

COPY

*Approved by Council
8/15/2015*

NEW WORLD SYSTEMS CORPORATION
STANDARD SOFTWARE MAINTENANCE AGREEMENT

This Standard Software Maintenance Agreement (SSMA) between **New World** Systems Corporation (New World) and **Commerce City, CO** (**Customer**) sets forth the standard software maintenance support services provided by **New World**.

1. Service Period

This SSMA shall remain in effect for a period of five (5) years from (start date) 10/1/15 to (end date) 9/30/20.

2. Services Include

The following services or features are available under this SSMA:

- (a) Upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**).
- (b) Temporary fixes to Licensed Standard Software (see paragraph 6 below).
- (c) Revisions to Licensed Documentation.
- (d) Reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone).
- (e) Invitation to and participation in user group meetings.

Items a, b, and c above will be provided to **Customer** by electronic means.

Additional support services are available as requested by **Customer** using the then-current hourly rates or applicable fees.

3. Maintenance for Modified Licensed Standard Software and Custom Software

Customer is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If **New World** agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at **Customer's** request, then the additional **New World** maintenance or support services provided shall be billed at the then-current hourly fees plus reasonable expenses.

4. Billing

Maintenance costs will be billed annually as detailed on the following page. If taxes are imposed, they are the responsibility of the **Customer** and will be remitted to **New World** upon being invoiced.

5. Additions of Software to Maintenance Agreement

Additional Licensed Standard Software licensed from **New World** will be added to the SSMA per the terms of the contract adding the software. Maintenance costs for the additional software will be billed to **Customer** on a pro rata basis for the remainder of the current maintenance year and on a full year basis thereafter.

6. Requests for Software Correction on Licensed Standard Software

At any time during the SSMA period, if **Customer** believes that the Licensed Standard Software does not conform to the current specifications set forth in the user manuals, **Customer** must notify **New World** in writing that there is a claimed defect and specify which feature and/or report **Customer** believes to be defective. Before any notice is sent to **New World**, it must be reviewed and approved by the **Customer** Liaison. Documented examples of the claimed defect must accompany each notice. **New World** will review the documented notice and when a feature or report does not conform to the published specifications, **New World** will provide software correction service at no charge. A non-warranty request is handled as a billable Request for Service (RFS).

The no charge software correction service does not apply to any of the following:

- (a) situations where the Licensed Standard Software has been changed by anyone other than **New World** personnel;
- (b) situations where **Customer's** use or operations error causes incorrect information or reports to be generated; and;
- (c) requests that go beyond the scope of the specifications set forth in the current User Manuals.

7. Maintenance Costs for Licensed Standard Software Packages Covered for .NET Server

New World agrees to provide software maintenance at the costs listed below for the following **New World** Standard Software packages licensed by the **Customer**:

<u>Application Package</u>	<u>Number of Modules</u>
1. <i>Logos</i> ® Financial Management Suite	18
2. <i>Logos</i> ® Payroll & Human Resources Suite	11
3. <i>Logos</i> ® Decision Support Software	3
4. <i>Logos</i> ® eSuite	5
5. <i>Logos</i> ® Site License	1

**ANNUAL
MAINTENANCE COST: See Below**

<u>Period Covered</u>	<u>Annual Amount</u>	<u>Billing Date</u>
10/1/2015 to 9/30/2016	\$101,950	9/15/2015
10/1/2016 to 9/30/2017	\$105,010	9/15/2016
10/1/2017 to 9/30/2018	\$108,160	9/15/2017
10/1/2018 to 9/30/2019	\$112,490	9/15/2018
10/1/2019 to 9/30/2020	\$116,990	9/15/2019

ALL INVOICES ARE DUE FIFTEEN (15) DAYS FROM BILLING DATE.

8. Terms and Conditions

This Agreement is covered by the Terms and Conditions specified in the Licensing Agreement(s) for the software contained herein.

ACCEPTED BY:

Customer: Commerce City, CO

Name: _____

Title: City Manager

Date: _____

ACCEPTED BY:

New World Systems Corporation

Name: _____

Title: _____

Date: _____

Name: _____

Title: City Clerk

Date: _____

Name: _____

Title: City Attorney

Date: _____

By signing above, each of us agrees to the terms and conditions of this Agreement and as incorporated herein. Each individual signing represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met. If the individual is not so authorized then (s)he assumes personal liability for compliance under this Agreement.

Commerce City, CO

Licensed Application Software

At April, 2015

1. Logos® Financial Management Suite

- Financial Management Base Suite .NET
 - General Ledger
 - Budget Management
 - Annual Budget Preparation
 - Accounts Payable
 - Revenue/Cash Receipting
- Purchasing Base .NET
- Bid and Quote Management .NET
- Project Accounting .NET
- Contract Accounting .NET
- Investment Tracking .NET
- Government (GASB) Reporting .NET
- Financial Management Report Writer .NET
- Grant Management .NET
- Asset Management .NET
- Misc. Billing & Receivables .NET
- PC Cash Register Interface .NET
- Debt Service .NET
- Bank Reconciliation .NET

2. Logos® Payroll & Human Resources Suite

- Human Resources Mgt. Base Suite .NET
 - Base
 - Payroll Processing
 - Personnel Management
 - Position Control
- Benefits Administration .NET
- Applicant Tracking .NET
- HR/Payroll Report Writer .NET
- Position Control .NET
- Position Budgeting .NET
- Employee Event Tracking .Net
- Personnel Action Processing .NET

3. Logos® Decision Support Software

- Finance Analytics .NET
- HR/Payroll Analytics .NET
- Decision Support Base Datamart

4. Logos® eSuite

- eSuite Base
- eBenefits Administration
- eRecruit
- eTime Sheets
- eEmployee

5. Logos® Site License

- Site License

ADDENDUM TO STANDARD SOFTWARE MAINTENANCE AGREEMENT

The City of Commerce City ("City") and New World Systems Corporation ("New World") agree that the "Standard Software Maintenance Agreement" covering the period from October 1, 2015 through September 30, 2020 ("Agreement") is modified to include the following terms, notwithstanding anything in the Agreement or its incorporated terms to the contrary:

1. The obligations of the City to commit or expend funds pursuant to the Agreement after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise available. If funds sufficient to maintain the Agreement are not appropriated by the City, the Agreement will terminate on the date that the requisite funding ceases to be available to the City, without notice. In such event, the City will not be liable for any amounts beyond the funds appropriated and encumbered for this Agreement and will be liable only to pay for services previously delivered or provided to the City as of the date of termination.

2. The parties acknowledge that the City is a public entity subject to the Colorado Open Records Act, C.R.S. § 24-72-201, et seq., and documents related to the performance of this Agreement may be subject to public disclosure.

3. No term or condition of the Agreement shall be construed or interpreted as a waiver, express or implied, of any immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, CRS § 24-10-101 *et seq.*

ATTEST:

CITY OF COMMERCE CITY

Laura J. Bauer, MMC, City Clerk

Brian McBroom, City Manager

Recommended for approval:

Approved as to form:

Sheryl Carstens, Director of Finance

Robert D. Sheesley, Senior Assistant City Attorney

NEW WORLD SYSTEMS CORPORATION

Signature

GREG SEIBSTIAN, CEO
Printed Name and Title



Award Recommendation

Item:	STANDARD SOFTWARE MAINTENANCE AGREEMENT
Contractor:	New World Systems Corporation
Contract Amount:	\$544,600

Project Description:

The software maintenance agreement provides for on-going support services for the LOGOS.net software application.

Services Include

The following services or features are available under this SSMA:

- (a) Upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**).
 - (b) Temporary fixes to Licensed Standard Software (see paragraph 6 below).
 - (c) Revisions to Licensed Documentation.
 - (d) Reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone).
 - (e) Invitation to and participation in user group meetings.
- Items a, b, and c above will be provided to **Customer** by electronic means.

Bidding Process:

- Software acquisition cost of \$711,000 was dedicated for the city to acquire the new financial and human resources software.
- A competitive RFP process was followed when the software selection was made.
- The city implemented the software with an effective date of 1/1/2009
- Bids were not solicited for the software maintenance agreement through a formal process because New World Systems is the only vendor providing this software support.
- The software is foundational to our business processes, we are proficient in its operation and support, it is providing the city good value, and the service disruption caused by a change at this point in the system lifecycle far outweighs any potential benefit from a change in vendor.
- The annual maintenance fee have been budgeted each year since inception within the IT budget
- Maintenance costs of \$490,217 have been paid since October 1, 2009
- The procurement policy requires council approval for all contracts over \$250,000

Schedule:

Period Covered	Annual Amount	Billing Date
10/1/2015 to 9/30/2016	\$101,950	9/15/2015
10/1/2016 to 9/30/2017	\$105,010	9/15/2016
10/1/2017 to 9/30/2018	\$108,160	9/15/2017
10/1/2018 to 9/30/2019	\$112,490	9/15/2018
10/1/2019 to 9/30/2020	\$116,990	9/15/2019



Financial Impact:

Total Contract is \$544,600, the first annual installment is due in September 2015 and each September thereafter per the schedule.

Staff Recommendation:

Staff recommends approving the contract to New World Systems in the amount of \$544,600 for this maintenance agreement. Each year the IT department will budget the annual payment per the contract.

**RESOLUTION AUTHORIZING AWARD OF CONTRACT WITH NEW WORLD
SYSTEMS CORPORATION**

NO. 2015-82

WHEREAS, the City of Commerce City ("City") requires the use and annual software maintenance of financial management software;

WHEREAS, the City has identified New World Systems Corporation ("New World") as the contractor to provide, maintain, and support the financial management software, as set forth in the attached agreement ("Contract");

WHEREAS, the cost to the City of the Contract is anticipated to be approximately \$544,600;

WHEREAS, pursuant to the City's procurement policies, the City Council must approve any procurement in excess of \$250,000.00; and

WHEREAS, the City Council finds and determines that the award of the Contract to New World Systems as described is and shall be in the best interest of the residents of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO, AS FOLLOWS:

1. The award of the Contract to New World is hereby approved.
2. The City Manager is hereby authorized to execute, and the City Clerk to attest, the Contract on behalf of the City.

RESOLVED AND PASSED THIS 17TH DAY OF AUGUST 2015.

CITY OF COMMERCE CITY

Sean Ford, Mayor

ATTEST:

Laura J. Bauer, MMC, City Clerk