

AN ORDINANCE 2010-04-01-0273

AUTHORIZING A CONTRACT WITH LAGAN TECHNOLOGIES, INC. TO PROVIDE THE OFFICE OF CUSTOMER SERVICE/311 DEPARTMENT WITH CUSTOMER RELATIONSHIP MANAGEMENT (CRM) THAT WILL INCLUDE SOFTWARE MAINTENANCE AND SUPPORT, FOR AN INITIAL ESTIMATED COST OF \$893,053.00 AND UP TO \$200,000.00 ANNUALLY THEREAFTER FUNDED WITH THE FY 2010 CAPITAL IMPROVEMENT PROGRAM BUDGET.

* * * * *

WHEREAS, Customer Relationship Management is a business initiative that combines enhanced customer service delivery and new technologies that will give the City of San Antonio the ability to conduct its business more efficiently and effectively; and

WHEREAS, new CRM software system will expand the way customers can report issues or make a request for service, and will provide the City with an efficient capability to track and collect data; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. An agreement with Lagan Technologies, Inc, in the amount of \$893,053.00, and up to \$200,000.00 annually thereafter, to provide the City of San Antonio with customer relationship management software, maintenance and support, is hereby approved. A copy of the agreement, discretionary contracts disclosure and the scoring matrix are attached hereto and incorporated herein as **Attachment 1**. The Director or his designee may execute this document and any necessary additional documents to carry out the purpose of this ordinance.

SECTION 2. Payment in the amount not to exceed \$893,053.00 in SAP Fund 45099000, Certificates of Obligation Capital Projects, SAP Project Definition 09-00103, IRSS Replacement aka Enterprise CRM is authorized to be encumbered and made payable to Lagan Technologies, Inc. for Customer Relationship Management Software Licenses to include the first year's software maintenance and support.

SECTION 3. Payment for future annual maintenance and support services are contingent upon the availability of funds from the City's operating budget and City Council approval.

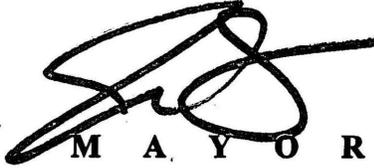
SECTION 4. The financial allocations in this Ordinance are subject to approval by the Chief Financial Officer, City of San Antonio. The Chief Financial Officer may, subject to concurrence by the City Manager, or the City Manager's designee, correct allocation to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund

JK
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#35

Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

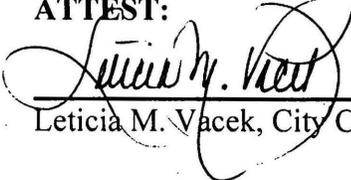
SECTION 5. This ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise it shall be effective on the tenth day after passage hereof.

PASSED and APPROVED this 1st day of April, 2010.



M A Y O R
Julián Castro

ATTEST:

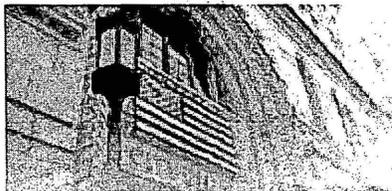


Leticia M. Vacek, City Clerk

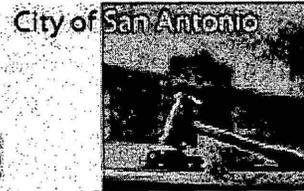
APPROVED AS TO FORM:



For Michael Bernard, City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 35

Name:	35						
Date:	04/01/2010						
Time:	12:02:38 PM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a contract with Lagan Technologies, Inc. to provide the Office of Customer Service/311 Department with Customer Relationship Management (CRM) that will include software maintenance and support, for an initial estimated cost of \$893,053.00 and up to \$200,000.00 annually thereafter funded with the FY 2010 Capital Improvement Program Budget. [Richard Varn, Chief Information Officer; Tony Bosmans, Director, Customer Service/311]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor	x					
Mary Alice P. Cisneros	District 1		x				x
Ivy R. Taylor	District 2		x				
Jennifer V. Ramos	District 3		x				
Leticia Cantu	District 4		x				
David Medina Jr.	District 5	x					
Ray Lopez	District 6		x				
Justin Rodriguez	District 7		x				
W. Reed Williams	District 8		x			x	
Elisa Chan	District 9		x				
John G. Clamp	District 10		x				

* = Required fields



City of San Antonio Discretionary Contracts Disclosure

Office of the
City Clerk

Please fill this form out online and submit it for processing.
Use the *Print* button to make a copy for your records.

For use of this form, see Section 2-59 through 2-61 of the City's Ethics Code.

This is a New Submission or Correction or Update to previous submission.

Disclosure submitted by:			
*First: <u>John</u>	M.I. _____	*Last: <u>Murray</u>	Suffix: _____

*Name and/or Number of the Discretionary Contract: RFCSP 09-118-WF

*(1) Identify any individual(s) or entity(ies) that are *party* to the discretionary contract:

An entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the DBA if any.

Lagan Technologies, Inc.

*(2) Do any of the identified parties to the contract have a *partner, parent, or subsidiary* business entity? Yes No

List each identified party and their partner, parent, or subsidiary business entity:

Lagan Technologies, Limited (UK)

*(3) Are there any individuals or business entities that would be *subcontractor(s)* on the discretionary contract? Yes No

*(4) Are there any attorneys, lobbyists, or consultants employed by any individuals or entities listed in Sections 1, 2, or 3 to assist in seeking this contract? Yes No

*(5) Have any of the following made campaign or officeholder contributions totaling more than \$100 during the last 24 months to any current or former member of City Council, to any candidate for City Council or to any political action committee that contributes to City Council elections?

- a) Any individual listed in section 1, 2, or 3; Yes No
- b) Any owner or officer of any entity listed in 1, 2, or 3;
- c) The legal signatory of the contract;
- d) The spouse of any person seeking a high-profile contract, or of any owner or officer of an entity listed in 1, 2 or 3, and the spouse of the legal signatory.
- e) Any attorney, lobbyist or consultant retained to assist any individual or entity listed in 1, 2, or 3 above.

"No political contributions to report."

Updates Required. Information regarding contributions must be updated by submission of a revised form, if contributions are made after submission of this form up through the time the City Council takes action on this contract and 30 days after.

Notice Regarding Prohibition on Campaign Contributions for Individuals and Entities Seeking High-Profile Contracts. Under Section 2-309 of the Municipal Campaign Finance Code, the following are prohibited from making a campaign or officeholder contribution to any member of City Council, candidate for City Council or political action committee that contributes to City Council elections from the 10th business day after a contract solicitation has been released until 30 calendar days after the contract has been awarded:

GR.1075-01.PUR.REPORT.Discretionary Contracts Disclosure
Rev.2009-2 07/21/09

* = Required fields



City of San Antonio Discretionary Contracts Disclosure

Office of the
City Clerk

- Legal signatory of a high-profile contract;
- any individual seeking a high-profile contract;
- any owner or officer of an entity seeking a high-profile contract;
- the spouse of any of these individuals;
- any attorney, lobbyist or consultant retained to assist in seeking contract.

A high-profile contract cannot be awarded to the individual or entity if a prohibited contribution has been made by any of these individuals during the "black out" period.

***(6) Conflicts of Interest:**

Are you aware of facts with regard to this contract, that would raise a "conflicts-of-interest" issue as defined by Sections 2-43 or 2-44 of the City's Ethics Code for any councilmember or board/commission member that has not been raised by the council or board/commission member? Yes No

Attach additional documentation regarding this disclosure, if needed. Use the paper clip icon at the bottom left of the window.

Acknowledgements

*Updates Required

I understand that this form is required to be supplemented by submission of a revised form in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever comes first. This includes information about political contributions made after the initial submission and up until 30 days after contract award.

*No Contact with City Officials or Staff

I understand that a person or entity who seeks or applies for a city contract or any other person acting on behalf of such person or entity, is prohibited from contacting city officials and employees regarding such a contract after a Request for Proposal (RFP), Request for Qualification (RFQ) or other solicitation has been released. This no-contact provision shall conclude when the contract is posted as a City Council agenda item. If contact is required with city officials and employees, such contact will be done in accordance with procedures incorporated into the solicitation document. Violation of Section 2-61 Prohibited Contacts During Contract Solicitation Period of the City of San Antonio Ethics Code by respondents or their agents may lead to disqualification of their offer from consideration.

*High-Profile Contracts

This is not a "high-profile" contract.

I acknowledge that this contract has been designated a "high-profile" contract.

I further acknowledge that the legal signatory of a high-profile contract, any individual seeking a high-profile contract, any owner or officer of an entity seeking a high-profile contract, the spouse of any of these individuals, and any attorney, lobbyist or consultant retained to assist in seeking contract are prohibited from making a campaign or officeholder contribution from the 10th business day after a contract solicitation has been released until 30 calendar days after the contract has been awarded.

I warrant that no contributions have been made by these individuals in violation of this prohibition.

Oath

*I swear or affirm that the statements contained in this Discretionary Contracts Disclosure Form, including any attachments, to the best of my knowledge and belief are true, correct, and complete.

*Your Name: John Murray Title: Chief Counsel

*Company Name or DBA: Lagan Technologies, Inc. Date: 08/28/2009

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LAGAN

PUBLIC SECTOR SUPPLY AGREEMENT

PARTIES:

(1) **LAGAN TECHNOLOGIES, INC.**, whose principal office is at Two Democracy Center, 6903 Rockledge Drive, Suite 920, Bethesda, MD 20817 ("LAGAN"); and

(2) **LICENSEE:**

Name:	City of San Antonio
Principal Office:	515 South Frio, San Antonio Texas 78207

AGREED TERMS:

1. This Agreement includes the attached terms & conditions, the schedules thereto and any other documents which LAGAN and the Licensee expressly agree in writing are to form part of this Agreement (the "Agreement").
2. The parties acknowledge that they have read and understood this Agreement and are not entering into this Agreement on the basis of any representations not expressly set forth in it.
3. Performance of the terms of this Agreement by the Licensee is conditional upon the passage of the ordinance approving this Agreement by the San Antonio City Council.

AGREED AND ACCEPTED:

For and on behalf of LAGAN by:

Thomas F. Mazer
(Signature)

Thomas F. Mazer
(Printed Name)

SUP, LAGAN North America
(Title)

March 17, 2010
(Date)

For and on behalf of Licensee by:

(Signature)

(Printed Name)

(Title)

(Date)

STANDARD TERMS & CONDITIONS

1. OVERVIEW OF AGREEMENT

These Terms and Conditions set out the terms upon which LAGAN agrees to supply the Deliverables, the Services and the Lagan Support Services to the Licensee.

2. DEFINITIONS & INTERPRETATION

The following terms shall have the following meanings:

Acceptance Date means the earlier of either: (i) the date of successful completion of acceptance testing in accordance with Section 4, or (ii) the date upon which all or substantially all of the Software is deployed by the Licensee in a live environment;

Annual Support Fee means the Annual Support Fee set out and payable in accordance with Schedule 2;

Authorized User Parameters means the Authorized User Parameters set out in Schedule 3;

Charges means the charges for the Deliverables and the Services set out in Schedule 2, excluding the Annual Support Fee;

Confidential Information means in relation to either party, any or all information of a confidential nature (whether in oral, written or electronic form) including trade secrets and information of commercial value known and belonging to that party and concerning its business, suppliers, customers, products or services (including without limitation the Software and the Documentation) and any other information which the recipient knows or is notified or has reason to believe is confidential to the disclosing party;

Deliverables means the Software, the Documentation and the Third Party Software (if any) to be supplied by Lagan;

Documentation means any product manuals supplied to the Licensee in soft copy format or any agreed specification by the parties;

Initial Term means the term for support and maintenance services as more particularly described in Schedule 2;

Intellectual Property Rights means any patents, trade marks, service marks, design rights (whether registered or unregistered), applications for any of the foregoing, copyright, database rights, know-how, trade or business names and other similar rights or obligations whether registrable or not, in any country;

License Fee means the License Fee set out in Schedule 2 hereof;

Site means 515 South Frio, San Antonio Texas 78207

Services means the services described in Schedule 3 hereof;

Software means all of the Lagan Owned Software, the OEM Software and Third Party Software, all as listed in and more particularly described in Schedule 3 and where the context requires, the Software will be further designated as Lagan Owned, OEM or Third Party;

Solution means the solution presented to the Licensee by LAGAN for user acceptance testing in accordance with Section 4;

Lagan Support Services means the support and maintenance services specified in Schedule 1 hereof;

Supported Users means the three persons nominated by the Licensee to deal with the Lagan Support Team;

Upgrade means any maintenance release of the Lagan Owned Software or new version of the Lagan Owned Software which enhances existing functionality and which is supplied to the Licensee pursuant to Section 6;

Use means to read, execute, store, transmit, display, copy (for purposes of loading, storage, execution and transmission or display only) or otherwise use the Software;

Warranty Period means the period of 30 days from the Acceptance Date.

References to clauses are to the clauses of these Terms and Conditions.

3. SUPPLY

3.1 In consideration of the payment of the Charges by the Licensee, LAGAN shall:

3.1.1 license the Software and the Documentation to the Licensee pursuant to the terms and conditions set out in this Agreement and any additional licensing terms set out in Schedule 3 hereof which apply to the OEM Software or the Third Party Software; and

3.1.2 perform the Services at the Site.

3.2 LAGAN grants to the Licensee a perpetual, non-exclusive and non-transferable license to Use the Software and any Upgrades, patches or workarounds supplied by LAGAN to the Licensee in the performance of its obligations under this Agreement, at the Site within the Authorized User Parameters for the Licensee's internal business purposes only and to possess and refer to the Documentation provided that the Licensee shall not:

3.2.1 modify or remove any copyright or proprietary notices on the Software or the Documentation and shall reproduce such notices on any copies of the Software or Documentation made by the Licensee in accordance with Section 3.3 in the form in which they appear on the original;

3.2.2 except to the extent permitted by law (excluding the correction of errors) decompile, reverse engineer, disassemble or otherwise reduce any part of the Software to human-readable form nor permit any third party to do so;

3.2.3 copy, make corrections to or otherwise modify or adapt the Software or create derivative works based upon the Software nor permit any third party to do so;

3.2.4 re-license, sub-license, rent, lease, timeshare, or act as a service bureau or provide subscription services for the Software, nor assign or give any interest in the Software or the Documentation to another individual or entity; or

3.2.5 exceed the Authorized User Parameters.

3.3 The Licensee may make a reasonable number of back-up copies of the Software and the Documentation as are strictly necessary for its lawful use. The Licensee shall maintain records of the number and location of all such copies of the Software and the Documentation.

3.4 LAGAN has, for the benefit of its licensees, established a multi party escrow agreement and has deposited the source code of the Lagan Owned Software and Documentation in escrow with Iron Mountain Intellectual Property Management, Inc. ("Iron Mountain"). The Licensee can upon request be registered as a beneficiary under this Multi Party Escrow Agreement, provided that it shall be responsible for the standard Iron Mountain fee charged to beneficiaries who subscribe, which at the time of this Agreement is \$700 on an annual basis and is subject to annual increase as determined by Iron Mountain.

4 FINAL ACCEPTANCE

4.1 Where one of the milestones set out in Schedule 2 is linked to final acceptance of the Solution, the Licensee will be required to accept the Solution within 14 days of being notified by LAGAN that it is ready for final acceptance.

4.2 The Licensee may run acceptance tests to prove that the Solution conforms in all material respects to what the parties have agreed in the Statement of Work (or any specification for the Solution otherwise agreed in writing after the date of this Agreement) (the "Specification").

4.3 Following completion of the acceptance tests referred to in Section 4.2, the Licensee may reject any element or module of the Solution by giving a written notice to LAGAN if:

4.3.1 such module or element of the Solution materially fails to comply with the Specification and LAGAN fails to remedy such defect within 60 days of receipt by LAGAN of a written notice from the Licensee specifying such failure; and

4.3.2 such failure to remedy the defect is not caused by:

(a) an event of Force Majeure (as defined in Section 15.5); or

(b) the failure of the Licensee or its relevant agents, employees or sub-contractors to co-operate with, render necessary assistance to or generally facilitate the resolution of such defect, and such failure materially impacts on LAGAN's ability to remedy the defect.

If LAGAN's failure to remedy such defect is caused by either of the circumstances set out in Section 4.3.2(a) or Section 4.3.2 (b), then Lagan's time to remedy such defect will be extended by the duration of such circumstances.

4.4 Unless the rejection notice referred to in Section 4.3 is received by LAGAN within 7 days of the end of the acceptance tests referred to in Section 4.2 the Solution shall be deemed to have been accepted by the Licensee. The rights of rejection and recovery of all direct loss and damage reasonably and properly incurred and identified by the Licensee in respect of any rejected element or module of the Solution (subject always to Section 11 and to the Licensee using its best efforts to mitigate any and all loss or damage accruing to it pursuant to any right of rejection) are the sole remedy of the Licensee for failure of such element or module of the Solution to comply with its Specification.

5 LAGAN SUPPORT SERVICES

5.1 In consideration of the payment of the Annual Support Fee by the Licensee, LAGAN shall supply the Lagan Support Services to the Licensee through the Supported Users.

5.2 LAGAN shall not be obliged to provide the Lagan Support Services in respect of:

5.2.1 software, accessories, attachments, machines, systems or other devices which were not supplied by LAGAN;

5.2.2 any changes, alterations, additions, modifications or variations made to the Software other than by LAGAN; or

5.2.3 faults caused by using the Software outside the terms of this Agreement or outside the provisions laid down in the Documentation.

6 UPGRADES

6.1 During the term of this Agreement, and subject to payment of the Annual Support Fee, the Licensee shall be entitled to receive without charge all or any Upgrades as soon as such Upgrades are made generally available to other customers of LAGAN. The Licensee will be responsible for the costs of installing, user acceptance testing and implementing Upgrades in accordance with guidance and instructions provided by LAGAN.

6.2 Any Upgrades shall following delivery by LAGAN to the Licensee be deemed part of the Software and subject to the terms of this Agreement.

7 PROJECT MANAGER

7.1 LAGAN shall ensure that during the term of this Agreement a suitably qualified person is appointed as Lagan's Project Manager ("Project Manager"). The Project Manager shall ensure that he or she maintains regular contact with the Licensee's appointed officer.

7.2 The Project Manager shall consult with the Licensee's appointed officer as often as may reasonably be necessary to ensure the continuous and efficient provision of the Deliverables, the

Services and the Lagan Support Services in accordance with this Agreement.

- 7.3 The Project Manager and the Licensee's appointed officer shall inform each other promptly and in writing of any known instances of activity or omission on part of the Licensee, or LAGAN, or any third party which prevent or hinder, or may prevent or hinder LAGAN or the Licensee from complying with this Agreement.

8. CHARGES & ANNUAL SUPPORT FEE

- 8.1 The Licensee shall pay LAGAN the License Fee on or before the date for payment specified in the Schedule 2 hereto.

- 8.2 In the event that the Licensee wishes to purchase additional processing capacity by extending the Authorized Users Parameters, that additional capacity shall (subject to availability) be made available by LAGAN upon request in accordance with the procedures set out at Section 10, subject to LAGAN's list prices as established by LAGAN from time to time and payable within 30 days of date of invoice.

- 8.3 The Licensee shall pay LAGAN for the Services on or before the date for payment specified in the Schedule 2 (or, if unspecified, within 30 days of date of applicable invoice as relates to the Services carried out prior to the date of such invoice) plus expenses in connection with the provision of Services.

- 8.4 The Licensee shall pay LAGAN the Annual Support Fee annually in advance during the term of this Agreement on or before the date for payment specified in Schedule 2 and each anniversary thereof (or, if unspecified, within 30 days of receipt of LAGAN's invoice therefore).

- 8.5 Without prejudice to LAGAN's other rights under this Agreement, in the event that any payment is overdue, LAGAN shall be entitled to suspend provision of the Services and/or the Lagan Support Services until such time as payment is received and interest shall be chargeable on any amounts overdue at the rate of 12% per annum to run from the due date for payment until receipt by LAGAN of the full amount whether or not after judgement and without prejudice to any other right or remedy of LAGAN.

- 8.6 Except in the event of termination by the Licensee pursuant to Section 13.2, the Licensee shall have no right to any refund of the Charges or the Annual Support Fee or any other charges paid or payable under this Agreement including, without limitation, on the termination of this Agreement.

- 8.7 Any and all dates or timings for delivery of any Deliverable, Services or Lagan Support Services shall be extended by a reasonable period if any delay or stoppage is caused in whole or in part by any act or omission of the Licensee (or any third party engaged by the Licensee). Such extension shall be for the period of such delay or stoppage and the Licensee shall reimburse to LAGAN all additional costs and expenses reasonably incurred by LAGAN by reason of any delay, variation, interruption or suspension of work arising from any act or omission of the Licensee (or any third party engaged by the Licensee).

- 8.8 For the avoidance of doubt, except as expressly set out in this Agreement, the Charges do not include any third party licensing costs or services fees (including without limitation, those in relation to any integration or interfacing work (if any) undertaken by LAGAN.

- 8.9 Any on-site Services will be delivered on the dates previously agreed between the parties. LAGAN reserves the right to charge:

- (a) 100% of the Charges for such Services in the event of cancellation or postponement thereof by the Licensee by less than 14 days' notice in writing LAGAN to prior to the previously agreed date of delivery; or
- (b) 50% of the Charges for such Services in the event of cancellation or postponement thereof by the Licensee by less than 21 days' notice but not more than 14 days notice in writing to LAGAN prior to the previously agreed date of delivery

9. INTELLECTUAL PROPERTY

- 9.1 The Licensee acknowledges that all Intellectual Property Rights which subsist in or arise in connection with the Software or the Solution and/or the Documentation belong to LAGAN and/or its third party licensors and that the Licensee shall have no right therein save the right to use it as permitted by this Agreement.

- 9.2 LAGAN undertakes at its own expense to defend the Licensee, or at its option, settle any claim or action brought against the Licensee alleging that the use of the Software (or any part thereof) in accordance with the terms of this Agreement infringes the Intellectual Property Rights of a third party ("Infringement Claim") and shall pay all costs and damages awarded or agreed to in settlement of an Infringement Claim unless the Infringement Claim in question is attributable to the possession, use, development, modification or maintenance of the Software (or any part thereof) by the Licensee other than in accordance with the terms of this Agreement or use of a non-current release of the Software. To obtain this protection, the Licensee must:

- 9.2.1 notify LAGAN promptly in writing, not later than 30 days after it receives notice of the Infringement Claim, or sooner if required by applicable law;

- 9.2.2 give LAGAN sole control of the defense and any settlement negotiations; and

- 9.2.3 give LAGAN the information, authority, and assistance it needs to defend against or settle the claim.

- 9.2.4 not make any admission as to liability or compromise or agree any settlement of any Infringement Claim without the prior written consent of LAGAN.

- 9.3 If LAGAN believes that the Software or Documentation may have violated the Intellectual Property Rights of any third party, LAGAN may choose to either modify the Software or Documentation so that it ceases to be infringing, replace the Software and Documentation with non-infringing Software or obtain a license to allow for the continued use of the Software or

Documentation, or if these alternatives are not commercially reasonable, LAGAN may terminate the license for the applicable Software or Documentation and refund any License Fee the Licensee has paid for it on return of the Software and all copies thereof. LAGAN shall not indemnify the Licensee if the Licensee uses a superseded or altered release of the Software or Documentation and the Infringement Claim could have been avoided by using the current unaltered release of the Software or Documentation. This Section 9 provides the Licensee with its exclusive remedy for any infringement claims or damages.

10. CHANGE CONTROL

10.1 Either party may submit written requests for changes to the Services or the Lagan Support Services (or any part thereof) to the other party during the term of this Agreement. LAGAN shall advise the Licensee of the likely impact of any such change, including, but not limited to, any effect on the Charges and/or the Annual Support Fee and shall be entitled to charge the Licensee for the costs of evaluating any such change.

10.2 The parties shall in good faith discuss changes proposed in accordance with Section 10.1 as soon as reasonably practicable. Until such time as a change control document is agreed (not to be unreasonably withheld or delayed by either party) and signed by both parties, covering such change, including any change to the Charges, Annual Support Fee, Service and/or the Lagan Support Services both parties shall continue to perform their respective obligations set out in this Agreement as if such change had not been requested.

11. WARRANTY

11.1 LAGAN warrants that:

11.1.1 during the Warranty Period, the Software shall perform substantially in accordance with the functions described in the Documentation when operated properly in the manner specified in the Documentation; and

11.1.2 during the term of this Agreement the Services and the Lagan Support Services shall be performed with reasonable skill, care and diligence by appropriately experienced, qualified and trained personnel.

11.2 The Licensee acknowledges that it has assessed for itself the suitability of the Deliverables and the Services for its requirements. LAGAN does not warrant that the Deliverables or the Services will be suitable for such requirements nor that any use of the Deliverables will be uninterrupted or error free. The Licensee accepts responsibility for the selection of the Software to achieve its intended results.

11.3 The Licensee's sole remedy for breach of the warranties in Clause 11.1 is as appropriate:

11.3.1 to require LAGAN to repair or replace (at LAGAN's option) the defective item within a reasonable time at no charge to the Licensee provided that any such breach is notified to LAGAN during the Warranty Period; or

11.3.2 to require LAGAN to re-perform the relevant Service or Support Service within a reasonable time at no charge to the Licensee provided that any such breach is notified to LAGAN promptly.

The Licensee shall provide all information as may be reasonably necessary to assist LAGAN in resolving the defective item or service including, without limitation, sufficient information to enable LAGAN to re-create the defect and shall use all reasonable endeavours to mitigate any and all loss or damage accruing to it as a result of such breach of warranty.

11.4 The warranty in Clause 11.1.1 shall not apply if:

11.4.1 the Licensee makes or causes to be made any modifications to the Software without LAGAN's prior written consent;

11.4.2 the Software is used in an application for which it was not intended or in combination with any other software not approved by LAGAN; or

11.4.3 the Software is used other than as permitted under this Agreement.

11.5 The express terms of this Agreement are in lieu of all warranties, conditions, undertakings, terms and obligations implied by statute, common law, trade usage, course of dealing or otherwise, all of which are hereby excluded to the fullest extent permitted by law.

12. LIABILITY & INSURANCE

12.1 Nothing in this Agreement shall exclude or limit the liability of either party for death or personal injury caused by the negligence of that party, its officers, employees, agents or contractors.

12.2 Nothing in this Agreement shall exclude or limit the liability of the Licensee for any loss or damage suffered by LAGAN due to any infringement by the Licensee of the Intellectual Property Rights of LAGAN or its licensors.

12.3 Without prejudice to Clauses 12.1 and 12.2, the liability of either party arising out of or in connection with this Agreement, whether in contract, tort or otherwise, shall in no circumstances exceed a total aggregate amount equal to 100% of the Charges plus the Annual Support Fee payable to LAGAN pursuant to this Agreement in the period of 12 months considered retrospectively from the date the cause of action arose.

12.4 Without prejudice to Clauses 12.1 and 12.2, neither party shall in any circumstances be liable to the other party for loss of profits, data, goodwill, revenue or anticipated savings or any type of indirect or consequential loss, even if such loss was reasonably foreseeable or that party had been advised of the possibility of the other party incurring the same.

12.5 LAGAN shall during the term of this Agreement maintain appropriate insurance and shall upon request provide written proof of the existence and maintenance of the insurances.

13. DURATION AND TERMINATION

13.1 This Agreement shall come into effect on the date of this Agreement and, subject to Section 9.3, Sections 13.2 to 13.4 and Section 15.5, shall continue in force for the Initial Term and indefinitely thereafter until terminated by either party giving not less than 3 months' prior written notice to expire on or after the expiry date of the Initial Term and, in the event of termination by the Licensee pursuant to this Section 13.1, provided that all or any Charges and the Annual Support Fee have been paid in full prior to service of such notice.

13.2 Without prejudice to any other rights to which it may be entitled, either party may give notice in writing to the other terminating this Agreement with immediate effect if:

13.2.1 the other party commits any material breach of any of the terms of this Agreement and (if such a breach can be remedied) fails to remedy that breach within 30 days of that party being notified of the breach; or

13.2.2 an order is made or a resolution is passed for the winding up of the other party or if an order is made for the appointment of an administrator to manage the affairs, business and property of the other party, or if such an administrator is appointed or if documents are filed with the Court for the appointment of an administrator or if notice of intention to appoint an administrator is given by the other party or its directors or by a qualifying charge holder, or if a receiver is appointed of any of the other party's assets or undertaking or if circumstances arise which entitle the Court or a creditor to appoint a receiver or manager or which entitle the Court to make a winding-up order or if the other party takes or suffers any similar or analogous action in consequence of debt,

PROVIDED THAT any party exercising the right to terminate pursuant to this Clause 13.2 shall use all reasonable efforts to mitigate any and all loss or damage accruing to it pursuant to such termination.

13.3 For the avoidance of doubt, a breach of Section 15.1 is a material breach for the purposes of Section 13.2.1.

13.4 LAGAN may terminate this Agreement forthwith by notice in writing if the Licensee purports to assign its rights or obligations under this Agreement.

14. EFFECTS OF TERMINATION

14.1 Termination of this Agreement shall be without prejudice to any rights or liabilities accrued at the date of termination.

14.2 Upon termination, all rights and licenses of the Licensee under this Agreement shall terminate and the Licensee shall promptly return to LAGAN or otherwise dispose of as LAGAN may instruct all software, documentation, and other materials sent to the Licensee (other than correspondence which has passed between the parties) and any Confidential Information which the Licensee may have in its possession or under its control

15. GENERAL

15.1 **Confidentiality:** Each party shall maintain the confidentiality of the other party's Confidential Information and shall not, without the prior written consent of the other, use, disclose, copy or modify the other party's Confidential Information (or permit others to do so) other than as strictly necessary for the performance of its rights and obligations under this Agreement. The provisions of this Section 15.1 shall not apply to any information which:

15.1.1 is or comes into the public domain without breach of this Agreement; or

15.1.2 was in the possession of the receiving party prior to receipt from the disclosing party without an obligation of confidence; or

15.1.3 was obtained from a third party free to divulge such information.

15.1.4 is required to be disclosed by court order, order of a government agency or statutory requirement (including but not limited to the Texas Public Information Act).

15.3 **No Assignment or Sub-Licensing:** The Licensee may not assign, sub-license, sub-contract, mortgage or otherwise transfer or dispose of this Agreement or any of its rights or obligations under it without the prior written consent of LAGAN, such consent not to be unreasonably withheld or delayed. LAGAN shall notify the Licensee of any assignment or sub-contract of LAGAN's rights and obligations hereunder. To the extent that LAGAN sub-licenses or sub-contracts any of its rights or obligations under this Agreement, it acknowledges that it shall remain fully responsible for the proper and complete discharge of all such obligations.

15.4 **Notices:** Any notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be delivered or transmitted to the intended recipient's address as specified in this Agreement or such other address as either party may notify to the other from time to time in accordance with this Section 15.4. Any notice shall be treated as having been served on delivery if delivered by hand, 4 working days after posting if sent by pre-paid first class mail, and on completion of transmission if sent by facsimile (subject to receipt of acknowledgement of successful transmission).

15.5 **Force Majeure:** Neither party shall be liable to the other party for any delay or failure to perform its obligations under this Agreement to the extent and for so long as such delay or failure results from circumstances beyond its reasonable control (an "Event of Force Majeure") provided that it notifies the other party within 5 working days of becoming aware of such event. If any Event of Force Majeure continues for a period exceeding 3 months, either party shall have a right to terminate this Agreement on 30 days' written notice to the other party.

15.6 **Waiver:** The failure of either party to enforce or to exercise any term of this Agreement does not constitute a waiver of such term and shall in no way affect that party's right later to enforce or to exercise it.

- 15.7 Severability: The invalidity or unenforceability of any term of, or any right arising pursuant to, this Agreement shall not affect the validity or enforceability of the remaining terms or rights.
- 15.8 Entire Agreement: This Agreement contains all the terms agreed between the parties regarding its subject matter and supersedes any prior agreement, understanding or arrangement between them whether oral or in writing.
- 15.9 Survival: The terms of Sections 2, 9.1, 11, 14 and 15 shall survive expiry, variation or termination of this Agreement. Such other terms in this Agreement which, from their nature or context, it is contemplated that they are to survive expiry, variation or termination, shall remain in full force and effect notwithstanding expiry, variation or termination of this Agreement.
- 15.10 No Variation: No variation of, or amendment to, this Agreement shall bind either party unless made in writing and signed by authorized representatives of both parties.
- 15.11 Independent Contractors: The relationship of the parties is that of independent contractors dealing at arms' length and except as expressly provided in this Agreement nothing in this Agreement shall be construed so as to constitute the parties as partners, joint venturers or co-owners or empower either party to act for, bind or otherwise create or assume any obligation on behalf of the other and neither party shall hold itself out as entitled to do the same. Nothing in this Agreement shall create or be deemed to create the relationship of employer and employee.
- 15.12 Governing Law: This Agreement will be governed by and construed and interpreted in accordance with the laws of the state of Texas. Venue shall be in Bexar County, Texas.
- 15.13 Third Party Rights: Notwithstanding any other provisions of this Agreement, nothing in this Agreement confers or purports to confer any right to enforce any of its terms on any person who is not a party to it.

SCHEDULE 1

LAGAN SUPPORT SERVICES

1. Definitions & Interpretation

This Schedule applies to all orders for Lagan Support Services during the term of this Agreement. In this Schedule, the following terms shall have the following meanings:

Fault means any error, defect, malfunction or non-conformity which shall cause the Software to deviate materially from such specifications or descriptions of the operation of the Software as are set forth in the Documentation;

Lagan Support Services means the incident analysis and resolution procedures as defined in the table at Paragraph 2.3 below;

Licensee Support Services means the incident analysis and resolution procedures as defined in the table at Paragraph 2.3 below

UCF means a User Communications Form providing sufficient information to identify and describe fully the Fault. This information can be supplied electronically, or via paper communication.

2. Lagan Support Services

2.1 LAGAN shall provide the Lagan Support Services to the Licensee for all Faults which have not been resolved by the Licensee Support Services in accordance with its obligations set out in this Schedule. The Lagan Support Services offer the Licensee a support environment 24 hours per day, 7 days per week and 365 days per year. These are extended Support Hours and are beyond Lagan's standard support hours from 8.00 to 18.00 Monday to Friday; accordingly, only P1 and P2 Faults are within coverage during the extended hours and P3 and P4 Faults are specifically excluded from coverage during these extended hours (and in those latter cases, should simply be reported during standard support hours).

2.2 The Lagan Support Services are limited to the current major release and one preceding major release of the Software. In the event that the Licensee does not upgrade to a supported release before support for the installed release is withdrawn, LAGAN reserves the right to either charge an additional amount over and above the Annual Support Fee to provide Lagan Support Services for otherwise unsupported releases (such charges to be agreed at the time when support for the installed release is withdrawn); or, immediately cease providing the Lagan Support Services by notice in writing to the Licensee from any date subsequent to the date on which support for the installed release is withdrawn.

2.3 The key actions of the parties to be performed in relation to the Lagan Support Services are as follows:

Lines of Support Service:	Responsibility:	Key Actions:
Help Desk - either at license site or through a shared service facility	Licensee	<ul style="list-style-type: none"> Incident analysis and determination. Incident resolution where possible (excluding changes to the Software); otherwise, escalation to 1st Line by means of completing and forwarding a UCF to LAGAN.
1st Line - Incident Analysis & Resolution	Licensee	<ul style="list-style-type: none"> Incident resolution - Resolve the incident where possible (excluding changes to the Software) using documentation/known error database etc. Incident Analysis - rule out User Error by replication, Configuration issue etc. Determination Analysis - Determine where the issue lies i.e. Hardware, Application, Network etc. and act accordingly. Configuration Analysis - Resolve Standard configuration incidents within LAGAN configurable components. Escalation - In the event of not being able replicate/fix an issue attach relevant logs and fill out the Standard Support Template (found in the Support Procedures document) escalate to 2nd line support.
2nd Line - Incident Analysis	LAGAN	<ul style="list-style-type: none"> Priority Determination - Call back Licensee and validate Software incident and resolve the incident if possible; otherwise, agree Incident Priority Code with Licensee. Logging Activation - Activate the logging to capture Exceptions/Java Errors etc. Replication - Replication of embedded issue using all information provided from 1st Level Support in Test Suite. Component Analysis - Establish in which component the error lies and any dependencies. Defect / Wish / Enhancement - Establish if this issue is a Enhancement Request, Defect, Wish, Change or Amendment.

		and report to 3 rd Level accordingly.
3rd Line - Maintenance Service	LAGAN	<ul style="list-style-type: none"> • Validation – Validate UCF or request further information. • Schedule Fix - Schedule Fault resolution based on Priority Code. • QA - Test and implement resolution.

Licensee shall use its best endeavours to resolve all Faults by the application of the Licensee Lagan Support Services and the skills that the Licensee has been taught during the support training provided to it by LAGAN. Licensee shall ensure that appropriately trained personnel are engaged at all times in providing the Licensee Support Services described above.

2.4 Priority Code:

Priority Code:	Description:
1	Licensee's business is stopped due to a Fault that is preventing Licensee's operational use of the Software (or significant functionality within the Software).
2	Licensee's business is significantly impaired or restricted due to a Fault that, while not preventing, is severely degrading Licensee's operational use of the Software.
3	Licensee's business is impaired or restricted due to a Fault that either occurs rarely or for which a viable workaround is available.
4	Fault causing little or no impact upon the Licensee's business.

2.5 Maintenance Service:

Subject to agreement on the Priority Code of the Fault, LAGAN will use all reasonable endeavours to respond to and fix (including by means of workaround, temporary fix or emergency bypass procedures) Faults (excluding those which have been resolved by the Licensee Support Services) within the target timescales set out in the table below:

Priority Code	Target Response Time	Target Fix Time
1 (doesn't require code change)	Within 15 Minutes	Within 2 Support Hours
1 (does require code change)	Within 1 Support Hours	Within 8 Support Hours
2 (doesn't require code change)	Within 1 Support Hour	Within 6 Support Hours
2 (does require code change)	Within 2 Support Hours	Within 32 Support Hours
3 & 4	To be addressed in a future release of the Software only	To be addressed in a future release of the Software only

2.6 Service Levels:

2.6.1 The target timescales specified in Paragraph 2.5 shall commence upon either the validation by LAGAN of a UCF or receipt by LAGAN of all further information requested to validate a UCF (whichever is the later) and shall continue during the Support Hours. The timescales stipulated by these service levels will not include the time needed by the Licensee to test and implement the resolution in the Licensee's production environment and will also not include any time periods when Lagan is waiting for information from the Licensee.

2.6.2 Faults or incidents caused by data migration or data provided by third Parties will be excluded from these service levels.

2.7 Remote Incident Analysis:

In the case of a serious non-reproducible Fault, the Licensee will allow, with prior written agreement, on-line remote diagnosis. This method allows LAGAN, via secure methods (such as password control at the user site), to dial into the equipment being used to run the Software. It is the responsibility of the Licensee to ensure that the correct hardware, communications and remote control applications are in place and that such remote diagnostic service is feasible and complies with any data protection requirements or legislation.

2.8 On-Site Lagan Support Services:

The Licensee may request (subject to availability of personnel) on-site Lagan Support Services for Priority Code A Faults, which cannot be resolved in the normal manner, or for implementation support for significant UCFs. These

services shall be provided by LAGAN on a time and materials basis at LAGAN's then current hourly rate plus expenses and shall be payable by the Licensee monthly in arrears.

3. Additional Charges for Lagan Support Services

- 3.1 LAGAN may at its discretion charge the Licensee for LAGAN services on a time and materials basis at LAGAN's then current hourly rate plus expenses for the following:
- 3.1.1 If the incident reported is not related to the Software, or is caused either by an alteration to the Software performed by anyone other than LAGAN, or, by migration of the Software to an alternative operating system or platform;
- 3.1.2 for any reported incident resulting from the failure of the Licensee to use the Software consistent with its documentation;
- 3.1.3 If the incident is caused by the Licensee's failure to install an Upgrade provided by LAGAN which corrects such incident;
- 3.1.4 Installation, user acceptance testing and/or implementation of Upgrades (subject to availability of personnel); or
- 3.1.5 If the Licensee fails or delays in fulfilling any obligation on its part in this Schedule after written notification from Lagan.
- 3.2 The additional costs and expenses specified in Paragraph 3.1 above shall be payable by the Licensee monthly in arrears.

4 Licensee Obligations

- 4.1 The successful and timely performance by LAGAN of the Lagan Support Services is dependent upon the Licensee's prompt performance of the following obligations:
- 4.1.1 The Licensee agrees upon execution of this Agreement to appoint an individual known as "Licensee Support Manager" and to provide for such function to be maintained for the term of this Agreement.
- 4.1.2 The Licensee agrees that the Licensee Support Manager shall:
- be authorized to make any binding decisions for the Licensee with regard to the Lagan Support Services, including any change to the Lagan Support Services or other variation; and
 - provide LAGAN with all information concerning the Licensee's operations and activities which may be required by LAGAN for the performance of the Lagan Support Services; and
 - act as the point of contact with respect to the provision of the Lagan Support Services.
- 4.1.3 The Licensee shall ensure that the operators and managers of the Software are properly trained, operate the Software to proper standards and comply with Lagan's reasonable advice in connection with the use and operation of the Software.

5. Support Environments

1.1

5.1 Subject to clause 5.2 below, the Lagan Software can run on any:

- Operating system (such as Solaris, AIX, Linux, OS/390) which supports the specific release's required version of Java Runtime Environment (JRE)
- Web Application Server which supports the relevant J2EE standards

1.2 This is due to the Lagan Software being based on the J2EE architecture.

5.2 The Product Delivery function only tests each major release of software on the following environments:

- Oracle / Windows 2003 / Tomcat
- SQL Server / Windows 2003 / Tomcat

There are a number of important implications to this:

- Where the product is required to execute in a non-product delivery tested environment, then the testing and support of this environment (e.g. Linux and WebSphere) needs to be performed by another function, e.g. Lagan Solutions or a partner, as a project-specific activity which is outside the scope of this agreement.
- The installation documentation only relates to the environments supported by the Product Delivery function.

SCHEDULE 2
PAYMENT SCHEDULE

License Fee. Licensee shall pay LAGAN total charges of \$893,053 as a License Fee for all of the Software Deliverables shown in Schedule 3, Part A; this License Fee shall be due upon Lagan's delivery of the Software, which delivery will be made electronically by Lagan's upload of the Software to a secure password-protected FTP site for download by the Licensee. Delivery of the software shall be made as soon as practicable following the execution of this Agreement. At the time of delivery of the Software, Licensee shall sign an acceptance certificate indicating that delivery of the Software has been made. Lagan shall then invoice the Licensee; payment terms are 30 days from invoice.

Annual Support Fee. Licensee has chosen 24x7 support and requires accelerated response and fix times, all as more particularly described in Schedule 1. In consideration of the support and maintenance services set out in Schedule 1, the Licensee agrees to pay Lagan in accordance with the following schedule:

Year 1 (50% discount applied to actual)*	Year 2	Year 3	Year 4
\$93,771 (actual)	\$191,292**	\$195,118**	\$199,020**
\$187,542 (base)			

* for Year 1, Lagan will offer six months support and maintenance services free of charge to run concurrently with the six month warranty for the Software, which means that the first annual support fee has been discounted by 50%.

** these numbers are offered for demonstration purposes only and demonstrate the maximum increase in subsequent annual support fees, assuming that the maximum annual increase of 2% is imposed.

- The first Annual Support Fee is due on the "Go-Live Date" (ie, the first date that the Software is used in production by the Licensee) and the subsequent annual support fees are due on each anniversary thereof during the term of this Agreement. The warranty period mentioned above runs for the first six months following the Go-Live Date. The first Annual Support Fee is payable within 30 days of the Go-Live Date. Each subsequent annual support fee shall be paid by the anniversary date of the Go-Live Date.
- The Annual Support Fee shall be subject to annual increase by LAGAN on or after the first and each subsequent anniversary of the Go-Live Date. Such increase shall not exceed the percentage increase from year to year in the Consumer Price Index since the date of the last such increase, provided however that in no event shall the annual increase exceed 2% as demonstrated above, it being understood that the numbers listed for Years 2 through 4 above are the maximum annual support fees which may be charged in future years.
- The Initial Term for Support and Maintenance is four (4) years from the Go-Live Date (which is currently estimated to be February - March 2011). In the event that Licensee wishes to re-negotiate level 2 support or the level of response and fix times, the parties will negotiate in good faith towards a mutually acceptable amendment to these terms for Years 2, 3 and 4.
- For the avoidance of doubt, the Licensee is responsible for hardware costs, all pre-requisite software costs, and any third party costs resulting from the incumbent back office system suppliers for additional software components or services. For example, for CTI (computer telephony integration), there are likely to be some Cisco elements required and in the event that the Licensee does not already have those elements, then the Licensee will be responsible for purchasing those elements from Cisco or its authorized resellers in order for the integration with Lagan's Software to be effective. If additional software or services not currently included in Schedule 1 or Schedule 3 are required, the parties shall negotiate any such additional software or services via the change control process.

SCHEDULE 3
DELIVERABLES SCHEDULE

Notwithstanding any other provision of this Agreement and/or any correspondence between the parties, this Schedule 3 sets out the full scope of the Software to be provided pursuant to this Agreement. Any changes to the Software to be supplied pursuant to this Agreement must be agreed by both parties and processed by means of the Change Control process as set forth in Section 10 of the Agreement.

Part A - Software Deliverables

Lagan Software Module	Module description	Units (ie, Number of Licenses)	Charging Basis (ie, LicenseType)
Contact Center Agents			
ECM Workstation (EWS) Non Production	Core application for Call Center Agents or other ECM users	10	Seats
ECM Workstation (EWS) Production		26	Seats
CTI (Non Production)	Computer telephony for call center agents or ECM users	10	Seats
CTI (Production)		26	Seats
Scripting Workflow (Non Production)	Scripting-workflow for call center agents or ECM users	10	Seats
Scripting Workflow (Production)		26	Seats
Knowledge User (Non Production) 10	Knowledge for call center agents or other ECM users	10	Seats
Knowledge User (Production) 71		27	Seats
ECM Workstation (EWS) Production	Core application for Call Center Agents or other ECM users	5	Concurrent Users
CTI (Production)	Computer telephony for call center agents or ECM users	5	Concurrent Users
Scripting Workflow (Production)	Scripting-workflow for call center agents or ECM users	5	Concurrent Users
Knowledge User (Production)	Knowledge for call center agents or other ECM users	5	Concurrent Users
Multi Channel Contact Centre (Non Production)	Multi -channel call taker access for fax, text, SMS per seat/concurrent user for call center	3	Seats

Multi Channel Contact Centre (Production)		5	Seats
EWS Licensed Training Manuals 46-16= 30	Training manuals per manual only, one each per call taker, 15 manuals furnished in two training classes	30	Manuals
Mixed Media Interface (MMI)	Adapter for multi-channel management	1	Switch (for a large city)
MMI Software Component	Adapter for multi-channel management for each Call Center Agent	1	Seat
Server			
Members Portal (Production)	Production/NP council member portal for secure access to each council members district/ward information	1	Instance
Members Portal (Non-Production)		3	Instances
Application Server (Non Production)	Production/NP core application server licensed per core (production limit based on size)	3	Cores
Application Server (Production)		4	Cores
Business Intelligence Core	Business intelligence core product licensed on population size	1	System
Knowledge BI Report Pack	Knowledge reporting pack per system	1	System
BI Analyzer System (includes one designer license)	Dashboards with developer license	1	Instance
Enhanced Audit (Non Production)	Prod/NP enhanced audit capability licensed per core (production limit based on size)	3	Cores
Enhanced Audit (Production)		4	Cores
Enhanced Security v7.1+ (Non Production)	Prod/NP enhanced security capability per core (production limit based on size)	3	Cores
Enhanced Security v7.1+ (Production)		4	Cores

Lagan Voice jConnector Express (N/Prod)(Per Cisco UCCX &st	Prod/NP VoIP connector, Cisco Express configuration licensed per instance (third party)	1	Instance
Lagan Voice jConnector Express (Prod) (Per Cisco UCCX In)		1	Instance
Lagan Google Appliance Adaptor	Lagan enhanced search as discussed with Kevin Goodwin	1	System
Enterprise Integration Toolkit (Municipality Size)(Non Prod)	Prod/NP Integration toolkit, unlimited usage based on population size.	1	System
Enterprise Integration Toolkit (By Municipality Size) (Prod)		1	System
Department Back End User			
Virtual Office (VO) Non Production	Prod/NP back office departmental access to application licensed concurrent user (4:1 ratio)	10	Concurrent Users
Virtual Office (VO) Production		20	Concurrent Users
VO Licensed Training Manuals 80-8 = 72	Virtual office training manuals, one per user, 8 furnished in onsite training.	72	Manuals
Other			
Configuration Studio (Non Production)	Business process design tool licensed per seat	2	Seats
ESRI GIS Adapter	Lagan GIS adapter for ESRI, licensed 1-per system	1	System
Lagan Connected mobile		10	Mobile Devices
Lagan Self Service for 311	Lagan enhanced self service with pre-built applications	1	System
Self Service Option (Non Production)	Prod/NP citizen web based self service access to application, citizen users count unlimited, per core estimated on call volume (prod limit fixed on size)	3	Cores
Self Service Option (Production)		4	Cores
Knowledge Self Service Processor (Non Production) (Per Coe)	Prod/NP web based access to knowledge citizen users count unlimited, per core estimated on call volume (prod limit fixed on size)	3	Cores

Knowledge Self Service Processor (Production)	4	Cores
Lagan Solaris/Oracle Certification	1	NA

The Authorized User Parameters for any given Software module are determined by reference to the two columns entitled "Charging Basis" and "Units" on the above Software Deliverables table. The Charging Basis (by type) is further described below. The number contained in the Units column for any given Software module is the maximum number of Seats, Mobile Devices, Cores or Systems that the Licensee is licensed to use.

"Seat" licenses cover each unique physical device used to access the Software module, regardless of whether the device is actively accessing the Software module at any given time. Such devices include, but are not limited to desktop and laptop personal computers and clients connected via terminal servers, but specifically exclude Mobile Devices. The Seat license can be used to access the relevant Software module from machines not otherwise defined as a Mobile Device as follows: (i) any machine with access to the Software module (including machines of employees working at offsite locations, such as home workers), (ii) the machines of employees of partner organizations previously approved by Lagan, and (iii) the machines of employees of tenant organizations previously approved by Lagan in the case of an outsourcing arrangement.

"Mobile Device" licenses cover each unique physical mobile device used to access the Software module, regardless of whether the device is actively accessing the Software module at any given time. Such devices include, but are not limited to, personal digital assistants (PDAs) and Blackberries. The Mobile Device license can be used to access the relevant Software module from (i) any Mobile Device with access to the Software module (including machines of employees working at offsite locations, such as home workers), (ii) the Mobile Devices of employees of partner organizations previously approved by Lagan, and (iii) the Mobile Devices of employees of tenant organizations previously approved by Lagan in the case of an outsourcing arrangement.

"Concurrent User" licenses allow the Licensee to install the Software on any number of physical devices (in either the Seat or Mobile Device context) PROVIDED THAT no more than the number of concurrent users licensed to access the server software may do so at any one time.

"Core" licences cover each processor core on which the relevant Software module is run by the Licensee. Software modules licensed on a per Core basis may be accessed by users (including employee, agents, contractors and customers of the Licensee) and/or by other software programs. Under this licensing model, there is no limit placed upon the number of users or the number of other software programs accessing the relevant Software module.

A minimum of two Core licences are typically required for each Software module licensed using this model. The following points also apply to Core licences:

- Software run in a virtual Operating System ("OS") environment is licensed based on the number of virtual processor cores used by that virtual OS environment, rather than all the physical processor cores in the server. Fractional numbers of cores must be rounded to the nearest whole number (with a minimum of one). If the virtualization technology dynamically allocates resource, then the license requirement is based on the maximum number of processor cores that might be assigned to the virtual OS environment through this dynamic allocation. If the virtualization technology allocates resource based on physical CPUs rather than cores, then the number of processor cores will be calculated based on the number of allocated CPUs multiplied by the number of cores per physical CPU. For example, if a virtual OS is allocated a maximum of 2 CPUs on a 4-CPU, quad-core server, this requires a license for 8 cores (2 CPU's x 4 cores per CPU).

- In all cases Core licenses refers to "active" processors only and not standby processors (on standby machines). Accordingly, if an installation constitutes one or more physical servers (i.e. machines) but only one is actually active at any point in time and the remaining are acting in a supporting capacity, the licenses should only be charged for the cores in the "active" machine. If the application is load balanced across more than one server then all of the load balanced cores are considered "active" and must be licensed.

"System" or "Connected System" licenses permits the Licensee to run the Software component against a system, where a system represents something with one interface type and provides one service type (or represents one service area). A system can also represent a distinct Lagan installation.

For example, one Macfarlane Integration Solution licence permits the Licensee to integrate Lagan with one telephone system and one Knowledge BI Report pack license permits the Licensee to run Knowledge reports against a single (production and non-production) Lagan installation.

For the avoidance of doubt, where the Software is being deployed against multiple systems, such as, for example, telephone systems, then multiple licenses of the appropriate adapter(s) will be required.

Part B – Assumptions and Limitations related to Software

- Lagan will certify the following software to the Licensee's Solaris platform: Lagan ECM (case management, eForms, web services) + the ESRI Adapter. Certification does not include Knowledge (including Knowledge Self Service); the Business Intelligence Core and Analyzer and the Members Portal; these options will not be certified on the Solaris platform and must be run on their recommended platforms as specified by the relevant systems requirement document. The costs for certification have been included herein.
- The Licensee has included a technical requirement within its Request for Proposal that called for a "Response Time of the Application." The parties agree to the following Response Time of the Application: the Response Time from entering command to result shall mean that transactions complete ≤ 2 seconds on average, subject to the following conditions:
 - Where such Response Times pertain to a vanilla unconfigured system, it being understood that anything configured beyond the out-of-the-box solution is not covered. This is necessary because configurations can result in very complex forms with validation and lookups that might require significant processing and given this, Lagan cannot ensure that these configurations will respond in less than 2 seconds. Additionally, configurations with integrations to 3rd party applications could impact the overall system performance and reduce response time beyond the 2 second threshold;
 - Depend upon appropriately sized servers and workstations;
 - Exclude delays owing to those operations which involve integrations with backend systems, including webpage visits, LDAP, etc.; network time (which the Licensee will measure); poorly tuned RDBMS and loading of servers by non-Lagan components such as virus checking; and
 - Do not apply to commands related to adding, changing, deleting the Configuration and other setup actions; reports; User Login; and Batch operations such as re-indexing.
- The following describes the scope of the Lagan Google Appliance Adaptor:

Assumptions

- Lagan uses flweb as the interface to the Lagan data;
- Extensible objects are not covered;

- o Closed cases will not be exposed to the Google appliance;
- o The data is rendered via Lagan's VO (Virtual Office);
- o The Licensee must have purchased and commissioned the Google Search Appliance before development can take place;
- o The Google Search Appliance must have software versions 5.04, 5.2, and 6.0 and Google Connector manager version 2.0;
- o Lagan must have full remote access to the Google Search Appliance during development and testing; and
- o Lagan is not responsible for any software or hardware costs associated with the Google Search Appliance

Lagan has based its price for the Lagan Google Appliance Adaptor and associated development work on a level of effort that Lagan believes is commensurate with the Licensee's requirements (which have not been provided to Lagan at the time of this Agreement). If additional effort is required in this development beyond that which Lagan has reasonably estimated or if the Licensee's requirements expand beyond those now reasonably contemplated by Lagan, the parties will negotiate a mutually acceptable change order via the change control process. Lagan bases its level of effort in part on the following summary:

The Lagan Google Appliance Adaptor will call flweb to retrieve a list of all individual, organisation, street, property and open case IDs. It will then use these IDs to construct VO URLs which are then passed back to the search appliance using the metadata-and-URL feed (http://code.google.com/apis/searchappliance/documentation/connectors/200/connector_dev/cdg_intro.html#urlbyte). The search appliance then spiders and indexes all the VO URLs.

- o *Search for individuals*
 - call searchForProperty with wildcard to retrieve all property IDs
 - use these property IDs to generate VO URLs
 - VO URLs are passed to the search appliance for indexing
 - o *Search for individuals*
 - call searchForIndividual with wildcard to retrieve all individual IDs
 - use these individual IDs to generate VO URLs
 - VO URLs are passed to the search appliance for indexing
 - o *Search for streets*
 - call searchForStreet with wildcard to retrieve all street IDs
 - use these street IDs to generate VO URLs
 - VO URLs are passed to the search appliance for indexing
 - o *Search for properties*
 - call searchForProperty with wildcard to retrieve all property IDs
 - use these case IDs to generate VO URLs
 - VO URLs are passed to the search appliance for indexing
 - o *Search for case data - case header, case form, eform*
 - call searchForCases with wildcard to retrieve all open case IDs
 - use these case IDs to generate VO URLs
 - VO URLs are passed to the search appliance for indexing
- In the event that Licensee or any other governmental body declares an emergency in the San Antonio area, then Licensee shall have the right to increase its use of the Software listed in Part A by up to 25% beyond the limits listed in the "Units" column for any given software module; this increased use may continue throughout the declared emergency and for 72 hours from the time that the declared emergency ends.
 - The Licensee has opted to now take only some limited components for Mixed Media Interface ("MMI") at the time of this Agreement and has deferred much of the MMI software and services to Phase 2 of its project. Accordingly, the Licensee acknowledges that any requirements contained in Licensee's Request for Proposal relating to MMI or for that matter

to any product enhancements or functionality that relate to deliverables to be delivered in later phases of the project do not apply until such time as the related deliverable is delivered (for example, the Licensee will not expect the technical and functional requirements related to MMI to be met by the limited MMI software listed in Part A above; such requirements can only be met when all of the MMI software and services are delivered at a later stage).

**City of San Antonio Enterprise CRM Solution
Evaluation Points**

Vendor/HDQTS Location	Total Score	SBEDA	Cost	Total Points Awarded
Deloitte/NYC, NY	33.35	1.60	3.75	38.70
eVerge/Plano, TX	N/A	N/A		Disqualified
Motorola/Schaumburg, IL	N/A	N/A		Disqualified
Perficient/Austin, TX	45.66	2.00	10.50	58.16
Unisys/Blue Bell, PA	53.47	1.56	10.50	65.53

City of San Antonio
City Council – Agenda Item # 35

CRM - Customer Relationship Management Initiative

*“Setting new standards of excellence in
customer service”*



April 1, 2010

Agenda

- What is CRM?
- How CRM Will Meet The City's Service Needs
- Next Steps



2

What is CRM?

- CRM – Customer Relationship Management
 - More Than Just a Software
 - The implementation of an enterprise CRM system is a business initiative that enhances customer service. CRM focuses on improving communications, data tracking / reporting, service delivery and overall performance
 - Promotes the City's Customer Service Philosophy



3

How CRM Will Meet The City's Service Needs

- Benefits
 - Consistent Data Tracking and Reporting
 - Single Source for Data Retrieval
 - End to End Service Level Management
 - Expanded Entry Points for Internal / External Customer to Enter / Inquire or Receive Services



4

How CRM Will Meet The City's Service Needs

- Benefits
 - Expanded Communication Channels for Customers to Inquire or Receive Services
 - Collaboration Across Departments
 - Department Service Accountability



5

How CRM Will Meet The City's Service Needs

- Benefits
 - Knowledge Base Expertise
 - User Friendly System
 - "Closing the Loop" with Customers



6

How CRM Will Meet The City's Service Needs

- Benefits
 - Allows City Officials:
 - Access to customer service responses
 - Access to performance results
 - Access customized reporting by district
 - Access customized reporting City-wide



7

Progress of CRM Initiative

Enterprise Wide Business Initiative

- Phased in City Approach
 - Customer Service / 311
 - Public Works
 - Solid Waste
 - Animal Care Services



8

Progress of CRM Initiative (con't.)

- Phased Approach
 - Housing and Neighborhood Services
 - Parks and Recreation
 - Capital Improvement Management Services
 - Mayor and City Council
 - City Manager's Office



9

CRM – Next Steps

- Council Approval 04/01/10
 - Lagan Software
- Council Approval 04/29/10
 - Unisys – Integrator
- CRM – Project Kickoff 05/10



10

CRM – Customer Relationship Management Initiative

“Setting new standards of excellence in customer service”

