CASHIER *for Windows* Workstations (not included in this proposal)

- ◆ Pentium 1+ Ghz processor
- ◆ 128+ MB memory
- ◆ 20 GB hard drive
- ◆ 1 or more serial ports
- ◆ 1 parallel port
- ◆ 2 USB ports
- ◆ 1 PS/2 mouse port
- ◆ 17" SVGA monitor
- ◆ 10/100 MB Network Card and cable
- ◆ Microsoft Windows 2000 or XP operating system
- ◆ Virus Protection Software

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Section 2

Features of RevenueCollector®

This section describes the features of RevenueCollector that are available as of the date of this proposal. The features of *CASHIER for Windows*, which have been integrated with RevenueCollector, are also included.

These features have been subdivided into the following categories:

- Consolidated Payment Database
- Connectivity
- Revenue & Statistical Reporting
- Cashiering
- Operating Environment

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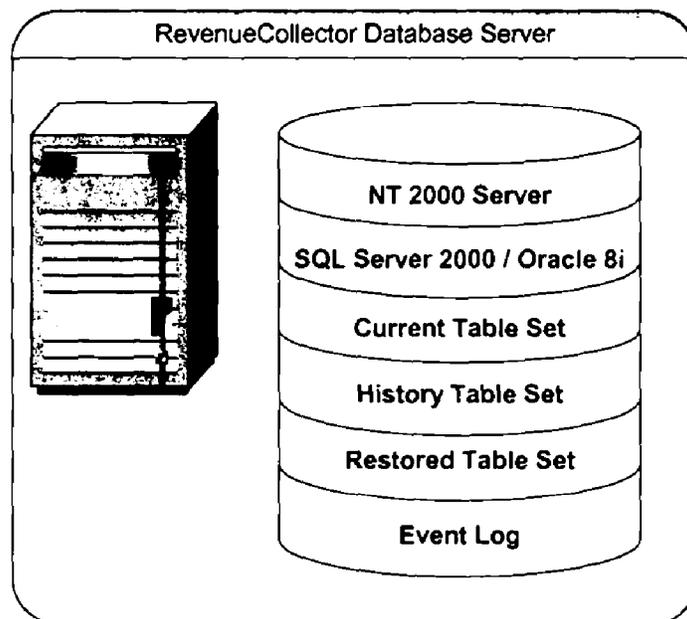
Consolidated Payment Database

RevenueCollector is built around a Consolidated Payment Database that stores all of the payment details for every transaction from every collection source. This database serves as the central repository for all types of collections regardless of the number and type of interfaces to collection sources or host based systems.

The Consolidated Payment Database consists of a set of tables stored in a relational database such as Microsoft SQL Server or Oracle. All access to the database for adding, updating and inquiring on payment activity utilizes ODBC routines such as SQL calls or stored procedures.

The structure of the Consolidated Payment Database is divided into three main sections: current activity, historical transactions and event logging. Payment transactions are written to the current activity tables that store two or three days worth of payments. At the end of each processing day, when all collection sources are closed and balanced, the current days payments are copied to historical transactions and the oldest day stored in current activity is deleted. This provides an extra layer or backup while keeping the current activity tables small for faster access.

Historical transactions may be kept indefinitely or archived to offline storage after a user-defined period of time. These transactions can be retrieved to a Restored Table Set for subsequent use in queries, report preparation, or audits.



The event logging tables include status flags and logs of maintenance activities, and sign on attempts. These tables are used to control the switch from current to history, and to provide an audit trail of activities for security purposes.

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Payment Administration Module

The Payment Administration Module (PAM) provides the tools to correct payment transactions from previous days in a single step. Powerful query capabilities enable individual transactions to be isolated and displayed on the screen. Changes may be made to individual fields but are recorded as a reversal of the original transaction and the entry of a new transaction to provide a complete audit trail including the date, time, location and ID of the person making the change. Once the change is completed, the reversal entry and the new transaction are automatically posted to customer and accounting systems based on the posting requirements of the original entry.

Receipt:		Payment Classes:	
Processing Date		Payment Class Code	Payment Class Name
Location Code		0001	Amount Due
Workstation Number		Add Payment Clas	
Transaction Number			
Receipt Number			
Void Status			
Posting Sequence			
Void Receipt Number			
1st Receipt in Trans			
Current Date			
Current Time			

PAM also provides the capability to combine selected deposits into a consolidated bank deposit. The consolidated deposit records can be used to reconcile deposits with the bank while the details behind them can be used to identify the individual person that entered each transaction in that deposit.

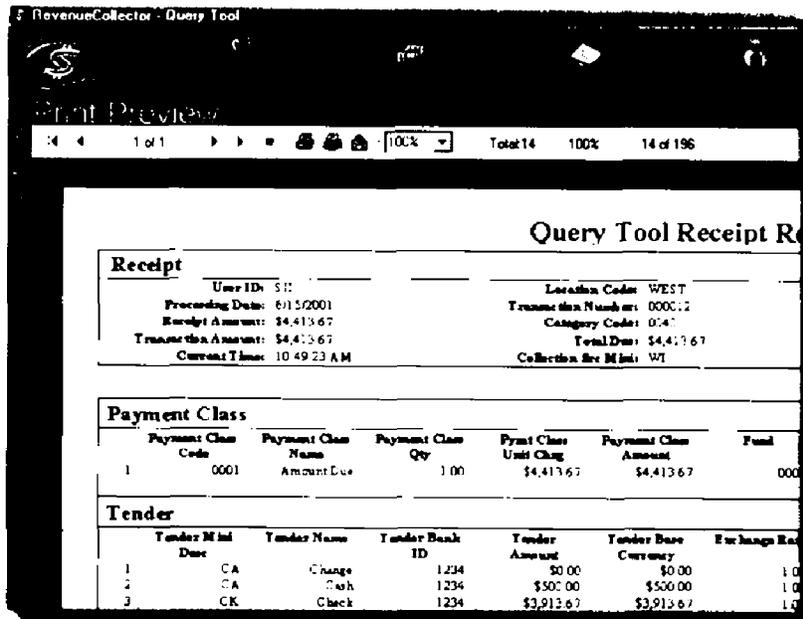
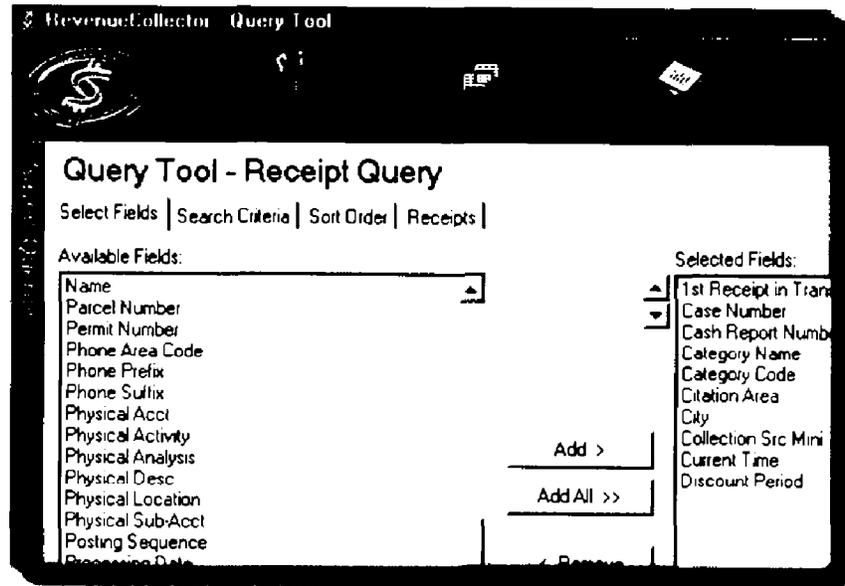
The flexibility in provided in PAM makes it an ideal tool to perform functions such as:

- ◆ Correcting payments posted to the wrong account
- ◆ Correcting out-of-balance conditions in bank deposits
- ◆ Reversing payments due to NSF conditions
- ◆ Correcting payment distribution errors
- ◆ Creating ACH files on demand

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Query Module

The Query Module provides the ability to construct and run queries on all payment and audit data in the Consolidated Payment Database. Queries are constructed by picking the fields to be viewed and entering the search and sort criteria. This powerful interface simplifies the construction of complex queries and allows them to be saved for subsequent use. Repetitious research request can be completed and printed through saved queries from any authorized person.



Audit queries provide an extra level of verification. Since all information printed on receipts and associated documents is recorded in a separate audit table of the Consolidated Payment Database, queries can be performed on this data as well. An electronic audit tape can be accessed from the Query Module to identify what happened before, during and after a transaction in question. Saved queries can be run using current, historical or restored data sets in the Consolidated Payment Database.

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Consolidated Reports Module

The Consolidated Reports Module in RevenueCollector allows users to view or print a variety of standard reports that summarize payment activity across time, collection sources, payment types and other criteria. Detailed reports of payment activity and statistical reports on payment collection activity are also available. A list of the standard reports is included below:

Itemized Tenders Reports

- ◆ Itemized Tenders for All Users
- ◆ Itemized Tenders for a Single User

Deposit Reports

- ◆ Cashier Deposit Report

Category with Payment Class Reports

- ◆ Category/Payment Class Report by Workstation
- ◆ Category/Payment Class Report by Location
- ◆ Category/Payment Class Report by All Locations

Payment Class Reports

- ◆ Payment Class Report by Workstation
- ◆ Payment Class Report by Location
- ◆ Payment Class Report by All Locations

Single Payment Class Reports

- ◆ Payment Class Report for a Single Payment Class by Location
- ◆ Payment Class Report for a Single Payment Class by All Locations
- ◆ Payment Class Report for a Single Payment Class by Workstation

Cashier Balances Reports

- ◆ Cashier Balances for a Single User
- ◆ Cashier Balances for All Cashiers

Voided Transaction Reports

- ◆ Voided Transactions by Date
- ◆ Voided Transactions by User

Credit Card Report

- ◆ Credit Card Transactions

Transaction Statistics Reports

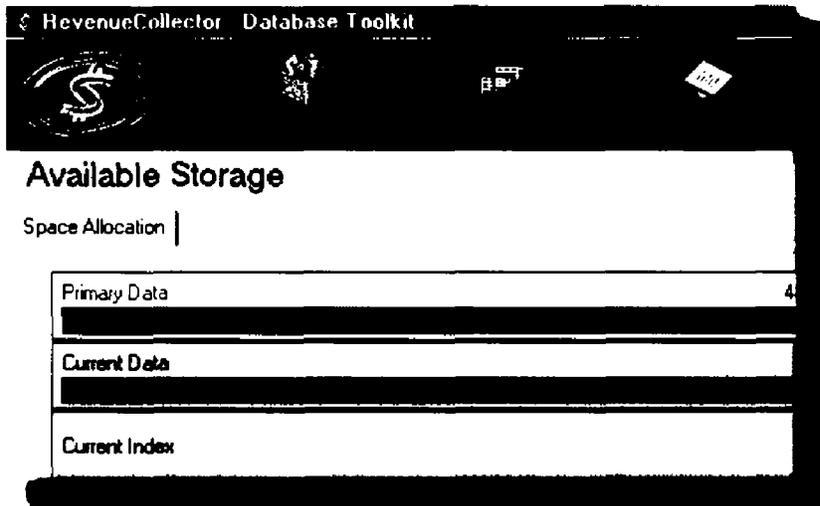
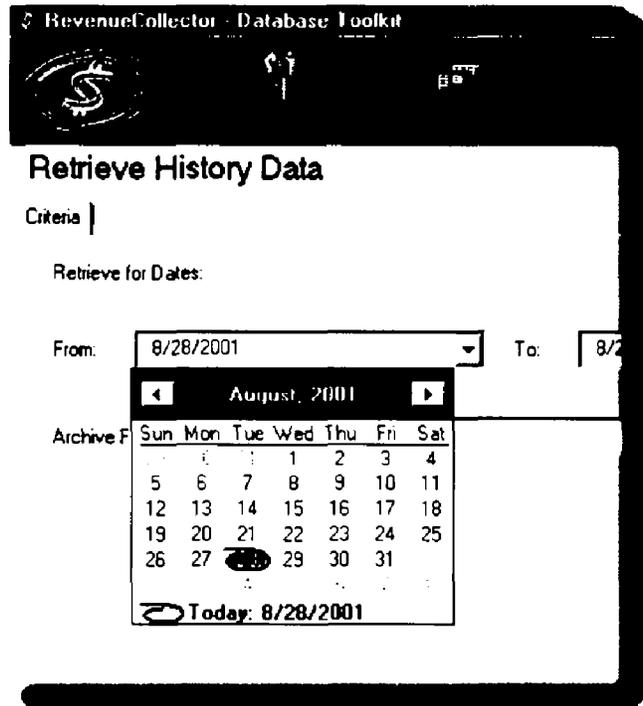
- ◆ Transaction Statistics by Collection Source
- ◆ Transaction Statistics by Cashier

Since all of the reports in the Consolidated Reports Module are created with Crystal Reports, standard reports can easily be modified. In addition, new reports may be created by copying and modifying templates used in standard reports. Once finalized, new reports can be added to the list of standard reports available to all authorized personnel. Ad hoc queries for special one-time reports can also be created using Crystal Reports.

Database Toolkit

The Database Toolkit supplements the native database tools. The Toolkit gives non-DBA persons the power to archive, purge and restore data from the database right down to the receipt level using a simple GUI interface. Knowledge of the SQL language is not necessary to use these tools. The Database Toolkit provides the ability to:

- ◆ Archive data from History Tables
- ◆ Purge data from History Tables or Restored Tables
- ◆ Restore previously archived data for full query and reporting purposes
- ◆ View real-time audit log of all prior Archive/Purge/Restore activity
- ◆ Run ad-hoc scripts to manage data
- ◆ View a graphical representation of current data storage allocation and availability



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Configuration Module

The Configuration Module provides service level control of RevenueCollector. It is possible to stop and start any aspect of the system, or simply "view" the current status of the server to determine performance levels. E-mail tasks are established to notify the administrator if there is a problem. There is also a complete 'log' of all activity of each module available for immediate viewing. This module is also used to maintain the day-to-day behavior of all collection clients. These types of enterprise wide changes are done from the comfort of an individual desk while the results are pushed to all clients that utilize that function. Parameters that are maintained in this module include:

- ◆ Server Settings (Scheduler, Email, Resources, etc.)
- ◆ Business Rules (Ledger Codes, Data defaults, etc.)
- ◆ Location settings (Default Banks, Allowable Tenders, etc.)
- ◆ Security (Assign authority to the menu/sub-menu level)
- ◆ Future processing period maintenance settings

The screenshot displays the 'RevenueCollector Configuration' window. On the left is a navigation tree with the following items: Translators, Resources, System Settings, Email, Tasks, Schedule DLLs, Schedules, Protocol Messages, Protocol Categories, Protocol Tenders, ACH Merchants, and SII. The main area is titled 'ACH Merchant' and contains the following fields:

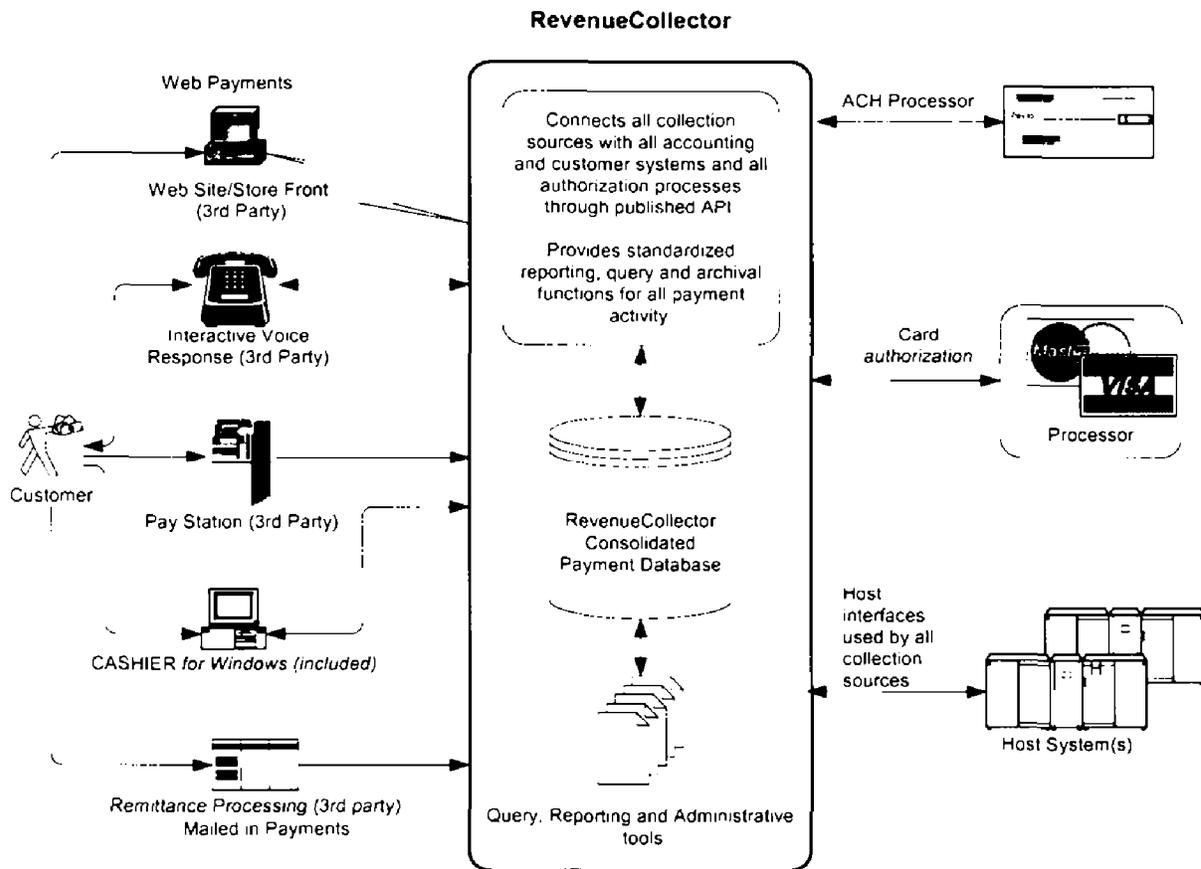
Merchant	
ID:	1234567890
Name:	SII
Description:	DESC
Contact Info:	800 963 5000
Bank	
Routing #:	12345678
Routing # Check Digit:	0
Account Number:	12345678901234567
ACH Provider	
ETP Server Path:	192.0.0.5

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Connectivity

RevenueCollector includes a server based transaction processor to connect the various collection sources with each of your customer information, receivable, general ledger and treasury applications using resource pools. The resource pools are collections of shared system resources that ensure performance when a large number of client systems interface the host systems, databases and legacy applications where customer information is stored. For example, 100 cashiering workstations could be updating the Consolidated Payment Database using 10 shared connections.

RevenueCollector Integration Overview



Five basic types of transactions are managed using resource pools; host inquiries, host updates, client requests, client updates and message logging. A description of each type of transaction is included on the following pages.

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Host Inquiries

RevenueCollector can interface other computer applications such as customer information systems, billing systems and receivable ledgers to retrieve account information about a payment that is being made. This serves two purposes: first, the account identification can be verified; second, payment options can be determined and enforced.

Each host inquiry routine is customized to meet your needs using one of RevenueCollector's Application Program Interfaces (API). The APIs support many different types of interface techniques such XML stream, Stored Procedures (via ODBC routines), or supply your own Dynamic Link Libraries (DLL). The design of RevenueCollector allows these online interface routines to be shared by different collection sources. For example, the online account inquiry used in *CASHIER for Windows* to take over-the-counter payments can also be used by Self-Service Payment Stations or Web based payment options.

Host Updates

Other computer applications are also interfaced to post payment and summary information. Collected payment details can be sent to customer information systems, billing systems and receivable ledgers using online or batch interfaces. Summary information, such as the total amount collected by payment type, can be sent to the general ledger and deposit information can be sent to a treasury system.

Each host update routine is also customized to meet your needs. Online updates use the API techniques listed above while batch posting routines typically create custom file layouts that match an existing update process in the receiving application. Host update routines can also be shared by different collection sources. For example, payments collected over-the-counter, through the mail, and through other agencies can all use the same host update routine(s) to post the payments to the appropriate applications.

Client Requests

RevenueCollector supports several different types of collection sources (clients) that can make online requests for information including over-the-counter or miscellaneous collections through *CASHIER for Windows*, self-service payment terminals, Remittance Processors, Interactive Voice Response Systems (IVR), and Web based collection clients. When a request is made by one of these systems, RevenueCollector processes the request and activates the appropriate host inquiry to retrieve the information and send it to the workstation or terminal that requested it.

Each client request module can be customized to process any number of information fields that need to be retrieved in order to properly process each payment.

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Client Updates

All payments collected through each type of collection source (client) are written to the Consolidated Payment Database using an ODBC update routine. This update can be performed online as each payment is collected or in a batch mode depending on the capabilities of the client. In addition, payments can be queued for an immediate host update or they can be flagged for update at a later time. Payments collected through online interfaces such as *CASHIER for Windows* or an IVR system are normally written to the database as they are collected but can also be written at a later time if the client is operating offline for any reason. Payments processed through batch interfaces to clients, such as remittance processors or other third party applications, are written to the database as payment batches are made available.

Message Logging

As system events occur, RevenueCollector logs these events in an internal log file. Selected event messages can also be e-mailed to one or more e-mail addresses to identify potential problems before they occur. The following events are logged by the system:

- ◆ Routine statistical performance
- ◆ Completion statuses for each payment update
- ◆ Warnings about low system resources
- ◆ Host availability statuses
- ◆ Payment transmission errors
- ◆ System failures

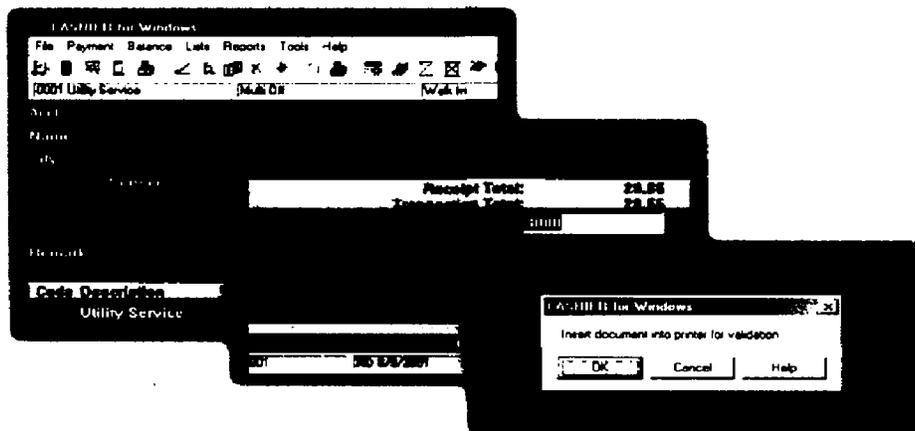
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Integration with CASHIER for Windows

CASHIER for Windows, the industry leader in online over-the-counter payment collection solutions for utilities and local government is fully integrated with RevenueCollector. When you combine the convenience of this over-the-counter payment processing solution with the power of RevenueCollector, you have the answer to your payment processing problems. CASHIER for Windows brings a variety of features payment collections functions to the desktop such as:

- ◆ Enter any type of payment including
- ◆ Payments for multiple bills
- ◆ Payments allocated to multiple charges
- ◆ Payments without a bill
- ◆ Partial payments
- ◆ Payments made with multiple types of tender
- ◆ Refunds and credit vouchers
- ◆ Apply any accepted form of tender (such as cash, checks, and credit cards)
- ◆ Suspend and resume payments
- ◆ Void payments
- ◆ Correct Payments
- ◆ Reverse credit card payments
- ◆ Balance Cash Drawers
- ◆ Record cash pickup
- ◆ Create bank deposits

CASHIER for Windows provides the cashiering functionality to enter payments while RevenueCollector manages the data and connectivity. Together they provide a robust solution for all payment processing requirements.



Features of CASHIER for Windows are included on the following pages.

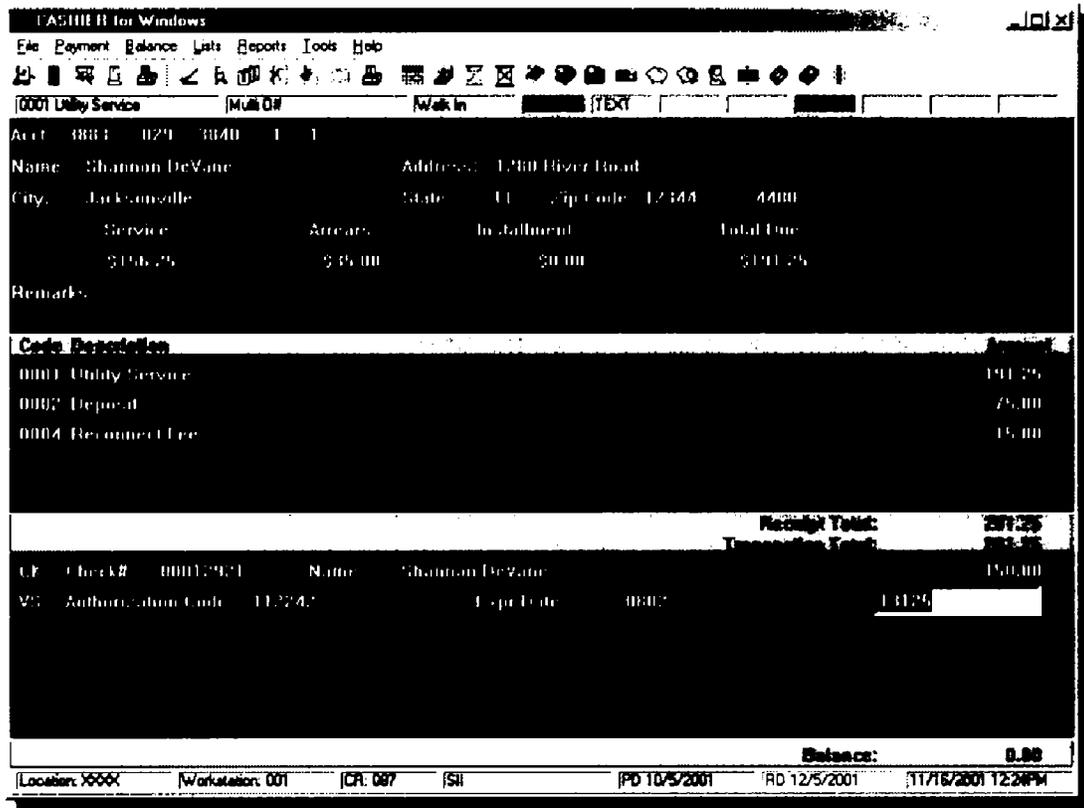
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CASHIER for Windows User Interface Features

CASHIER for Windows features a simple user interface that lets you enter payments through a single Payment Collection Window. The Payment Collection Window consists of three regions. All three regions are user-definable, scrollable, and sizable to display the necessary information.

- ◆ The **Account Region** shows customer account information.
- ◆ The **Payment Class Region** shows the revenue distribution of each payment.
- ◆ The **Tender Region** shows the amount and type of each tender collected for each payment.

In addition to this payment entry interface, CASHIER for Windows features other simple user interfaces for balancing cash drawers and researching payment activity. It also features a customizable toolbar that contains graphical buttons for many CASHIER for Windows functions. You can choose the buttons that appear in the toolbar as well as arrange their position in the toolbar.



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Processing Payments Through CASHIER for Windows

Enter Payments

CASHIER *for Windows* provides you with a single Payment Collection Window to enter payments. With this interface, you can:

- ◆ Specify the payment type by selecting a category from a list, manually entering it, or having the system populate it by scanning a document (such as a bill)
- ◆ Enter customer account information according to the format of the Account Region
- ◆ Inquire to another computer application or database to retrieve customer account information
- ◆ Specify the revenue account by having the system populate the payment class (if a payment class is associated with the payment category), selecting a payment class from a list, or manually entering a payment class.
- ◆ Specify the tender type by selecting a tender type from a list
- ◆ Specify the payment amount
- ◆ Specify checking account information by manually entering checking account numbers or populating them via a MICR reader
- ◆ Enter credit/debit card account numbers via the keyboard, a Mag-Stripe Reader, or a Pin Pad
- ◆ Authorize credit/debit cards (this special handling routine is available as an optional module)
- ◆ Validate bills and print receipts based on user-defined formats
- ◆ Endorse each item of tender based on user-defined formats (duplicate receipts and endorsements are available also)

Void Payments

CASHIER *for Windows* lets you void payments. To void a payment, you must enter the appropriate transaction number or select the transaction in the Electronic Journal. Instead of deleting a voided transaction, CASHIER *for Windows* flags the transaction to indicate the transaction is voided. CASHIER *for Windows* also adds a new transaction to reverse the original transaction. This feature improves the audit trail by showing that the payment was not only taken but also voided.

Correct Payments

CASHIER *for Windows* Payment Correction feature guides the cashier through the exact steps necessary to alter a previously posted payment. All fields associated with the payment including account number, payment distribution and tender types may be changed in the correction process. CASHIER *for Windows* processes the changes through an automatic void and re-posting process to create a full audit trail.

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Suspend and Resume Payments

CASHIER *for Windows* lets you suspend the processing of a payment at any time before the entry is completed. It also lets you resume suspended payments on any cashiering workstation connected to the same network. This capability allows payments to be started by one person and completed by another. This capability can even be used to start a payment on the phone and complete it when the payment is tendered. When a user suspends a payment, CASHIER *for Windows* stores the payment in a "suspense" file that is accessible to other authorized users for a number of days defined in the system's parameters (typically 2-10 days).

Accept Credit and Debit Cards

CASHIER *for Windows* provides you with several features for processing credit cards and debit cards as tender.

- ◆ Magnetic stripe and Pin Pad reading and decoding
- ◆ Keyboard entry of credit card number and other required information
- ◆ Automatic online credit card authorization from all major credit cards
- ◆ Credit card and debit card receipt printing
- ◆ Credit card and debit card reporting

Reverse Credit Card Payments

CASHIER *for Windows* lets you reverse credit card payments from current or previous days. To reverse a credit card payment, you must retrieve the original transaction from the Payment Database. CASHIER *for Windows* posts the credit card reversal to the current day's activity. This feature accommodates the reversal of transactions as notified by the bank.

Process Multiple Receipts in the Same Transaction

CASHIER *for Windows* lets you process any combination of payments (receipts) together as a single transaction. Each receipt is numbered separately in addition to the transaction number and sequence within the transaction. Amounts tendered in a "multi" are applied to all of the receipts in a many to many relationship. Since the update process typically occurs at the end of the transaction, changes can be made to any of the receipts prior to completing the transaction.

Payment Transaction Security

CASHIER *for Windows* protects Payment transaction data by posting the data to several places.

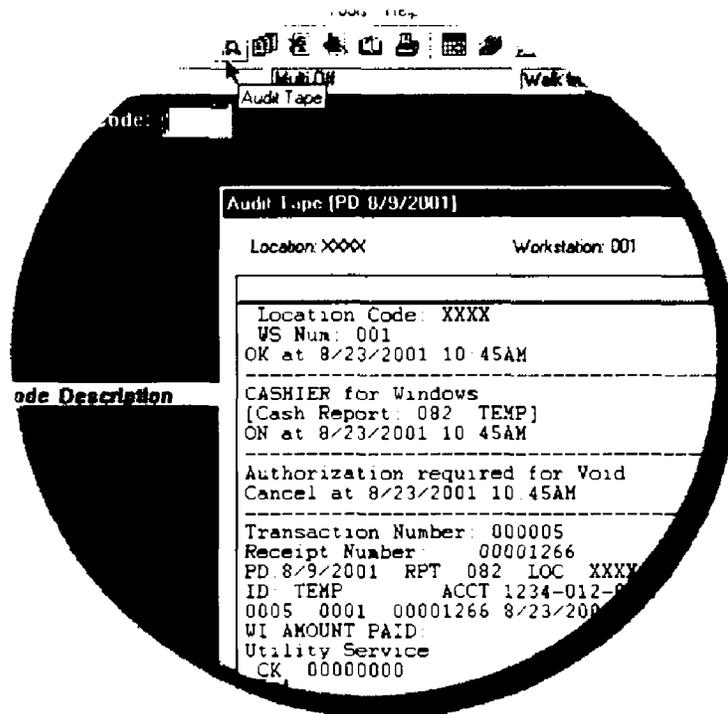
- ◆ Payment transaction file on the workstation
- ◆ Electronic Audit Tape
- ◆ Printed Audit Tape
- ◆ Consolidated Payment Database (when used with RevenueCollector)

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Audit Trails

CASHIER for Windows lets you create three audit trails.

- ◆ A Printed Audit Tape of all access, activity, transactions and reports performed on a workstation.
- ◆ An Electronic Journal of all payments transactions (stored on the PC hard disk).
- ◆ An Electronic Audit Tape (an indexed version of the Printed Audit Tape stored on the PC hard disk). You can copy information from the Electronic Audit Tape and paste the information into documents, e-mail, and so forth.



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Balancing Activities in CASHIER for Windows

CASHIER for Windows provides you with several features to assist in balancing cash reports and depositing funds.

- ◆ The **Cash Drawer Inquiry** feature lets you spot check balances in each cash report (till).
- ◆ The **Advance Deposit** feature lets you remove tender amounts from a till for safekeeping.
- ◆ The **Cash Counter** feature lets you calculate drawer balances based on bundles, rolls and loose items.
- ◆ The **Close Cash Report** feature lets you record and deposit final tender balances.
- ◆ The **Bank Deposit Review** feature lets you verify and/or void previously recorded deposits.
- ◆ The **Transmission Balances** feature lets you verify the transmission of payments to the appropriate systems.
- ◆ The **Credit Card Settlement** feature lets you transmit transactions paid by credit card to the processing center that authorizes merchant payment for settlement.
- ◆ The **Credit Card Reports** feature lets you generate reports showing credit card transaction summaries, debit card transaction summaries, and settlement summaries.
- ◆ The **Calculator** feature performs addition, subtraction, multiplication, and division functions and uses the journal printer to create a paper trail of all calculations.

The screenshot displays the 'Close Cash Report' window with the following data:

	Bank	Received	Advance Deposits	Current Deposits	Balance	# in
CA	ABC	\$588.54	\$500.00	\$88.54	\$0.00	
CK	UB	\$8,873.69	\$0.00	\$8,373.69	\$0.00	
DS		\$0.00	\$0.00	\$0.00	\$0.00	
GC	ALL	\$0.00	\$0.00	\$0.00	\$0.00	
MC	JB	\$594.94	\$0.00	\$594.94	\$0.00	
MO	JB	\$1,393.93	\$0.00	\$1,393.93	\$0.00	
VS	COA	\$858.83	\$0.00	\$858.83	\$0.00	
Subtot		\$12,309.93	\$500.00	\$11,809.93	\$0.00	
Float					\$150.00	
Ov/Sh					\$0.00	
Total					\$150.00	

Overlaid on the bottom of the report window is a dialog box titled 'CASHIER for Windows' with a question mark icon and the text: 'Cash report is in balance. Continue?'. The dialog box has three buttons: 'Yes', 'No', and 'Help'.

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Payment Journals in CASHIER for Windows

CASHIER for Windows provides you with an Electronic Journal on each workstation. With the Electronic Journal, you can:

- ◆ View transactions in the journal
- ◆ Print transactions in the journal
- ◆ Choose the range of transaction to view or print by selecting a range of values for any combination of system or user-defined fields
- ◆ Produce duplicate receipts and endorsements for any transaction stored on the workstation or in the Consolidated Database
- ◆ Void payments for any transaction
- ◆ Print all of the data fields stored for any transaction
- ◆ Look at the audit tape for any transaction

Journal [F0 6/9/2001]										
Receipts										
Receipt Number	Void Receipt Number	Transaction Number	Transaction Sequence	Current Date	Current Time	Category Code	Receipt Amount	Acct1	Acct2	Close
00001271	00000000	0010	0001	6/4/2001	2:38PM	0001	\$19.99	0000	219	
00001270	00000000	0005	0001	6/3/2001	4:09PM	0001	\$20.55	0020	327	
00001269	00000000	0008	0001	6/30/2001	5:53PM	0001	\$44.01	0530	836	

00301266	00000000	0005	0001	6/23/2001	10:45AM	0001	\$20.02	1234	012	Dup Receipt
00301265	00000000	0004	0001	6/23/2001	10:44AM	0001	\$19.99	1234	123	
00301264	00000000	0003	0003	6/23/2001	9:42AM	0001	\$115.25	2539	353	
00301263	00000000	0003	0002	6/23/2001	9:42AM	0001	\$298.31	1234	123	Audit Tape
00301262	00000000	0003	0001	6/23/2001	9:42AM	0001	\$199.99	1234	350	
00001261	00000000	0002	0001	6/9/2001	10:14PM	0001	\$110.03	1234	012	
00001260	00000000	0001	0001	6/9/2001	5:25PM	0001	\$1,203.42	1239	490	Print

Receipt Payment Classes										
Payment Class Code	Payment Class Name	Payment Class Amount	Fu	Receipt Tasks		Transaction Tenders				
0037	Phone Service	\$35.00	00	Task ID	Status	Tender Desc	Tender Amount	Check Number	Credit C	
				CPAY	Done					
						CC	\$19.99	00000000	4000	
						CC	\$3.00	00000000		

When using RevenueCollector in conjunction with CASHIER for Windows, CASHIER for Windows also provides you with a Consolidated Journal. With the Consolidated Journal, you can:

- ◆ View transactions stored in the Consolidated Payment Database
- ◆ Print transactions stored in the Consolidated Payment Database
- ◆ Search for any payment activity from any workstation on a selected day

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CASHIER for Windows Configuration

Configurable Workstation Parameters

CASHIER *for Windows* provides you with an interface to maintain workstation parameters. With this interface, you can configure:

- ◆ Display and color options
- ◆ Backup and reporting options
- ◆ Peripheral device selections

Configurable Location Parameters

CASHIER *for Windows* provides you with an interface to maintain location information. With this interface, you can configure:

- ◆ User assignments and security levels
- ◆ Bank assignments
- ◆ Default bank for each tender type
- ◆ Merchant ID(s) for credit/debit card transactions
- ◆ Shortcut key assignments
- ◆ Communication link assignments
- ◆ Location numbers and names

Configurable System Parameters

CASHIER *for Windows* provides you with an interface to maintain system data. With this interface, you can maintain:

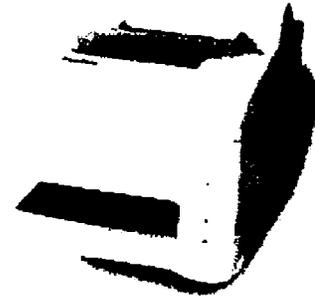
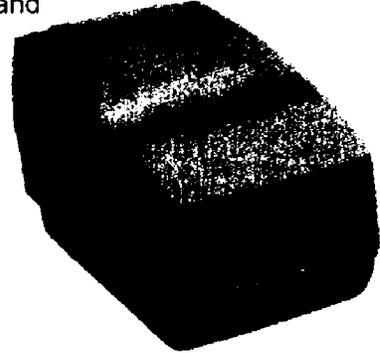
- ◆ Administrative parameters
- ◆ Valid character sets for field validations
- ◆ Characteristics for user-defined data fields
- ◆ Electronic journal layout options
- ◆ Formats for regions, receipts, and endorsements
- ◆ Tender type parameters
- ◆ Exchange rates for foreign currencies
- ◆ Credit card options
- ◆ Payment category parameters
- ◆ Collection source options
- ◆ Security levels

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Configurable Printers

CASHIER for Windows features four types of printers that you can configure: *validation printers*, *journal printers*, *receipt printers*, and *report printers*.

- ◆ A *validation printer* is used for printing check endorsement and credit card vouchers. It has an opening (slot or slip) in which documents can be inserted for validation or endorsement purposes.
- ◆ A *journal printer* is used for printing all CASHIER for Windows activity (such as receipts and endorsements, maintenance functions, sign-on and sign-off, and the opening and closing of cash reports) to a continuous paper roll.
- ◆ A *receipt printer* is used for printing receipt information. The receipt information may be printed on a document inserted into the printer (if the printer is equipped with an opening or slot) or on a tear-off receipt on a paper roll.
- ◆ A *report printer* is any addressable printer, located on the workstation or on your network that is used for printing CASHIER for Windows reports



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Data Management in CASHIER for Windows

Payment Data Export Capability

CASHIER *for Windows* provides you with an interface to export payment data. With this interface, you can:

- ◆ Select the processing day's payment file containing the data to export
- ◆ Export the payment data to an ASCII file (which can then be imported into other applications)

Processing Day Controls

CASHIER *for Windows* records payments by processing day and assigns them to cash reports. CASHIER *for Windows* opens a cash report (batch) for each person who uses a workstation. One or more cash reports can be used in a processing day to aid in balancing collection activities. At the end of each processing day, CASHIER *for Windows* verifies that all cash reports are reconciled and that all payment transactions are posted. CASHIER *for Windows* provides you with an interface to manage processing days. With this interface, you can:

- ◆ Initiate processing days using the *Start-of-Day* process
- ◆ Back-up any closed processing day to any fixed or removable media
- ◆ Restore processing days that have been backed up for any workstation
- ◆ Close processing days using the *End-of-Day* process
- ◆ Automatically print selected reports during the *End-of-Day* process

Date Activated Maintenance

CASHIER *for Windows* uses Date Activated Maintenance files to define workstation, location, and various system parameters for each cashiering workstation. CASHIER *for Windows* downloads these parameters to each cashiering workstation on the same LAN during the *Start of Day* process. System Administrators can edit the parameters.

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Operating Environment

RevenueCollector is a client/server application that utilizes Microsoft Windows operating environments such as Windows NT or 2000 Advanced Server, and Windows NT, 98, 2000 or XP clients. All modules are written in Microsoft Visual C++ as pure 32 bit applications.

A relational database such as Microsoft SQL Server or Oracle is used to consolidate all payment activity across all collection sources. All collection sources access the database through ODBC compliant routines so any ODBC compatible database can be used. Several widely accepted third-party software products are also used with RevenueCollector including a report writer, Crystal Report Writer; and credit/debit card authorization software, IC Verify for Windows.

Both Ethernet and Token Ring Local Area Networks are supported using TCP/IP or IPX/SPX protocols. Access to all internal applications such as Customer Information Systems and Accounting Systems typically use the existing network infrastructure. Access to external systems, such as the Internet, use the TCP/IP protocol exclusively. Wide Area Networks, compatible with the local protocols listed above, are also supported.

The recommended hardware and software for RevenueCollector are listed below:

RevenueCollector Transaction Server (not included in this proposal)

- ◆ Dual Pentium III 933+ MHz (or equivalent) processors
- ◆ 1+ GB memory (upgradeable)*
- ◆ Three 18+ GB hot swap hard drives*
- ◆ Raid Level 5
- ◆ CD-ROM drive
- ◆ 40/80 GB DAT Tape Drive backup
- ◆ 100MB/1GB network card
- ◆ Microsoft Windows 2000 Server operating system
- ◆ Tape Backup Software
- ◆ Virus Protection Software

*Sizing depends on the number of users and transaction volumes (the minimum recommended size is shown). The database server and the transaction server can be combined in one server at installations with less than 20 collection sources and/or less than 1,000,000 payments per year.

RevenueCollector Database Server (not included in this proposal)

- ◆ Dual Pentium III 933+ MHz (or equivalent) processors capable of quad processing
- ◆ 2+GB memory (upgradeable)*
- ◆ Three 18+ GB hot swap hard drives*
- ◆ CD-ROM drive
- ◆ Raid Level 5
- ◆ 40/80 GB DAT Tape Drive backup
- ◆ 100MB/1GB network card
- ◆ Microsoft Windows 2000 Server operating system
- ◆ Microsoft SQL Server 2000 database software
- ◆ Tape Backup Software
- ◆ Virus Protection Software

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The recommended hardware and software for *CASHIER for Windows* are listed below:

CASHIER for Windows Workstations (not included in this proposal)

- ◆ Pentium 1+ Ghz processor
- ◆ 128+ MB memory
- ◆ 20 GB hard drive
- ◆ 1 or more serial ports
- ◆ 1 parallel port
- ◆ 2 USB ports
- ◆ 1 PS/2 mouse port
- ◆ 17" SVGA monitor
- ◆ 10/100 MB Network Card and cable
- ◆ Microsoft Windows 2000 or XP operating system
- ◆ Virus Protection Software

Supported Printers

The following journal/validation printers are supported:

- ◆ Axiohm Model A721 (serial or parallel models)
- ◆ Axiohm 47XX Models
- ◆ Ithaca PcOS Model 153 (serial or parallel models)
- ◆ Epson TMU-375 (serial or parallel models)

The following slip printers are supported:

- ◆ Axiohm Model A721 (serial or parallel models)
- ◆ Epson TM295

Supported Input Scanning Devices

The following input scanning devices are supported:

- ◆ Scan (Caere) 5000 Series OCR Readers (with or without built-in mag stripe reader)
- ◆ Welch Allyn 5700-A-13 Bar Code Readers
- ◆ Welch Allyn SCANTEAM® 8300 MICR Check Readers
- ◆ IDTech Mag Stripe Readers, Triple-Track (decoded or non-decoded)
- ◆ Omron Mag Stripe Readers, Dual-Track (non-decoded)
- ◆ VeriFone Everest Plus Pin Pads with Mag Stripe Reader

Supported Cash Drawers

The following cash drawers are supported:

- ◆ APG Cash Drawers
- ◆ Indiana Cash Drawers

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Section 3

Requirements of RFP & Scope of Work

Scope of Work

This proposal is a partial response and proposes RevenueCollector as a City wide system to address all payment processing needs of the City of Peoria. Therefore this proposal answers only those items pertaining to cashiering and/or payment processing requirements.

This partial bid does not include products and services to address the requirements identified in Items 4.1 – 4.12.

4.13 Cashiering. The ability to accept and process payments (cash, check and credit card) received from a number of different sources, to include, but not necessarily limited to, over the counter, IVR, bank lockbox, and credit card point of sale terminals.

The proposed system includes the ability to accept and process payments from the sources identified and includes credit card processing at the counter with CASHIER for Windows which supports integrated/server based card authorization eliminating individual Credit Card terminals at each payment station. This proposal includes OVER-THE-COUNTER as the licensed collection source.

Payments processed should immediately post to the account and reflect in the payment history on the utility and sales tax accounts.

RevenueCollector will be customized to provide on-line inquiry and update capability to the Utility Billing System. The interface to the Sales Tax system can utilize on-line or batch updating routines depending on available interface options.

Interface with General Ledger, Sales Tax, Utility Billing, and Miscellaneous Accounts Receivable Systems.

This proposal includes the investment requirement for an on-line interface, providing inquiry and update capability as payments are processed for the Utility System, Tax System and A/R System. A custom file export will be used to update the G/L system.

Provide comprehensive transaction reporting capabilities, including the ability to balance the individual cash drawers.

The Consolidated Reporting Module, included with RevenueCollector provides comprehensive transaction, statistical and auditing reports over any processing day or accounting period. CASHIER for Windows, the over-the-counter module of RevenueCollector allows each cashier to perform individual cash drawer balancing procedures, independently of other workstations.

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Provide the ability to read and process bar coded documents.

This proposal includes the necessary hardware to read all current 1-D bar code formats. CASHIER for Windows will be customized to interpret the data scanned and utilize that information in the receipting and validation of payment activity.

This partial bid does not include products and services to address the requirements identified in Item 4.14.

5. CIS INTEGRATION. The City is moving to implement a comprehensive CIS application architecture. This includes all basic utility billing, collections, cashiering, miscellaneous accounts receivables and other customer service modules.

This proposal includes RevenueCollector and all supporting modules, including CASHIER for Windows for the over the counter cashiering operations. RevenueCollector will be customized to interface to the City's CIS system. RevenueCollector includes a Payment Protocol Interface to allow the City's IVR vendor (Third-Wave Technologies) or Internet developers to query and post payment activity through the RevenueCollector CIS interface.

6. CIS INTERFACES.

RevenueCollector will be customized to provide on-line inquiry and update to the selected Utility Billing System) using either Stored Procedures, or a mainframe access tool such as IBM MQ Series (based on the selected platform/provider as a result of this RFP). The other systems identified in the RFP (Sales Tax and PeopleSoft Financials (GL) and A/R) will be updated through a consolidated batch file at the end of the processing day. As indicated, this is considered an appropriate update method for these systems.

7. MINIMUM REQUIREMENTS.

7.1 The Vendor must provide a comprehensive CIS solution that is currently in production for at least 3 to 5 utilities/municipalities providing similar services with a customer base of 50,000 to 150,000.

System Innovators will customize RevenueCollector to interface the City's selected CIS application but does not include a CIS application in this proposal. RevenueCollector has been interfaced to similar CIS environments with a customer base of 50,000 to over 4,000,000.

7.2 The Vendor must provide a product solution that will promote implementation of a functionally rich base product with minimal modifications required by the City. The City will not pursue extensive product customization. In addition, the Vendor must provide ongoing application support and regular product releases.

RevenueCollector and CASHIER for Windows provide the City with a functionally rich base product to standardize the payment processing functions across all City departments. System Innovators provides support and product releases to the City as part of the Software Support program, as long the program remains in effect.

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- 7.3 The Vendor must be a financially healthy institution capable of conducting business during the short-term development effort and the long-term maintenance and support effort as measured by financial statements, D&B report, etc. The Vendor must provide this information to the City.

System Innovators D&B number is 83-246-5579.

- 7.4 The Vendor must provide a solution that utilizes a Browser User Interface (BUI) or a Graphical User Interface (GUI).

All modules of RevenueCollector utilize a Graphical User Interface including drop down menu/sub-menu navigation and support for user-defined short-cut keys.

- 7.5 The Vendor must provide a solution that can support high transaction volumes and accommodate a minimum of 60,000 customer accounts, with a minimum of three services per account (60,000 water, 60,000 wastewater and 60,000 solid waste) through customer references or performance benchmarks. The City bills 5 cycles per month with the largest cycle containing 12,000 customer accounts.

See the references in Section 6 Vendor Experience and Qualifications.

- 7.6 The Vendor must provide a solution which allows the City to offer programs such as bank drafting, automated credit card payments, debit card payments, point-of-sale cash payments, one-time credit card payments, customer-selected due dates, budget billing, automatic landlord agreements, interactive voice response, and e-government.

RevenueCollector provides the over-the-counter solution as well as interfaces for City offerings such as IVR and Internet payments. RevenueCollector Import Wizard can be customized to process recurring/automatic draft or credit purchases as they are providing from the CIS application.

- 7.7 The Vendor must provide a solution that will allow the City to bill for other utility services as may be requested by the City Council.

RevenueCollector does not provide billing functionality, however; CASHIER for Windows can process many types of payments that the City may be requested to collect. The application uses maintenance tables to establish payment types, tenders, receipt layout and endorsement information. The City may modify these tables and accommodate future billed services as they are required and payment collection becomes necessary.

- 7.8 System functional requirements are described in detail in the attached Functions and Features Checklist.

This proposal is a partial response and proposes RevenueCollector as an enterprise wide application to address all payment collection needs of the City of Peoria. For that reason, this proposal answers only those items pertaining to cashiering and/or payment processing (Items 645 – 665 of Customer System Functions & Features Checklist).

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Customer System Functions & Features Checklist

Section Financial Management

Item 642 Payments

Sub Item 643 Payment Sources

Item 644: Processing of cash in an on-line and batch mode

The proposed system includes CASHIER for Windows, the over-the-counter application for payment processing. CASHIER for Windows processes payments both on-line and batch mode as standard behavior. Payments processed in batch-mode (off-line) are subsequently posted to all back end systems when those systems are back on-line.

Item 645: Indicate the method of payment on utility accounts (cash, check or credit card)

CASHIER for Windows stores and reports on the method(s) of payment used to receipt a bill. This information can be printed on the customer receipt and sent to the billing system.

Item 646: Audit trail showing the source of payments, walk-in, mail, etc.

An electronic audit trail (printable as well) is maintained in real-time and reflects all operator activity such as sign-in, payment processing, receipt data, balancing, etc. This audit trail of any workstation from any processing day may be viewed on the server, independent of the workstation on which the audit trail was generated.

Item 647: Process payments from an on-line Cash Drawer.

RevenueCollector includes its own PC based cashiering module, CASHIER for Windows as the city wide solution to unified payment collection practices.

Item 648: Process payments from a Remittance Processor.

RevenueCollector includes an interface to import the data from a Remittance Processor and include it in the Consolidated Payment Database providing a single source of revenue reporting.

Item 649: Process payments from a Lockbox.

The Import Wizard recognizes a standard file format for importing payments from any 3rd party source such as Lockbox. These payments may also be imported by customizing the import module to read a specific file layout. This proposal includes the efforts to import payments in the Import Wizard Standard File Layout.

Item 650: Process payments from ACH.

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The Import Wizard recognizes a standard file format for importing payments from any 3rd party processing party such as ACH. These payments may also be imported by customizing the import module to read a specific file layout. This proposal includes the efforts to import payments in the Import Wizard Standard File Layout.

Item 651: Process Credit Cards / Debit Cards.

RevenueCollector includes Credit Card and off-line Debit Card verification module as a standard component. System Innovators will consult with the City if necessary and assist in establishing card authorization accounts with an approved provider.

Item 652: Process Field Collections.

CASHIER for Windows can process payment collected as Walk-In, Mail, or Field Collections and recognize each source for reporting purposes.

Item 653: Process Pledges and Contributions.

CASHIER for Windows allows payment processing of items such as Pledges and Contributions in addition to the actual billed items such as Water, Waste Water, etc.

Item 654: Process payments through Bank Drafting.

The Import Wizard recognizes a standard file format for importing payments from any 3rd party source such as Bank Drafting. These payments may also be imported by customizing the import module to read a specific file layout. This proposal includes the efforts to import payments in the Import Wizard Standard File Layout.

Item 655: Process payments form Payment Clearinghouse.

The Import Wizard recognizes a standard file format for importing payments from any 3rd party source such as a Payment Clearinghouse. These payments may also be imported by customizing the import module to read a specific file layout. This proposal includes the efforts to import payments in the Import Wizard Standard File Layout.

Item 656: Process payments from Pay Stations.

RevenueCollector includes an interface to Diebold PayStations to process payment inquiry, credit card authorization and payment posting.

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Item 657: Process internal payments for City accounts (G/L only).

Payment categories will be established in CASHIER for Windows maintenance providing for internal payments of City accounts. These payment cans be posted individually or in summary form to the G/L.

Item 658: Process payments from Internet.

The Import Wizard recognizes a standard file format for importing payments from any outside processing source such as the Internet. These payments may also be imported by customizing the import module to read a specific file layout. This proposal includes the efforts to import payments in the Import Wizard Standard File Layout. Additionally, RevenueCollector includes a Payment Protocol Interface that enables the City's Web developers to perform account Inquiry, Credit Card Authorization and Payment Posting through the interface provided by RevenueCollector to the Utility Billing System.

Item 659: Process payments from Smart Card.

This capability has not yet been incorporated into RevenueCollector.

Section Financial Management

Item 660 Payment Reporting

Item 661: Generation of a cash payment receipt automatically after payment is received.

This is a standard feature of CASHIER for Windows. The system automatically prints a receipt and optionally, validates tenders used for payment. The application allows the City to design and control data printed on receipts, check validations and credit card slips.

Item 662: Review of payment transaction history for "x" months.

This is a standard feature of RevenueCollector. The Consolidated Payment Database houses all payment history of receipts processed by RevenueCollector for a history period selected by the city.

Item 663: Identification and reporting of payments received on inactive accounts.

Payments on inactive accounts can be recorded under a separate category and posted to a clearing account for subsequent posting.

Item 664: Identification and reporting of payments by payment type, drawer, pay station, internet.

The types of payment groupings specified are standard in the reports included with the Consolidated Reporting Module. See Section 2, Page 9, Consolidated Reports Module, for a complete listing of the reports included in this proposal.

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Item 665: Identification and reporting of payments by batch.

This is a standard feature of the proposed system. The reports included with the Consolidated Reporting Module group payments by identification fields like user, cash report (batch), processing day, location and include City wide reporting.

8. Project Timeline.

The level of complexity, resource constraints and funding consideration all dictate a realistic phasing and timeline of activities for a Customer Information System. For planning purposes, the City has identified an installation timeframe spanning 15 months for successful completion of CIS installation activities.

The Vendor must review and confirm this timeframe or suggest other optimum timelines that more readily support the Vendor's proposed solution, implementation strategy, associated resource requirements and level funding plan.

System Innovators supports the identified timeframe for this project. RevenueCollector and CASHIER for Windows could be installed concurrently as the associated Utility Billing system is being implemented. The average installation time required for RevenueCollector, the Consolidated Database, associated modules and CASHIER for Windows is approximately 120-180 days depending on the requirements identified in the Assessment Trip.

9.1 Transmittal Letter.

The information requested is provided in the cover letter.

9.2 Executive Summary

The information requested is provided as part 2 of the transmittal letter.

9.4.1 Vendor Profile

1. Year Established: **1980**
2. Business Organization: **System Innovators, Inc.**
3. Parent Company : **N/A**
4. Office Locations: **10550 Deerwood Park Blvd, Suite 700, Jax, FL 32256**
5. Serving office for this project and project team for this project:

All projects are served from Jacksonville, Florida. Team members are assigned after contract award. Resumes of the types of persons that may be assigned to this project are provided in Section 6, Vendor Experience and Qualifications.

6. Products Available: **RevenueCollector 3.0 (includes all modules)**

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7. Total Number of Employees: **21**
8. Description of your strategic plan and industry outlook for your firm:

Mission Statement

At System Innovators, our Mission is:

"To be the leader in innovative online payment collection solutions for utilities and government"

Value Proposition

"System Innovators provides a unique foundation enabling utility and government to collect and consolidate all payments to all systems. We have more than 20 years of experience in exceeding client expectations. We guarantee our client's success or their money back."

System Innovators' long-range strategic plans are focused on payment collection systems for local governments and utility companies. The company plans to continue differentiating itself through superior customer service and a "customer intimate" business model that addresses the individual needs of each client.

9. Number of signed client contracts in process: **5**
10. Latest available gross sales and net income: **\$2,100,000 / \$300,000 for first 6 months of 2002.**
11. Current product release number and date of release: **Release 3.0, September 2003**
12. Expected date of next release and listing of proposed enhancements:
None.
13. Description of your strategic plan regarding the proposed solution/product (i.e. product development plan for upgrades/new versions, etc).

System Innovators will continue to develop and enhance payment collection products for local government and utilities.

Major releases are done approximately every 18 months containing updates and client requested features. New versions are released monthly with bug fixes and minor enhancements.

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14. Description of any planned introduction of a new product

System Innovators plans to introduce a new Internet Payment interface and web templates for credit card and ACH payments in 2003.

15. Number of employees focused on the product offering: **4**

16. Number of client installations, and number using current release:
80 installations worldwide, 24 using the current release.

17. Number of signed client contracts of proposed solution in process: **5**

Item 9.4.2 identifies features and functionality found in the CIS portion of the RFP and are not provided in this proposal.

9.4.3 Product Technical Fit and Currentness:

The elements requested in this section, as they pertain to payment processing, are found in Section 2, Features of RevenueCollector.

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9.4.4 Implementation Strategy, Installation Approach, Timeframe, Organization and Staffing

The following is a sample project timeline and assumes an award and contract issued by January 1, 2003.

TASK	Start Date	End Date
RevenueCollector Implementation	Mon 1/6/03	Tue 6/3/03
Finalize Contract	Mon 1/6/03	Mon 1/6/03
Approval to Proceed Document Received	Mon 1/6/03	Mon 1/6/03
Deliver Initial Project Plan to Client	Tue 1/7/03	Tue 1/7/03
Verify Hardware / Software Purchases	Wed 1/8/03	Wed 1/8/03
Assessment Tasks	Mon 1/6/03	Mon 1/13/03
Assessment Conference Call	Mon 1/6/03	Mon 1/6/03
Identify Team / Contacts	Mon 1/6/03	Mon 1/6/03
Identify Training Expectations	Mon 1/6/03	Mon 1/6/03
Schedule Assessment Trip	Mon 1/6/03	Mon 1/6/03
Assessment Meeting	Mon 1/6/03	Wed 1/8/03
Finalize Remote Access Connection for testing	Wed 1/8/03	Wed 1/8/03
Pre-Installation of RevenueCollector	Wed 1/8/03	Mon 1/13/03
Training Tasks	Mon 1/13/03	Tue 6/3/03
Prepare Training Room and Materials	Mon 1/13/03	Tue 1/14/03
RevenueCollector Version 2.5 System Training	Tue 1/14/03	Mon 1/20/03
RevenueCollector End-User Training	Thu 5/29/03	Tue 6/3/03
RevenueCollector Functional Specification Tasks	Mon 1/20/03	Mon 3/31/03
Identify Payment Collection Sources	Mon 1/20/03	Tue 1/28/03
Cashier for Windows	Mon 1/20/03	Tue 1/21/03
Other	Tue 1/21/03	Tue 1/28/03
Identify Back-end Interfaces	Tue 1/28/03	Tue 2/4/03
Define Host Inquiry/Update	Tue 1/28/03	Wed 1/31/03
Define Exports (if necessary)	Fri 1/31/03	Tue 2/4/03
Finalize Functional Specification for RevenueCollector	Mon 2/10/03	Mon 3/31/03
Write 1st Draft of Functional Specifications	Mon 2/10/03	Mon 3/10/03
1st Review of Functional Specification by Client	Tue 3/11/03	Mon 3/17/03
2nd Review of Functional Specification by Client	Tue 3/18/03	Mon 3/24/03
Final Review of Functional Specification by Client	Tue 3/25/03	Mon 3/31/03
Receive Approval on Functional Specification from Client	Mon 3/31/03	Mon 3/31/03
Development	Tue 4/1/03	Mon 5/5/03
Create RevenueCollector Database	Tue 4/1/03	Tue 4/1/03
RevenueCollector Customization Development	Wed 4/2/03	Mon 5/5/03
Develop Back-end Interfaces	Wed 4/2/03	Fri 4/18/03
Develop Exports (if necessary)	Mon 4/21/03	Mon 5/5/03
Cashier for Windows Customization Development	Wed 4/2/03	Tue 4/8/03
Integrate with RevenueCollector	Wed 4/9/03	Tue 4/15/03
Testing	Tue 5/6/03	Wed 5/28/03
Installation/Acceptance Testing	Tue 5/6/03	Mon 5/12/03
Client Testing	Tue 5/13/03	Mon 5/26/03
Install RevenueCollector on Production Server	Tue 5/27/03	Wed 5/28/03
RevenueCollector in Production	Wed 5/28/03	Wed 5/28/03
System Acceptance	Wed 5/28/03	Wed 5/28/03

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Project Approach. The proposed solution must include a comprehensive description of the Vendor's implementation strategy, including the description of the use of outside resources if applicable. The Vendor must include an implementation plan complete with all activities and resources required for successful product implementation.

System Innovators will assign a Client Services team to each client. This team consists of a Director of Client Services, an Integration Engineer, a Software Engineer, and a Technical Support Representative. The Director of Client Services is your primary point of contact and will ensure that the appropriate resources are available to respond to your short and long-term revenue collection needs.

System Innovators has developed the following process to successfully implement RevenueCollector® at a client's site.

Implementation Plan

Conference calls are conducted to transition the client from the sales team to the client services team, define the dimensions of the RevenueCollector implementation, and to collect the technical information necessary to complete a draft of the Implementation Plan.

The Implementation Plan describes the integration of the RevenueCollector system with the client's existing systems, including any modifications that may be required. This document defines each and every system requirement to be delivered. Before the development phase of the RevenueCollector implementation can begin, the client must sign and acknowledge this document as the complete description of all requirements to be delivered.

System Training in Jacksonville

The System Training program consists of four days of hands-on training covering every aspect of RevenueCollector. Attendees will receive detailed training manuals to complement the instruction provided by the Training Specialist. To ensure that our clients receive optimum training, our facilities in Jacksonville, Florida include a dedicated customer training center equipped with state-of-the-art equipment and technology. During the System Training session, clients will have the opportunity to meet with the team to further discuss the Implementation Plan.

On-site Assessment

To assess the strengths and weaknesses of the proposed Implementation Plan, System Innovators will send the assigned Integration Engineer to the client's site. During this trip, the Integration Engineer will observe the client's present payment collection and cashiering practices and discuss how RevenueCollector will be integrated into the client's daily processes. Goals of the assessment trip are to evaluate the production installation environment, to reach formal agreement on the dimensions and technical specifications of the project as described in the Implementation Plan, and to establish remote access capabilities to the system. Remote access will facilitate software support and the delivery of upgrades and system modifications.

RevenueCollector Customization

Once the Implementation Plan has been completed by System Innovators and approved and signed by the client, system customization by the engineering staff is initiated. The Software Engineer uses the Implementation Plan as a blueprint to customize RevenueCollector to meet the client's requirements.

On-Site Installation and Acceptance Testing

During the on-site installation trip, the Integration Engineer and Software Engineer will ensure that the RevenueCollector software is correctly installed and all components are fully functional. The Integration Engineer will work with the client to perform acceptance testing of their customized version of RevenueCollector to ensure that it meets the requirements as written in the Implementation Plan.

Once the Acceptance testing is successfully completed, System Innovators requests that the client sign a System Acceptance form to indicate that their requirements, as documented in the Implementation Plan, have been met.

End-User Training

The Training Specialist will conduct end-user training (or Train the Trainer) training on-site. This training is typically conducted as close to the date the system goes into production as possible.

Production Assistance

To ensure a smooth transition to the use of RevenueCollector in a production environment, the Integration Engineer will be at the client's site for a minimum of two days when the system goes into production. During this time, the Integration Engineer will provide support and make recommendations for obtaining the maximum performance from the system.

Scope of Services

The following scope of services outlines the milestones and responsibilities associated with the successful implementation of RevenueCollector at the City of Peoria, AZ. System Innovators includes all project management services of its' personnel as part of the investment proposed.

Task Description	Primary Role	Secondary Role	Scheduled Completion
Project Management Services			
Identify contact(s) for each area of responsibility	System Innovators	Customer	
Finalize Scope of Services, roles and schedule	System Innovators	Customer	
Manage all System Innovators personnel assigned to this project	System Innovators		
Manage all non- System Innovators personnel assigned to this project.	Customer		
Manage the project schedule and report variances	System Innovators	Customer	
Conduct an on-site assessment of requirements	System Innovators		
Define Functional Requirements	Customer	System Innovators	
Identify computer system interface requirements	Customer	System Innovators	
Finalize hardware and software configuration(s)	Customer	System Innovators	
Identify desired features not included in base system	Customer	System Innovators	
Document Functional Specs for System Innovators customization	System Innovators		
Approve Functional Specs for System Innovators customization	Customer		
Custom Programming Services			
Design and code custom RevenueCollector routines to handle input devices included in Functional Specs (OCR/bar code)	System Innovators		
Design and code custom RevenueCollector routines to perform all computer interface tasks defined in Functional Specs (inquiries and updates)	System Innovators		
Design and code custom RevenueCollector routines to perform all field validations and special processing tasks defined in Functional Specs	System Innovators		
Unit test each RevenueCollector software modification and interface	System Innovators		
Design and code software modifications in other software systems.	Customer		
Installation Services			
Make recommendation for site preparation	System Innovators	Customer	
Determine the adequacy of installed electrical service for test and production systems	Customer	System Innovators	
Make all required structural and furniture changes (if any)	Customer		

Task Description	Primary Role	Secondary Role	Scheduled Completion
to work areas where RevenueCollector will be used.			
Install hardware and system software for an on-site test system at one location.	Customer	System Innovators	
Install all required LAN cabling and connectors for the test site	Customer	System Innovators	
Install Local Area Network (LAN) hardware and software for an on-site test system.	Customer	System Innovators	
Install modem line at the test-system location	Customer		
Install phone line and phone at the test-system location	Customer		
Install PC Anywhere software and modem for remote support services	Customer	System Innovators	
Install communications testing software to test specified communication method	Customer	System Innovators	
Test all selected communications software	Customer	System Innovators	
Install customized RevenueCollector software on the test system.	System Innovators	Customer	
Verify that all required test system hardware and software is installed and ready for Acceptance Testing.	System Innovators		
Create test data and scripts to test software modifications and interfaces	Customer	System Innovators	
Develop an Acceptance Test Plan, based on the Functional Specifications, test data and scripts	System Innovators	Customer	
Verify acceptance of the Test Plan prior to beginning acceptance testing.	Customer		
Test all customer modifications made to accommodate the RevenueCollector system.	Customer		
Test all RevenueCollector software modifications and interfaces on the test system and document any deficiencies or errors.	Customer	System Innovators	
Review the results of acceptance testing and correct documented deficiencies.	System Innovators		
Document acceptance of the RevenueCollector system once the Acceptance Test Plan has been completed and all deficiencies and errors have been corrected	Customer		
Install hardware and system software for the production system	Customer		
Install all required LAN cabling and connectors for the production system.	Customer		
Install Local Area Network (LAN) hardware and software for the production system	Customer		
Install customized RevenueCollector software on the production system.	Customer	System Innovators	
Monitor the performance of the production system and make tuning adjustments	Customer	System Innovators	
Correct documented deficiencies in the production software	System Innovators		
Training Services			
Send all staff who will use RevenueCollector but who are not knowledgeable in the use of Microsoft Windows to a one-day introductory class for Microsoft Windows prior to attending either the System or End-User training.	Customer		

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Task Description	Primary Role	Secondary Role	Scheduled Completion
Conduct a RevenueCollector system training class	System Innovators		
Send at least four representatives to RevenueCollector system training class	Customer		
Customize end-user training to incorporate custom programming changes	System Innovators		
Conduct end-user training classes at the Client's facilities to train cashiers and supervisors	System Innovators		
Send all cashiers and supervisors that will use RevenueCollector to an end-user training class conducted by System Innovators.	Customer		
Have cashiers and supervisors practice using RevenueCollector in a training environment for at least 4 hours within one week after their end-user training.	Customer		
Supervise newly trained cashiers for the first week of live operations to ensure operational effectiveness.	Customer		
Support Services			
Implement Software Support Program	Customer	System Innovators	
Implement Overnight Hardware Support Program	Customer	System Innovators	

9.4.4.

Product Conversion. The Vendor will be responsible for conversion of approximately 4 GB of data. Activities will include data mapping, development of conversion specifications, conversion programming, conversion testing, multiple mock conversions, data clean-up, manual conversion and production conversion.

No data conversion will be required for the installation of RevenueCollector.

Product Reporting. The Vendor will provide the City with a series of standardized reports as part of the base product. Include a list of the reports available with the system. Include additional time based upon vendor experience required to modify and enhance the standard product report offerings.

RevenueCollector includes a suite of financial and statistical reports (listed below) as part of the Consolidated Reports Module. These reports are created with Crystal Reports so that all reports can easily be modified. In addition, new reports may be created by the City by copying and modifying templates used in standard reports. Once finalized, new reports can be added to the list of standard reports available to all authorized personnel. Ad hoc queries for special one-time reports can also be created using Crystal Reports.

Itemized Tenders Reports

- ◆ Itemized Tenders for All Users
- ◆ Itemized Tenders for a Single User

Deposit Reports

- ◆ Cashier Deposit Report

Category with Payment Class Reports

- ◆ Category/Payment Class Report by Workstation
- ◆ Category/Payment Class Report by Location
- ◆ Category/Payment Class Report by All Locations

Payment Class Reports

- ◆ Payment Class Report by Workstation
- ◆ Payment Class Report by Location
- ◆ Payment Class Report by All Locations

Single Payment Class Reports

- ◆ Payment Class Report for a Single Payment Class by Location
- ◆ Payment Class Report for a Single Payment Class by All Locations
- ◆ Payment Class Report for a Single Payment Class by Workstation

Cashier Balances Reports

- ◆ Cashier Balances for a Single User
- ◆ Cashier Balances for All Cashiers

Voided Transaction Reports

- ◆ Voided Transactions by Date
- ◆ Voided Transactions by User

Credit Card Report

- ◆ Credit Card Transactions

Transaction Statistics Reports

- ◆ Transaction Statistics by Collection Source
- ◆ Transaction Statistics by Cashier

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Product Interfaces. The Vendor will be responsible for developing design specifications addressing product modifications required for defined interfaces. Once approved by the City, the Vendor will modify base product code and successfully unit test and component test the product.

System Innovators has included the efforts necessary to define, design and code an on-line interface to the selected CIS product as selected by this RFP. System Innovators will perform the necessary software customization to meet the interface requirements.

Product Documentation.

System Innovators provides all documentation in the formats and at the times indicated in the Scope of Work.

Product Training. The Vendor will be responsible for training the City's core team (7 people) in all aspects of the base product and the complete use of the new CIS. In turn the City's core team will provide training to its secondary and casual users. All end user training will be conducted within the City's training facilities. The Vendor is expected to support and be involved in this train-the-trainer program.

The Vendor will provide a training plan identifying number of training hours required per module that will be provided as part of the base package. The plan will identify, by module, the actual training staff, the training outline, hours, materials and costs. The training plane should describe the size (minimum and maximum) and assumed skill levels of each group and the functional responsibilities covered in each session.

Pricing for alternative training methods should also be included.

The training classes provided are discussed in detail above in Project Approach. The System Training class is typically conducted at our-site, in a state-of-the-art classroom providing each student with hands-on experience to RevenueCollector and its modules. This training can be performed on-site for an additional cost. This additional cost has been quoted in the Cost Worksheet.

Testing.

System Innovators will assist the City in unit and system testing of all aspects of RevenueCollector as part of the installation and acceptance process. The City or its CIS provider will be required to provide adequate test data, records, and scenarios to verify production readiness.

Product Installation. The City will review the final results of product testing and the mock production conversion to accept readiness of the system and approve production cutover. The Vendor along with the City will stage all aspects of the system, develop a conversion schedule and conduct all cutover activities.

System Innovators will install the RevenueCollector Server and 2 client workstations to provide the City with the appropriate test environment for review and acceptance of readiness of the system.

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Installation Services. The City will provide management, technical and user resources to be involved in the project effort based on the Vendor's installation and implementation approach and associated activities. Complete implementation costs for all solution components must be provided.

System Innovators has included all Vendor implementation costs for assisting the City in the associated cutover activities that relate to the payment processing requirements.

Post Installation Support. The vendor will provide immediate production critical support for the City during the first 90 days of operation, or a defined comprehensive cycle period. In addition, the Vendor will perform a post-installation review to identify issues and develop an action plan and associated timeline to address these issues.

System Innovators provides product support that meets this requirement. A post-installation review is suggested for the CIS application but is not necessary for the payment processing system offered in this proposal.

Final System Acceptance. Final system acceptance will be completed within a period of ninety (90) days following production cutover. Within that period the City may designate a thirty (30) day window to measure performance of the system in accordance with predefined performance criteria.

The project is not considered complete and the Vendor will not be released from their obligations until this final acceptance test is conducted and the system is formally accepted by the City.

System Innovators agrees with these terms for the acceptance of the payment processing system.

9.4.5 Project Organization and Staffing.

The Scope of Services above outlines the items requested in this section.

9.4.6 Pricing and Ongoing Cost of Ownership.

The information required in this section is provided in Section 5 – Investment Requirements.

9.4.7 Ongoing Support.

The information required in this section is provided in Section 5 – Investment Requirements.

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9.4.8 **Level of Risk and Uncertainty.** The Vendor will summarize how well the proposed solution has been implemented previously, citing examples relevant to the City. The Vendor will detail why the City should be confident that the project risk would be minimized.

The Vendor will provide a customer reference listing and related contact information for all relevant installation sites, including: customer name, site location, industry, customer base, user base, implementation date, product name/version number, and brief description of the engagement. (The City is interested in reference sites with implemented CIS solutions for water, wastewater and solid waste utilities.)

System Innovators has provided these items in Section 6, Vendor Experience & Qualifications.

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Section 4

Professional Services

System Innovators proposes to customize and install RevenueCollector®. The standard features of this system are detailed in Section 2 of this proposal. System Innovators will also provide the *planning, installation and support services necessary to assure the proper implementation of RevenueCollector*. These services include:

- Project Management Services
- Custom Programming Services
- Installation Services
- Educational Services
- Hardware Exchange Support Services
- Software Support Services
- Software Warranty

A detailed list of services offered under each of these categories is included on the following pages. The services included in this proposal are identified in Section 3.

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Project Management Services

System Innovators offers a wide variety of Project Management Services to ensure a smooth transition to RevenueCollector.

Available Project Management Services include:

- Preparation of Scope of Services documentation
- Preparation and maintenance of project schedules
- Management of System Innovators personnel assigned to the project
- Preparation of a Customization Questionnaire
- Assistance in identifying appropriate hardware and software configuration(s)
- Assistance in identifying required customization services
- Documentation of functional specifications for all customization services
- Assistance in identifying site preparation requirements
- Project status reporting
- System Innovators telecommunication charges associated with the project
- "800" phone service for incoming calls
- Postage and freight charges associated with the delivery of System Innovators documentation

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Custom Programming Services

System Innovators customizes every installation of RevenueCollector to meet the specific needs of the client.

The following types of modifications can be made to RevenueCollector through custom programming services offered by System Innovators:

- Incorporation of pre-defined scan lines into input routines
- User-defined validation of input data
- User-defined calculations of payment amounts
- Retrieval of account information from other computer systems
- Exception item processing based on account information
- Posting of payment transactions to other computer systems
- Posting of summary totals to other computer systems
- Posting of deposit information to other computer systems
- Creation of special reports to meet user-defined requirements
- Exporting payment transactions in user-defined formats

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Installation Services

System Innovators offers many types of installation services to ensure a smooth implementation of RevenueCollector.

The following installation services are available from System Innovators:

- Assistance in identifying electrical load requirements
- Documentation of hardware configuration(s)
- Installation of computer hardware and system software for system testing
- Installation of RevenueCollector software for system testing
- *Identification of Local Area Network hardware, software and cabling requirements*
- Installation of Local Area Network hardware and software
- On-site testing of installed hardware and system software
- On-site testing of customized computer interfaces
- On-site system Acceptance testing
- Installation of computer hardware and system software for production use
- Installation of RevenueCollector software on production system
- Assistance in tuning the production system for optimum performance

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Educational Services

System Innovators offers a wide variety of Educational Services to ensure a smooth transition to RevenueCollector.

Available Educational Services include:

- RevenueCollector System Training (Our-Site)
 - At System Innovators' Headquarters in Jacksonville, Florida
 - On-Site System Training is Optional (travel and accommodations for on-site System Training not included in this proposal)
- RevenueCollector Customized End-User Training (On-Site)
 - Preparation of Customized Training Agenda
 - Preparation of Customized Training Examples
- Train-the-Trainer
- Customized Training and User Documentation
- On-site Assistance with Acceptance Testing
- "800" phone service for incoming calls
- Assistance in identifying custom training services

Overnight Hardware Support Program

System Innovators' Overnight Hardware Support Program is designed to provide hardware support services on peripheral items of hardware such as journal printers, input scanners and cash drawers. The program provides an overnight replacement of hardware needing repair.

More specifically, the Overnight Hardware Support Program provides these services:

- Help desk support including technical assistance by telephone, modem, fax and/or courier service
- Determination of hardware failures through telephone consultation with the Customer
- Shipment of hardware replacements for failed hardware from System Innovators to Customer's location by overnight courier service
- Annual shipment of refurbished hardware replacements for older items selected by System Innovators for such service, from System Innovators to Customer's location by courier service
- Preparation of shipping labels and instructions for Customer to return hardware, to System Innovators collect, in the same box replacement arrives in
- Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services
- "800" phone service for incoming calls
- Integrated with Software Support Programs for a one source solution

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On-Shelf Hardware Support Program

System Innovators' On-Shelf Hardware Support Program is designed to provide hardware support services on peripheral items of hardware such as journal printers, input scanners and cash drawers in environments where immediate replacement of failed hardware is required. The program provides spare on-site hardware and replacement of spare hardware as needed.

More specifically, the On-Shelf Hardware Support Program provides these services:

- Help desk support including technical assistance by telephone, modem, fax and/or courier service
- Determination of hardware failures through telephone consultation with the Customer
- One item of replacement hardware for each ten items of the same hardware purchased from System Innovators, to be kept at the Customer's site
- Shipment of hardware replacements for failed hardware from System Innovators to Customer's location by courier service
- Annual shipment of refurbished hardware replacements, for older items selected by System Innovators for such service, from System Innovators to Customer's location by standard courier service
- Preparation of shipping labels and instructions for Customer to return hardware, to System Innovators collect, in the same box replacement arrives in
- Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services
- "800" phone service for incoming calls
- Integrated with Software Support Programs for a one source solution

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RevenueCollector Software Support Program

System Innovators' Software Support Program provides remote software support services that will maximize the value of your investment by keeping your RevenueCollector system at the peak of performance.

The Software Support program includes these services:

- Help desk support for your technical support staff, including technical assistance by telephone, modem, fax and/or courier service
- Correction of errors or deficiencies in licensed modules of System Innovators software
- Maintenance of customized source code at System Innovators' office for access by System Innovators' personnel
- New releases of licensed RevenueCollector software modules and documentation for any System Innovators supported hardware platform, as available
- Programming services to convert previously customized RevenueCollector Software to new releases of RevenueCollector software on any supported hardware platform
- One 56K modem and a copy of PC Anywhere for Windows to provide remote troubleshooting support
- Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services
- "800" phone service for incoming calls
- Postage and freight charges associated with the delivery of RevenueCollector software corrections and upgrades

RevenueCollector Warranty

RevenueCollector is warranted to meet documented specifications for one (1) year following acceptance of the system. Warranty terms and conditions are specified in the Purchase and Software License Agreement, which is included in Section 7. System Innovators' Software Support program as described in Section 4 extends the software warranty for annual periods upon acceptance of maintenance fees and conditions for that period.

The manufacturer warrants all hardware sold by System Innovators. Hardware warranties are effective from the date of delivery and may be extended under one of System Innovators' Hardware Support Programs as described in this Section.

Section 5

Investment Requirements

Investment Schedule Application Software and Professional Services

Qty	Component Description	Component Investment Each	Component Investment Total
RevenueCollector™ APPLICATION SOFTWARE & SERVICES			
1	RevenueCollector Enterprise License (up to 200,000 receipts annually) ⁽¹⁾	\$50,000.	\$50,000.
1	Interface to CIS system (TBD) (Inquiry and Update) ⁽²⁾	20,400.	20,400.
1	Flat file for Sales Tax System (Inquiry and Update) ⁽²⁾	6,800.	6,800.
1	Flat file for Sales G/L System (Inquiry and Update) ⁽²⁾	6,800.	6,800.
1	Implementation Planning ⁽³⁾	19,680.	19,680.
4	System Training in Jacksonville, Florida (per student) ⁽⁴⁾	1,395.	5,580.
1	On-site Installation Services ⁽⁵⁾	6,800.	6,800.
2	On-site End User Training (per day) ⁽⁶⁾	1,160.	2,320.
2	On-site Production Assistance (per day) ⁽⁷⁾	1,160.	2,320.
5	Travel & Accommodations ⁽⁸⁾	1,000.	5,000.
1	RevenueCollector Software Support First Year ⁽⁹⁾	Included.	0.
RevenueCollector Application Software & Services Investment:			\$125,700.

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Footnotes To Investment Schedule

- (1) RevenueCollector[®] software is licensed according to the terms and conditions of System Innovators' Purchase and License Agreement. The Enterprise License includes the right to use RevenueCollector and **CASHIER for Windows[®]** on any number of workstations to collect payments using the collection sources identified below. The one-time investment for an Enterprise License is based on the quantity of payments processed through RevenueCollector on an annual basis, the number of servers installed, the number of interfaces to other computer systems and the number of collection sources (WEB, IVR, over the counter, etc). The investment shown allows up to 200,000 receipts per year and the following collection source:

A) Over the counter (CASHIER for Windows)

- (2) Host Interfaces included in proposal. 200 hours of customization services have been included in this proposal to interface the following systems. These are NOT TO EXCEED estimates and only the actual hours and costs are billed.

Utility Billing System Interface (120 Software Engineering hours)

RevenueCollector will interface the selected CIS Utility Billing system via stored procedures and perform inquiry and update for accounts being paid. This interface assumes the CIS vendor will provide the stored procedures necessary to access the tables associated with the chosen system.

Summary G/L File (40 Software Engineering hours)

RevenueCollector will be customized to generate a summary G/L file with Header, Detail and Trailer records at the end of each processing day. This file will conform to the layout requirements of the G/L system identified by the City. This file will be imported by the City into the G/L system through the G/L systems user interface.

Sales Tax System File (40 Software Engineering hours)

RevenueCollector will be customized to generate a custom export file with Header, Detail and Trailer records at the end of each processing day. This file will conform to the layout requirements of the Tax System identified by the City. This file will be imported by the City into the Sales Tax system through the Sales Tax systems user interface.

- (3) System Innovators staff is assigned to the project to assess requirements (32 hours), prepare the functional specifications from which the system will be designed (40 hours) and plan the implementation and manage the project (24 hours). (96 hours).
- (4) 4 days of system training at System Innovators' office– this class includes introduction to system modules and is a continuation of the discussion of the needs of your organization for inclusion in the Implementation Document.
- (5) This includes installation of a test workstation and unit and system testing of all base and custom features. A software engineer will be on-site to direct, guide and ultimately be responsible for the successful installation of RevenueCollector
- (6) System Innovators suggests End-User training be performed as close to the production date as possible. Each class can consist of up to 8 students. Each cashier requires one day of end-user training.
- (7) System Innovators Training Specialist will be on-site assistance when system goes into production to provide any support or re-training during the transition to RevenueCollector.
- (8) This includes all System Innovators staff travel, accommodations and meal expenses for the various phases. Only actual expenses are billed.

Requirements outside of this scope, including additional customized system interfaces are available at the then current hourly rate for such services plus expenses. The current rates for such services are:

Consultant	\$205/hour
Software Engineer	\$170/hour
Integration Engineer	\$170/hour
Training Specialist	\$145/hour

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- (9) RevenueCollector Maintenance and Support Services are provided at no additional charge during the first year following acceptance of the system (the warranty period). Software Maintenance and Support services for the first year following the warranty period are offered for a fee of \$8,500 plus \$500 for each interface for a maintenance total of \$10,000 beginning year two.

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Investment Schedule
Peripheral Hardware/Third Party Software for Front Counter

PERIPHERAL HARDWARE/THIRD PARTY SOFTWARE			
5	Axiohm A721, Receipt, Slip, Journal Printer ⁽¹⁾	\$999.	4,995.
5	Scan Corporation Model 5133 OCR Reader w/short slot and mag stripe ⁽²⁾	\$2,155.	10,775.
5	APG Cash Drawer ⁽³⁾	\$285.	1,425.
1	Crystal Report Writer 9.0 ⁽⁴⁾	\$395.	395.
5	Hardware Support for Axiohm, (first year) ⁽⁵⁾	\$270.	1,350.
5	Hardware Support for Scan Corporation OCR Reader (first year) ⁽⁵⁾	\$250.	1,250.
5	Hardware Support for APG Cash Drawer (first year) ⁽⁵⁾	\$75.	375.
	Freight F.O.B. Destination (estimate)		170.
Peripheral Hardware & Third Party Software Investment ⁽⁹⁾:			20,735.

Footnotes To Peripheral Investment Schedule

- (1) The Axiohm A721 Receipt, Journal Printer includes 1 ribbon, 1 roll of paper and a parallel interface cable.
- (2) The Scan Corporation Model 5133 OCR reader includes a standard reader slot, mag stripe and serial interface cable.
- (3) The APG Cash Drawer includes one lockable cash till and a RJ-11 interface cable to the Axiohm printer.
- (4) Crystal Report Pro 9.0 is proposed for ad hoc report writing capabilities. One license is required for each user that will create ad hoc reports. Crystal Report Pro licenses are not required to run existing reports in RevenueCollector Consolidated Reporting Module.
- (5) Hardware Maintenance with the Overnight Support Program is initially provided upon delivery of the hardware, through the acceptance period and one-year following acceptance of the system (generally 15 to 18 months). This initial coverage is provided regardless of the hardware warranty on each component. Printers are covered under the 'Peripheral Replacement Program'. Under the terms of this agreement, printers and OCR readers that remain under an agreement will be refurbished automatically by System Innovators every 3 years if the printer has not previously been in for service and will be replaced every 5 years.

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HARDWARE & SOFTWARE MAINTENANCE FOR FUTURE YEARS

Service Description	Install/Year 1	Year 2	Year 3	Year 4	Year 5
Project Management	19,680	N/A	N/A	N/A	N/A
Enterprise License for All Modules	50,000	N/A	N/A	N/A	N/A
3 rd Party Hardware/Software/Maintenance	17,760	N/A	N/A	N/A	N/A
Implementation Services	9,120	N/A	N/A	N/A	N/A
SQL Interface to Utility Billing System	20,400	N/A	N/A	N/A	N/A
File Export for Sales Tax / People Soft	13,600	N/A	N/A	N/A	N/A
Our-Site System Training On-Site End-User Training	7,900	N/A	N/A	N/A	N/A
Travel and Travel related Expenses for System Innovators Staff	5,000	N/A	N/A	N/A	N/A
Support and Maintenance	Included 1 st Year	\$10,000	\$10,500	11,025	\$11,575
Upgrades not included in Support/Maintenance	Covered under Maintenance	Covered	Covered	Covered	Covered
Hardware Maintenance Support (90 day warranty plus 1 year extension)	\$2,975	\$2,975	\$2,975	\$2,975	\$2,975
Total	<u>\$146,435</u>	<u>\$12,975</u>	<u>\$13,475</u>	<u>\$14,000</u>	<u>\$14,550</u>

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Section 6 Vendor Experience and Qualifications

Industry Credentials

System Innovators was founded in 1980 to provide computer-based solutions for utility companies and local government administration. Early in the Company's history, the Company's founder, Roger Nelson, began developing over-the-counter cashiering systems for the chosen industries. These early systems evolved into the industry leading payment collection system - CASHIER® for Windows™.

In 1999, System Innovators introduced a new family of products, called RevenueCollector®, designed to gather payments from many different sources. CASHIER for Windows was integrated into the new family of products which also interfaces self-service payment stations and remittance processors to gather, consolidate and report on all types of payment activity. Additional interfaces are being added for internet and phone based payment activity as well.

Today, there are thousands of System Innovators' cashiering products installed in utility companies and local governments in the United States, Canada, Europe, Australia and the Caribbean. System Innovators supports these installations from its modern headquarters in Jacksonville, Florida with a highly trained staff of dedicated software professionals. All versions of System Innovators' software are immediately accessible for enhancement and maintenance. Telephone and e-mail support and remote modem access are also provided through System Innovators help desk to resolve questions and immediately download software changes. A hands-on training facility provides first-class training in an atmosphere conducive to learning and interaction.

The leadership team at System Innovators includes:

ROGER NELSON, President & CEO
CHUCK GILLUM, Executive Vice President, Sales & Marketing
MARGE HOLTSINGER, Director, Client Services
JAY EVANS, Director, Client Services
TONY LEUTHOLD, Director, Research & Development
SHARON RAMIREZ, Controller
KELLEY LANGFORD, Chief Technical Strategist

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System Innovators' extensive experience with revenue collection systems and its commitment to quality has earned the company a long and growing list of happily involved clients. It is because of our focus on revenue collection systems for utilities and government that we can offer a money back guarantee on every installation. "With System Innovators, you have nothing to lose but your revenue collection problems – we guarantee it."

Mission

At System Innovators, our Mission is:

"To be the leader in innovative online payment collection solutions for utilities and government"

Value Proposition

"System Innovators provides a unique foundation enabling utility and government to collect and consolidate all payments to all systems. We have more than 20 years of experience in exceeding client expectations. We guarantee our client's success or their money back."

Personnel Qualifications

System Innovators' staff has over 200 collective years of computer solutions experience and over 80 years of collective experience working with payment collection systems for utilities and government agencies. Résumés for the employees that will assure the success of your installation are included on the following pages.

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Marge Holtsinger

Director of Client Services

Summary

As Director of Client Services, Marge Holtsinger provides leadership to the team of Business Analysts, Application Specialists, and Software Engineers responsible for the training, customization, installation, and support of the RevenueCollector® product. With over 12 years of experience in project management, Ms. Holtsinger is responsible for managing the overall process to produce a quality product that meets or exceeds customer expectations.

Experience

Ms. Holtsinger has more than 24 years of experience in the information technology industry including project management, systems analysis, and software development. She has managed diverse information system development projects including inventory management systems, decision support systems, membership processing systems, and health care managements systems for both government and private industries.

Ms. Holtsinger uses her extensive background in systems analysis and problem solving, to contribute to the Assessment and Functional Specification documentation produced by Client Services, and to insure that System Innovators provides quality customer support after the product is delivered and accepted. In addition, Ms. Holtsinger has over 8 years of experience teaching college level computer and information science courses. This experience is invaluable in helping the Application Specialists provide quality System and End-User Training to our clients.

Education

Ms. Holtsinger has a M.S. degree in Computer Science from the University of Alabama and a B.A. degree in Mathematics from the University of North Florida. In addition, Ms. Holtsinger has completed several management and technical courses.

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Jay Evans
Business Analyst**Summary**

As a Business Analyst, Mr. Evans is responsible for surfacing and satisfying the revenue collection requirements of System Innovators clients. Using the client's own measures for project success, Mr. Evans focuses on both technical and non-technical aspects of each project to ensure the System Innovators team delivers a quality product that meets or exceeds client expectations.

Experience

Jay Evans has over 20 years experience in the information technology field working for and with software, computer facilities management, and manufacturing companies. Mr. Evans background includes system development, project team management, and technical education planning. He has led numerous projects including the selection and implementation of customer order, financial, and warehouse/distribution management systems.

Mr. Evans applies his 16 years of team leadership experience to enable client and System Innovators Client Services team members to cooperatively develop and implement revenue collection solutions.

Education

Mr. Evans earned a B.S. degree in Business from Indiana State University. In addition, Mr. Evans has completed numerous technical, management, and professional development courses.

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Ken Trivison
Principal Consultant**Summary**

As a Principal Consultant, Ken Trivison uses his 16 years of experience in information technology to support the design, customization, and installation of revenue collection products at System Innovators. Mr. Trivison works with the Business Analysts to identify and document client requirements. With his programming experience in C++, C, SQL, and ORACLE, Mr. Trivison is responsible for the customization and installation of our products, and the development of database scripts and stored procedures.

Experience

Mr. Trivison possesses over years 16 of project management, systems analysis, and software development experience in the information technology industry. He has extensive background installing customized cashiering systems into a wide variety of different environments.

Since joining System Innovators in 1984, his project management skills and application knowledge has provided him with the experience necessary to design and develop the next generation of revenue collection products. He has designed and customized applications, installed systems, trained users and provided support services for businesses throughout the United States and abroad. Utility companies, local government agencies and colleges are among the various markets in which he has specialized.

Mr. Trivison has performed development and support work on a number of hardware platforms, LAN topologies and operating systems. His programming language expertise includes C++, C, SQL, BASIC and COBOL. His latest development works use a three-tier system approach that combines event driven, object oriented programming methodologies, server side applications and client side graphical user interfaces.

Implementing communication interfaces into a variety client and host computers such as Diebold PayStations (payment Kiosk), IBM mainframes, NCR, Prime, SUN, and Unisys Systems has given Mr. Trivison a strong communication background.

Education

Mr. Trivison earned his B.S. degree in Management Information Systems from Florida State University. In addition, Ms. Trivison has completed several management and technical courses. In 1999 he became an MCSE.

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Karl Ranson
Integration Engineer**Summary**

Mr. Ranson's responsibilities as an Integration Engineer include configuration, installation, and integration of the RevenueCollector product line into the client's environment. He also supports 3rd party tools such as ICVerify and Crystal Reports. Mr. Ranson develops database scripts to create the client database and is responsible for the installation of the customized product at the client site. In addition, Mr. Ranson supports the Quality Assurance team by testing both the base and customized RevenueCollector products.

Experience

Mr. Ranson has extensive experience in support of both hardware and software from a small scale to as many as 3000 clients. His past responsibilities have included software installation and troubleshooting along with troubleshooting network connectivity issues and operating system upgrades as well as hardware repair. He also has computer teaching experience.

Education

Mr. Ranson has completed the A+ Certification as well as classes in Installing & Administering NT Server and NT Workstation, relational database design, and Crystal Reports.

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Belinda Johnston
Training Specialist**Summary**

As a corporate Trainer, Mrs. Johnston's responsibilities include using her extensive teaching experience to evaluate and improve curriculum, as well as conduct both System and End-User Training classes.

Experience

Mrs. Johnston is a certified, professional educator with extensive experience in delivery, development, and assessment of instructional programs. She has taught software application courses in corporate and college environments. Her diverse background also includes troubleshooting computer application problems.

Education

Mrs. Johnston earned both her Bachelor of Arts in Education and Master of Education degrees from the University of North Florida. She is currently a Doctoral student at Nova Southeastern University, School of Computer and Information Sciences.

In addition, Mrs. Johnston holds a State of Florida Professional Educator certificate.

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References

Information about several of our government and utility installations has been included in this section.

Representative Government Installations

Mr. H.P. Higgins

City of Winston-Salem

100 East First Street

PO Box 2756

Winston-Salem, NC 27102

(336) 747-6949

hphigs@cityofws.org

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in, remittance processor, electronic files

Interfaces: Cayenta Utility Management System through UM Listener; FICS Mortgage Servicer, EDC AIMS Parking Ticket System and In-house storm water system through stored procedures; Mitchell Humphrey FMS A/R Module through stored procedures(in dev) and Mitchell Humphrey FMS GL through batch file; Hansen Licensing, Code Enforcement and Assessment Modules through stored procedures(in dev);

Install dates: CASHIER for Windows and RevenueCollector installed in 2002 (35 workstations)

Mr. Jeff Leather

City of Mesa

200 Center Street, Building 2

Mesa, AZ 85210

(480) 644-3346

jeff.leather@cityofmesa.org

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in, IVR(in dev)

Interfaces: In-house utility billing through HLLAPI, Indus Banner CIS through stored procedures(in dev)

Install dates: CASHIER for Windows installed in 1996 (12 workstations); RevenueCollector installed in 2001

Mr. Randy Bruce

Fairfax County

12000 Government Center Parkway, Suite 357

Fairfax, VA 22035-0013

(703) 324-4705

randy.bruce@fairfaxcounty.gov

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in, remittance processor

Interfaces: In-house Business Professional & Occupational License Tax system through WebMethods, In-House Personal Property System through WebMethods, CLT Integrated Assessment System through stored procedures (in dev); FAMIS GL through batch file.

Install dates: CASHIER for Windows installed in 1997 (47 workstations), RevenueCollector installed in 2003

Ms. Kimsu Harrington

City of Raleigh

222 W. Hargett Street, Room 118

Raleigh, NC 27601

(919) 890-3025

Kimsu.Harrington@ci.raleigh.nc.us

Versions: RevenueCollector Version 2.5, CASHIER for Windows 4

Collection Sources: walk in, IVR, remittance processor and electronic files

Interfaces: Indus Banner CIS, In house Assessment System and ACS Banner FIS A/R through stored procedures, ACS Banner FIS GL through batch file

Install dates: CASHIER for Windows 1996 (9 workstations); RevenueCollector 2001

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Ms. Christine Calderon
City of Santa Ana
 20 Civic Center Plaza, M13
 Santa Ana, CA 92701
 (714) 647-5335
ccalderon@ci.santa-ana.ca.us
Collection Sources: walk in, remittance processor
Versions: RevenueCollector 2.5, CASHIER for Windows 4
Interfaces: In house receivables database through stored procedures
Install dates: RevenueCollector and CASHIER for Windows installed in 2001 (5 workstations)

Mr. Dave Brose
Palm Beach County Tax Collector's Office
 301 N. Olive Ave.
 West Palm Beach, FL 33401
 (561) 355-6381
dbrose@co.palm-beach.fl.us
Versions: RevenueCollector 2.5, CASHIER for Windows 4
Collection Sources: walk in, remittance processor, in house web, in house IVR, electronic files
Interfaces: In-house property tax, occupational license, hunting & fishing and tourist tax systems through stored procedures; Florida Real-time Vehicle Information System (FRVIS) through stored procedures.
Install Dates: CASHIER for Windows 1996 (60 workstations); RevenueCollector 2002

Mr. Gerald Cates
Duval County Tax Collector's Office
 231 E. Forsyth Street, Room 200
 Jacksonville, FL 32202
 (904) 630-1880
geraldc@coj.net
Collection Sources: walk in
Versions: RevenueCollector 2.5, CASHIER for Windows 4
Interfaces: In-house Tax & License Billing System through Telnet sessions; Florida Real-time Vehicle Information System (FRVIS) through stored procedures
Install dates: RevenueCollector and CASHIER for Windows installed in 2003 (26 workstations)

Ms. Eulema Kuhlmann
City of Victorville
 14343 Civic Drive
 Victorville, CA 92392
 (760) 955-5099
ekuhlmann@ci.victorville.ca.us
Collection Sources: walk in
Versions: RevenueCollector 2.5, CASHIER for Windows 4
Interfaces: Tidemark Permitting System through stored procedures; Peoplesoft GL through batch files
Install dates: RevenueCollector and CASHIER for Windows installed in 2003 (3 workstations)

Mr. Troy Tripamer
City of Virginia Beach
 Treasurer's Office
 2401 Courthouse Drive, Building 1
 Virginia Beach, VA 23456-9018
 (757) 427-8257
ttripame@vbqov.com
Versions: RevenueCollector 2.5, CASHIER for Windows 4
Collection Sources: walk in, remittance processor
Interfaces: In-House Consolidated A/R System (CARS) through stored procedures, Oracle Financials (VIBES GL) through stored procedures, Indus Banner CIS (in dev)
Install Dates: CASHIER for Windows and RevenueCollector installed in 2002 (29 workstations)

Mr. Scott R. McPencow
Metropolitan Government of Nashville & Davidson County
 222 Third Avenue North, Suite 110
 Nashville, TN 37201
 (615) 862-6210
scott.mcpencow@nashville.gov
Collection Sources: walk in, remittance processor (in dev), web(in dev) and IVR(in dev)
Versions: RevenueCollector 2.5, CASHIER for Windows 4
Interfaces: JD Edwards World GL through batch file; Sungard HTE Inc Utility System through stored procedures (in dev)
Install dates: RevenueCollector and CASHIER for Windows installed in 2003 (8 workstations)

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Representative Utility Installations

Mr. Bobby Nelson

Orlando Utilities Commission

500 South Orange Avenue
Orlando, Florida 32802
(407) 423-9140
nelson@ouc.com

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: Walk In

Interfaces: Indus Banner CIS, STORMS Work Management, JD Edwards OneWorld and In-House Employee Check Cashing System through stored procedures

Install dates: CASHIER for Windows installed in 1997 (12 workstations); RevenueCollector installed in 2002

Mr. Zack Phillips, Jr.

Newport News Waterworks

700 Town Center Drive, 4th floor
Newport News, VA 23606
(757)926-1089
zphillips@nngov.com

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: Walk In; IVR and Web through Link2Gov(in dev)

Interfaces: In-house utility billing through stored procedure; HRSD utility billing through stored procedure

Install dates: RevenueCollector and CASHIER for Windows installed in 2003

Ms. Dianne Hope

Gainesville Regional Utilities

P O Box 147117, Station A117
Gainesville, FL 32614-7117
(352) 334-1383
hopedm@gru.com

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in/drive up, call center, repetitive billing, in house web, IVR using SpeedPay(in dev)

Interfaces: In House utility billing through Telnet emulation

Install dates: CASHIER for Windows installed 1997 (22 workstations); RevenueCollector 2001

Ms. Lorraine Williamson

Cincinnati Water Works

4747 Spring Grove
Cincinnati, OH 45232
(513) 591-7757
lorraine.williamson@gcww.cincinnati-oh.gov

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: Walk In, In House IVR, In House Web(in dev)

Interfaces: Indus Banner CIS through stored procedures

Install dates: CASHIER for Windows installed 1995 (6 workstations); RevenueCollector 2000

Mr. Randee Barbee

Fayetteville Public Works Commission

955 Old Wilmington Road
P.O. Box 1089
Fayetteville, NC 28302
(910) 223-4315
randy.barbee@faypwc.com

Version: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in/drive through; online Diebold Paystations

Interfaces: PCS Utilit-e System through Telnet emulation

Install dates: CASHIER for Windows 1996 (9 workstations); RevenueCollector 2000

Mr. Roger Smith

Central Service Association

93 South Coley Road
PO Box 3480
Tupelo, MS 38803-3480
(662)842-5962
rsmith@csa1.com

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in, remittance processor, electronic files

Interfaces: In house utility billing through DLL to CICS universal client; Cogsdale Customer Service Management System through stored procedure

Install dates: RevenueCollector and CASHIER for Windows installed 2002 (installed at 30 member sites with plans to install another 30 member sites)

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Mr. Andrew Giles

Electricity Supply Board (ESB)

27 Lower Fitzwilliam Street

Dublin 2 IRELAND

011-3531-702-7364

andrew.giles@esb.ie

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in

Interfaces: In house utility billing through HLLAPI emulation

Install dates: RevenueCollector and CASHIER for Windows installed 2002 (94 workstations in 55 offices throughout Ireland)

Mr. Chris Rohrer

Salt River Project

1521 N Project Drive, PAB202

Tempe, AZ 85281

(602)236-2135

csrohrer@srpnet.com

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in, online Diebold Paystations

Interfaces: In house utility billing through HLLAPI emulation

Install dates: CASHIER for Windows installed 1996 (50 workstations), RevenueCollector installed 2001

Ms. Teri Kaczmarek

Burbank Water & Power

164 W. Magnolia Blvd.

Burbank, CA 91502

(818)238-3553

tkaczmarek@ci.burbank.ca.us

Versions: RevenueCollector 2.5, CASHIER for Windows 4

Collection Sources: walk in

Interfaces: In house utility billing through HLLAPI emulation, In house financial system through a batch file, Indus Banner CIS through stored procedure(in dev)

Install dates: RevenueCollector and CASHIER for Windows installed 2001 (5 workstations)

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Section 7

Warranties and Agreements

RevenueCollector[®] is warranted to meet documented specifications for one (1) year following acceptance of the system. Warranty terms and conditions are specified in the Purchase and Software License Agreement which is included in this section. System Innovators' Software Support program as described in Section 5 extends the software warranty for annual periods upon acceptance of maintenance fees and conditions for that period.

All hardware sold by System Innovators is warranted by the manufacturer. Hardware warranties are effective from the date of delivery and may be extended under one of System Innovators' Hardware Support Programs as described in Section 5.

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PURCHASE AND SOFTWARE LICENSE AGREEMENT

System Innovators, whose corporate address is 10550 Deerwood Park Blvd., Suite 700, Jacksonville, Florida, 32256 and _____ whose address is _____ ("Customer") agree that this Purchase and Software License Agreement ("Agreement") entered into this ____ day of _____, 20__ ("Effective Date") governs the sale of computer equipment and related peripherals and supplies ("Hardware"), the provision of professional consulting, programming, installation, support and training services ("Services"), and the licensing of computer software and related documentation ("Software") by System Innovators to Customer.

1. Purchase Orders. Customer purchase orders, as may be issued from time to time and accepted by System Innovators, shall be treated as Exhibits to this Agreement. The terms and conditions of this Agreement shall prevail, notwithstanding any variations or additions contained in any purchase order or other document submitted by the Customer.

2. Acceptance. Hardware and Software shall be deemed Accepted by Customer upon (a) receipt of Hardware and/or Software and (b) delivery of a signed acceptance statement to System Innovators or use of the Hardware and/or Software in the ordinary course of business.

3. Covered Hardware. The hardware covered by Hardware Support Services in this Agreement ("Covered Hardware") is computer hardware and related peripheral equipment listed in Exhibit 3, Covered Hardware.

4. Covered Software. The software covered by Software Support Services in this Agreement ("Covered Software") is computer software and related documentation licensed to the Customer and listed in Exhibit 4, Covered Software.

5. Hardware Support Services. (a) System Innovators will provide the following services under this Agreement ("Hardware Support Services") for the Covered Hardware: (i) Help desk support including technical assistance by telephone, modem, fax service and/or courier; (ii) Determination of hardware failures through telephone consultation with the Customer, (iii) Shipment of replacement Hardware, when deemed necessary by System Innovators, from System Innovators to Customer's location by courier service, (iv) Preventative maintenance services deemed appropriate by System Innovators; (v) Preparation of shipping labels and instructions for Customer to return failed hardware in the same box that replacement Hardware arrives in, to System Innovators collect, (vi) Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services, and (vii) Toll free phone service for incoming telephone calls.

(b) The following services are specifically excluded from Hardware Support Services: (i) Electrical work external to the affected Hardware; (ii) Repair of damage resulting from vandalism, disaster, transportation, misuse, accident, modification, electrical damage, improper installation or repair or attempt to repair of the affected Hardware by any person not authorized by System Innovators; (iii) Furnishing expendable supplies (such as paper and

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ribbons); (iv) Painting or refinishing the affected Hardware; (v) Relocation or reinstallation of the affected Hardware or the addition or removal of any attachments, enhancements, or other hardware accessories; (vi) Changes or repairs to Hardware not covered under this Agreement. Such services, if requested by the Customer, may be provided by System Innovators for additional charges.

6. Software Support Services. (a) System Innovators will provide the following services under this Agreement ("Software Support Services") for the Covered Software: (i) Help desk support including technical assistance by telephone, modem, fax service and/or courier; (ii) Correction of errors or deficiencies in licensed modules of System Innovators Software; (iii) Maintenance of customized source code at System Innovators' office for access by System Innovators' personnel; (iv) New releases of licensed System Innovators Software modules and documentation, as available; (v) Off-site backup of customized source code; (vi) Telecommunication charges associated with System Innovators initiated calls for modem and telephone support services; (vii) Toll-free phone service for incoming phone calls; and (viii) Postage and freight charges associated with the delivery of System Innovators software and documentation updates.

(b) The following services are specifically excluded from Software Support Services: (i) Operation of the Software in the normal course of business; (ii) Consulting, programming or training services that are not associated with Software errors or deficiencies; (iii) Programming or analytical assistance relating to enhancement of existing programs or the creation of new programs; (iv) Programming or analytical assistance relating to restoring programs and/or computer accessible data files rendered inoperative due to any cause outside of System Innovators' control; and (v) Supporting any software not covered under this Agreement. Such services, if requested by the Customer, may be provided by System Innovators for additional charges.

7. Customer Responsibilities. Customer's responsibilities under this Agreement include: (i) Providing a suitable environment for the Hardware, as specified in the manufacturer's product literature and as specified by System Innovators in any written instructions to Customer; (ii) Installing all required communication network hardware and software; (iii) Ensuring the proper training for Customer staff involved with the Hardware, Software and Services (iv) Explaining software requirements to System Innovators' personnel and providing copies of data on printed materials and/or magnetic storage media that may assist System Innovators in providing Services; (v) Providing a modem hookup to the Hardware when requested by System Innovators; (vi) Informing System Innovators of changes in related hardware and software and their configuration; (vii) Informing System Innovators of changes in Hardware locations; (viii) Backing up, removing, and protecting, as applicable, data and removable storage media contained in failing Hardware sent to System Innovators; and (ix) Removing and controlling any currency or other funds from Hardware before System Innovators provides Support Services.

8. Support Period. (a) The initial Support Period shall begin upon execution of this Agreement and shall end one year after the first Acceptance of Software. New Support Periods shall automatically begin at the end of each previous Support Period and end one year later unless: (i) either party gives written notice of non-renewal to the other party at least 30 days prior to the expiration of the Support Period or any renewal thereof; or (ii) the Agreement is terminated according to the terms of this Agreement.

(b) Hardware Support Services and Software Support Services (collectively, the "Support Services") will be provided during the Support Period from 8 A.M. to 8 P.M. Eastern Standard Time or Eastern Daylight Savings Time, whichever is in effect in Jacksonville,

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Florida, Monday through Friday, excluding nationally recognized holidays (Support Hours). System Innovators shall respond in a prompt, commercially reasonable manner during the Support Hours.

9. Delivery and Risk of Loss. All Hardware and Software sold or licensed to Customer is shipped at Customer's expense. Customer assumes the risk of loss for Hardware and Software upon delivery.

10. Prices. (a) System Innovators' charges for Hardware, Software licenses and Services are specified in the Exhibits of this Agreement. The prices set forth in such Exhibits are exclusive of and Customer agrees to pay: (a) shipping charges where not specifically covered; (b) System Innovators' time and material charges plus reasonable travel and living expenses, at cost, for additional Services requested by Customer; and (c) all taxes, including sales taxes, (however designated) paid or payable by System Innovators (exclusive of taxes based on System Innovators net income) for Hardware, Services and Software licenses provided hereunder. Customer agrees to support any claim for tax exemption for purchases hereunder by providing System Innovators with a copy of the applicable tax exemption certificate prior to delivery.

(b) System Innovators may increase or decrease prices for Hardware Support Services and/or Software Support Services to be effective at the beginning of any renewal of a Support Period by providing Customer written notice of such change at least 60 days prior to such renewal. System Innovators may change hourly rates for Services authorized by the Customer but not specifically listed in this Agreement by providing written notice of such change at least 60 days prior to performing such Services.

(c) The Enterprise License for Software and Services entitles Customer to process a defined number of payments per year ("Authorized Annual Payment Quantity") as listed in Exhibit 1 of this Agreement. Payments processed in excess of the Authorized Annual Payment Quantity are subject to an additional charge ("Payment Surcharge") of twenty five cents (\$0.25) per payment unless this Agreement is amended to increase the Authorized Annual Payment Quantity.

11. Payment Terms. (a) Customer shall pay System Innovators fifty percent (50%) of the Enterprise License fee specified in this Agreement upon delivery of unmodified System Innovators Software to the Customer and as invoiced by System Innovators.

(b) Customer shall pay System Innovators the total price for all Hardware and third-party Software licenses specified in this Agreement, as amended, upon delivery of Hardware and third-party Software to the Customer and as invoiced by System Innovators.

(c) Customer shall pay System Innovators twenty five percent (25%) of the Enterprise License fee specified in this Agreement upon delivery of customized Software and as invoiced by System Innovators.

(d) Customer shall pay System Innovators the remaining amount of the Enterprise License fee specified in this Agreement upon Acceptance of the customized Software and as invoiced by System Innovators.

(e) Customer shall pay System Innovators the total fee for Hardware Support Services and Software Support Services in advance of each Support Period and as invoiced by System Innovators.

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(f) Customer shall pay System Innovators for all other authorized charges (e.g.: other Services, travel expenses, other billable charges) as Services are provided and as invoiced by System Innovators.

(g) If Customer exceeds the Authorized Annual Payment Quantity in any twelve month period following Acceptance, Customer shall (i) pay System Innovators the Payment Surcharge described in paragraph 10.(c) above, or (ii) pay System Innovators an additional Enterprise License fee to increase the Authorized Annual Payment Quantity.

(h) All invoiced charges are due upon receipt. Interest, at the rate of one and one half percent (1.5%) per month, will be charged by System Innovators on all amounts unpaid and outstanding after thirty (30) days from the date of System Innovators' provision of an invoice to Customer.

12. Title. System Innovators shall own all rights, title and interest in and to the Software (including copyright, trade secret, patent, trademark and other proprietary rights) including all customizations, enhancements, modifications, improvements, derivations or other changes thereto, whether made by System Innovators, Customer, or jointly by System Innovators and Customer. Any copies of the Software, in whole or in part, which are made hereunder, shall also remain the sole property of System Innovators.

13. License. System Innovators grants Customer, subject to the terms and conditions of this Agreement, a perpetual, nontransferable, non-exclusive license to use the System Innovators Software for its own internal business purposes.

14. Term. This Agreement shall commence on the Effective Date and shall remain in force until terminated according to the provisions of this Agreement.

15. Use and Copying Restrictions. (a) Customer understands that the System Innovators Software provided under this Agreement contains trade secrets and proprietary information belonging to System Innovators. Customer agrees to hold the System Innovators Software in trust and confidence and will safeguard the System Innovators Software to the same extent that Customer safeguards other trade secret information related to its business.

(b) Customer further agrees not to directly or indirectly disclose, display, provide, transfer or otherwise make available all or any part of the source code for System Innovators Software to any person or entity other than (i) System Innovators' employees or (ii) Customer's employees or agents that need to work with the source code, without prior written consent of System Innovators.

(c) Customer further agrees not to sell, assign, lease, license, or in any manner encumber, pledge, convey, or transfer the Software or any interest therein.

16. Termination. (a) Either party may terminate this Agreement upon written notice to the other if: (i) a material violation of this Agreement by the other party is not remedied within thirty (30) days after notice of violation; or (ii) any representation or warranty made by the other party shall prove to have been false or fraudulent in any material respect as of the date the same was made; or (iii) the other party admits in writing its inability to pay its debts generally as they become due, or executes an assignment for the benefit of creditors or similar document; or (iv) a receiver, trustee in bankruptcy or similar officer is appointed for the other party's property.

(b) Termination shall not exclude other remedies for failure of a party to perform its obligations.

(c) Upon termination of this Agreement, each party shall promptly return to the other any and all personal property of the other held by such party and shall provide a certificate to the other party to the effect that it has delivered to the other party all property belonging to the other party and has retained no duplicates or copies of any such property.

17. Warranties and Disclaimers. System Innovators warrants that the System Innovators Software will conform to System Innovators supplied specifications and documentation, as periodically revised, for a period of one (1) year following Acceptance of the System Innovators Software, provided no changes, modifications or enhancements have been made to the System Innovators Software by Customer or third parties. System Innovators will use its reasonable efforts to correct or repair any defects in the System Innovators Software; provided, however, that such defect is reported to System Innovators in writing within the warranty period. System Innovators does not warrant that the operation of the System Innovators Software will be uninterrupted or error free.

SYSTEM INNOVATORS MAKES NO OTHER WARRANTIES OF ANY KIND, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SOFTWARE, HARDWARE OR SERVICES PROVIDED BY SYSTEM INNOVATORS UNDER AND PURSUANT TO THIS AGREEMENT.

18. Patent and Copyright Indemnification. (a) System Innovators shall indemnify and hold harmless Customer from and against any claims, including reasonable legal fees and expenses, based upon infringement of any United States copyright or patent by System Innovators Software. System Innovators shall defend or settle any suit or proceeding brought against Customer by a third party arising out of, or relating to, Customer's own internal use of the Software provided that System Innovators is given prompt written notice of such claim and is given information, reasonable assistance and sole authority to defend or settle the claim.

(b) System Innovators, at its option, may obtain for Customer the right to continue using or to replace or modify the Software involved so it becomes non-infringing; or if such remedies are not reasonably available, grant Customer a credit for the Software involved based upon its fair market value and accept its return.

(c) System Innovators shall have no obligation under this Section if the alleged infringement or violation is based upon the use of the Software in combination with other hardware or software not furnished by System Innovators or if such a claim arises from System Innovators' compliance with Customer's designs, specifications or instructions or from Customer's modification of the Software.

19. Limitation of Actions and Liability. (a) Neither party shall be liable for any failure of or delay in performance of its obligations under this Agreement to the extent such failure or delay is due to circumstances beyond its reasonable control.

(b) The parties agree that no action may be instituted hereunder more than one (1) year after the cause of action accrued or should have been discovered by reasonable due diligence.

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(c) System Innovators shall not be liable for special, indirect, incidental or consequential damages, whether arising from contract or negligence. In any event, System Innovators' liability for damages under any theory of liability or form of action shall not exceed the total amount paid by Customer to System Innovators under this Agreement.

(d) SYSTEM INNOVATORS AND CUSTOMER ACKNOWLEDGE AND AGREE THAT THEY ARE ENTERING THIS AGREEMENT ON THE UNDERSTANDING THAT THE PRICES FOR HARDWARE, SOFTWARE AND SERVICES TO BE PROVIDED UNDER THIS AGREEMENT HAVE BEEN SET TO REFLECT THE FACT THAT THE CUSTOMER'S REMEDIES, AND SYSTEM INNOVATORS' LIABILITY SHALL BE LIMITED AS EXPRESSLY SET FORTH IN THIS AGREEMENT, AND IF NOT SO LIMITED, THE PRICES FOR THE SAME WOULD HAVE BEEN SUBSTANTIALLY HIGHER.

20. Notice. All notices under this Agreement are to be delivered by (i) registered mail, return receipt requested, to the parties at the respective addresses set forth above or to such other addresses as the party to receive the notice has designated, (ii) fax to the parties using a telephone number as the party to receive the fax has designated, provided a fax acknowledgment is received by the sending party, (iii) delivery service to the parties at the respective addresses set forth above or to such other address as the party to receive the notice has designated, or (iv) hand delivery to an individual designated by the receiving party. The notice shall be deemed delivered (i) if by registered mail, four (4) days after the notice's deposit in the mail, (ii) if by fax, on the date the notice is delivered, (iii) if by delivery service, on the day of delivery, and (iv) if by hand delivery, on the date of hand delivery.

21. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

22. Other Provisions. (a) The scope of any Services provided under this Agreement other than Support Services and any Customer obligations related to such Services will be documented and attached as an Exhibit to this Agreement.

(b) If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.

(c) The failure by any party to exercise any right provided for herein shall not be deemed a waiver of any right hereunder.

(d) Customer may not sell, assign, transfer, lease, sub-license or otherwise convey any of its rights (or delegate any of its duties) under this Agreement, including the System Innovators Software license granted herein, without the prior written consent of System Innovators.

(e) This Agreement may not be modified, altered or amended except by written instrument duly executed by both parties.

(f) Both parties acknowledge receipt of the documents listed below and consent to their incorporation into and attachment to this Agreement as the indicated Exhibit number.

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Exhibit Number

Document Title

1

Hardware, Software and Service
Description and Pricing Schedule

2

Scope of Services

3

Covered Hardware

4

Covered Software

AGREED:

"CUSTOMER"

System Innovators

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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EXHIBIT "1"

HARDWARE, SOFTWARE AND SERVICE DESCRIPTION AND PRICING SCHEDULE

- I. LIST OF HARDWARE, SOFTWARE AND SERVICES TO BE PURCHASED BY CUSTOMER FROM SYSTEM INNOVATORS:

Description	Unit Price	Qty	Extended Amount
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Total Amount

- II. AUTHORIZED ANNUAL PAYMENT QUANTITY: 200,000

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EXHIBIT "2"
SCOPE OF SERVICES

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EXHIBIT "3"

COVERED HARDWARE

I. LIST OF HARDWARE COVERED BY HARDWARE SUPPORT SERVICES:

<u>Hardware Description</u>	<u>Qty.</u>
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EXHIBIT "4"

COVERED SOFTWARE

I. LIST OF SOFTWARE COVERED BY SOFTWARE SUPPORT SERVICES:

<u>Software Description</u>	<u>Qty.</u>
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Page 13, Item 21 Required Insurance Coverage, Paragraph b.

System Innovators does not own any vehicles and therefore does not carry any Automotive Liability Coverage.

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EXHIBIT "6"

SYSTEM INNOVATORS RESPONSE TO TECHNICAL QUESTIONS

System Innovators written responses to technical questions raised by the Customer are included in this Agreement by reference.

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City of Peoria, Arizona

Technical Questions for Systems Innovators

Database

1. What is the database platform? Oracle or Microsoft SQL Server
2. What is the initial size of the database? Varies Depending on Data Base starts at 350MB
3. What is the yearly-expected growth rate of the database? Expect 3 gigs per million records
4. Is your database normalized? NO
5. Explain the level of database normalization. Transaction / Receipt level
Table Primary Key Constraints
6. If not normalized in specific instances, please explain why. Allows Separation of Receipt entities. I.e. Receipts, Pay classes, Tenders, Deposits.
7. Can we see your data dictionary? Yes, we have it in PDF Format. This format does NOT Contain Custom Fields.
8. Can we see your ERD and/or data model? We generate ERD's per Customer Request based on Custom fields, So we can give you an ERD from Base Code, or we can generate a new one for your customer specific Schema.
9. How many tables are in your product? 65+ tables depending on version (RC Version) and product functionality (INQUIRIES and UPDATES may require new tables for temp data.
10. Can most end-user queries be developed with just two joins? Yes, most queries can be developed with two joins, however, due to the non-normalization, most queries do not require joins.
11. Are you using stored procedures and views? The product uses stored procedures, however there are no views within the product.

Can we see them? Yes, they are available in both SQL and Oracle Syntax.

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12. If you are using stored procedures, are they retained on the server or are they created when the function is executed? If that is the case, are there multiple versions of stored procedures created based on which user executed the stored procedure?

The stored procedures are retained on the server.

13. Is referential integrity enforced at the database level or within the application?

Referential integrity is enforced at the database level through primary key constraints.

14. Can we name the database what we want to name it or is the name hard coded?

Database and Tablespace names can be changed, as well as all storage settings, however the table names are hard coded.

15. If you are using SQL, are you using the SQL "public" role, and if so, what permissions are granted to it? We do allow the use of a PUBLIC role, which is given SUID permissions, however this is not required for full functioning of the product.

16. Have you hard coded user ID's or passwords, including SQL's "SA" user, or Oracle's "Scott/Tiger", sys or sysadmin? There are no hard coded users, however, the schema owner is in the configuration of the application and is changeable.

17. If you are using SQL, does the application use automated processes that change the configuration of the database for that instance of SQL server? (Examples are collation, fiber or thread mode, processor utilization, authentication mode, Remote Procedure Calls). No

18. If you are using SQL, what service pack on SQL server is your application certified with? What service pack for Windows 2000 and/or 2003 is your application certified with? All, preferably the latest.

19. Are your objects created with something other than database owner? Are any users given DBO permissions or are they in the db_owner or db_ddladmin roles or any other fixed database or fixed server roles? Yes, we usually create the objects owned by a specific user. This user is given full access to the database, and allows for schema updates with out having the DBO login.

Hardware – Server and Workstations

1. What are the server and workstation minimum and maximum hardware requirements? Attached Document with this information.

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2. Is a dedicated server required? Yes.
3. Is a test database and/or server required? No. However it is recommended.
4. Identify required servers if client/server or web/server application:

- Can application server and web server be combined? Yes
- Can database server and batch server be combined? Yes
- What would be the best way to setup a test/development environment?

Can test servers be (application/web and database/batch) combined on other servers? Test and production environments should be separate.

- If failure server is recommended, can City fail-over to test environment? Yes

Software – Server and Workstations

1. What operating systems are supported on both the server and workstations?
Windows 2000 or higher.
2. On the server side, is it solely a database, or is there also an application piece on the server? There is an application for the server.
3. How is processing distributed between the client and the server? Percent?
Functions? Please estimate the amount of workload placed on the server and the amount of workload placed on the client. Depends on the functionality, in a CFW / RC installation, CFW does 97% of the work and the server does 3%, however if the server is performing (Export/Imports/API functionality) the server is performing 100% of the work.
4. Does any piece of the software require the vendor or a certified business partner to install? No.
5. Are your install instructions specific to the platforms we are going to install on?
Yes.
6. During implementation, who is responsible for loading the software on the servers?
Depends on the contract.

Languages –

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1. What other languages are used in the current version of your application? Visual C++
2. What languages are planned for the future? Visual C#

Connectivity

1. What kind of connectivity does the application use, i.e. ODBC connections with specific drivers or server IP addresses? ODBC Connections (MS SQL SERVER – ALL VERSIONS) (ORACLE 8.0.6.2, 8.1.64, Oracle 9.2) The client application also connects through IP to the server.

QA/Testing

1. Describe your QA environment. Our QA environment includes Windows XP and 2000 operating systems and SQL Server and Oracle DBMSs installed on dedicated QA hardware. A full-time QA analyst is responsible for monthly releases.
2. Do you use automated testing software? No.

How many accounts are in your test database?

Benchmark Testing/Performance Questions

1. Do you conduct benchmark testing? No.
2. What do you use for benchmark testing? How many rows of data do you use? Can we see the results?
3. Please provide the City with performance data for your application.

Backup/Restore

1. How long will it take to backup and restore the application. 1 hour

How did you arrive at your answer? Experience
2. Does your application provide transaction logging or journalizing at the database level? No
3. Does your application have the ability to recover the system from the transaction log? Please explain. No

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Purge/Archive

1. Is the ability to purge and archive data within the application or is it in some other process? In the application.
2. What do you use to purge and archive data? The Database Toolkit module of RevenueCollector.

Licensing

1. What kind of licenses are needed, i.e. SQL server and application? 1 DB Server CAL for every RC CLIENT user. 1 DB Server CAL for every CFW User that will connect to the DB.
2. Is licensing concurrent or by workstation? Per Contract.
 - If concurrent, are there separate modules that have different licensing ability at the same time? Per Contract.
 - If concurrent, how will the application control the concurrent signon's? Per Contract.
3. Is separate licensing required for a test environment? Per Contract.

Reporting

1. Does the application include reports? Yes
 - If so, do we have the ability to modify reports or create new reports? Yes
 - What software can be used for creating reports? Crystal Reports 9
 - Does it use Crystal? Yes
 - If so, what version? 9
2. Will the users be creating the reports or is IT expected to? Customer decision

Patches and Upgrades

1. How often are patches and major upgrades released? 1 Monthly
2. Are patches and upgrades all-inclusive, i.e. we don't have to install 3.1 and then 3.2 to get the benefit of 3.1's changes? Patches are all Inclusive.

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3. What do the upgrades generally entail? Are they generally for the workstations and server? DB upgrade script to run. RC Server and Client Re-install (Repair).
4. Does the application have a utility that allows you to push upgrades from the server, or must every workstation be touched? CFW will push the update, however RC must be done at the server and workstation.
5. Are database changes in the upgrade hidden in the upgrade programming or are they broken into different steps in a process to upgrade? All DB Changes are made via script files which can be modified and reviewed before installation.

Security

1. How does security work in the application? Application Controlled and DB Server controlled.

If it has a SQL backend, do all users have individual SQL logins or do they all share one? Ability for both, usually all users have a different login

2. Who will be system administrator? Customer Decision.

Technical Training

1. What technical training will our existing staff need to support your application and in what timeframe? The project team will require RevenueCollector training to determine the installation configuration upon. This is recommended early on in the project. This is provided in our Jacksonville, Florida office and lasts four days. End-users will require training in the installed version of CASHIER for Windows and RevenueCollector. This training is provided 2 weeks before go-live. Each cashier should be prepared to spend 2-4 hours in training.

Support

1. We require access via VPN to access the network/servers for support. Will this be a problem? No, this is SOP for remote access.
2. Is there a place we can do searches online for problem determination with your application? No.
3. If we ran into a software technical problem/issue during implementation, who is responsible for resolving the issue? How will the problem/issue be managed? Who will be responsible for managing the resolution of the problem/issue? The client

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services team assigned to Peoria is responsible for the installation and ongoing support of the product. This is Jay Evans' team. Contact us at 1-800-963-5000. Most calls are answered immediately. All are returned within two hours. Issues are recorded in our Help Desk software. All are tracked until Peoria says they are resolved.

4. During implementation, who will take care of support calls? How quickly could we expect a response? Jay Evans' client services team is responsible for the installation and ongoing support of the product. Contact us at 1-800-963-5000. Most calls are answered immediately. All are returned within two hours.
5. After implementation, who will take care of support calls? Ongoing support is provided by the same team that implements the product. This insures continuity and an in-depth knowledge of your installation when issues arise.

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Questys Information:

Merge ID: 50863

Record ID: 17430

Questys Folder: //Rim Contracts/2005/CON PUR System Innovators Inc - Utility Billing System

Field 1: PUR System Innovators Inc - Utility Billing System

Field 2: P04-0011

Field 3: LCON05205

Field 4: System Innovators Inc

Field 5:

Field 6: 166-5C

Field 7: 2005 05 25

Field 8:

Field 9:

Field 10:



Additional Service Investment Schedule City of Peoria

June 19, 2008

Summary

The City of Peoria has requested an investment schedule for the following professional services to modify the existing behavior of their RevenueCollector and CASHIER for Windows installation. System Innovators will use its extensive Cashiering experience, knowledge and expertise to facilitate the implementation and delivery of customized software and services for the City of Peoria ("Customer") as defined within this Statement of Work ('SOW').

System Innovators will work closely with the Customer to manage the SOW and ensure success of the overall project. System Innovators expects the design, development and testing phase to take approximately 90 days to allow the Customer to complete Acceptance and System Testing activities.

The software and services defined within this SOW shall be deemed "Delivered" when the Customer receives software and/or services, and the Customer delivers a signed statement to System Innovators acknowledging Delivery. The software and services defined within this SOW shall be deemed "Accepted" when acceptance testing is satisfactorily completed with no critical or major defects, and the Customer delivers a signed statement to System Innovators accepting the System, or the System is placed in a production environment and used for processing payments.

Changes to this SOW will be processed in accordance with the Project Change Control procedure as described herein. The implementation of changes may result in modifications to the Scope, Schedule, Charges, and other terms of this SOW.

Assumptions

1. The Customer will assign a Project Manager to serve as the single point of contact for System Innovators who has the authority to act for the Customer in all aspects of this Statement of Work (SOW).
2. The Customer will define software requirements for System Innovators, and provide data that assist System Innovators in providing the customized Software and Services defined in this SOW
3. The Customer or Customer's delegate will produce a tested and documented application programming interface (API) to any application to be interfaced with System Innovator products and/or software.
4. The Customer will provide System Innovators access to software, systems, and personnel including third party technical support as necessary for the acceptance of the System.
5. The Customer will provide a fully functional test system including hardware, software, documentation and any system software and/or upgrades necessary to complete acceptance testing.
6. The Customer will install all required personal computers, hardware, software, and communications networking in advance of planned delivery of Systems Innovator's software and/or services.
7. The Customer will inform System Innovators of any changes related to their system configuration
8. The Customer will provide System Innovators with a High-Speed Virtual Private Network "VPN" to support delivery and remote support of the software and services defined within this SOW.
9. The Customer will provide resources, documentation and support in a timely fashion to enable System Innovators to meet agreed upon schedules.
10. The Customer will prepare an acceptance test plan and test scripts, perform acceptance testing in a timely manner, and report test results and identified problems to the Systems Innovator Project Manager.

Investment Requirements

Component Description	Quantity/ Hours	Component Investment	Investment Total
1. Accela Interface for RevenueCollector – This interface will provide real-time inquiry and update capabilities to the Accela system for processing permit payments. This component includes the modifications to CASHIER for Windows that are necessary for the presentation of data returned to CASHIER for Windows by the inquiry.	96	\$19,200.00	\$11,200.00
2. Discount for Accela Interface – Reuse existing code.	(40)	(\$8,000.00)	
3. Accela Import for RevenueCollector – This custom import will be used to import permit payments made via the Internet and posted directly to the Accela system. The payments will be imported from a batch file created from the Accela system and will be processed using the RevenueCollector Import Wizard application.	48	\$9,600.00	\$6,400.00
4. Discount for Accela Import – Reuse existing code.	(16)	(\$3,200.00)	
Application Software & Services Investment:			\$17,600.00

The hours and costs shown reflect the hours and costs necessary to design, develop, test, implement, and deliver the requested modifications. This additional service will include the following deliverables.

1. Software functional specification
2. Enhanced RevenueCollector and CASHIER for Windows software

Estimated Delivery Schedule

The Services provided under this quote will commence on execution of this document and are expected to conclude on the specified date. Any variation to these targeted dates must be mutually agreed by both parties. A detailed project schedule will be developed early in the project and will be mutually monitored and managed. The enhanced software will be delivered via FTP or e-mail. The City of Peoria will be responsible for testing the modifications to ensure the deliverables meets their needs as defined.

Task/Deliverable	Estimated Timeline
Investment Schedule/Contract Execution	On or before July 31, 2008
Project Start	On Day 0
Deliverable #1: Estimated delivery of software functional specification	On or before Day 20
Deliverable #2: Estimated delivery of enhanced RevenueCollector and CASHIER for Windows software	On or before Day 60
Project Completion: Completion of System Acceptance testing by client <u>or</u> Implementation of enhanced RevenueCollector and CASHIER for Windows software onto a production system	On or before Day 90

Payment Schedule

The total investment of \$17,600.00 represents the fixed-priced investment necessary for the design, development, coding, and testing of the requested modification.

Payment Number	Milestone	Payment Amount
1	50% upon Delivery of enhanced RevenueCollector and CASHIER for Windows software	\$8,800.00
2	50% upon Completion of System Acceptance testing by client or Implementation of enhanced RevenueCollector and CASHIER for Windows software onto a production system	\$8,800.00

Project Change Control

All change requests will be submitted in writing, and they will describe the change, the rationale for the change, and specify any change in charges, estimated schedule or other terms, and describe the effect the change will have on the Agreement. The party submitting the change request shall deliver the change request to the other party for review and acceptance or rejection. Depending upon the extent and complexity of the requested change, Systems Innovators may charge a fee for the effort required to analyze it. When charges are necessary for such analysis, Systems Innovators will provide a written estimate of the fee and will provide such analysis upon written authorization by the Customer. Both the Systems Innovators Project Manager and the Customer Project Manager must approve each change before amending the Agreement and implementing the change. Approved changes affecting charges, schedule or other terms of this Agreement will be incorporated into the Agreement through written Amendment. The terms of a mutually agreed upon Amendment will prevail over those of this Agreement or any previous Amendments.

Required Consent

The Customer will promptly obtain and provide to System Innovators all Required Consents necessary for System Innovators to provide the Services described in this Agreement. A Required Consent means any consent or approvals required to give System Innovators and its subcontractors the right or license to access, use and/or modify (including creating derivative works) to the hardware, software, firmware and other products that the Customer uses, without infringing the ownership or license rights (including patent and copyright) of the providers or owners of such products. The Customer will indemnify, defend and hold System Innovators, its affiliates, and subcontractors, harmless from and against any and all claims, losses, liabilities and damages (including reasonable attorneys' fees and cost) arising from or in connection with any claims (including patent and copyright infringement) made against System Innovators, alleged to have occurred as a result of the Customer's failure to provide any Required Consents provided that System Innovators uses such third party products only as necessary to perform its obligations under this Agreement. System Innovators will be relieved of the performance of any obligations that may be affected by the Customer's failure to promptly obtain and provide any Required Consent to System Innovators. In the event System Innovators uses such third party products in a way that exceeds the scope of this Agreement and the third party claim is based on such "excess use", this indemnity shall not apply.

Approval to Proceed/Invoice

By signing below, City of Peoria authorizes System Innovators to proceed with the efforts necessary to perform this statement of work and accepts the investment obligations and responsibilities as defined. **This offer will expire on July 31, 2008 unless extended in writing by System Innovators.**

Note: Please complete the following approval and billing information and fax or e-mail all pages of this investment schedule to System Innovators at (904) 281-0075 or ghale@systeminnovators.com. System Innovators cannot schedule nor proceed with any work on this additional service until this investment schedule has been signed and returned in its entirety to System Innovators.

City of Peoria,
 Agreed to: by its duly authorized representative: _____

 Title: _____
 Signature: See attached _____
 Date: _____

System Innovators,
 by its duly authorized representative: _____
 George C. Hale III _____
 Director, Client Services _____
George C. Hale III _____
 June 19, 2008 _____

Billing Information

Deliver to: City of Peoria
 IT Department
 8343 W. Monroe St.
 Peoria, AZ 85345

 Date: _____

Bill to: City of Peoria
 Accounts Payable
 8401 W. Monroe St.
 Peoria, AZ 85345

 PO#: _____

(for internal use)

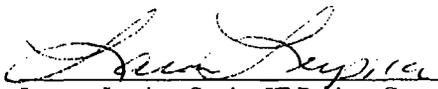
Project Number:	ACCT#/TEAM: Client Services	Consultant: George C. Hale III
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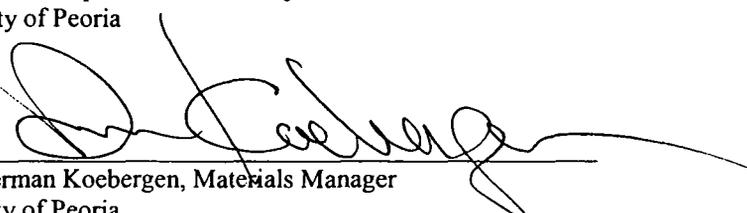
System Innovators
Additional Service Investment Schedule
City of Peoria
June 19, 2008

P04-0011/LCON05205A

CITY OF PEORIA, ARIZONA
A Municipal Corporation



Lauren Lupica, Senior IT Project Consultant
City of Peoria



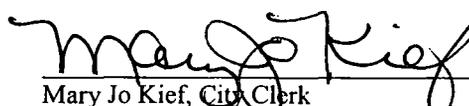
Herman Koebergen, Materials Manager
City of Peoria

Approved as to form:



Ellen Van Riper, Assistant City Attorney
for  Stephen M. Kemp, City Attorney
City of Peoria

Attested by:



Mary Jo Kief, City Clerk
City of Peoria



L CON 05205A

ORIGINAL



CONTRACT AMENDMENT Change Order

**Materials Management
Procurement**
8314 W. Cinnabar Ave.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No. P04-0011B Page 1 of 5

Amendment No. Two (2) Date: 8/05/09

Buyer: Jennifer Miller

Project No.: Agreement Date: 5/25/2005
Project Description: Revenue Collector Software & Mtc Completion Date: 5/24/2010
Change Order Type: Owner Initiated Errors & Omissions Unknown Conditions Phased Award

The changes as shown on the attached sheet are hereby made to the contract.

Contract Price Change:

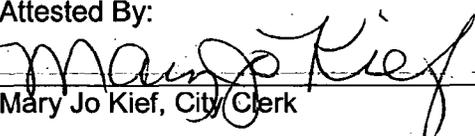
Original Contract Price:	\$320,000.00
Total of previous change orders:	\$ 17,600.00
Original contract price plus previous change order(s):	\$337,600.00
The contract price due to this change order will be increased by:	\$ 8,000.00
The new contract price including this change order will be:	\$345,600.00

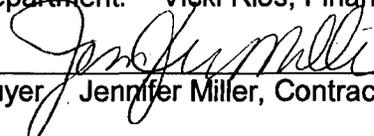
Contract Time Change:

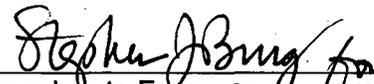
The contract time will be increased by N/A
The new date for completion of all work will be: N/A

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

 8/24/09 Jim Simak/GM, EVP System Innovators/Harris
 Signature Date Typed Name and Title Company Name
Deerwood Park Blvd, #700 Jacksonville FL 32256
 Address City State Zip Code

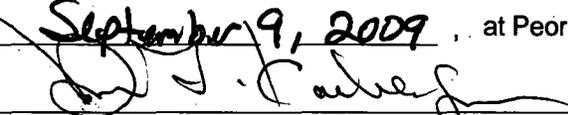
Attested By:  Vicki I. Rios 8-10-09
 Mary Jo Kief, City Clerk Department: Vicki Rios, Finance

 166-5C
 CC Number Buyer:  Jennifer Miller, Contract Administrator

LCON05205 B
 Contract Number Approved as to Form:  Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed

September 9, 2009 at Peoria, Arizona


 Herman F. Koebergen, Materials Manager

City Seal
Copyright 2003 City of Peoria, Arizona
(Rev 01/05/09)

Official File

L CON 05205B



Additional Service Investment Schedule City of Peoria

July 10, 2009

Summary

The City of Peoria (referred to as the "Client") has requested an investment schedule for the following professional services to modify the existing behavior of their RevenueCollector installation. System Innovators will use its extensive Cashiering experience, knowledge and expertise to facilitate the implementation and delivery of customized software and services for the City of Peoria as defined within this Statement of Work (SOW).

System Innovators will work closely with the Client to manage the SOW and ensure success of the overall project. System Innovators expects the design, development and testing phase to take approximately 90 days to allow the Client to complete Acceptance and System Testing activities.

The software and services defined within this SOW shall be deemed "Delivered" when the Client receives software and/or services, and the Client delivers a signed statement to System Innovators acknowledging Delivery. The software and services defined within this SOW shall be deemed "Accepted" when acceptance testing is satisfactorily completed with no critical or major defects, and the Client delivers a signed statement to System Innovators accepting the System, or the System is placed in a production environment and used for processing payments.

Changes to this SOW will be processed in accordance with the Project Change Control procedure as described herein. The implementation of changes may result in modifications to the Scope, Schedule, Charges, and other terms of this SOW.

Assumptions

1. The Client will employ the human resources necessary to ensure the project is successfully completed on schedule. These resources will include 1) a Project Manager who has the authority to represent the Client in all aspects of this Statement of Work (SOW); 2) subject matter experts who can define the requirements and business rules that dictate the design of the customizations; and 3) technical staff who can provide System Innovators with support for the Client's computing environment (personal computers, servers, network, software, and so forth) as well as technical support for third-party systems that interface with System Innovators' software.
2. The Client or Client's delegate will produce a tested and documented application programming interface (API) to any application to be interfaced with System Innovator products and/or software.
3. The Client will provide System Innovators with remote access to their computing environment so that System Innovators may support the Client with delivery, implementation, and testing of the customized software. System Innovators' access to the Client's computing environment may be accomplished through such means as a high-speed virtual private network (VPN) or an Internet-based remote access tool (such as Go To Meeting or WebX).
4. The Client will provide a fully functional test system including hardware, software, documentation and any system software and/or upgrades necessary to complete acceptance testing.
5. The Client will install and configure all required personal computers, hardware, software, and communications networking in advance of planned delivery of Systems Innovator's software and/or services. The Client will inform System Innovators of any changes related to their system configuration.
6. The Client will prepare an acceptance test plan and test scripts, perform acceptance testing in a timely manner, and report test results and identified problems to the Systems Innovator Project Manager.

Statement of Work and Investment Requirements

Statement of Work: System Innovators will develop a PayPal credit card interface to replace the Verisign credit card interface currently implemented in RevenueCollector and used by the City of Peoria. The new credit card interface is being created because of PayPal's decision to discontinue support for older versions of its PayFlow Pro SDK, including the version used by the current Verisign credit card interface. In addition, PayPal will no longer support nor will they be updating the PayFlow Pro DLL implemented in the current Verisign credit card interface.

The new PayPal credit card interface will be implemented using the Payflow Pro HTTPS method. The PayPal credit interface will be developed separately from the Verisign credit card interface, which will remain intact in RevenueCollector. Once the new PayPal credit card interface is delivered, the City of Peoria will be able to switch from the Verisign credit card interface to the PayPal credit card interface.

Component Description	Quantity	Component Investment	Investment Total
1. New PayPal/PayFlow Pro credit card interface using HTTPS method	80	\$200	\$16,000.00
2. System Innovators Shared Investment Discount	40	(\$200)	(\$8,000.00)
Application Software & Services Investment:			\$8,000.00

This additional service will include the following deliverables.

1. Enhanced RevenueCollector software

Estimated Delivery Schedule

Once the Client has authorized this additional service, System Innovators will prepare a project schedule for this additional service. The project schedule will identify the project start date and end date as well as a timeline for all project milestones. The project schedule will be mutually monitored and managed by the Client and System Innovators. Any variation to the dates and milestones defined in the project schedule must be mutually agreed upon by the Client and System Innovators. The following project timeline identifies the duration of the milestones for this additional service project. Specific dates for this additional service will be defined in the project schedule.

Task/Deliverable	Estimated Timeline
Investment Schedule/Contract Execution	On or before July 24, 2009
Project Start	On Day 0
Deliverable #1: Estimated delivery of enhanced RevenueCollector software	On or before August 14, 2009
Project Completion: Completion of system acceptance testing by client <u>or</u> Implementation of enhanced RevenueCollector software onto a production system	On or before September 30, 2009

Payment Schedule

The total investment of \$8,000.00 represents the fixed-priced investment necessary for the design, development, coding, and testing of the requested modification.

Payment Number	Milestone	Payment Amount
1	50% upon Project Start	\$4,000.00
2	50% upon Delivery of enhanced RevenueCollector software	\$4,000.00

Project Change Control

All change requests will be submitted in writing, and they will describe the change, the rationale for the change, and specify any change in charges, estimated schedule or other terms, and describe the effect the change will have on the Agreement. The party submitting the change request shall deliver the change request to the other party for review and acceptance or rejection. Depending upon the extent and complexity of the requested change, Systems Innovators may charge a fee for the effort required to analyze it. When charges are necessary for such analysis, Systems Innovators will provide a written estimate of the fee and will provide such analysis upon written authorization by the Client. Both the Systems Innovators Project Manager and the Client Project Manager must approve each change before amending the Agreement and implementing the change. Approved changes affecting charges, schedule or other terms of this Agreement will be incorporated into the Agreement through written Amendment. The terms of a mutually agreed upon Amendment will prevail over those of this Agreement or any previous Amendments.

Required Consent

The Client will promptly obtain and provide to System Innovators all Required Consents necessary for System Innovators to provide the Services described in this Agreement. A Required Consent means any consent or approvals required to give System Innovators and its subcontractors the right or license to access, use and/or modify (including creating derivative works) to the hardware, software, firmware and other products that the Client uses, without infringing the ownership or license rights (including patent and copyright) of the providers or owners of such products. The Client will indemnify, defend and hold System Innovators, its affiliates, and subcontractors, harmless from and against any and all claims, losses, liabilities and damages (including reasonable attorneys' fees and cost) arising from or in connection with any claims (including patent and copyright infringement) made against System Innovators, alleged to have occurred as a result of the Client's failure to provide any Required Consents provided that System Innovators uses such third party products only as necessary to perform its obligations under this Agreement. System Innovators will be relieved of the performance of any obligations that may be affected by the Client's failure to promptly obtain and provide any Required Consent to System Innovators. In the event System Innovators uses such third party products in a way that exceeds the scope of this Agreement and the third party claim is based on such "excess use", this indemnity shall not apply.

Approval to Proceed/Invoice

Please provide the following information and sign where indicated. By signing below, City of Peoria authorizes System Innovators to proceed with the efforts necessary to perform this statement of work and accepts the investment obligations and responsibilities as defined.

Authorized by:	City of Peoria, by its duly authorized representative:	System Innovators, by its duly authorized representative:
	_____	_____
Title:	_____	George C. Hale III
	_____	Director, Client Services
Signature:	_____	<i>George C. Hale III</i>
Date:	_____	July 10, 2009

Billing Information

Please complete the billing and delivery information in the form below. If you require your purchase order number to be included on invoices issued by System Innovators, please include the purchase order number in the form.

Bill To		Deliver To	
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Address:	_____	Address:	_____
City, State Zip:	_____	City, State Zip:	_____
Telephone:	_____	Telephone:	_____
E-mail:	_____	E-mail:	_____
PO #:	_____		_____

Note: This offer will expire on July 24, 2009 unless extended in writing by System Innovators. Upon completing this investment schedule, please fax or e-mail all pages of the investment schedule to System Innovators at (904) 281-0075 or ghale@systeminnovators.com.

System Innovators cannot schedule nor proceed with any work on this additional service until the client has 1) provided all of the information requested in this investment schedule, 2) signed the investment schedule, and 3) returned the investment schedule in its entirety to System Innovators.

(for internal use)

Project Number:	ACCT#/TEAM: Client Services	Consultant: George C. Hale III
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ORIGINAL



**CONTRACT AMENDMENT
Change Order**

**Materials Management
Procurement**
9875 N. 85th Ave.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118
Buyer: Christine Finney

Solicitation No.: P04-0011 Page 1
Amendment No.: Three (3) Date: March 8, 2010

Project No.: Agreement Date: May 25, 2005
Project Description: Central Cashiering Completion Date: May 25, 2012

Change Order Type: Owner Initiated Errors & Omissions Unknown Conditions

The changes as shown on the attached sheets are hereby made to the contract.

Contract Price Change:

Original Contract Price:	\$320,000.00
Total of previous change orders:	\$25,600.00
Original contract price plus previous change order(s):	\$345,600.00
The contract price due to this change order will be increased by:	\$199,895.00
The new contract price including this change order will be:	\$545,495.00

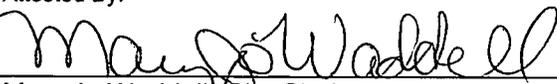
Contract Time Change:

The contract time will be increased by 2 years.
The new date for completion of all work will be May 25, 2012

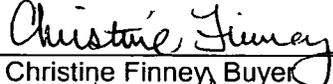
Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	<u>3/9/2010</u>	<u>Jim Simak</u>	<u>System Innovators/Harris</u>
Signature	Date	Typed Name and Title	Company Name

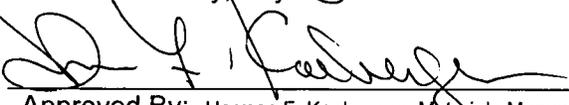
<u>10550 Deerwood Park Blvd,</u>	<u>Jacksonville</u>	<u>FL</u>	<u>32256</u>
<u>Suite 700</u>	<u>City</u>	<u>State</u>	<u>Zip Code</u>
Address	City	State	Zip Code

Attested By:

Mary Jo Waddell, City Clerk

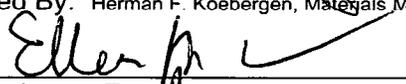

Vicki Rios, Revenue Manager

 3/10/10
Christine Finney, Buyer

CC Number


Approved By: Herman F. Koebergen, Materials Manager

LCON05205C
Contract Number


Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed
3/22/10, at Peoria, Arizona



City Seal
Copyright 2003 City of Peoria, Arizona

Official File


for Carl Swenson, City Manager

L CON 05205C



CONTRACT AMENDMENT

Change Order Summary Sheet

**Materials Management
Procurement**
9875 N. 85th Ave.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No.: P04-0011 Page 3
Amendment No.: Three (3) Date: March 8, 2010

Buyer: Christine Finney

Prepared By: Christine Finney, CPPB

Project Description: Central Cashiering

Intent: This form is to be utilized to summarize the key changes on the attached change order(s). Please use common description to condense the essential or main points of the changes(s) and the dollars associated with each of those changes.

Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A).

The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

Contractor warrants, for the term of this agreement and for six months thereafter, that it has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.

This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

19. RIGHT TO AUDIT RECORDS: The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.

32. PUBLIC RECORD: All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code. However, subsequent to the award of the contract, any information and documents obtained by the City during the course of an audit conducted in accordance with Paragraph 19 above for the purpose of determining compliance by Contractor or a Subcontractor with the Contractor Immigration Warranty mandated by Paragraph 3 above shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.

All other provisions of the contract remain in their entirety.



City of Peoria

Finance Department

DATE: February 12, 2010
TO: Susan Thorpe, Deputy City Manager
FROM: Brent Mattingly, Finance Director *BDM*
SUBJECT: Approval to Proceed with Recommendations Re: Software System Installations and Upgrades

*Approval to proceed.
SKT
2/16/10*

The Finance Department has been working closely with the Information Technology Department over the past several months to analyze, prioritize and schedule our system related projects. A few of these projects are currently underway or ready to proceed.

The attached document provides detailed information on each project including the purpose, cost, budget status, current service level, benefits expected to be realized from the project, and the risks associated with delaying implementation. The following is a summary of recommendations for each project.

Tax Mantra – Sales Tax and Licensing

We recommend proceeding immediately with this project. A project plan is in place and the implementation team, led by the IT Dept, is ready to start. The upgrade will improve backend processing and make the software easier for IT to support and maintain. It will also improve the functionality of the eTax online filing system. Moving customers to online filing is expected to save money on postage, printing, and processing - however the current system is not user friendly. We recommend reintroducing the eTax system after the upgrade to promote the use of the improved interface. The project is in the adopted 2010 budget for \$400,000. A contract for \$378,000 is substantially complete. The project is scheduled with a project manager and the required resources. If we delay the upgrade, the vendor will no longer support our current version, and we may be required to re-purchase the system as if it were a new installation. This could increase the cost to over \$2 million.

Revenue Collector – Cashiering

We recommend proceeding immediately with this project. A contract is ready to process and the IT Dept has planned this project to begin immediately. The vendor of our current cashiering system is phasing out support of our product. The project was approved in the FY2010 budget for \$195,000. Our current price quote for the upgrade is approximately \$100,000. If we delay the project the vendor will no longer support our current version. This will affect our ability to upgrade our billing system (NorthStar) or

any other system which uses the cashiering system. Building and maintaining interfaces between the cashiering system and other systems will not be possible if the vendor ceases to support our existing version.

NorthStar – Utility Billing

We recommend proceeding with this project before the end of the year. It is on the IT Department's project schedule. The new software is ready to install in our "test" environment. The new software has enhanced encryption needed to comply with FTC Red Flags Rules and Payment Card Industry (PCI) standards. The system will be easier to navigate and will automate some manual process through the use of a job scheduler. There is no cost to upgrade the software because it is included in our maintenance contract. There may be some cost associated with reconfiguring our cashiering software interface but we expect to cover that within the approved budget for the cashiering system project. If we delay this implementation we may fall out of compliance with PCI standards. In addition, we will not obtain the new security and automation features. In the future, there could be a cost to upgrade.

Interactive Intelligence – Integrated Voice Response (IVR)

We recommend delaying this project indefinitely. The current system is functional and it does not need to be upgraded. The functionality we need is already available in our current system. The project is in the adopted FY2010 budget for \$360,000. We would like to maintain a small project budget of \$60,000 to use if needed to update or improve the system's interfaces during the NorthStar upgrade. This would include any cost we might incur to implement a call out feature to notify customers of disconnections. The remaining \$300,000 can be removed from the Public Works - Utilities Capital Improvement Program.

PeopleSoft HCM – Human Resources and Payroll

We recommend proceeding with this project within 3 to 4 months to allow for completion of the current PS Financial upgrade. The upgrade will allow the city to obtain regular Oracle support rather than the lower level of support provided for the older version of the software. The upgrade also provides enhanced reporting and improved efficiency for the users. There is no cost to upgrade as it is included in our maintenance agreement. If we delay this project, we must apply multiple maintenance packs in order to receive timely support from Oracle when system problems are encountered. Applying the maintenance packs will take the same amount of time as the full upgrade, but we would not receive the benefit of any system enhancements.

On Base – Electronic Document Management System (EDMS)

The City Clerk's office is in the process of upgrading from Liberty Net to the On Base system. We recommend proceeding with the project as scheduled. The LibertyNet system is no longer available and the upgrade is mandatory in order to continue to use electronic data. If we delay, we will have to revert to paper processing and filing. This project is budgeted in the Clerk's office with no additional cost to the Finance Department.

Automated Timekeeping System

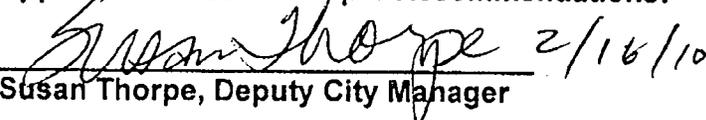
This is not a current funded project. A team with representatives from several departments is in the process of evaluating responses from an RFI (Request for Information). The team has seen demonstrations of five systems. Initial indications are that an automated timekeeping system will streamline processes, reduce errors, and reduce the amount of staff time to manually process payroll and time sheets. A budget supplement will be prepared to request funding for this project in the FY2011 budget.

Summary of Recommendations:

I am requesting approval to proceed as follows:

- 1) **Tax Mantra – Sales Tax and Licensing**
Proceed immediately with this project.
- 2) **Revenue Collector – Cashiering**
Proceed immediately with this project.
- 3) **NorthStar – Utility Billing**
Proceed with this project before the end of the year.
- 4) **Interactive Intelligence – Integrated Voice Response (IVR)**
Delay this project indefinitely. Use up to \$60,000 of the approved \$360,000 budget as needed to update or improve the current IVR system's functionality.
- 5) **PeopleSoft HCM – Human Resources and Payroll**
Proceed with this project within 3 to 4 months or as soon as the current PS Financial upgrade is completed.
- 6) **On Base – Electronic Document Management System (EDMS)**
Continue with the currently underway city clerk's document imaging upgrade.
- 7) **Automated Timekeeping System**
Prepare a budget supplement to request funding for this project in the FY2011 budget.

Approval to Proceed as per Recommendations:

 2/16/10
Susan Thorpe, Deputy City Manager

Attachment: Software Systems Analysis 2010

cc: Vicki Rios, Revenue Manager
Kent Meredith, Financial Services Manager
Jeff Tyne, Management & Budget Director

Revenue Collector – Cashiering

Recommendation:

Proceed immediately with this project.

System Purpose:

Cashier for Windows/Revenue Collector is the city's main cashiering program. The software is used to process payments for utility bills, miscellaneous account billings, permits, impound fees, sales tax returns, sales tax licenses, etc. This upgrade, approved as part of the FY10 capital program, would allow the city to move to an updated cashiering platform.

Current Version and Upgrade Proposed:

From: Cashier for Windows/Revenue Collector

To: iNovah

Budget and Cost Status:

\$195,000 approved in the FY2010 budget.

Service Level:

The upgrade will allow us to maintain current service levels with full vendor support.

Benefits:

The upgrade will allow the city to continue providing current services. City staff has considered upgrading with one of two systems: System Innovators (the current system) or Active Network (cashiering system in Community Services). The programs provide functionality desired in a cashiering system and allow the city to utilize current contracts and benefit from "upgrade pricing" at a lower cost than procuring a new system. The new version will facilitate work of Finance staff that use the system to post payments to accounts and reconcile financial statements. The enhanced processing and querying abilities will help these users perform tasks more efficiently.

Risk of Delay:

The software maintenance agreement for this system expires in December 2010. The vendor has indicated they may continue to provide limited support after that date, but at a higher price. As the main cashiering system for the city, any breakdown in maintenance and lack of attention by the vendor may lead to an inability by Finance staff to process payments and recognize revenue in a timely manner.

The vendor of our current cashiering system has a new product on the market and is gradually phasing out support of the old product. This will hamper the city's efforts to upgrade any other system which uses cashiering. For example, this past year, the city had to quickly implement an updated interface for PayPal, our credit card processing provider. The cashiering system vendor developed an interface to PayPal and charged us for this development. In the future, interfaces like this will not be possible as the vendor ceases to support the current version of the cashiering program.

Software Systems Analysis FY 2010

Tax Mantra – Sales Tax and Licensing

Recommendation:

Proceed immediately with this project.

System Purpose:

Tax Mantra is the city's tax collection and business licensing software program. The software is used to process sales tax returns, generate tax return forms and account statements, issue business licenses, and process taxpayer audits. The upgrade, approved as a supplemental in the FY10 operating budget, allows the city to move to a newer version of the Tax Mantra program. The newer version is currently being used by the cities of Phoenix, Tucson, and Tempe. Glendale is beginning their implementation. Chandler also uses the Tax Mantra sales tax system.

Current Version and Upgrade Proposed:

From: Tax Mantra Classic

To: Tax Mantra Web-based

Budget and Cost Status:

\$400,000 was approved in the FY2010 budget.

The project was quoted at \$378,000 without a cashiering interface.

(We will go back to using the Tax Mantra imbedded cashiering system for sales tax processing.)

Service Level:

The upgrade will allow the city to maintain its current service level but with improved processing. It is also anticipated to reduce the amount of technical support from the IT Department and Finance staff.

Benefits:

The new version moves the sales tax application from a client-server environment to a web-based solution. This will make the software easier for the IT Department to support. The upgrade is expected to improve back-end processes leading to less system down-time and fewer data processing issues. Based on feedback we received from other cities using the new software, it will be easier to support and maintain.

The new version includes the ability to suppress mailing tax returns to businesses that file online. This will allow us to offer businesses the option to file electronically and stop receiving a physical tax return. If 10% of our businesses opt for this service, the city could save about \$30,000 per year.

The upgrade is also expected to improve the functionality of the online system (eTax). Currently, the online program is limited in services and customers are not able to complete all sales tax business online. The improved eTax program will allow staff to offer customers online resources, ultimately reducing paper and mailing costs.

Recently, the cities of Phoenix and Tucson installed the upgraded Tax Mantra version. The City of Glendale is also starting a new implementation. If we upgrade to the newer version, we plan to form a user's group with these other cities to collectively provide valuable feedback to the software vendor. This is expected to result in better support, additional features, more useful reporting, and more efficient use of the software.

Risk of Delay:

The software maintenance agreement for this system expired in November 2009. To maintain the current level of system support the software needs to be updated to the current version. The city is currently paying for maintenance on a month-to-month basis until the upgrade is complete. TaTa Consulting Services has indicated it will continue to support the Classic version on a **limited** basis for another year. Under the limited basis for support we are currently using, we are not able to request any software modifications that will improve processes. For example, we will have to continue to mail returns to customers who file electronically and we are not be able to change any tax rates or accounting distributions. These items will have to remain exactly as they are today. We anticipate TaTa will stop supporting the software the following year. Without support, we will not be able to fix the software if it malfunctions. The Tax Mantra software processes over \$60 million in revenue every year. This is a very important asset for the city to maintain in proper working condition.

More importantly, if we delay the upgrade, we will likely have to repurchase the system as if it were a new installation. In 2004, when we first contracted with TaTa, we paid approximately \$800,000 for our current system. Recently, the City of Tucson paid \$2M for the software system. TaTa is currently pricing the software for us as an upgrade to our existing system but we anticipate a substantial price increase if we do not implement the upgrade soon. By delaying, we may lose this favorable pricing.

Due to the complexity of transaction privilege tax law in Arizona, very few vendors have been able or willing to enter the market for this software. Recently, the cities of Phoenix and Tucson installed the upgraded Tax Mantra version. The City of Glendale is also starting a new implementation. The City of Tempe has already implemented the upgrade with favorable results. If we do not upgrade to the newer version, we will not be able to form a user's group with the other cities to provide feedback to the software vendor. Furthermore, we lose the benefit to be gained by collaborating with the other users on system issues and process improvements.

NorthStar 6.3.1 – Utility Billing

Recommendation:

Proceed with this project before the end of the year.

System Purpose:

NorthStar 6.2.9 is the city's utility billing program. The software is used to bill for monthly water, wastewater, and solid waste services. It stores a variety of customer data including consumption, billing, payment history, customer calls, and notes on the accounts. It also serves as a customer service interface, allowing customer service representatives to generate service orders to send to technicians in the field.

Current Version and Upgrade Proposed:

From: NorthStar version 6.2.9

To: NorthStar version 6.3.1

Budget and Cost Status:

There is minimal cost to upgrade to version 6.3.1. This upgrade is included in our current contract. There may be some cost associated with changing or updating the interfaces between NorthStar and the cashiering system. We will need to purchase licenses for an integrated reporting component which is included with the upgrade.

Service Level:

The upgrade will allow the city to maintain improve data security.

Benefits:

Version 6.3.1 has better security capabilities with improved control of access rights. Currently, there is limited ability to restrict a user's access to information in the system. Any user who has access to one field on a screen can make changes to all fields on that screen. This recently created a problem in billing when an employee inadvertently changed the default field for the dollar limit on late charges and delinquencies. As a result, the system sent out delinquent to customers owing less than \$30. The 6.3.1 version will allow us to restrict access to the database at the field level thereby preventing a user from creating this type of error.

In addition to the added security with the access rights, the new program also provides a better level of data encryption. Version 6.3.1 meets all compliance standards currently in place by the federal government and the payment card industry (PCI). This allows the city to better guard private customer information such as social security numbers, credit card numbers, and banking information.

The user experience has been redesigned to create a more navigable program which should reduce employee time using the system. For example, in our current system, customer service representatives must enter service order information on multiple pages for the system to correctly process an order. In the new system, this information will be contained on one page for easier data entry. Other enhancements include a job scheduler to perform processes after hours and grid formats to ease data entry.

The system also has better processing capabilities, decreasing the time the system takes to complete tasks (e.g. billing, payment posting). Currently, many of these processes are manually driven by an employee. The employee must start a step in the process, let the process finish, and move on to the next step. In the new system, there are fewer steps required to run certain tasks.

Risk of Delay:

Currently, the cost to upgrade to version 6.3.1 is minimal. The new program is provided by the vendor as part of the city's contract and normal upgrade process. The only cost will be for interfaces with other programs. A delay in upgrading to version 6.3.1 may lead to higher costs in the future. We may lose the ability to upgrade without cost.

As mentioned above, our current version does not have the security capabilities of version 6.3.1. Adding some security features to our current program would require paying for a custom modification. Other security features can not be made to the current program. Without additional security enhancements the city will not be in compliance with Red Flags Policies and the PCI Standards.

Interactive Intelligence – Integrated Voice Response (IVR)

Recommendation:

Delay this project indefinitely, but reserve a portion of the budget (if needed) to enhance utilization of the current system.

System Purpose:

Interactive Intelligence is the city's current IVR system. The program is used as a customer service tool and allows customers to conduct business on utility accounts without speaking to a customer service representative. The system allows customers to sign-up for utility service, review utility account balance information, make payments on accounts, and perform other activities.

Current Version and Upgrade Proposed:

From: Interactive Intelligence
To: Unknown as of 1/15/10

Budget and Cost Status:

\$360,000 approved in the FY2010 budget. (Recommend indefinite postponement).

Service Level:

An upgrade would allow the city to increase functionality.

Benefits:

An upgraded IVR system would enable the city to utilize "Screen Pop" technology. With this technology, when a caller enters account information into the IVR, the IVR is able to pop this information onto the customer service representative's computer screen when the phone call is answered. Currently, the information entered by the customer is lost when the phone call transfers to a representative. The customer service representative has to ask for the same information (account number, name, and social security number) to identify the caller. Customers sometimes get frustrated when they are asked to repeat information they already entered into the telephone system.

With an upgraded IVR, customers would also be able to make payments via check. Currently, customers are only able to make credit card payments on the IVR. If the customer could enter this information directly into the IVR, the customer service representative would have more time to finish other tasks.

The upgraded IVR would also allow us to use the "call-out" feature for disconnection and collection activities. This system operates on a reverse dialing whereby it looks up the customer's phone number in the database and calls them to let them know their bill is overdue. It warns the customer they are scheduled to be disconnected and gives them the opportunity to make an immediate payment by telephone. This functionality has been shown to be effective in reducing the number of actual disconnections of customers by prompting them to pay before we make a trip to the home.

Risk of Delay:

This project can be delayed. The current software is functional and it does not need to be upgraded. The upgrade would add functionality but is not absolutely necessary. The "call-out" is available with our current system but it is not being used. The Department plans to work on improving the use of the current system and postpone the upgrade.

PeopleSoft HCM – Human Resources and Payroll

Recommendation:

Proceed with this project as soon as the PS Financial system upgrade is complete. We anticipate a start date for the PS HCM project within 3 to 4 months. The HCM project is anticipated to take approximately 6 months to complete.

System Purpose:

PeopleSoft HCM is the HR/Payroll software used by the city to manage benefits administration, employee information and employee payroll.

Current Version and Upgrade Proposed:

From: HCM version 8.9

To: HCM version 9.1

Budget and Cost Status:

No significant cost to upgrade the software, but substantial time and resources required for testing and implementation.

Service Level:

The upgrade will allow the city to improve its current service level with full, regular vendor support of the software for five years. The HR Dept. recommends proceeding with this project.

Benefits:

The upgrade will allow the city to continue to receive vendor support, enhance reporting, and improve efficiency for the users. There is no cost to upgrade as it is included in our maintenance agreement. If we delay this project, we must apply multiple maintenance packs in order to receive an acceptable level of support from Oracle. Applying the maintenance packs will take the same amount of time as the full upgrade, but we would not receive the benefit of any system enhancements.

Additionally, the upgrade will enable the city to produce paperless W2s and enhanced functionality in the Benefits Administration module. There are also more sophisticated reporting options available in the upgraded version.

Risk of Delay:

Applying the maintenance packs on the current version will require same effort as the upgrade, but will not take advantage of system enhancements and better Oracle support.

PeopleSoft Financials

Recommendation:

This upgrade project is currently underway and approximately 75% complete. The project should be completed within 3 months.

System Purpose:

The software is used to process vendor payments, manage the general ledger, inventory and asset management, and to produce financial reports.

Current Version and Upgrade Proposed:

From: Version 8.8

To: Version 9.0

Budget and Cost Status:

Upgrade is currently in progress. The project is approximately 75% completed. There are no significant costs associated with this upgrade.

Service Level:

The upgrade will allow the city to maintain its current service level with full vendor support of the software. Once upgraded, the city will receive a higher level of support from the vendor.

Benefits:

The upgrade will allow the city to continue to receive vendor support. In addition, there are enhancements to reporting and other subtle enhancements that improve efficiency for the end user. Completing the full upgrade requires no more time than applying and testing individual maintenance packs to the older version.

Risk of Delay:

To maintain the current level of system support the software needs to be updated to the current version. If the upgrade does not occur, we must apply all bundles/maintenance packs in order to be compliant for support from Oracle. The application of maintenance packs requires just as much time and effort as a full upgrade, without the benefit of enhancements.

On Base – Electronic Document Management System (EDMS)

Recommendation:

This upgrade project is currently underway. Continue implementation.

System Purpose:

LibertyNet is the EDMS software used by the Clerk's office for electronic record retention/retrieval. Most of the city departments now use LibertyNet for their document management needs. The Finance Department currently scans all vendor payment records, journal entry supporting documentation, assessments, and treasury documents into LibertyNet. We are planning to increase the use of this technology in other areas in the department.

Current Version and Upgrade Proposed:

From: LibertyNet

To: OnBase

Budget and Cost Status:

A citywide project is currently underway to replace the current LibertyNet system with the new OnBase system. The Clerk's office is the lead on this project. Each city department is included in the upgrade schedule in the months ahead.

Service Level:

The upgrade will allow the city to maintain electronic record retention.

Benefits:

The conversion will allow Finance to create workflows for paperless routing of pay authorizations and other communication regarding payment of invoices. In addition, it offers improved search capabilities and the option to interface with other city software applications, such as Accela and PeopleSoft.

Risk of Delay:

This conversion is currently underway. If we do not participate in the time/effort to convert our data and set up our configurations, we will lose the capability to maintain electronic files and implement new uses of this technology to streamline business processes.

Automated Timekeeping Software

Recommendation:

Submit a budget supplement as part of the FY2011 budget process to fund this project next year.

System Purpose:

Automate and streamline timekeeping, absence management, and public safety scheduling throughout the city.

Current Version and Upgrade Proposed:

Current: Current timekeeping process is primarily manual, paper based.

Proposed: Implement an automated time/attendance program.

Budget and Cost Status:

Unknown. Five vendors have demonstrated their software during the RFI process. This project will be submitted as a budget supplement for FY2011.

Service Level:

The implementation will allow the city to improve its current service level, reduce errors, and increase functionality.

Benefits:

An automated timekeeping system will allow the city to streamline process, facilitate compliance with city regulations regarding employee pay, reduce human error, reduce the time and effort associated with manual timesheet processing, and report on key performance indicators related to employee work hours and compensation. Our current process is outdated, unreliable and does not gather data to facilitate management reporting. Automating timekeeping will allow timekeepers to focus more of their time on value-added tasks.

Risk of Delay:

Continuation of labor intensive process prone to errors.

ORIGINAL

**SOFTWARE LICENSE, IMPLEMENTATION AND SUPPORT AND
MAINTENANCE AGREEMENT**

BETWEEN

**SYSTEM INNOVATORS, A DIVISION OF
N. HARRIS COMPUTER CORPORATION**

- and -

CITY OF PEORIA

**Corporate Headquarters:
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**SOFTWARE LICENSE, IMPLEMENTATION AND SUPPORT AND MAINTENANCE
AGREEMENT**

THIS AGREEMENT made as of the 15 day of March, 2010.

BETWEEN:

**SYSTEM INNOVATORS, A DIVISION OF
N. HARRIS COMPUTER CORPORATION**
("Consultant")

- and -

CITY OF PEORIA
("Organization")

RECITALS

1. The Consultant owns the Software (as defined below);
2. The Organization wishes to (a) acquire a license to utilize the Software, (b) retain the Consultant to perform the Services (as defined herein), and (c) enter into a support and maintenance contract (Schedule "D").
3. The Consultant wishes to (a) grant the Organization a license to utilize the Software, and (b) provide the Services to the Organization, all upon the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

**ARTICLE I
INTERPRETATION**

1.1 Definitions

Throughout this Agreement, except as otherwise expressly provided, the following words and expressions shall have the following meanings:

- (a) "Agreement", "this Agreement", "the Agreement", "hereof", "herein", "hereto", "hereby", "hereunder" and similar expressions mean this Software License, Implementation and Support and Maintenance Agreement, including all of its Schedules and all instruments supplementing, amending or confirming this

Agreement. All references to “**Articles**” or “**Sections**” mean and refer to the specified Article or Section of this Agreement.

- (b) “**Change Order**” means any written documentation between the Organization and Consultant evidencing their agreement to change particular aspects of this Agreement.
- (c) “**Completion of Services**” means that the Software is fully operational and performing in substantial conformity with the specifications set out herein. For purposes of this Agreement, Completion of Services will be deemed to have occurred on the date which the Organization commences using the Software as its predominate business system.
- (d) “**Confidential Information**” means, with respect to a Party hereto, all information or material which: is (A) marked "Confidential," "Restricted," or "Proprietary Information" or other similar marking, (B) known by the Parties to be considered confidential or proprietary, or (C) which should be known or understood to be confidential or proprietary by an individual exercising reasonable commercial judgment in the circumstances. Confidential Information does not include information to the extent that such information: (i) is or becomes generally known to the public by any means other than a breach of the obligations of a receiving Party hereunder; (ii) was previously known to the receiving Party as evidenced by its written records; (iii) is rightly received by the receiving Party from a third party who is not under an obligation of confidentiality; or (iv) is independently developed by the receiving Party without reference to or use of the other Party's Confidential Information.
- (e) “**Designated Computer System**” shall mean the Organization’s platform and operating system environment which is operating the Software.
- (f) “**Documentation**” means user guides, operating manuals, education materials, product descriptions and specifications, technical manuals, supporting materials, and other information relating to the Software or used in conjunction with the Services, whether distributed in print, magnetic, electronic, or video format, in effect as of the date (1) the Software is accepted by the Organization, or (2) the Service is provided to the Organization.
- (g) “**Go-Live**” means the event occurring when the Organization first uses the Software as the Organization’s predominant Software.
- (h) “**Project Scope of Work**” means the scope of work appended hereto as Schedule “E” delineating, among other things, the Services that will be provided by Consultant to Organization pursuant to this Agreement, as such schedule may be amended or modified by mutual specific written agreement of the parties’ respective representatives from time to time in accordance with the terms of this Agreement.

- (i) **“Required Programs”** has the meaning set out in Section 3.3(b) hereof.
- (j) **“Services”** has the meaning set out in Section 3.1 hereof.
- (k) **“Source Code”** of the Software means the Software written in programming languages, including all comments and procedural code, such as job control language statements, in a form intelligible to trained programmers and capable of being translated into object code for operation on computer equipment through assembly or compiling, and accompanied by documentation, including flow charts, schematics, statements of principles of operations, and architecture standards, describing the data flows, data structures, and control logic of the Software in sufficient detail to enable a trained programmer through study of such documentation to maintain and/or modify the Software without undue experimentation.
- (l) **“License”** means the non-exclusive license granted to the Organization pursuant to Section 2.1 hereof, to configure and install the Software on the Organization’s server computers to enable users to access and use the Software.
- (m) **“Software”** means the program material in machine-readable or interpreted form, and may include, where appropriate, listings of either machine code or source code and related materials, including instructions and documentation provided by Consultant to Organization, including any such programs provided subsequent to this Agreement, and including all copies made by Organization. The Software to be provided by Consultant at the inception of this Agreement is identified on the attached Schedule A.
- (n) **“Support and Maintenance Agreement”** has the meaning set out in Section 3.4 hereof.
- (o) **“Warranty Period”** means a period of 90 days from the date of Software delivery and installation, during which time the Consultant shall correct any errors or malfunctions reported to the Consultant by the Organization in accordance with Section 6.3 of this Agreement.

1.2 Time of the Essence

Time shall be of the essence in and of this Agreement and every part hereof. Any extension, waiver or variation of any provision of this Agreement shall not be deemed to affect this provision and there shall be no implied waiver of this provision.

1.3 Currency

Unless otherwise specified, all references to amounts of money in this Agreement refer to U.S. currency.

1.4 **Headings**

The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect the interpretation of this Agreement.

1.5 **Plurals and Gender**

The use of words in the singular or plural, or referring to a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to such persons or circumstances as the context otherwise permits.

1.6 **Schedules**

The Schedules described below and appended to this Agreement shall be deemed to be integral parts of this Agreement.

- Schedule “A” - Description of Software
- Schedule “B” - Implementation Process and Timetable
- Schedule “C” - Fee Structure and Payment Schedule
- Schedule “D” - Support and Maintenance Agreement
- Schedule “E” - Scope of Work
- Schedule “F” - Organization’s Change Order Form
- Schedule “G” - Consultant’s proposal Reference: Contract# LCON05205
- Schedule “H” - System Software
- Schedule “I” - Hardware
- Schedule “J” - Software not selected

In the event of any conflict or inconsistency between the terms and conditions in the main body of this Agreement and the terms and conditions in any Schedule, the terms and conditions of the main body of this Agreement shall control.

ARTICLE II
SOFTWARE LICENSES

2.1 **Grant of Licenses**

Subject to the terms and conditions of this Agreement, the Consultant hereby grants to the Organization a personal, non-exclusive, non-transferable right and license to use the Software on the Designated Computer System (the “License”).

Any Software furnished by Consultant in machine-readable form may be copied in whole or in part by Organization for use on the Designated Computer System. Organization

agrees that the original copy of all Software furnished by Consultant and all copies thereof made by Organization are and at all times remain the sole property of Consultant.

Any License granted under this Agreement permits the Organization to: (i) use the Software for its municipal and corporate purposes including, but not limited to, performing testing, disaster recovery, disaster testing, training, archival and backup as the Organization deems necessary, and (ii) use, copy and modify the Documentation for the purpose of creating and using training materials relating to the Software, which training materials may include flow diagrams, system operation schematics, or screen prints from operation of the Software. Access to and use of the Software by independent contractors of the Organization shall be considered authorized use under this Section so long as any such independent contractors are bound by obligations of confidentiality.

Within one (1) year after the date of this Agreement, Organization may optionally license from Consultant any of the Software identified in Schedule J for the corresponding prices listed in Schedule J. After the expiration of the one (1) year period, prices for the Software identified in Schedule J are subject to change in Consultant's sole discretion.

2.2 Term of License

The License granted herein commence on the date of this Agreement and is of indefinite duration unless terminated pursuant to the terms hereof.

2.3 Restrictions on Use

Except as expressly provided herein, the Organization may not give away, rent, lease or otherwise sell, sublicense, distribute or transfer the License granted under this Agreement without the prior written consent of Consultant.

Organization requires a separate License for each computer system or environment into which the Software or any portion thereof is read in machine-readable form for operation on such system or environment in a production environment. In addition each License permits the Organization to use the Software in (1) a test environment, (2) a training environment and (3) on a back-up or disaster recovery system.

Within thirty (30) days after discontinuance or termination of the License for any reason, including termination resulting from a breach by the Organization beyond the applicable notice and cure periods as provided in this Agreement, Organization shall deliver to Consultant the Software and all copies thereof in whichever form, including partial copies which may have been modified by Organization or Consultant. Alternatively, the Software and other related materials may be disposed in accordance with written instructions from Consultant. Upon prior written authorization from Consultant, Organization may be permitted for a specific period after the termination of the License to retain one copy of certain materials for record purposes.

The Software and related materials supplied by Consultant are protected by copyright and trademark laws. Title, ownership rights and intellectual property rights in the Software and related materials supplied by Consultant remain with Consultant. Use of the

Software and related materials supplied by Consultant is subject to the applicable copyright laws and the express rights and restrictions of this Agreement. Any rights not expressly granted herein are reserved. Organization may not remove any copyright, trademark or other proprietary notices from the Software and related materials supplied by Consultant.

2.4 Derivation, Modification and Copyright

- (a) The Organization agrees that it will not attempt to derive, or permit or help others to derive the Source Code relating to the Software or attempt to otherwise convert or alter the Software into human readable code. The Organization further agrees that it will not attempt to duplicate, or permit or help others to duplicate, the Source Code relating to the Software.
- (b) The Organization shall have no right to modify any of the Software supplied by the Consultant for Organization's use under this Agreement without the prior written approval and direction of the Consultant.
- (c) The Organization agrees that it will not, except as otherwise expressly provided in this Agreement or except as dictated by Organization's standard computer system's backup procedures and/or test environments, make or allow others to make copies or reproductions of the Software or other proprietary information in any form. The Organization agrees that it will not copy or otherwise reproduce the Software and that any additional copies as are reasonably necessary for the use of the Software shall be provided to the Organization through the issuance of additional Licenses at the Consultant's then current charges.
- (d) The Organization may duplicate Documentation, at no additional charge, for the Organization's use so long as all required proprietary markings are retained on all duplicated copies.

2.5 Ownership of Software and Confidential Information

- (a) The Organization acknowledges that the Software contains proprietary and confidential information of the Consultant which shall, at all times, remain the property of the Consultant. Through the grant of licenses pursuant to Section 2.1, the Organization is only entitled to use of the Software in accordance with the terms of this Agreement.
- (b) The Organization will ensure that the Universal Copyright Convention symbol and other copyright and proprietary notices of the Consultant will remain on the Software in machine-readable form. The Organization will take the same care to safeguard the Software as it takes to safeguard its own confidential information and such care shall not be any less than would be taken by a reasonable person to safeguard its own confidential information.

- (c) No third party, other than duly authorized agents or employees of the Organization authorized pursuant to the Licenses issued hereunder, shall have access to or use of the Software.
- (d) In order to assist the Consultant with the protection of its proprietary rights with respect to the Software and to enable the Consultant to ensure that the Organization is complying with its obligations with respect to the proprietary nature and confidentiality of the Software, the Organization shall permit the Consultant to visit during normal business hours any premises at which the Software is used and shall provide the Consultant with access to such Software.

2.6 Provision of Source Code

- (a) The Organization's ability to utilize the Software will be seriously jeopardized if the Consultant fails to maintain or support such Software unless complete Source Code for the Software and related Documentation is made available to the Organization for the Organization's use in satisfying the Organization's maintenance and support requirements. Therefore, the Consultant agrees that if an "Event of Default" occurs, then the Consultant shall promptly provide to the Organization one copy of the most current version of the Source Code for the affected Software and associated Documentation.
- (b) An Event of Default shall be deemed to have occurred if the Consultant: (1) ceases to market or make available maintenance or support Services for the Software during a period in which the Organization is entitled to receive or to purchase, or is receiving or purchasing, such maintenance and support and the Consultant has not promptly cured such failure despite the Organization's demand that the Consultant make available or perform such maintenance and support, (2) becomes insolvent, executes an assignment for the benefit of creditors, or becomes subject to bankruptcy or receivership proceedings, (3) ceases business operations generally or (4) has transferred all or substantially all of its assets or obligations set forth in this Agreement to a third party which has not assumed all of the obligations of the Consultant set forth in this Agreement.
- (c) The Consultant will promptly update and supplement the Source Code as necessary with all corrections, improvements, updates, releases, or other changes developed for the Software and Documentation. Such Source Code shall be in a form suitable for reproduction and use by computer and photocopy equipment, and shall consist of a full source language statement of the program or programs comprising the Software and available program maintenance Documentation which comprise the pre-coding detail design specifications, and all other available material necessary to allow a reasonably skilled programmer or access the Software without the assistance of the Consultant.

- (d) The governing License for the Software includes the right to use Source Code received under this Section as necessary to modify, maintain, and update the Software.
- (e) If, as a result of an Event of Default, the Consultant fails to provide required support services, then any periodic license fee which the Organization is required to pay under this Agreement for Software shall be reduced to reflect such lack of support services. At such time as the Consultant commences offering the support services described in this Agreement for Software, the Organization may obtain such support Services as provided for elsewhere in this Agreement.

2.7 Ownership and Disposition of Documents

The Organization shall be the exclusive owner of all materials and documents which were developed or prepared by the Consultant specifically for the Organization pursuant to this Agreement. All materials and documents which were developed or prepared by the Consultant for general use and which are not the copyright of any other party or publicly available, including educational materials, the Software and any other computer applications, shall continue to be the property of the Consultant.

ARTICLE III CONSULTING SERVICES

3.1 The Consultant's Services

In order to achieve the Completion of Services, the Consultant agrees, subject to the terms and conditions of this Agreement, to perform the following services (the "Services") for the Organization:

- (a) Oversee and implement the conversion from the Organization's existing software applications to the Consultant's Software substantially in accordance with the timetable attached hereto as Schedule "B".
- (b) Install the Software, perform necessary set up and configuration operations, perform initial testing and parallel testing in accordance with the timetable attached hereto as Schedule "B".
- (c) Provide the training substantially in accordance with the timetable attached hereto as Schedule "B".
 - (i) Consultant recommends a maximum of eight (8) people in each training class for optimal training. In any training class exceeding eight (8) people, Organization may be assessed an additional charge for additional instructors.
 - (ii) Organization is required to make copies of the training manuals required for the training classes either by photocopy or electronic

duplication each of which is subject to the restrictions and obligations contained in this Agreement.

(iii) Reference documentation is delivered with each release. Organization may print this documentation solely for its internal use.

(iv) Cancellation of any on-site Services by Organization is allowed for any reason if done in writing more than fourteen (14) days in advance of such Services. Cancellation by Organization with fourteen (14) days or less of scheduled on-site Services will be billed at fifty percent (50%) of the on-site fee, plus any non-recoverable costs incurred by Consultant due to advance scheduling of travel. Additionally, Organization hereby acknowledges that cancellation of on-site Services means that such on-site Services will be rescheduled as Consultant's then current schedule permits. Consultant is not responsible for any delay in Organization's project resulting from Organization's cancellation of training. If upon Consultant arrival, the Organization is not adequately prepared or has not completed the assigned tasks for such visit by the Consultant, then the Organization will be billed 100% of the on-site fee and scheduled on-site services can be cancelled by the Consultant. If additional services are required because the Organization was not adequately prepared, Consultant will provide a Change Order to the Organization for the additional services.

3.2 **Performance by Consultant**

- (a) **Manner of Performance** -- The Consultant shall perform the Services in an efficient, competent and timely manner and exercise reasonable care, skill and diligence in the performance thereof.
- (b) **Consultant's Discretion** -- The Consultant shall determine in its sole discretion the manner and means by which the Services shall be performed, with due consideration of adequate knowledge transfer to the Organization personnel. The Consultant will communicate openly with the Organization on its methodology, manner and means.
- (c) **Conduct on Organization's Premises** -- The Services shall be performed with the Organization's full co-operation, on the premises of the Organization or, if agreed to by both parties, at an alternative location. The Consultant agrees, while working on the Organization's premises, to observe the Organization's rules and policies relating to the security thereof, access to or use of all or part of the Organization's premises and any of the Organization's property, including proprietary or confidential information.
- (d) **Inquiries by Organization** -- The Consultant shall respond expeditiously to any inquiries pertaining to this Agreement from the Organization.

3.3

Performance by Organization

- (a) **Co-operation by Organization** -- The Organization acknowledges that the success and timeliness of the implementation process shall require the active participation and collaboration of the Organization and its staff and agrees to act reasonably and co-operate fully with the Consultant to achieve the Completion of Services.
- (b) **Required Programs**. The Organization acknowledges that the use of the Software requires that the Organization obtain and install additional required software programs (the "Required Programs"), as detailed in the attached Schedule "A", and the Organization agrees that the acquisition of the Required Programs shall be at its sole cost and that the cost thereof is not included in the fees herein.
- (c) **Hardware**. The Organization acknowledges that the operation of the Software requires the Organization's hardware to be of sufficient quality, condition and repair, and the Organization agrees to maintain its hardware in the appropriate quality, condition and repair at its sole cost and expense, in order to facilitate the achievement of Completion of Services. If Consultant determines that Organization's hardware is not of sufficient quality, condition and repair, Consultant shall notify Organization in writing of the Hardware deficiencies. Organization will strive to remedy any hardware deficiencies within 30 days of notification.
- (d) **Project Manager** -- The Organization shall appoint a project manager (the "Project Manager") who shall work closely with the Consultant to facilitate the successful completion of the implementation process and who shall be responsible for supervising the staff of the Organization and their co-operation with and participation in such process.
- (e) **Additional Organization Obligations**
 - (i) Organization shall install all corrections and maintenance releases within a reasonable period of time of Organization's notification of their availability. However, any fix or correction designated as "critical" by Consultant shall be implemented by Organization within thirty (30) days of notification to the Organization by Consultant of its availability.
 - (ii) Organization shall notify Consultant of suspected defects in any of the Software supplied by Consultant. Organization shall provide, upon Consultant request, additional data deemed necessary or desirable by Consultant to reproduce the environment in which such defect occurred.
 - (iii) Organization shall allow the use of online diagnostics on the Software supplied by Consultant to Organization, if required by Consultant during problem diagnosis. Organization shall provide to Consultant, at Organization's expense,

access to the Designated Computer System via the Organization's firewall to communications software (e.g. VPN, PC Anywhere, WebEx, Web Demo).

(iv) Organization shall ensure that its personnel are, at relevant stages of the project, educated and trained in the proper use of the Software in accordance with applicable Consultant manuals and instructions. If Organization's personnel are not properly trained as mutually determined by Consultant and Organization, Organization agrees that such personnel will be trained by Consultant or Organization within fifteen (15) days of determination. If Organization desires Consultant to perform the required training then Consultant shall be compensated in accordance with this Agreement.

(v) Organization shall establish proper backup procedures necessary to replace critical Organizational data in the event of loss or damage to such data from any cause. Organization shall provide Consultant with access to qualified functional or technical personnel to aid in diagnosis and to assist in repair of the Software in the event of error, defect or malfunction.

(vi) Organization shall have the sole responsibility for:

(a) the performance of any tests it deems necessary prior to the use of the Software.

(b) assuring proper Designated Computer System installation, configuration, verification, audit controls and operating methods.

(c) implementing proper procedures to assure security and accuracy of input and output and restart and recovery in the event of malfunction.

(d) timely upgrade and keeping current all third party license releases and/or Software products to meet the requirements of the Consultant Software.

3.4 Allowance for Suspension or Delay due to Organization

In the event that the Organization shall suspend the performance of Services, delay any deliverable date, or cause a delay in performance by failing to fulfill any of its obligations under Section 3.3, then the following shall apply:

Any applicable delivery schedule shall be extended by a period of time equal to the time lost because of any such delay. The due date for any deliverable set forth in the Statement of Work that is dependent on such performance by the Organization shall be deemed adjusted equitably to allow for the effect of such delay on Consultant's ability to supply or perform such deliverable, and Consultant shall be entitled to reimbursement for any costs that cannot reasonably be mitigated by temporary reassignments of personnel or other resources, including without limitation the hourly charges for any Consultant personnel necessarily idled by such delays but whose capacity is required to be maintained for timely future performance by Consultant .

3.5 Support and Maintenance Agreement

Concurrently with the execution and delivery of this Agreement, the Consultant and the Organization have entered into a support and maintenance agreement (the "Support and Maintenance Agreement") in the form of and on the terms set out in the attached Schedule "D" which shall apply in respect of the ongoing services and support to be provided by the Consultant to the Organization following the Completion of Services. Notwithstanding the ongoing application of the Support and Maintenance Agreement, the terms and conditions of this Agreement, insofar as they relate to the Software and the Documentation and the rights and obligations of the parties with respect thereto, shall continue to apply and the Support and Maintenance Agreement is not intended to, nor will it, apply to the exclusion of this Agreement. Consultant shall have no obligation under this Agreement to render any maintenance services or related services with respect to non-Consultant software, except as contracted for in writing with the Organization.

ARTICLE IV

HARDWARE

4.1 Hardware

This Article IV shall only be applicable in the event any hardware is listed on Schedule I.

(i) Organization agrees to purchase from Consultant and Consultant agrees to sell to Organization, the hardware listed on the attached Schedule I (collectively the "Hardware"), for the purchase prices listed in said Schedule. Consultant shall arrange for the delivery of the Hardware, and Organization shall pay for the transportation charges incurred by Consultant in connection with the delivery of the Hardware. Delivery of the Hardware shall be F.O.B. point of destination, provided that Organization shall pay for the shipping charges. All risk of loss and risk of damage to the Hardware will pass to Organization upon delivery to Organization's specified location.

(ii) Upon delivery of the Hardware to Organization, Consultant shall invoice Organization for the Hardware, and Organization shall pay for the same within thirty (30) days. Consultant hereby reserves a purchase money security interest in all Hardware delivered to Organization in accordance with this Agreement until payment in full is received for all Hardware delivered to Organization, and for that purpose, this Agreement shall be a security agreement. Organization authorizes Consultant or its agent to file the necessary financing statements to perfect Consultant's interest. Additionally, Consultant may file this Agreement or a copy of this Agreement with such public filing offices as are necessary in Consultant's discretion.

(iii) Consultant and/or the Hardware manufacturer(s) will provide Organization with one copy of the then current user documentation for use with the Hardware ordered and the

environmental specifications for the equipment, where applicable.

(iv) Except as otherwise provided in this Agreement, Organization shall be responsible for the installation of the Hardware at Organization's location. If Organization desires Consultant to perform any installation not described in this Agreement, Consultant and Organization shall follow the procedures set out in this Agreement.

(v) It is acknowledged by the parties hereto that the Hardware provided by Consultant to Organization pursuant to this Agreement was manufactured and delivered to Consultant by a third party manufacturer and Consultant is reselling it to Organization. As such, Consultant makes no warranties, express or implied, with respect to the Hardware, including, without limitation, their merchantability or fitness for a particular purpose. Any warranty Organization has with respect to the Hardware shall be solely provided by the manufacturer(s). Notwithstanding, except for manufacturer defects, Consultant warrants that the Hardware is capable of implementing the Software Licensed to Organization hereunder.

(vi) The parties agree that although this Agreement may contain estimated prices for the maintenance of the Hardware, Hardware maintenance shall be provided solely by the respective Hardware manufacturer(s) through separate agreements between Organization and the Hardware manufacturer(s). In no event shall Consultant be responsible for such Hardware maintenance, except as contracted for in writing with the Organization.

ARTICLE V

SYSTEM SOFTWARE

5.1 System Software

This Article V shall only be applicable in the event any System Software is listed on Schedule H.

(i) Consultant shall distribute to Organization the System Software which is listed on Schedule H, and Organization shall pay Consultant for the System Software in the amount of the purchase price(s) listed on Schedule H. Upon delivery of the System Software to Organization, Consultant shall invoice Organization for the System Software, and Organization shall pay for the same within thirty (30) days. Delivery of the System Software shall be deemed to have occurred: (i) on the date for which Consultant delivers Hardware to Organization with the System Software installed thereon, F.O.B. point of destination, provided that Organization is shall pay the shipping charges, or (ii) the date on which Consultant installs the System Software on Organization's Hardware. Consultant and/or the System Software manufacturer(s) will provide Organization with one copy of the then current user documentation for use with the System Software.

(ii) Except as otherwise provided in this Agreement, Organization shall be responsible for the installation of the System Software at Organization's location. If

Organization desires Consultant to perform any installation which is not described in this Agreement, Consultant and Organization shall follow the procedures set forth in this Agreement.

(iii) It is acknowledged by the parties hereto that the System Software provided by Consultant to Organization pursuant to this Agreement was developed and delivered to Consultant by one or more third party software companies and Consultant is distributing, sublicensing and/or reselling it to Organization. As such, Consultant makes no warranties, express or implied, with respect to the System Software, including, without limitation, their merchantability or fitness for a particular purpose. Any warranty Organization has with respect to the System Software shall be solely provided by the third party software companies. Additionally, Organization acknowledges that its interest in the System Software may be in the nature of a license or sublicense with one or more of the third party software companies which may: (i) require Organization to enter into one or more separate license agreements with such third party software companies, and/or (ii) place restrictions on Organization's use of the System Software. Notwithstanding, except for third party software companies defects, Consultant warrants that the System Software is capable of implementing the Software Licensed to Organization hereunder.

(iv) The parties agree that although this Agreement may contain estimated prices for the annual maintenance of the System Software, any maintenance of the System Software shall be provided solely by the third party software companies through separate agreements between Organization and such third party software companies. In no event shall Consultant be responsible for such System Software maintenance.

ARTICLE VI REPRESENTATIONS AND WARRANTIES

6.1 Warranty of Performance

Consultant warrants to Organization that the software, material and services to be provided and/or rendered will be of the kind and quality referred to in the Consultant manuals and other documentation provided. Organization's sole recourse in the event the Software does not conform to the applicable documentation is the repair and replacement of the Software. The Consultant warrants to the Organization that the Software will perform as described if the Software is properly used in accordance with the Consultant's instructions. This warranty is void if the Organization or any other third party changes or modifies the Software. Examples of such changes or modifications include, but are not limited to, data modifications from third party software, the de-compiling and modifying of the source code, and tampering with the base set-up of the system.

6.2 Intellectual Property Rights

The Consultant warrants:

- (a) that it has the full right, authority and power to enter into this Agreement and to grant to the Organization the Licenses and rights conveyed by this Agreement; and
- (b) that the Software is an original work of authorship and does not infringe the intellectual property rights of others.

In the event there is a third party claim alleging that Organization's use of the Software in accordance with this Agreement constitutes an infringement of a United States patent, copyright, or trade secret, Consultant shall, at its expense, defend Organization and pay any final judgment against Organization or settlement agreed to by Consultant on Organization's behalf; provided that Organization promptly notifies Consultant of any such claim or proceeding and shall give Consultant full and complete authority, information, and assistance to defend such claim or proceeding. Consultant shall have sole control of the defense of any claim or proceeding and all negotiations for its compromise or settlement. In the event that the Organization's use of the Software is finally held to be infringing or Consultant deems that it may be held to be infringing, Consultant shall, at Consultant's election: (1) procure for the Organization the right to continue use of the Application Software; or (2) modify or replace the Application Software so that it becomes non-infringing.

Consultant shall have no liability hereunder if the Organization has modified the Application Software in any manner without the prior written consent of Consultant.

The foregoing states Consultant's entire liability, and the Organization's exclusive remedy, with respect to any claims of infringement of any copyright, patent, trade secret, or other property interest rights relating to the Software, or any part thereof, or use thereof.

6.3 Corrections

The Consultant covenants that it will make corrections of program malfunctions which are reported in writing to the Consultant during the Warranty Period and which are necessary for the Software to conform to this Agreement. The Organization agrees to allow the Consultant the opportunity to make repeated efforts within a reasonable time to correct programming errors or malfunctions as warranted in this Agreement. Consultant agrees that program malfunctions that result in an inoperable system resulting in a financial impact to the Organization, or inefficient work-around, will be given its highest priority with the problem corrected as soon as practicably possible using its most experienced and knowledgeable resources. The Consultant will strive to have any and all malfunctions resolved within no more two days.

6.4 No Other Warranties

The express warranties contained above are in lieu of all other representations, warranties and conditions, express or implied, whether arising by statute or otherwise in law or from a course of dealing, or usage of trade. Without limiting the generality of the foregoing, the Consultant does not represent or warrant and the Organization acknowledges that there are no further representations or warranties:

- (a) that the functions contained in the Software will operate in the combinations which may be selected for use by the Organization or will meet the Organization's requirements and satisfy its intended results; or
- (b) that the operation of the Software will be error free or that:
 - (i) any programming errors will be corrected after the Warranty Period, or
 - (ii) any updates of, or modifications to, the Software will be made available to the Organization after the Warranty Period,

in each case unless there is an effective Support Agreement in place after the Warranty Period in respect of the period of time during which any such programming errors require correction, or any updates of, or modifications to, the Software, are developed by the Consultant and made available to the other licensees of the Software.

ARTICLE VII FEES AND PAYMENTS

7.1 Fees and Payments

- (a) The Organization agrees to pay the Consultant total fees defined by the fee structure and payment schedule outlined in the attached Schedule "C".
- (b) During the term of this Agreement, Consultant shall, from time to time, deliver invoices to Organization. Each invoice delivered to Organization by Consultant shall be due and payable upon receipt thereof by Organization.
- (c) The Organization shall reimburse the Consultant for its direct expenses, including, but not limited to courier services, photocopying, faxing and reproduction, all reasonable travel costs, meal expenses of not more than \$50.00 per diem (no receipts provided) and a mileage charge based on the current Internal Revenue Service recommended rate per mile, long distance telephone calls, and all other reasonable expenses incurred in the performance of the Consultant's duties.
- (d) In addition to all other amounts payable under this Agreement, to the extent escrow fees are charged by the Escrow Agent to the Consultant on a per licensee basis or are otherwise charged in such a manner so as to be reasonably allocable to the Organization, the Organization shall pay such fees charged by the Escrow Agent for performing its obligations under Section 2.6. The Consultant shall use its commercially reasonable efforts to negotiate the best possible fee structure with the Escrow Agent. The Escrow Agent may charge a one-time annual fee or a fee based on the number of beneficiaries entitled to access the Source. In either case, the Consultant shall be entitled to pass on to the Organization any fees relating to the Escrow Agent reasonably attributable to the Organization, provided

that the Organization remains entitled to access the Source pursuant to Section 2.6. Upon receiving any invoice from the Escrow Agent that requires payment by the Organization, the Consultant shall submit the relevant invoice to the Organization, together with background documentation confirming the amount attributable to the Organization. Within 30 days following receipt of such invoice, the Organization shall reimburse the Consultant for the amounts attributable to the Organization, as more particularly set out in the documentation submitted by the Consultant. The Consultant reserves the right to change the Escrow Agent from time to time in order to obtain the most appropriate package of fees and services, as determined by the Consultant, in its sole discretion. In the event that the Escrow Agent is replaced, prompt written notice of such replacement shall be provided to the Organization and the Organization shall execute any documentation reasonably required by the Escrow Agent in order to give effect to the provisions of this Agreement.

- (e) In the event Organization fails to pay all or any portion of an invoice on or before thirty (30) days after the date of the invoice, the invoice payment shall be considered past due. Organization further agrees, at the request of Consultant, to pay a late payment charge to Consultant at the rate of two percent (2%) per month, or at the maximum late payment charge permitted by applicable law, whichever is less, on any unpaid amount for each calendar month (or fraction thereof) that such payment is past due; provided, however, that Consultant shall not assess the foregoing late payment charge if Organization has been late in paying Consultant on less than three (3) previous occasions within the last calendar year.
- (f) In the event Organization fails to pay all or any portion of an invoice on or before ninety (90) days after the date it becomes due, in addition to all other remedies Consultant has under this Agreement or otherwise, Consultant shall have the option to suspend or terminate all Services under this Agreement. Suspension or termination of any such Services shall not relieve the Organization of its obligation to pay its outstanding invoices, including any applicable late charges.
- (g) Consultant shall be responsible for paying all taxes, fees, assessments and premiums of any kind payable on its employees and operations. Any tax Consultant may be required to collect or pay upon the sale, use or delivery of the Software, Services or Support and Maintenance described in this Agreement shall be paid by Organization and such sums shall be due and payable to Consultant upon receipt of an invoice therefore. Any personal property taxes levied after delivery of the Software described in this Agreement shall be paid by Organization.
- (h) The parties acknowledge and agree that the pricing quoted in this Agreement and incorporated herein as Schedule "C," Pricing, is based on certain fundamental assumptions substantively affecting the Services proposed and to be performed under this Agreement, including but not limited to project duration, as set forth in Schedule B, implementation Process and Timetable. The parties further agree that

any substantial increase of more than 30 days to the total project duration may cause Consultant to incur additional costs that could not have been anticipated and would that have been included in the Pricing. In the event that the Organization shall suspend the performance of Services, delay any deliverable date, or cause a delay in performance by failing to fulfill any of its obligations, the parties will negotiate in good faith an equitable adjustment to the Agreement which shall be memorialized in the form of a change order.

7.2 Change Orders

With respect to any proposed changes to the Services defined by this Agreement that do not materially impact the scope of either party's work effort required under this Agreement, the parties will cooperate in good faith to execute Change Orders in respect thereof, and will not unreasonably withhold approval of such proposed changes. If either party causes or requests a change that, in the reasonable opinion of the other party, materially impacts the scope of the parties' work effort required under this Agreement, such as, but not limited to, changes in the allocation of the resources of the Organization and of the Consultant applied to a task, changes in completion schedules for individual tasks or for overall implementation, and changes in staffing that require a party to provide additional work hours, the other party may propose a change to cover the additional work effort required of it. Approval of any such proposed changes will not be unreasonably withheld (it being acknowledged that any such material changes may require modifications to the consideration paid, and timelines governing, the Services), and any disputes regarding changes shall be handled initially by discussions between the parties which will be convened in good faith by the parties to resolve any such matters in dispute. The Consultant will provide a quote and/or estimate and both parties will document changes using the Organization's established change order form.

ARTICLE VIII REMEDIES AND LIABILITY

8.1 Remedies and Liability

- (a) Termination of this Agreement shall not affect any right of action of either party arising from anything which was done or not done, as the case may be, prior to the termination taking effect.
- (b) The Organization and the Consultant recognize that circumstances may arise entitling the Organization to damages for breach or other fault on the part of the Consultant arising from this Agreement. The parties agree that in all such circumstances the Organization's remedies and the Consultant's liabilities will be limited as set forth below and that these provisions will survive notwithstanding the termination or other discharge of the obligations of the parties under this Agreement.

- (i) EXCEPT FOR DAMAGES ARISING OUT OF (a) THE CONSULTANT'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS OR (b) THE CONSULTANT'S INTENTIONAL MISREPRESENTATION, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, BOTH PARTIES AGREE THAT THE CONSULTANT'S LIABILITY (UNDER BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE), IF ANY, FOR ANY DAMAGES RELATING TO THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID TO CONSULTANT BY ORGANIZATION UNDER THIS AGREEMENT.

- (ii) IN ADDITION TO THE FOREGOING NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL OR OTHER DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOST REVENUE OR LOSS OF PROFITS, EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE LIKELIHOOD OF THE OCCURRENCE OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY .

- (iii) CLAUSES (i) AND (ii) SHALL APPLY IN RESPECT OF ANY CLAIM, DEMAND OR ACTION BY A PARTY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION UNDERLYING SUCH CLAIM, DEMAND OR ACTION, INCLUDING, BUT NOT LIMITED TO, BREACH OF CONTRACT OR TORT.

8.2 Intent

The parties hereby confirm that the waivers and disclaimers of liability, releases from liability, limitations and apportionments of liability, and exclusive remedy provisions expressed throughout this Agreement shall apply even in the event of default, negligence (in whole or in part), strict liability or breach of contract of the person released or whose liability is waived, disclaimed, limited, apportioned or fixed by such remedy provision, and shall extend to such person's affiliates and to its shareholders, directors, officers, employees and affiliates.

8.3 Remedies

Where remedies are expressly afforded by this Agreement, such remedies are intended by the parties to be the sole and exclusive remedies of the Organization for liabilities of the Consultant arising out of or in connection with this Agreement, notwithstanding any remedy otherwise available at law or in equity.

ARTICLE IX INDEMNITY

9.1 Indemnity

The Organization shall indemnify and save harmless the Consultant, its successors and assigns together with its officers, directors, employees, agents and those for whom it is in law responsible, only from and against any and all liabilities, damages, costs, expenses, causes of action, claims, suits, proceedings and judgments (collectively "Claims") which they may incur or suffer or be put to by reason of or in connection with or arising from any breach, violation or non-performance by the Organization of any obligation contained in this Agreement to be observed or performed by the Organization, or any wrongful act or negligence of the Organization or its agents or employees which relates to this Agreement, howsoever arising. The Organization acknowledges and agrees that this indemnity shall survive any termination of this Agreement.

The Consultant shall indemnify and save harmless the Organization, its successors and assigns together with its officers, directors, employees, agents and those for whom it is in law responsible, from and against any and all liabilities, damages, costs, expenses, causes of action, claims, suits, proceedings and judgments (collectively "Claims") which they may incur or suffer or be put to by reason of or in connection with or arising directly from any material breach or non performance by the Consultant of any obligation contained in this Agreement to be observed or performed by the Consultant, or any negligence of the Consultant or its agents or employees which relates to this Agreement, howsoever arising. Consultant shall not be responsible for any Claims resulting, in whole or in part, from the acts or omissions of Organization, its employees, consultants or agents or any third party.

ARTICLE X GENERAL

10.1 Force Majeure

Neither party shall be liable for delay or failure in performance resulting from acts beyond the control of such party including, but not limited to, acts of God, acts of war or of the public enemy, riots, fire, flood, or other natural disaster, acts of government, strike, walkout, communication line or power failure, failure in operability or destruction of the Organization's computer (unless by reason of the negligence of a party to this Agreement) or failure or inoperability of any software other than the Software. Any applicable delivery schedule shall be extended by a period of time equal to the time lost because of any such delay.

10.2 Confidentiality

- (a) Duty Owed to the Organization -- The Consultant acknowledges that it may receive information from the Organization or otherwise in connection with this Agreement or the performance of the Services. Except for information in the

public domain, unless such information falls into the public domain by disclosure or other acts of the Organization or through the fault of the Organization, the Consultant agrees:

- (i) to maintain this information in confidence;
 - (ii) not to use this information other than in the course of this Agreement;
 - (iii) not to disclose or release such information except on a need-to-know only basis;
 - (iv) not to disclose or release such information to any third person without the prior written consent of the Organization, except for authorized employees or agents of the Consultant; and
 - (v) to take all appropriate action, whether by instruction, agreement or otherwise, to ensure that third persons with access to the information under the direction or control or in any contractual privity with the Consultant, do not disclose or use, directly or indirectly, for any purpose other than for performing the Services during or after the term of this Agreement, any material or information, including the information, without first obtaining the written consent of the Organization.
- (b) Duty Owed to the Consultant -- The parties agree that if the Organization shall breach any term of Section 2.5 of this Agreement entitled "Ownership of Software and Confidential Information", then the Consultant shall have the right to terminate this Agreement and the grant of licenses herein forthwith without giving notice as set forth in Section 10.3(b).

10.3 Termination

- (a) If the Consultant should neglect to perform the Services properly or otherwise fail to comply with the requirements of this Agreement, the Organization must notify the Consultant in writing of such default (a "Default Notice"). Upon receipt of a Default Notice, the Consultant must either correct the default at no additional cost to the Organization, or issue a written notice of its own disputing the alleged default, in either case within thirty (30) days immediately following receipt of a Default Notice. If the Consultant fails to correct the default, or issue a notice disputing the alleged default, in either case within thirty (30) days following receipt of the Default Notice, the Organization may terminate the part of this Agreement relating to the provision of Services and in such case will be responsible for payment to the Consultant of only that part of the fee earned by the Consultant for those Services performed up to the time of communication of such notice of termination to the Consultant.
- (b) If the Organization should fail to comply with its obligations under this Agreement, the Consultant must notify the Organization in writing of such default

(a “Default Notice”). Upon receipt of a Default Notice, the Organization must correct the default at no additional cost to the Consultant, or issue a written notice of its own disputing the alleged default, in either case within thirty (30) days immediately following receipt of a Default Notice. If the Organization fails to correct the default, or issue a notice disputing the alleged default, in either case within thirty (30) days following receipt of the Default Notice, the Consultant may terminate the whole of this Agreement including the grant of license to the Software and in such case the Organization will be responsible for payment to the Consultant of only that part of the fee earned by the Consultant for that part of the Services performed in accordance with this Agreement up to the time of communication of such notice of termination to the Organization.

10.4 Procedure on Termination

If this Agreement is terminated prior to the Completion of Services, then within thirty (30) days following such termination, the Organization shall return the Software to the Consultant and shall certify, under the hand of a duly authorized officer of the Organization, that all copies of the Software or any part thereof, in any form, within the possession or control of the Organization have been returned to the Consultant. If this Agreement is terminated following the Completion of Services, then the Organization may retain the copy of the Software in its possession as of the Completion of Services but it shall not be entitled to any additional Licenses, nor will it receive updates of, or modifications to, the Software made by the Consultant. Finally, it will not be entitled to access the Source through exercise of the license granted pursuant to Section 2.6 of this Agreement. Notwithstanding the foregoing, the Organization will remain subject to the obligations imposed upon it pursuant to this Agreement with respect to the Software, including, but not limited to, such obligations relating to ownership of the Software and confidentiality.

10.5 Mediation

The parties agree to submit any claim, controversy or dispute arising out of or relating to this Agreement or the relationship created by this Agreement to non-binding mediation before bringing a claim, controversy or dispute in a court or before any other tribunal. The mediation is to be conducted by either an individual mediator or a mediator appointed by mediation services mutually agreeable to the parties. The mediation shall take place at a time and location which is also mutually agreeable; provided; however, in no event shall the mediation occur later than ninety (90) days after either party notifies the other of its desire to have a dispute be placed before a mediator. Such mediator shall be knowledgeable in software system agreements. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorneys fees incurred by either party), is to be shared by the parties equally. If the parties are unable to resolve the claim, controversy or dispute within ninety (90) days after the date either party provides the other notice of mediation, then either party may bring and initiate a legal proceeding to resolve the claim, controversy or dispute unless the time period is extended by a written agreement of the parties.

10.6 **Accounts and Records**

The Consultant shall:

- (a) keep proper and detailed accounts in accordance with accepted accounting practices of all factors entering into the computation of the amounts payable pursuant to this Agreement; and
- (b) for a period of two years from the date of Completion of Services by the Consultant, preserve all accounts and other documentation relating to the Organization and keep them available for inspection by the Organization or its representative, at any time. The Consultant agrees that this obligation shall survive any termination of this Agreement.

10.7 **Addresses for Notice**

Any notice required or permitted to be given to any party to this Agreement shall be given in writing and shall be delivered personally, mailed by prepaid registered post or sent by facsimile to the appropriate address or facsimile number set out below. Any such notice shall be conclusively deemed to have been given and received on the day on which it is delivered or transmitted (or on the next succeeding business day if delivered or received by facsimile after 5:00 p.m. local time on the date of delivery or receipt, or if delivered or received by facsimile on a day other than a business day), if personally delivered or sent by facsimile or, if mailed, on the third business day following the date of mailing, and addressed, in the case of the Consultant, to:

SYSTEM INNOVATORS, N. HARRIS COMPUTER CORPORATION
Attention: Jim Simak, General Manager
10550 Deerwood Park Blvd., Suite 700
Jacksonville, FL 32256

and in the case of the Organization, to:

City of Peoria, Arizona
Address: 8343 West Monroe Street, Peoria AZ 85345
Attention: Lauren Lupica
Telephone: (623) 773-7375
Fax: (623) 773-5125

Each party may change its particulars respecting notice, by issuing notice to the other party in the manner described in this Section 10.7.

10.8 **Assignment**

Neither Party may assign any of its rights or duties under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld, except that either Party may assign to a successor entity in the event of its dissolution, acquisition, sale of substantially all of its assets, merger or other change in legal status. The Agreement shall inure

to the benefit of and be binding upon the Parties to this Agreement and their respective successors and permitted assigns.

10.9 Reorganizations

The Organization acknowledges that the License fee set out in this Agreement has been established on the basis of the structure of the Organization at the date of this Agreement. To the extent that the Organization amalgamates, consolidates or undergoes any similar form of corporate reorganization or transition (a “Reorganization”), and the resulting entity (whether or not the Organization is the resulting or continuing entity) requires additional Licenses to support the system, the Consultant shall be entitled to receive, and the Organization shall pay, an additional License fee based on the then prevailing License fee in effect. The provisions of this Section 10.9 shall apply *mutatis mutandis* to any subsequent Reorganizations occurring following the first Reorganization. The provisions of this Section 10.9 shall not apply where the Organization undergoes a Reorganization involving only other organizations that have already purchased a License from the Consultant. For purposes of this Agreement, any corporate changes undergone by the Organization will be characterized as either an assignment, in which case Section 10.8 will apply, or a Re-organization, in which case Section 10.9 will apply, but it is not intended that Sections 10.8 and 10.9 will apply to any single sequence of events, if such application would result in a duplication of the fees provided for in those provisions.

10.10 Binding Agreement and Enurement

This Agreement shall be binding upon the parties hereto and their respective successors and assigns. This Agreement shall enure to the benefit of the parties hereto and their respective successors and permitted assigns.

10.11 Entire Agreement

This Agreement shall constitute the entire agreement between the parties hereto with respect to the matters covered herein. No other agreements, representations, warranties or other matters, oral or written, purportedly agreed to or represented by or on behalf of Consultant by any of its employees or agents, or contained in any sales materials or brochures, shall be deemed to bind the parties hereto with respect to the subject matter hereof. Organization acknowledges that it is entering into this Agreement solely on the basis of the representations contained herein.

10.12 Independent Contractor

Organization engages Consultant under this Agreement solely as an independent contractor to perform Consultant duties which are described in this Agreement. Organization and Consultant expressly acknowledge and agree that Consultant is the independent contractor of Organization and nothing contained in this Agreement or which otherwise exists shall be construed by Organization, Consultant or any third person or entity to create a relationship of joint venturers, partners, or employer and employee.

10.13 **Governing Law**

This Agreement shall be governed by the laws of the State in which Organization is located.

10.14 **Trial by Jury**

Organization and Consultant hereby waive, to the fullest extent permitted by applicable law, the right to trial by jury in any action, proceeding or counterclaim filed by any party, whether in contract, tort or otherwise, relating directly or indirectly to this Agreement or any acts or omissions of Consultant in connection therewith or contemplated thereby.

10.15 **Invalidity**

The invalidity or unenforceability of any provision or covenant contained in this Agreement shall not affect the validity or enforceability of any other provision or covenant herein contained and any such invalid provision or covenant shall be deemed to be severable.

10.16 **Waiver**

A term or condition of this Agreement may be waived or modified only by written consent of both parties. Forbearance or indulgence by either party in any regard shall not constitute a waiver of the term or condition to be performed, and either party may evoke any remedy available under the Agreement or by law despite such forbearance or notice.

10.17 **Counterparts**

This Agreement may be executed in counterparts (whether by facsimile signature or otherwise), each of which when so executed shall constitute an original and all of which together shall constitute one and the same instrument.

10.18 **RFP Response**

Consultant's response to Organization's RFP is attached hereto and incorporated herein as an exhibit. Organization acknowledges that Consultant, after it has been selected by Organization, re-evaluates its proposal relative to the Organization's RFP to determine if any updates or revisions are necessary. Any such updates and revisions are attached hereto as an exhibit and incorporated herein.

10.19 **Competitive Bid**

Organization has conducted a competitive evaluation and has concluded such efforts with this negotiated Agreement (including any addenda hereto); therefore, this Agreement may serve as the basis for similar agreements whereby other entities may contract separately with

Consultant. Organization agrees that Consultant may disclose all or any portion of this Agreement to any of its current or prospective customers.

10.20 Further Assurances

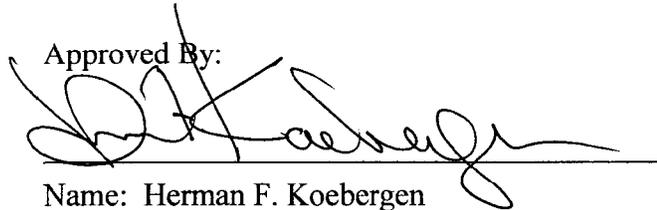
The parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to affect the purposes of this Agreement and carry out its provisions.

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

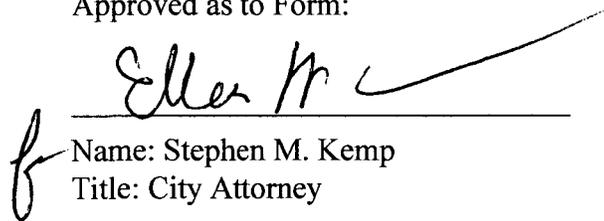
**SYSTEM INNOVATORS, A DIVISION OF
N. HARRIS COMPUTER CORPORATION**


Name: Jim Simak
Title: General Manager

CITY OF PEORIA

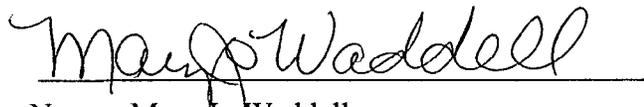
Approved By:

Name: Herman F. Koebergen
Title: Materials Manager

Approved as to Form:


Name: Stephen M. Kemp
Title: City Attorney



Attested by:


Name: Mary Jo Waddell
Title: City Clerk

Schedule "A"
Description of Software

Included Programs (provided by "CONTRACTOR")

- iNovah Enterprise License – 750,000 annual receipt volume
- iNovah Check21 Module
- iNovah Payment Gateway Module with Custom PayPal Interface

Required Programs (provided by "Organization")

- Microsoft Windows 2003 Server operating systems for the iNovah web application and database server
- Microsoft SQL Server 2005 database management system for the iNovah Consolidated Database
- Microsoft Windows XP operating systems for the iNovah client workstations
- Microsoft Windows Internet Explorer 6 or 7 for the iNovah client workstations
- Appropriate network software for TCP/IP network connectivity between all iNovah servers and workstations

Schedule "B"

Implementation Process and Timetable

I. COMPLETION OF SERVICES – GLOBAL TIMETABLE

1. Project Commencement Date: March 15, 2010
2. Estimated Project Completion Date: June 30, 2010 ●
3. Consultant's Project Manager: Karin Raudsep●
4. Organization's Project Manager: TBD ●

II. COMPLETION OF SERVICES – KEY PHASE TIMETABLES

A detailed project schedule will be mutually agreed to by both parties following the initial assessment meeting(s). The parties acknowledge that the project and estimated investment is expected to take a maximum of no more than 6 months in duration from contract execution and/or notice to proceed.

Tasks / MILESTONES	Start Date	End Date
RECEIVE NOTICE TO PROCEED	<u>3/15/10</u>	<u>3/15/10</u>
System Overview	<u>3/22/10</u>	<u>3/22/10</u>
Assessment Meeting	<u>3/29/10</u>	<u>3/30/10</u>
Review Functional Requirements	<u>4/9/10</u>	<u>4/10/10</u>
Software Tailoring and Configuration	<u>4/15/10</u>	<u>4/26/10</u>
Interface Development	<u>4/22/10</u>	<u>4/26/10</u>
Document Acceptance Test Plan (City of Peoria)	<u>4/15/10</u>	<u>4/26/10</u>
Software Installation and Delivery (Support commences)	<u>4/1/10</u>	<u>4/2/10</u>
System Training	<u>5/15/10</u>	<u>5/16/10</u>
Acceptance Testing	<u>5/5/10</u>	<u>5/23/10</u>
Production Planning	<u>5/19/10</u>	<u>5/23/10</u>
Production Site Installation	<u>5/26/10</u>	<u>5/27/10</u>
End-User Training	<u>6/10/10</u>	<u>6/12/10</u>
Production Roll Out	<u>6/10/10</u>	<u>6/30/10</u>

The parties will agree upon an appropriate training schedule based on, among other things, the modules in respect of which training is required and the skills and availability of Client staff members.

Schedule "C"

Fee Structure and Payment Schedule

Note: Fees for Services listed below are based on best estimates of the number of hours of work required to complete the Services outlined on Schedule "B" to this Agreement. Accordingly, the total of such fees will increase or decrease as the number of actual hours worked is greater than or less than such estimates.

Fee Structure:

Application Software & Services

Qty	Component Description	Component Investment	Investment Total
iNovah™ APPLICATION SOFTWARE & SERVICES			
1	iNovah Enterprise Edition -(up to 750,000 receipts annually)	86,250	\$43,125
	Existing Client Discount (50%)	(43,125)	
1	iNovah Payment Gateway – PayPal Interface		25,000
1	iNovah Check21 Module		18,000
3	Real Time Interface Software		
	Harris NorthStar Utility Billing – web service	7,500	0
	Harris NorthStar Misc A/R – web service	7,500	0
	Accela Permitting and Trust – web service	7,500	5,500
5	Batch Interface Software		
	Payment Import – Harris NorthStar Utility Billing AutoPay	4,500	0
	Payment Import – Harris NorthStar Utility Billing Lockbox	4,500	0
	Payment Import – Harris NorthStar Utility Billing ACH	4,500	0
	Payment Import – Accela Permitting	4,500	3,000
	Payment Export – PeopleSoft G/L	4,500	3,000
1	Installation and Training Package		
64	Project Management	200	12,800
40	Assessment Services	200	8,000
32	Custom Code Development – API for IVR up to 32 hours	200	6,400
40	Delivery and Configuration Services	200	8,000
16	System Training	175	2,800
8	End User Training	175	1,400
16	Go-Live Support	175	2,800
1	Travel & Accommodations Package	10,000	10,000
iNovah Upgrade Software & Services Investment:			\$149,825

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Application Support & Maintenance

Item	Component Description	Component Investment	Investment Total
iNovah™ SUPPORT & MAINTENANCE 1st Year			
1	iNovah Support & Maintenance		
1	Base iNovah Product and Updates		25,300
1	iNovah Payment Gateway – PayPal Interface		5,000
1	iNovah Check21 Module (requires Optional Canon CR-25 Imaging Device)		3,600
3	Online interfaces		5,400
5	Batch interface (Import/Export)		3,600
iNovah Application Support & Maintenance Investment:			\$ 44,300

Hardware

Qty	Component Description	Component Investment	Investment Total
iNovah™ PERIPHERAL HARDWARE			
1	Canon CR-25 Document Imager/OCR/MICR Reader ⁽⁹⁾	594	3564
1	Hardware Support for CR-25 Imager (3 Years – Direct from Canon)	351	2106
1	Freight F.O.B. Destination (estimate)	100	100
HARDWARE Investment:			\$ 5,770

JAS

Schedule "C" (Continued)

Fee Structure and Payment Schedule

Note: *Fees for Services listed below are based on best estimates of the number of hours of work required to complete the Services outlined on Schedule "B" to this Agreement. Accordingly, the total of such fees will increase or decrease as the number of actual hours worked is greater than or less than such estimates.*

Payment Schedule:

A. Software License and Interface Fees:

1. On execution of this Agreement: (40% of software fees).....\$39,050
2. On completion of Delivery and Installation:(40% of software fees)\$39,050
3. On Go-Live and Acceptance:(20% of software fees)\$19,525

B. Consulting, Development and Training Fees:\$42,200

Invoiced monthly on the basis of actuals through the completion of the project.

C. Travel Fees:.....\$10,000

Invoiced monthly on the basis of approved actuals within limits as incurred.

Hardware Purchases:

Invoiced upon order and delivery FOB (net 30 terms)\$5,770

D. Annual Support and Maintenance Fee (Invoiced upon Delivery).....\$44,300

E. System Software and Third Party Fees (Invoiced upon Delivery).....\$0.

F. Other Fees (Invoiced on Delivery).....\$0.

JM

Schedule "D"

Support and Maintenance Agreement

This support and maintenance agreement (the "Support and Maintenance Agreement") between Consultant and Organization becomes effective the earlier of one-hundred and twenty (120) days from the date of signing of the Software License, Implementation and Support and Maintenance Agreement or the date which represents the Delivery of the Software.

Unless otherwise defined herein, all defined terms used herein shall have the meaning ascribed to them in the Software License, Implementation and Support and Maintenance Agreement.

1. Subject to the terms and conditions of this Support and Maintenance Agreement, Consultant shall provide support and maintenance services which include revisions, updates and enhancements to the Software and related materials under the Agreement.
2. Subject to the terms and conditions of this Support and Maintenance Agreement, Consultant shall provide software support via telephone and electronic mail, and site visits when necessary consistent with the hours of operation, all as described in Exhibit 1 hereto and in effect as of the date hereof, as such services may, at the discretion of Consultant, be modified or supplemented from time to time (provided that any changes generally apply to all licensees of Consultant). To enable Consultant to provide effective support, the Organization will establish auto remote access based on remote access procedures compatible with Consultant's practices. For emergency situations occurring on Consultant's observed holidays, Consultant will be available to the Organization by pager number and electronic mail to provide support.
3. In consideration for the support services specified in Section 2, Organization shall pay the Annual Support and Maintenance Fee defined in Schedule C. The Annual Support and Maintenance Fee will be billed annually in advance, beginning on the anniversary of the Organization's existing Support and Maintenance term. If the Consultant significantly delays or fails to deliver the Software, the Consultant will issue a prorated invoice for the portion of the initial term as mutually agreed to by both parties. Consultant may change the Annual Support and Maintenance Fee from time to time not to exceed a maximum of six percent (6%) in any 12 month period. In addition to the Annual Support and Maintenance Fee, Organization shall reimburse Consultant for its direct expenses in providing support services pursuant to this Agreement, including, but not limited to:
 - (a) courier services, photocopying, faxing and reproduction services, all reasonable travel costs, meal expenses of not more than \$50.00 per diem (no receipts provided) and a mileage charge consistent with the Internal Revenue Service published guidelines, long distance telephone calls and all other reasonable expenses incurred in the performance of Consultant's duties hereunder.

Consultant may update its reimbursement policies from time to time, in which case such updated policies shall apply for purposes of this Support and Maintenance Agreement, provided that such updated policies must generally apply to all clients of Consultant.

4. All support services provided by Consultant to Organization other than those specified in Section 2 (such as, but not limited to, on-site support), shall be provided to Organization by Consultant at Consultant's then prevailing prices, hourly rates, policies and terms. For certainty, any updates of, or enhancements to, the Software will be made available to Organization free of charge (with respect to the actual updates or enhancements), but all services provided by Consultant with respect to such updates or enhancements will be subject to the Consultant's then-prevailing prices, hourly rates, policies and terms, meaning that such then-prevailing prices will apply to matters such as set-up and training relating to such updates or enhancements.
5. All payments hereunder shall be in U.S. dollars and shall be net of any taxes, tariffs or other governmental charges.
6. The initial term of this Agreement shall be for one year beginning on the date determined in the opening paragraph of this Schedule D (the "effective date"). Thereafter, the Agreement shall automatically renew on an annual basis, unless terminated by either party upon giving to the other not less than 90 days notice in writing prior to the end of the initial term or any subsequent anniversary of such date. Organization shall pay the then prevailing Annual Support and Maintenance Fee in advance for each term of the Support and Maintenance Agreement. If the Support and Maintenance Agreement is terminated by Organization, it shall be entitled to retain the Software licensed to it as at the date of such termination, but it will relinquish its rights to receive upgrades of, or enhancements to, the Software, services for the Software, or access to the Source in escrow upon the occurrence of any event specified in Section 2.6(d) of the Agreement. For certainty, and without mitigating the application of the Agreement during the term of this Support and Maintenance Agreement, the terms and conditions of the Agreement relating to the license of the Software and the Documentation and the rights and obligations of the parties with respect thereto will continue to apply to Organization following the termination of this Agreement.
7. Title to and ownership of all proprietary rights in the Software and all related proprietary information shall at all times remain with Consultant, and Organization shall acquire no proprietary rights by virtue hereof.
8. Unless terminated pursuant to Paragraph 6 hereof, this Support and Maintenance Agreement shall remain in full force and effect except as terminated as follows:
 - (a) if either party neglects or fails to perform, observe or cure within ninety (90) days of written notice of such failure to perform any of its existing or future obligations.
 - (b) If Organization attempts to assign this Agreement or any of its rights hereunder, or undergoes a Reorganization, without complying with the Agreement.
9. Unless otherwise agreed to by the parties, all notices required hereunder shall be made in accordance with the provisions of the Agreement.

10. Either party's lack of enforcement of any provision in this Support and Maintenance Agreement in the event of a breach by the other shall not be construed to be a waiver of any such provision and the non-breaching party may elect to enforce any such provision in the event of any repeated or continuing breach by the other.
11. A valid contract binding the parties hereto shall come into being only upon execution of this Support and Maintenance Agreement by a duly authorized agent, officer or representative of both parties.
12. This Support and Maintenance Agreement is the exclusive statement of the entire support and maintenance agreement between Consultant and Organization. No change, termination or attempted waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.
13. The parties hereto agree that the terms and conditions contained herein shall prevail notwithstanding any variations on any orders submitted by Organization.
14. The particular provisions of this Support and Maintenance Agreement shall be deemed confidential in nature and neither Organization nor Consultant shall divulge any of its provisions as set forth herein to any third party except as may be required by law.
15.
 - (a) Termination of this Support and Maintenance Agreement shall not affect any right of action of either party arising from anything which was done or not done, as the case may be, prior to the termination taking effect.
 - (b) The Organization and the Consultant recognize that circumstances may arise entitling the Organization to damages for breach or other fault on the part of the Consultant arising from this Support and Maintenance Agreement. The parties agree that in all such circumstances the Organization's remedies and the Consultant's liabilities will be limited as set forth below and that these provisions will survive notwithstanding the termination or other discharge of the obligations of the parties under this Support and Maintenance Agreement.

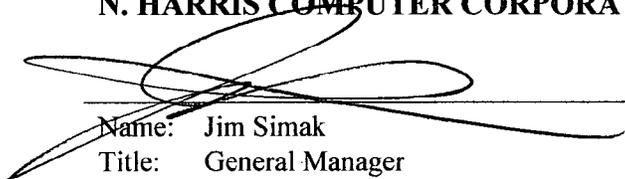
- (i) FOR BREACH OR DEFAULT BY THE CONSULTANT OR OTHERWISE IN CONNECTION WITH THIS SUPPORT AND MAINTENANCE AGREEMENT, INCLUDING A BREACH OR DEFAULT ENTITLING THE ORGANIZATION TO RESCIND OR BE DISCHARGED FROM THE PROVISIONS OF THIS SUPPORT AND MAINTENANCE AGREEMENT AND WHETHER IN THE NATURE OF A BREACH OF CONDITION OR A FUNDAMENTAL BREACH, THE ORGANIZATION'S EXCLUSIVE REMEDY, IN ADDITION TO ELECTING IF SO ENTITLED TO RESCIND OR BE DISCHARGED FROM THE PROVISIONS OF THIS SUPPORT AND MAINTENANCE AGREEMENT, SHALL BE PAYMENT BY THE CONSULTANT OF THE ORGANIZATION'S DIRECT DAMAGES TO A MAXIMUM AMOUNT EQUAL TO, AND THE CONSULTANT SHALL IN NO EVENT BE LIABLE IN EXCESS OF, THE AMOUNT OF FEES ACTUALLY PAID BY THE ORGANIZATION TO THE CONSULTANT UNDER THIS SUPPORT AND MAINTENANCE AGREEMENT DURING THE THEN-CURRENT TERM OF THE SUPPORT AND MAINTENANCE AGREEMENT UP TO AND INCLUDING THE DATE OF TERMINATION.
- (ii) IN NO EVENT SHALL ANY DAMAGES INCLUDE, NOR SHALL THE CONSULTANT BE LIABLE FOR, ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES EVEN IF THE CONSULTANT HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CONSULTANT SHALL NOT BE LIABLE FOR LOST PROFITS, LOST BUSINESS REVENUE, FAILURE TO REALIZE EXPECTED SAVINGS, OTHER COMMERCIAL OR ECONOMIC LOSS OF ANY KIND, OR FOR ANY CLAIM WHATSOEVER AGAINST THE ORGANIZATION BY ANY OTHER PARTY.
- (iii) CLAUSES (i) AND (ii) SHALL APPLY IN RESPECT OF ANY CLAIM, DEMAND OR ACTION BY THE ORGANIZATION IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION UNDERLYING SUCH CLAIM, DEMAND OR ACTION, INCLUDING, BUT NOT LIMITED TO, BREACH OF CONTRACT OR TORT.

16. The parties hereby confirm that the waivers and disclaimers of liability, releases from liability, limitations and apportionments of liability, and exclusive remedy provisions expressed throughout this Support and Maintenance Agreement shall apply even in the event of default, negligence (in whole or in part), strict liability or breach of contract of the person released or whose liability is waived, disclaimed, limited, apportioned or fixed by such remedy provision, and shall extend to such person's affiliates and to its shareholders, directors, officers, employees and affiliates.

17. Where remedies are expressly afforded by this Support and Maintenance Agreement, such remedies are intended by the parties to be the sole and exclusive remedies of the Organization for liabilities of the Consultant arising out of or in connection with this Support and Maintenance Agreement, notwithstanding any remedy otherwise available at law or in equity.
18. This Support and Maintenance Agreement shall be governed by the laws of the State in which the Organization is located.
19. This Support and Maintenance Agreement may not be assigned by the Organization unless, concurrently with any such assignment, the Organization assigns its rights under, and complies with the provisions of the Agreement.
20. This Support and Maintenance Agreement shall be binding upon the successors and assigns of the parties and enure to the benefit of the successors and permitted assigns of the parties.
21. Time shall be of the essence of this Support and Maintenance Agreement.
22. The invalidity or unenforceability of any provision or covenant contained in this Support and Maintenance Agreement shall not affect the validity or enforceability of any other provision or covenant herein contained and any such invalid provision or covenant shall be deemed to be severable.
23. The parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to effect the purposes of this Support and Maintenance Agreement and carry out its provisions.
24. This Support and Maintenance Agreement may be executed in counterparts (whether by facsimile signature or otherwise), each of which when so executed shall constitute an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this Support and Maintenance Agreement to be effective as of the date first written above.

**SYSTEM INNOVATORS, A DIVISION OF
N. HARRIS COMPUTER CORPORATION**

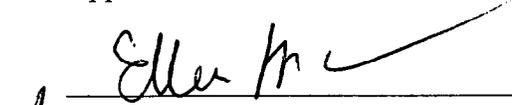

Name: Jim Simak
Title: General Manager

CITY OF PEORIA

Approved By:

Name: Herman F. Koebergen
Title: Materials Manager

Approved as to Form:


Name: Stephen M. Kemp
Title: City Attorney



Attested by:

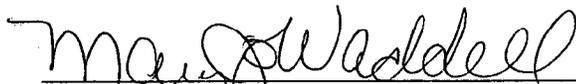

Name: Mary Jo Waddell
Title: City Clerk

EXHIBIT 1

Standard Support and Maintenance Services – Standard Guidelines

The purpose of this Exhibit I is to provide our customers with information on our standard coverage, the services which are included as part of your annual software support, a listing of call priorities, an outline of our escalation procedures and other important details.

Consultant reserves the right to make modifications to this document as required; provided, however, Consultant shall not reduce the scope of support provided hereunder without the prior consent of the Organization.

The services listed below are services that are included as part of your software support.

- 800 Toll Free Telephone support
- Scheduled assistance for installations, upgrades & other special projects (there may be charges depending on the scope of work)
- Technical troubleshooting & issue resolution
- E-mail support call logging and notification
- Standard software releases and updates
 - Defect corrections (as warranted)
 - Planned enhancements
 - State and/or Federal mandated changes (charges may exist depending on scope)
 - Release notes
- Limited training questions (15 minute guideline)
- Design review for potential enhancements or custom modifications
- Ability to attend the annual customer conference (attendance fees apply)

Help Desk Hours

Our standard hours of support are from 8:00 a.m. EST to 6:00 p.m. EST, Monday to Friday, excluding designated holidays. Extended support including nights and weekends is available on a per fee basis and must be scheduled in advance and in most cases.

Response Times

Response times will vary and are dependant on the priority of the call. We do our best to ensure that we deal with incoming calls in the order that they are received, however calls will be escalated based on the urgency of the issue reported. Our response time guidelines are as follows:

- Priority 1: 1 - 8 hours
- Priority 2: 1 - 24 hours
- Priority 3: 1 – 3 business days

Call Priorities

In an effort to assign our resources to incoming calls as effectively as possible, we have identified three types of call priorities, 1, 2 & 3. A Priority 1 call is deemed by our support staff to be an Urgent or High Priority call, Priority 2 is classified as a Medium Priority and Priority 3 is deemed to be a Low Priority. The criteria used to establish guidelines for these calls are as follows:

Priority 1 – High

- System Down (Software Application)
- Inability to process payments
- Program errors without workarounds
- Incorrect calculation errors impacting a majority of records
- Performance issues of severe nature impacting critical processes

Priority 2 - Medium

- System errors that have workarounds
- Calculation errors impacting a minority of records
- Reports calculation issues
- Printer related issues (related to interfaces with our software and not the printer itself)
- Security issues
- Performance issues not impacting critical processes

Priority 3 - Low

- Usability issues
- Report formatting issues
- Training questions, how to, or implementing new processes
- Aesthetic issues
- Issues with workarounds for large majority of accounts
- Recommendations for enhancements on system changes
- Questions on documentation

Call Process

All issues or questions reported to support are tracked via a support call, our support analysts cannot provide assistance unless a support call is logged. Our current process for logging calls includes the following: Email, phone and fax.

- Your call must contain at a minimum: your organization name, contact person, software product and version, module and/or menu selection, nature of issue, detailed description of your question or issue and any other information you believe pertinent.
- Our support system or one of our support analysts will provide you with a call id to track your issue and your call will be logged into our support tracking database.
- Your call will be stored in a queue and the first available support representative will be assigned to deal with your issue.
- As the support representative assigned to your call investigates your issue, you will be contacted and advised as to where the issue stands and the course of action that will be taken for resolution. If we require additional information, you will be contacted by the assigned support representative to supply the information required.
- Correspondence and actions associated with your call will be tracked against your call in our support database.
- Contact the support department at your convenience for a status update on your development issues-

Escalation Process

Our escalation process is defined below. This process has been put in place to ensure that issues are being dealt with appropriately. If at any time you are not completely satisfied with the resolution of your issue, you are encouraged to escalate with the support department as follows:

Level 1: Contact the support representative working on your issue

Level 2: Contact the support supervisor or group lead

Level 3: Contact the Director of Support

Level 4: Contact the GM of System Innovators

Holiday Schedule

Below is a listing of observed holidays. Please note that support services will be closed on designated days as outlined below.

New Year's Eve	Closed
New Year's Day	Closed
President's Day	Closed
Martin Luther King Holiday	Closed
Memorial Day	Closed
4 th of July	Closed
Labor Day	Closed
Thanksgiving Day	Closed
Veteran's Day	Closed
Day after Thanksgiving	Closed
Christmas Eve	Closed
Christmas Day	Closed
Day after Christmas (Boxing Day)	Closed

Test Databases & Environments

We support customers in the maintenance of independent Test Environments for testing purposes. This allows customers the opportunity to test fixes, modifications, new business processes and/or scenarios without risking any potentially unwanted changes to the live environment. The creation of Test Databases & Environments is a billable service, quotations & incremental maintenance rates will be provided on request.

Connection Methods

To ensure we can effectively support our clients, we require that a communication link is established and maintained between our two sites. It is the client's responsibility to ensure the connection is valid at your location so that we can connect to your site and resolve any issues. Our supported methods of connection are: Direct internet, Virtual Private Network (VPN), Remote Access Server (RAS).

Hardware and Third Party Support – if applicable

The purpose of this section is to provide our customers with information on our standard coverage and the services which are included as part of your annual hardware and third party software support (if applicable). This section serves as a guideline for the support department but is superseded by an existing third party or other agreement.

Standard Hardware and Third Party Software Support Services

- 800 telephone support – first line phone support for troubleshooting (note more complex issues will be escalated to the actual vendor of the products)
- remote connection support
- technical troubleshooting
- limited training questions (15 minute guideline)
- recommendations on specific hardware requirements
- Hardware Exchange programs covers supported printers purchased from System Innovators, and includes advanced printer exchange and return via 2-day shipping
- Optional “on call” after hours support (scheduled assistance for installations, upgrades and other special projects – additional fees and charges may apply)
- Hardware Support for Canon CR-XX Scanners is provided directly by Canon USA upon purchase of the Canon CarePak available from System Innovators, a Canon Partner. CarePak provide 3 year support and must be purchased at the time of original scanner purchase.

Billable Support Services

The services listed below are services that are OUT of SCOPE of your support and maintenance agreement and are therefore considered billable services.

- Creation of custom reports
- Extended telephone training (beyond 15 minutes)
- Forms redesign or creation (includes Bill Prints, Notice Prints and Letters, Permits, etc.)
- Setup & changes to hand-held interface or creation of new interface
- Setup of new services or changes to services (POP, ACH, etc)
- File imports/exports - Interfaces to other applications
- Custom modifications (reports, bills, forms, reversal of customizations)
- Setting up additional companies / agencies / tokens / general ledgers
- Data conversions / global modification to setup table data
- Database maintenance, repairs & optimization
- Upgrades & support of third party software
- Assistance with creation of backup scripts / backup recovery
- Assistance with recovering data resulting from system crashes (charges may apply)
- Assistance with database installation, configuration and updating
- Preventative maintenance monitoring or other services
- Installation or upgrade of hardware and third party software
- Hardware & Operating System support
- WEB/IP/ODBC connections to other third party products
- Refreshes, backups, restores, and Setting up test areas
- Setup of new printers, printer setup changes not covered by Hardware Maintenance

Schedule "E"

Scope of Work – to be attached if applicable

Summary

The **Error! Reference source not found.** has requested an investment schedule for the following professional services to upgrade their existing installation to iNovah. System Innovators will use its extensive cashing experience, client knowledge and industry expertise to facilitate the implementation and delivery of customized software and services for the **Error! Reference source not found.** ("Customer") as defined within this Statement of Work ('SOW').

System Innovators will work closely with the Customer to manage the SOW and ensure success of the overall project. System Innovators expects the design, development and testing phase to take approximately 90 days to allow the Customer to complete Acceptance and System Testing activities.

The software and services defined within this SOW shall be deemed "Delivered" when the Customer receives software and/or services, and the Customer delivers a signed statement to System Innovators acknowledging Delivery.

The software and services defined within this SOW shall be deemed "Accepted" when acceptance testing is satisfactorily completed with no critical or major defects, and the Customer delivers a signed statement to System Innovators accepting the System, or the System is placed in a production environment and used for processing payments.

Changes to this SOW will be processed in accordance with the Project Change Control procedure as described herein. The implementation of changes may result in modifications to the Scope, Schedule, Charges, and other terms of this SOW.

Assumptions

1. The Customer will assign a Project Manager to serve as the single point of contact for System Innovators who has the authority to act for the Customer in all aspects of this Statement of Work (SOW).
2. The Customer will define software requirements for System Innovators, and provide data that assist System Innovators in providing the customized Software and Services defined in this SOW
3. The Customer will provide personnel and resources as necessary to complete acceptance testing of the System in a timely manner.
4. The Customer will inform System Innovators of any changes related to their system configuration
5. The Customer will provide System Innovators with a High-Speed Virtual Private Network "VPN" to support delivery and remote support of the software and services defined within this SOW.
6. The Customer will provide resources, documentation and support in a timely fashion to enable System Innovators to meet agreed upon schedules.
7. The Customer will prepare an acceptance test plan and test scripts, perform acceptance testing in a timely manner, and report test results and identified problems to the Systems Innovators' Project Manager.

Consulting Services

	Services Description	Estimated Hours
	Installation and Training Package	
1	Project Management	64
1	Assessment Services	40
1	Delivery and Configuration Services	40
1	Custom Code Integration – API for IVR and Refunds	32
1	System Training	16
1	End User Training	8
1	Go-Live Support	16

Software Deliverables

	Software Description
	iNovah Software
1	iNovah Enterprise Edition (up to 750,000 receipts annually)
1	Check21 Module
1	iNovah Payment Gateway – PayPal Interface
Interactive Software Interfaces	
1	Harris NorthStar Utility Billing – web service
1	Harris NorthStar Misc A/R – web service
1	Accela Permitting and Trust – web service
Batch Software Interfaces	
1	Payment Import – Harris NorthStar Utility Billing AutoPay
1	Payment Import – Harris NorthStar Utility Billing Lockbox
1	Payment Import – Harris NorthStar Utility Billing ACH
1	Payment Import – Accela Permitting
1	Payment Export – PeopleSoft G/L

Project Change Control

All change requests will be submitted in writing, and they will describe the change, the rationale for the change, and specify any change in charges, estimated schedule or other terms, and describe the effect the change will have on the Agreement. The party submitting the change request shall deliver the change request to the other party for review and acceptance or rejection. Depending upon the extent and

complexity of the requested change, Systems Innovators may charge a fee for the effort required to analyze it. When charges are necessary for such analysis, Systems Innovators will provide a written estimate of the fee and will provide such analysis upon written authorization by the Customer. Both the Systems Innovators Project Manager and the Customer Project Manager must approve each change before amending the Agreement and implementing the change. Approved changes affecting charges, schedule or other terms of this Agreement will be incorporated into the Agreement through written Amendment. The terms of a mutually agreed upon Amendment will prevail over those of this Agreement or any previous Amendments.

Required Consent

The Customer will promptly obtain and provide to System Innovators all Required Consents necessary for System Innovators to provide the Services described in this Agreement. A Required Consent means any consent or approvals required to give System Innovators and its subcontractors the right or license to access, use and/or modify (including creating derivative works) to the hardware, software, firmware and other products that the Customer uses, without infringing the ownership or license rights (including patent and copyright) of the providers or owners of such products. The Customer will indemnify, defend and hold System Innovators, its affiliates, and subcontractors, harmless from and against any and all claims, losses, liabilities and damages (including reasonable attorneys' fees and cost) arising from or in connection with any claims (including patent and copyright infringement) made against System Innovators, alleged to have occurred as a result of the Customer's failure to provide any Required Consents provided that System Innovators uses such third party products only as necessary to perform its obligations under this Agreement. System Innovators will be relieved of the performance of any obligations that may be affected by the Customer's failure to promptly obtain and provide any Required Consent to System Innovators. In the event System Innovators uses such third party products in a way that exceeds the scope of this Agreement and the third party claim is based on such "excess use", this indemnity shall not apply.

Schedule "F"

Sample Form Change Order

Organization's Change Order Form Incorporated by Reference -

Schedule "G"

**Consultant's proposal to Organization as amendment to existing City of Peoria
Contract#LCON05205**

Schedule "H"

System Software – to be attached if applicable

No System Software Purchased by Organization

Schedule "T"

Hardware – to be attached if applicable

No Hardware Purchased by Organization

Optional Peripheral Hardware and Support

Qty	Component Description	Component Investment	Investment Total
iNovah™ PERIPHERAL HARDWARE			
1	TPG A776 USB/Serial Receipt/Slip/Validation Printer ⁽⁸⁾	\$595	\$595
1	APG Cash Drawer (18 x 16) with locking till ⁽¹⁰⁾	229	229
1	Freight F.O.B. Destination (estimate)	50	50

Qty	Component Description	Component Investment	Investment Total
iNovah™ ANNUAL HARDWARE SUPPORT			
1	Hardware Exchange for TPG A776 (from System Innovators)	199	199

Optional Hardware Prices and Support Rates for are valid for one year from contract execution.

JMS

Schedule "J"
Software Not Selected – to be attached if applicable

Optional Software Modules

Item	Component Description	Component Investment	Investment Total
	TaxMantra Sales Tax System R/T Interface	15,000	15,000
	Payment Import – TaxMantra Tax System ACH	7,500	7,500
	Trust Accounting Module	5,000	5,000

Optional Services

QTY	Service Description	Unit Cost	Total Cost
1	Consulting, Custom Programming and Management	200	200
1	Training and Testing Support	175	175

Optional Software Component Prices and Hourly Service Rates for are valid for one year from contract execution.

JMS